Table of Contents

As filed with the Securities and Exchange Commission on October 15, 2019.

Registration No. 333-233965

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

Progyny, Inc.
(Exact name of Registrant as specified in its charter)

Delaware	**7389**	**27-2220139**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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New York, New York 10016
(212) 888-3124
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

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Approximate date of commencement of proposed sale to the public:
As soon as practicable after this registration statement becomes effective.

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. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) 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. o

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. o

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. o

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 o	Accelerated filer o	Non-accelerated filer ☒	Smaller reporting company o 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. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered[1]	Proposed Maximum Offering Pricer Per Share[2]	Proposed Maximum Aggregate Offering Price[1][2]	Amount of Registration Fee
Common stock, par value $0.0001 per share	11,500,000	$16.00	$184,000,000	$23,024

(1) Includes 1,500,000 additional shares that the underwriters have the option to purchase.

(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(a) of the Securities Act of 1933, as amended. Includes the aggregate offering price of additional shares that the underwriters have the option to purchase.

(3) The registrant previously paid a registration fee of $12,120 in connection with the initial filing of this Registration Statement.

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

Table of Contents

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 nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated October 15, 2019

10,000,000 Shares

Common Stock

This is the initial public offering of shares of common stock of Progyny, Inc. We are offering 6,700,000 shares of our common stock and the selling stockholders are offering 3,300,000 shares of common stock. We will not receive any proceeds from the sale of stock by the selling stockholders.

Prior to this offering, there has been no public market for our common stock. It is currently estimated that the initial public offering price will be between $14.00 and $16.00 per share. We have applied to list our common stock on the Nasdaq Global Market under the symbol "PGNY."

We are an "emerging growth company" as defined under the federal securities laws and, as such, we have elected to comply with certain reduced reporting requirements for this prospectus and may elect to do so in future filings.

See "Risk Factors" beginning on page 21 to read about factors you should consider before buying our common stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Initial public offering price	$	$
Underwriting discount[(1)]	$	$
Proceeds, before expenses, to us	$	$
Proceeds to selling stockholders	$	$

(1) See the section titled "Underwriting" for additional information regarding compensation payable to the underwriters.

Certain selling stockholders have granted the underwriters the right to purchase up to an additional 1,500,000 shares of common stock from such selling stockholders at the initial public offering price less the underwriting discount.

The underwriters expect to deliver the shares against payment in New York, New York on or about , 2019.

J.P. Morgan **Goldman Sachs & Co. LLC** **BofA Merrill Lynch**

Citigroup

Piper Jaffray **SVB Leerink** **TPG Capital BD, LLC**

Prospectus dated , 2019.

progyny
Smarter Fertility Benefits

vision

Ensure anyone can have a child

mission

Make any member's dream of parenthood come true through a healthy, timely and supported fertility and family building journey

success

Healthy pregnancy and baby
26% higher live birth rate and 78% lower multiples rate compared to the national average means our members have healthy pregnancies and babies while our clients save on fertility treatment, medication, high-risk maternity and NICU expense.

Timely treatment journey
16% greater pregnancy success compared to the national average means faster time to pregnancy and less stress, depression and disruption to personal and professional life.

Supported member experience
Unlimited education, guidance and emotional support for members drives world-class Net Promoter Score of +71.

TABLE OF CONTENTS

	Page
PROSPECTUS SUMMARY	1
RISK FACTORS	21
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	52
MARKET, INDUSTRY AND OTHER DATA	53
USE OF PROCEEDS	54
DIVIDEND POLICY	55
CAPITALIZATION	56
DILUTION	58
SELECTED CONSOLIDATED FINANCIAL DATA	60
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	62
BUSINESS	85
MANAGEMENT	112
EXECUTIVE COMPENSATION	120
CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS	132
PRINCIPAL AND SELLING STOCKHOLDERS	135
DESCRIPTION OF CAPITAL STOCK	138
SHARES ELIGIBLE FOR FUTURE SALE	142
MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF OUR COMMON STOCK	144
UNDERWRITING (CONFLICTS OF INTEREST)	148
LEGAL MATTERS	159
EXPERTS	159
WHERE YOU CAN FIND ADDITIONAL INFORMATION	159
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS	F-1

Neither we, the selling stockholders nor any of the underwriters have authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectus prepared by us or on our behalf to which we may have referred you in connection with this offering. Neither we, the selling stockholders nor the underwriters take responsibility for, or can provide assurance as to the reliability of, any other information that others may give you. We and the selling stockholders are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our common stock.

For investors outside the United States: Neither we, the selling stockholders nor any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of our common stock and the distribution of this prospectus outside of the United States.

Through and including , 2019 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus carefully, including the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment decision. Unless the context otherwise requires, all references in this prospectus to "Progyny," the "company," "we," "our," "us" or similar terms refer to Progyny, Inc.

Overview

We envision a world where anyone who wants to have a child can do so. Our mission is to make dreams of parenthood come true through healthy, timely and supported fertility journeys. Through our differentiated approach to benefits plan design, patient education and support and active network management, our clients' employees are able to pursue the most effective treatment from the best physicians and achieve optimal outcomes.

Progyny is a leading benefits management company specializing in fertility and family building benefits solutions in the United States. Our clients include many of the nation's most prominent employers across a broad array of industries. We launched our fertility benefits solution in 2016 with our first five employer clients, and we have grown our base of clients to over 80. We currently provide coverage to approximately 1.4 million employees and their partners (known in our industry as covered lives), who we refer to as our members. We have achieved this growth by demonstrating that our purpose-built, data-driven and disruptive platform consistently delivers superior clinical outcomes in a cost-efficient manner while driving exceptional client and member satisfaction. We have retained substantially all of our clients since we launched our fertility benefits solution, and our member satisfaction over that same time period is evidenced by our most recent industry-leading Net Promoter Score, or NPS, of +71 for our fertility benefits solution and +86 for our integrated pharmacy benefits solution, Progyny Rx.

The prevalence of infertility is high, affecting one in eight couples in the United States according to the Centers for Disease Control and Prevention, or CDC, and infertility is gaining attention as individuals are more openly discussing their struggles. Despite its high prevalence and its recognition by the World Health Organization, or WHO, as a disease since 2009, access to treatment has previously been limited by poor insurance coverage in the United States. This is driven in part by the fact that the American Medical Association did not vote in support of WHO's designation until 2017. Similarly, legislators have not designated infertility as a condition meriting mandated health insurance coverage, with only approximately one-third of states in the United States mandating insurance coverage for infertility. For the states that do mandate coverage, the mandates vary greatly and often leave patients with inadequate coverage or unable to pursue care at all.

We estimate that the market for fertility treatments in the United States was approximately $6.7 billion in 2017, based on data published by the CDC regarding the number of treatment cycles and FertilityIQ's estimate of the average cost per cycle. As only 50% of individuals suffering from infertility seek treatment, we estimate the potential size of the U.S. fertility market to be at least twice as large.

Whether an employer is mandated to cover infertility, or simply chooses to do so, the coverage and benefits design options have historically been limited and have resulted in poor patient outcomes, increased costs and unintended consequences for both patients and employers. Infertility coverage offered by conventional health insurance carriers today generally falls short in a number of important ways, including that it typically: (1) is structured as a limited lifetime dollar maximum benefit, which is often depleted by the patient before they have achieved a successful pregnancy; (2) includes rules that limit access to treatment options, leading to poor outcomes; (3) does not provide adequate education, guidance or support for patients struggling with the rigors of the fertility journey, leading to poor

treatment choices; and (4) limits patient access to many of the nation's top reproductive endocrinologists because these fertility specialists do not broadly participate in conventional health insurance carrier networks.

We are redefining fertility and family building benefits, proving that a comprehensive fertility solution can simultaneously benefit employers, patients and physicians. We believe the differentiated value proposition we deliver to all of these constituents is key to our success and growth. We enable our members to pursue effective and cost-efficient fertility treatments and support them throughout the entire fertility journey. It starts with our unique approach to benefits plan design—the Smart Cycle—which ensures that all member populations, regardless of their chosen path to parenthood, have comprehensive and equitable coverage. Smart Cycles are our proprietary treatment bundles designed by us to include the medical services required for a member's full course of treatment, including all necessary diagnostic testing and access to the latest technology. We offer a number of different Smart Cycle treatment bundles, which may be used in various combinations depending on the member's need. In conjunction with the Smart Cycle plan design, each of our members has a dedicated Patient Care Advocate, or PCA, who has fertility expertise and provides end-to-end concierge support, including logistical support, clinical guidance and emotional support. Additionally, all Progyny members have access to our selective network of high-quality fertility specialists who we equip with a benefits design that enables them to pursue the best treatment pathways.

In addition to our fertility benefits solution, we offer an integrated pharmacy benefits solution, Progyny Rx, which can be added by our clients. Progyny Rx provides our members with access to the medications needed during their fertility treatment. Our Progyny Rx solution creates an efficient pharmacy solution for our members and their provider clinics by reducing dispensing and delivery times to our members, eliminating the risk of a missed treatment cycle and mitigating their administrative burden. As our members receive more effective treatment and differentiated support throughout their fertility journeys, our clients gain more value from their fertility benefits expenditures through an increase in healthier, timelier pregnancies as well as an ultimate reduction in both fertility treatment costs and maternity and neonatal intensive care unit, or NICU, expenses, all while supporting a more present and productive employee base.

We have demonstrated our ability to drive better outcomes for our clients, members and provider clinics across multiple metrics as summarized in the table below. Provider clinics within our network produce outcomes that surpass their own reported practice averages when treating Progyny members because of our differentiated solution. As displayed in the chart below, Progyny's single embryo transfer rate, pregnancy rate per IVF transfer, miscarriage rate, live birth rate and IVF multiples rate are all better than national averages.

Outcome	National Averages for All Provider Clinics	Progyny In-Network Provider Clinic Averages for All Patients	Progyny In-Network Provider Clinic Averages for Progyny Members Only[4]
Single embryo transfer rate[1]	49.5%	53.1%	89.0%
Pregnancy rate per IVF transfer[2]	52.5%	54.6%	60.7%
Miscarriage rate[2]	18.5%	18.2%	10.2%
Live birth rate[3]	43.3%	45.3%	54.5%
IVF multiples rate[3]	16.1%	15.4%	3.6%

(1) Calculated based on the Society for Assisted Reproductive Technology, or SART, 2017 National Summary Report, published in 2019.

(2) Calculated based on CDC, 2016 National Summary and Clinic Data Sets, published in 2018.

(3) Calculated based on CDC, 2017 National Summary and Clinic Data Sets, published in 2019.

(4) Calculated based on the 12-month period ended December 31, 2018.

We have experienced significant growth since the launch of our fertility benefits solution. Our growth strategy is to increase the number of clients we serve, expand the services our current clients utilize and increase the breadth of our offering with new services. We believe we are well positioned for growth as our current base of 1.4 million members represents only 2% of what we believe to be our total addressable market. In addition, we believe we can continue to increase our business with our existing clients as they expand their employee bases and adopt more of our services over time. As evidence of our success to date, we have retained substantially all of our clients since we began offering our fertility benefits solution, and in many cases, these clients have expanded their use of our offerings.

Our revenue was $48.6 million and $105.4 million for the years ended December 31, 2017 and 2018, respectively, representing year-over-year growth of 117%. Our revenue was $48.4 million and $103.4 million for the six months ended June 30, 2018 and 2019, respectively, representing period-over-period growth of 113%. Our net loss from continuing operations was $(12.5) million and $(5.1) million for the years ended December 31, 2017 and 2018, respectively. Our net (loss) income from continuing operations was $(2.4) million and $4.0 million for the six months ended June 30, 2018 and 2019, respectively. Our Adjusted EBITDA was $(7.9) million and $1.4 million for the years ended December 31, 2017 and 2018, respectively. Our Adjusted EBITDA was $0.3 million and $8.9 million for the six months ended June 30, 2018 and 2019, respectively. See the section titled "—Summary Consolidated Financial Data—Non-GAAP Financial Measure—Adjusted EBITDA" below for the definition of Adjusted EBITDA as well as a reconciliation of Adjusted EBITDA to net (loss) income from continuing operations. Our fertility benefits solution represented 100% and 95% of our total revenue for the years ended December 31, 2017 and 2018, respectively, and 94% and 83% of total revenue for the six months ended June 30, 2018 and 2019, respectively. Progyny Rx, which went live in 2018, represented 5% of our total revenue for the year ended December 31, 2018 and 6% and 17% of total revenue for the six months ended June 30, 2018 and 2019, respectively.

Industry Challenges

Employers are faced with three major challenges relating to providing fertility benefits to their employee bases:

Lack of Effective Fertility Benefits Solutions

The conventional fertility benefits options available to employers have been designed to control the utilization of services (and expenditures) by employees rather than to optimize outcomes. As such, their plan designs have included restrictive features, such as lifetime dollar maximums, mandated step therapy protocols and limited or no coverage for advanced diagnostics and procedures. In addition, these plan designs have failed to provide access to premier fertility specialists, robust patient support and the ability to dispense fertility medication in a timely manner. Given the evolution of fertility science, such conventional plans have not kept pace and have generated suboptimal clinical outcomes, as well as greater upfront treatment costs and maternity and NICU expenses. This in turn leads to inefficient utilization of employers' expenditures on their fertility benefits programs. Suboptimal outcomes also cause employers to bear the costs and the negative impact related to decreased employee productivity and retention, as well as increased employee absenteeism, stress and depression related to infertility. Furthermore, the restrictive plan designs, limited lifetime dollar maximums and significant administrative burdens of conventional fertility programs have deterred many of the nation's top fertility specialists from broadly participating in conventional health insurance carriers' networks. As a result, patients may not have access to premier specialists who have the highest success rates.

Conventional benefits programs also lack any meaningful care coordination, education or patient support. Patients and their dependents have no help in understanding the complex choices they are faced with and discerning between treatment alternatives, or in managing the emotional strain of infertility.

Additionally, conventional pharmacy delivery infrastructure is not designed to address the uniqueness of fertility treatment, which requires highly coordinated and timely delivery of medication. Conventional benefits managers require extensive and multiple authorizations and have inconsistent approval processes, which can complicate and delay the provision of medications that are essential to fertility treatment. If medications are not received on time, patients may have to wait a month or longer to commence another round of fertility treatment, wasting valuable time and money. Additionally, fertility medications are often self-administered injectable drugs, and the effectiveness of a patient's treatment may be compromised by improper storage and/or incorrect administration of their medications if the patient is not provided access to education and support.

Costs Associated with Multiple Births and Poor Fertility Treatment Outcomes

Regardless of whether an employer chooses to cover fertility treatments, employers end up bearing the significant medical costs associated with unanticipated multiple births and miscarriages, as well as the associated impacts on the workplace:

- The high number of multiple embryo transfers that conventionally occurs during IVF leads to a significant number of multiple births, which in turn is a primary cause of dangerous and expensive preterm births, with extensive maternity and NICU costs.
- The relatively higher miscarriage rate associated with IVF treatment also results in significant additional medical costs for employers and their employees.
- Employers bear additional costs of increased employee absenteeism at the workplace, which is common with instances of multiple births and can result from the emotional and physical strain of miscarriages.

Employers may not be fully aware of the causal effect and ultimate impact of suboptimal fertility care under the current solutions offered by the conventional benefits programs since these programs do not collect outcomes data from their fertility specialists and therefore cannot accurately report on their program's performance in a timely manner.

Ability to Attract and Retain Talent

Employers are facing increasing competition to attract and retain talent as the labor market is at historically low unemployment levels. In a 2015 survey conducted by Reproductive Medicine Associates of New Jersey, 68% of respondents indicated that they were willing to change jobs to ensure fertility coverage. Among those respondents who have needed fertility treatment, 90% indicated a willingness to change jobs to ensure fertility coverage. As a result, employers are enhancing their value proposition to employees by evaluating and providing benefits that are most in demand. Family building solutions are an increasing area of focus for employees, and in turn, employers.

Our Solutions

We are redefining effective fertility and family building benefits through our purpose-built, data-driven and disruptive platform. Our innovative and comprehensive fertility solution has proven to be simultaneously beneficial for our clients, our members and our network of fertility specialists. Through our differentiated approach to benefits plan design, patient education and support and active network management, our clients' employees are able to pursue the most effective treatment from the best fertility specialists and achieve optimal outcomes in a cost-efficient manner, while our clients achieve savings in upfront treatment costs as well as reduced maternity and NICU expenses.

Fertility Benefits Solution

Differentiated Benefits Plan Design

The innovative Smart Cycle is our easy-to-understand fertility benefits design. Our Smart Cycle plan design allows members equitable access to the treatment they need and is designed to drive

superior outcomes and reduce both upfront treatment and subsequent costs. Everything needed for a comprehensive fertility treatment is contained within a Smart Cycle treatment bundle, including all necessary diagnostic testing and access to the latest technology (e.g., in the case of IVF treatment, preimplantation genetic testing). The Smart Cycle structure allows our members, together with the advice of their fertility specialists and the support of their PCAs, to select the Smart Cycle treatment bundles that align with their unique treatment needs and their intended family building pathway, without having to follow the "one size fits all" protocols common to conventional health insurance carriers, and without the worry that their desired treatment approach will not be authorized or covered throughout the full treatment cycle.

Personalized Concierge-Style Member Support Services

Our fertility benefits solution provides members with access to significant support services that are crucial to the success of the fertility and family building journey. Before the fertility treatment process begins, and throughout every step of the fertility journey, we deliver high-touch member support services through a dedicated PCA. Our PCAs have deep fertility expertise and provide extensive clinical education, guidance and emotional support to our members. Additionally, we have an in-house clinical staff, comprised of professionals with substantial expertise in reproductive endocrinology, fertility nursing, clinical psychology and social work that design our PCA training curriculum and direct our comprehensive member experience. Our member portal, accessible via any desktop or mobile device, further supports the member experience by providing key educational resources and easy-to-access benefits information to our members. We believe our platform provides our members with best-in-class support services to help them navigate their fertility and family building journeys.

Selective Network of High-Quality Fertility Specialists

We have utilized our deep industry knowledge and the insights derived from our data analytics platform to establish and actively manage a national network of the leading fertility specialists in the country. Our members receive access to our selective Center of Excellence network of high-quality providers that includes nearly 800 fertility specialists who practice at nearly 600 provider clinic locations throughout the United States. Our network includes 22 of the top 25 fertility practice groups by volume in the United States according to 2017 CDC data, which was published in 2019 and is the most recent data available. Our fertility specialist network is unique in that approximately 30% of our provider clinics do not broadly participate in conventional health insurance carrier networks, meaning they contract with us and no more than one other health insurance carrier. Our national network serves members in virtually every state (two states have no practicing reproductive endocrinologists), providing extensive geographic coverage to our national employers.

Progyny Rx, an Integrated Pharmacy Benefits Solution

Progyny Rx is our integrated pharmacy benefits solution that can be added by clients that utilize our fertility benefits solution. This solution provides our members with access to the medications needed during their treatment. As part of this solution, we provide care management services, which include our formulary plan design, simplified authorization, assistance with prescription fulfillment and timely delivery of the medications by our network of specialty pharmacies, as well as medication administration training, pharmacy support services and continuing PCA support. Progyny Rx reduces dispensing and delivery time to two days to eliminate the risk of missed treatment cycles. We provide phone-based, clinical education and support seven days a week to ensure that our members understand any necessary medication storage requirements and administration techniques, including injection training. To further support those members that require additional education, we also offer a library of on-demand videos. Given the importance of the timely use of medication to the success of fertility treatments, and the complexity involved in administering the medications, we believe Progyny Rx provides a differentiated and effective pharmacy solution for our clients and their employees.

Surrogacy and Adoption Reimbursement Program

In addition, for clients who select the service, we manage the reimbursement of surrogacy and adoption expenses for clients and their employees. For these programs, employers designate a specific dollar amount toward surrogacy and/or adoption services, and we work with our clients to determine which expenses related to adoption and/or surrogacy will be covered under their plan, thereby alleviating their administrative burden.

Robust Platform Support Capabilities

- *Robust Data Collection Process.* We believe that we are the only fertility and family building benefits company to collect data in a timely manner directly from providers on adherence to treatment protocols and clinical outcomes. This data is used to understand the utilization of our benefits, our provider clinics' adherence to best practices and the outcomes produced by each clinic and across our network. This data informs decisions across our platform, from services covered to our fertility network standards.

- *Prestigious Medical Advisory Board.* Our Medical Advisory Board, comprised of nationally recognized fertility specialists, is responsible for oversight of key clinical issues, including evaluating new fertility treatment diagnostics and procedures to ensure that our benefits design and overall program is comprehensive and is designed to drive to the best outcomes.

- *Full Service Client Account Management.* We provide a dedicated account management team to each of our clients to support their day-to-day needs, resolve issues as they arise and to assist them in the review of the detailed quarterly and annual reporting that we provide.

- *Ease of Integration for Our Clients.* We believe our ability to integrate our benefits solutions with all of the large national health insurance carriers is a differentiating factor within the industry.

Our Value Proposition

We believe that our competitive success is a function of our ability to concurrently: (1) provide tangible financial value to our clients; (2) deliver a better and more supported fertility journey to our members; and (3) provide value to, and work collaboratively with, the nation's finest fertility specialists.

We Provide Measurable Value to Our Employer Clients

- *Substantial and Measurable Financial Value.* Our superior clinical outcomes drive savings in both upfront fertility treatment costs (due to our higher live birth rates) as well as subsequent maternity and NICU expenses for our clients (due to our lower multiples birth rates).

- *Progyny Rx Savings.* Progyny Rx delivers unit cost savings of between 10% and 20% to our clients, and additional cost savings of approximately 8% through our cost containment program based on a reduction in unnecessary quantities dispensed.

- *Employee Productivity and Retention.* Our solution addresses employee absenteeism, poor productivity and the lack of employee retention driven by the stress of suffering from infertility (and undergoing fertility treatment) as well as the back-to-work issues related to multiple births.

- *Appeal to Existing and Prospective Employees.* Better fertility benefits programs can be a key component of enhancing a company's overall benefits and an important tool in its recruiting efforts and in helping retain key talent.

We Provide Meaningful Value to Our Members

- *Superior Clinical Outcomes.* Our members experience healthier pregnancies and superior rates of pregnancy and live births, as well as reduced rates of miscarriage and multiple births, saving valuable time and money and limiting personal and professional disruption.

- *Comprehensive Coverage.* Our Smart Cycle design ensures that members always have coverage for a full treatment cycle as their access to treatment is not limited by a dollar maximum that could be exhausted mid-treatment. Additionally, members have access to the latest technologies and procedures, which are reviewed and approved by our Medical Advisory Board.

- *Access for All Members and Dependents.* Our Smart Cycles are available to be utilized across all employee groups, including populations not typically covered, such as LGBTQ+ individuals and single mothers by choice.

- *Equitable Access to Care.* Our Smart Cycle design ensures members receive fair and balanced access to care that is not dependent on where members live, how expensive a fertility specialist is or which specific treatments are required.

- *High-Touch Concierge Member Experience.* We provide our members with high-touch, end-to-end concierge support, including logistical assistance, clinical guidance and emotional support, through our PCAs and our in-house clinical staff.

- *Access to Selective, Premier Fertility Specialist Network.* Our solution provides members access to the nation's most desired fertility providers, including nearly 800 fertility specialists who practice at nearly 600 provider clinic locations throughout the United States. Our network includes 22 of the top 25 fertility practice groups by volume in the United States according to 2017 CDC data. In addition, approximately 30% of our provider clinics do not broadly participate in conventional health insurance carrier networks.

- *Integrated Pharmacy Benefits Solution.* Progyny Rx provides members with a simplified authorization process, timely medication delivery and member support from pharmacy clinicians seven days a week.

We Provide Meaningful Value to Our Fertility Specialists

- *Members Supported With a Comprehensive Benefit.* Our solutions allow our members to arrive at their fertility specialist with a fully-covered course of treatment and the flexibility to utilize the latest approved technologies and best practices via our comprehensive Smart Cycle benefits plan design. These members are also educated on the use of best practices and are supported by PCAs along their fertility journey.

- *Eliminate Step Therapy Protocols.* Our network of fertility specialists have access to the latest science and technologies through our innovative Smart Cycles, which free our fertility specialists from having to follow the ineffective protocols common to conventional coverage and allow them to pursue the most effective treatments first, thereby saving time and money.

- *Simplified Administration.* Once a Smart Cycle treatment is authorized, fertility specialists within our network are able to prescribe the optimal treatment plan without any need for pre-certification or pre-authorization.

- *Superior Clinical Outcomes.* Outcomes for Progyny members across our fertility specialist network are superior to the average outcomes that these same provider clinics report to the CDC for all of their patients. For example, the in-network average live birth rate for Progyny

members is 54.5%, as compared to the 45.3% average live birth rate for all of the patients at those same clinics.

- *Eliminating Financial Risk Associated With Collections.* We assume full responsibility for the collection of all members' deductibles and coinsurance, thereby eliminating the burden and cost of collection (and bad debt expense) for member payments that our provider clinics otherwise would experience.

- *Data Sharing and Reporting.* We produce clinic scorecards quarterly with key performance indicators that allow fertility specialists to compare their results with peer averages.

- *Higher Volumes and Improved Financial Performance.* Fertility specialists in our network often experience an increase in patient volume, and because of our comprehensive benefits design, an increase in the number of patients who progress from consultation to treatment.

Our Competitive Strengths

Market Leadership

We are a leading benefits management company specializing in fertility and family building benefits solutions in the United States, with a client base of over 80 self-insured employer clients representing 1.4 million members. We drive superior clinical outcomes for our members including higher pregnancy success rates, lower miscarriage rates, fewer multiple births and a higher live birth rate.

Differentiated Model Drives Superior Clinical Outcomes at Reduced Overall Cost

In contrast to conventional fee-for-service coverage, which is designed to simply contain utilization, our case management-driven benefits model is comprehensive, does not exhaust coverage mid-treatment cycle, includes access to the latest technologies and best clinical practices and drives superior outcomes. This is a cost-efficient model, allowing employers to provide more robust coverage with lower overall expenditures.

Our clients also avoid some of the indirect costs of infertility such as employee absenteeism and loss of productivity caused by stress and depression, as well as lack of employee retention caused by multiple births.

Superior Member Experience

- *Concierge Member Support.* We provide our members with concierge support through our PCAs who are unique to our platform and a valuable resource to our members. PCAs provide meaningful education, clinical guidance and emotional support for our members and are available throughout the member's fertility and family building journey.

- *Tailored Member Experience.* Our member experience is tailored to meet the unique needs of our clients' employees, and the PCAs have expertise in fertility treatment issues uniquely affecting LGBTQ+ individuals, single mothers by choice and individuals looking to pursue surrogacy or adoption.

- *Online Member Portal.* Our solution includes an easy-to-use interface and significant educational resources and support tools.

Selective, Premier Fertility Specialist Network

We have built a network of the nation's most desired fertility providers. Our fertility specialists are thought leaders in the treatment of fertility and are driving differentiated outcomes for our members. Because of the unique Progyny benefits design, our fertility specialists can utilize the most effective treatment for members the first time, without the restrictions of conventional benefits programs. Our network includes 22 of the top 25 fertility practice groups by volume in the United States according to 2017 CDC data. Our differentiated approach to fertility benefits design and its alignment with our fertility specialists' primary objective of delivering the best possible outcomes is evidenced by the fact that approximately 30% of our provider clinics do not broadly contract with conventional health insurance carriers.

Value-Added Integrated Pharmacy Program

Fertility medication is expensive, complicated, time sensitive and critical to the success of treatment. We more effectively manage the complex fertility medication process:

- *Single Authorization Mechanism for Treatment and Medication.* Our single authorization mechanism includes both fertility treatments and the related prescription drugs, with guaranteed timely delivery and extensive seven days a week clinical support around drug storage and administration.

- *Meaningful Cost Savings.* We generate significant unit cost savings for our clients through our negotiated formulary rates.

- *Innovative Cost Containment Program.* This program enables our clients and members to save additional costs through the reduction in overprescribing that is typical of conventional fertility pharmacy management.

Purpose-Built, Data-Driven and Disruptive Platform

The outcomes data we collect and analyze provides insights across our business, including the creation and management of our plan design and clinical protocols to ensure the efficiency of employer expenditures. We also manage our fertility specialist network and ensure adherence to Progyny practice standards based on this data to ensure that fertility specialists are driving improved clinical outcomes and member satisfaction.

A key differentiator of our solution is our in-depth client reporting. We believe we are the only benefits manager that tracks fertility outcomes from medical record data on a timely basis, and we believe this unique data reporting to be important for our employer clients to understand why Progyny offers a superior solution.

Highly Scalable Platform

Since launching our benefits solution, we have more than doubled our client base every year without any dilution to or decrease in the level and quality of services. Once we begin providing services to a client, we believe it is difficult for our clients to replicate our outcomes with another solution. In addition, we have been able to add new solutions and technologies to our offering while sustaining this growth and believe our platform is capable of continuing to rapidly adopt more clients without meaningful infrastructure enhancements.

Deeply Experienced Management Team with Strong Culture

Our management team has extensive operational experience and background in healthcare, technology and services. Additionally, our sales, support and development teams have significant healthcare, technology and benefits experience and are a key competitive advantage to our success. Given the complexity of the highly regulated industry we operate in, we believe our management's industry experience is also a meaningful differentiator for us. Their demonstrated track record of success in running public companies and scaling growth organizations will allow us to continue to be leaders in our industry. A large part of our continued success is driven by our unique culture and the dedication and commitment of our Progyny team.

Our Growth Strategy

Expand Our Client Base

We intend to continue increasing our client base of self-insured employers throughout the United States by leveraging our experienced salesforce and strong relationships with benefits consultants. We believe we have an addressable market of approximately 8,000 potential self-insured employer clients in the United States and, with our current base of over 80 clients, are still in the early stages of our growth trajectory. As we have continued to grow, we have meaningfully diversified our client base across an array of different industries. We are expanding our client base within each industry that we serve, and have an industry-specific strategy, which enables us to most effectively target our addressable market. Additionally, we believe that our expanding presence has resulted in a heightened awareness of fertility benefits and has informed the market of the value we provide to our employer clients and our members, which we believe also helps facilitate growth.

Capitalize on Embedded Growth Potential within Our Existing Client Base

We believe we are positioned to realize organic revenue growth as our clients and their respective employee bases grow and utilize more fertility treatment services as a result. We believe this is supported by trends that we have witnessed within our existing client base, where we have historically realized similar utilization trends of fertility services for new members compared with existing members on a same client basis.

Expansion of Progyny Benefits Solutions within Our Existing Client Base

We believe we will continue to see growth from existing clients that add incremental services to their fertility benefits program, such as electing to cover egg freezing, increasing the number of Smart Cycles, or purchasing our add-on Progyny Rx solution. We introduced Progyny Rx in the third quarter of 2017 and went live with a select number of clients in January 2018. Currently, 60% of our clients are utilizing this solution, including 68% of the clients that went live in 2019.

New Services and Addressable Markets to Enhance the Depth and Breadth of Our Comprehensive Fertility Offering

We are continuously evaluating the latest evolving trends to find ways we can better serve the needs of existing and new potential clients and their employees. We believe the combination of our Medical Advisory Board and our selective network of high-quality fertility specialists, as well as the data we collect and analyze, provides us with differentiated insights into fertility care delivery and support. In addition, we believe we have positive and collaborative relationships with our clients that offer us additional insights into their needs. To date, we have identified several ways we believe we can potentially expand our offering and expand our client base in the future, including vertically integrating

services we currently outsource, and pursuing adjacent growth opportunities such as adding programs for high-risk pregnancy management, neonatal care management, mental health and return-to-work programs. We will continue to evaluate opportunities as our platform continues to expand.

Recent Developments (Preliminary and Unaudited)

Set forth below are preliminary estimates of unaudited selected financial and other data for the nine months ended September 30, 2019 and actual unaudited financial and other data for the nine months ended September 30, 2018. Our unaudited interim consolidated financial statements for the nine months ended September 30, 2019 are not yet available. The following information reflects our preliminary estimates based on currently available information, is not a comprehensive statement of our financial results and is subject to change.

We have provided ranges, rather than specific amounts, for the preliminary estimates of the unaudited financial and other data described below primarily because our financial closing procedures for the nine months ended September 30, 2019 are not yet complete and, as a result, our final results upon completion of our closing procedures may vary from the preliminary estimates. These estimates should not be viewed as a substitute for our full interim or annual financial statements prepared in accordance with generally accepted accounting principles in the United States, or GAAP. Further, our preliminary estimated results are not necessarily indicative of the results to be expected for the remainder of the year or any future period. See the sections titled "Risk Factors," "Special Note Regarding Forward-Looking Statements," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information regarding factors that could result in differences between the preliminary estimated ranges of certain of our unaudited financial and other data presented below and the actual financial and other data we will report for the nine months ended September 30, 2019.

The preliminary estimates for the nine months ended September 30, 2019 presented below have been prepared by, and are the responsibility of, management. Ernst & Young LLP, our independent registered public accounting firm, has not audited, reviewed, compiled or performed any procedures with respect to such preliminary data nor has Ernst & Young LLP audited, reviewed or compiled the financial data for the comparative nine-month period ended September 30, 2018. Accordingly, Ernst & Young LLP does not express an opinion or any other form of assurance with respect thereto.

	Nine Months Ended September 30,		
		2019 Estimated	
	2018 Actual	Low	High
	(unaudited) (dollars in thousands)		
Revenue	$ 76,213	$ 163,665	$ 164,165
(Loss) income from operations	(2,749)	8,203	8,403
Net (loss) income from continuing operations	$ (3,539)	$ 5,557	$ 5,757
Non-GAAP Financial Data:			
Adjusted EBITDA[(1)]	$ 950	$ 14,129	$ 14,329

(1) See the section titled "—Non-GAAP Financial Measure—Adjusted EBITDA" for the definition of Adjusted EBITDA and additional information. A reconciliation of Adjusted EBITDA to net (loss) income from continuing operations, the most directly comparable financial measure stated in accordance with GAAP for each of the periods presented is included below.

The expected increase in revenue for the nine months ended September 30, 2019 as compared to the nine months ended September 30, 2018 is primarily due to higher revenue from our fertility benefits solution as a result of an increase in the number of clients as well as an increase in sales of our Progyny Rx solution.

The expected improvement in income from operations for the nine months ended September 30, 2019 as compared to the nine months ended September 30, 2018 is primarily due to an increase in revenue and gross profit partially offset by increases in personnel costs, including stock-based compensation expense due to headcount growth, as well as commissions to support our growth in revenue.

The expected net income from continuing operations for the nine months ended September 30, 2019 as compared to the net loss from continuing operations for the nine months ended September 30, 2018 is primarily due to the increase in income from operations.

The following table provides a reconciliation of Adjusted EBITDA to net (loss) income from continuing operations, the most directly comparable financial measure stated in accordance with GAAP for each of the periods presented:

	Nine Months Ended September 30,		
		2019 Estimated	
	2018 Actual	Low	High
		(unaudited)	
		(in thousands)	
Net (loss) income from continuing operations	$ (3,539)	$ 5,557	$ 5,757
Add:			
Depreciation and amortization	1,395	1,594	1,594
Stock-based compensation	2,304	3,209	3,209
Interest expense, net	459	195	195
Convertible preferred stock warrant valuation	1,561	2,362	2,362
Provision (benefit) for income taxes	(1,230)	89	89
Legal fees associated with a vendor arbitration	—	973	973
IPO costs	—	150	150
Adjusted EBITDA	$ 950	$ 14,129	$ 14,329

Risk Factors Summary

Investing in our common stock involves substantial risk. The risks described in the section titled "Risk Factors" immediately following this summary may cause us to not realize the full benefits of our strengths or may cause us to be unable to successfully execute all or part of our strategy. Some of the more significant challenges include the following:

- The fertility market in which we participate is competitive, and if we do not continue to compete effectively, our results of operations could be harmed.
- We have a history of operating losses and may not sustain profitability in the future.
- We have a limited operating history with our current platform of solutions, which makes it difficult to predict our future results of operations.
- If we are unable to attract new clients, our business, financial condition and results of operations would be adversely affected.

- Our business depends on our ability to retain our existing clients and increase the adoption of our services within our client base. Any failure to do so would harm our business, financial condition and results of operations.
- Our largest clients account for a significant portion of our revenue and a significant number of our clients are in the technology industry. The loss of one or more of these clients or changes within the technology industry could negatively impact our business, financial condition and results of operations.
- Changes in the health insurance market could harm our business, financial condition and results of operations.
- The health benefits industry may be subject to negative publicity, which could adversely affect our business, financial condition and results of operations.
- If our computer systems, or those of our provider clinics, specialty pharmacies or other downstream vendors, lag, fail or suffer security breaches, we may incur a material disruption of our services, which could materially impact our business and the results of operations.
- Our business depends on our ability to maintain our Center of Excellence network of high-quality fertility specialists and other healthcare providers. If we are unable to do so, our future growth would be limited and our business, financial condition and results of operations would be harmed.
- We operate in a highly regulated industry and must comply with a significant number of complex and evolving requirements.
- The healthcare regulatory and political framework is uncertain and evolving. Recent and future developments in the healthcare industry could have an adverse impact on our business, financial condition and results of operations.
- In connection with our preparation of our annual financial statements for the year ended December 31, 2018, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting. Any failure to maintain effective internal control over financial reporting could harm us.

Corporate Information

We were incorporated in Delaware in 2008 under the name Auxogen Bioscience, Inc. In 2010, we changed our name to Auxogyn, Inc., and in 2015 we changed our name to Progyny, Inc. Our principal executive offices are located at 245 5th Avenue, New York, New York 10016, and our telephone number is (212) 888-3124. Our website address is *www.progyny.com*. Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

"Progyny®" and our other registered and common law trade names, trademarks and service marks are the property of Progyny, Inc. Other trade names, trademarks and service marks used in this prospectus are the property of their respective owners. Solely for convenience, the trademarks and trade names in this prospectus may be referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert their rights thereto.

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. We may take advantage of certain exemptions from various public company reporting requirements, including not being required to have our internal control over financial reporting audited by our independent registered public accounting firm under Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and any golden parachute payments. We may take advantage of these exemptions for up to five years or until we are no longer an emerging growth company, whichever is earlier. In addition, the JOBS Act provides that an "emerging growth company" can delay adopting new or revised accounting standards until those standards apply to private companies. We have elected to take advantage of certain of the reduced disclosure obligations in the registration statement of which this prospectus is a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide to our stockholders may be different than you might receive from other public reporting companies in which you hold equity interests.

The Offering

Common stock offered by us	6,700,000 shares
Common stock offered by the selling stockholders	3,300,000 shares
Common stock to be outstanding after this offering	82,174,794 shares
Option to purchase additional shares of common stock offered by certain selling stockholders	1,500,000 shares
Use of proceeds	We estimate that our net proceeds from the sale of our common stock that we are offering will be approximately $91.0 million, assuming an initial public offering price of $15.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The principal purposes of this offering are to create a public market for our common stock, facilitate our future access to the capital markets and increase our capitalization and financial flexibility. As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds to us from this offering. However, we currently intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. We may also use a portion of the net proceeds to acquire complementary businesses, services or technologies. However, we do not have agreements or commitments to enter into any acquisitions at this time. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders. See the section titled "Use of Proceeds" for additional information.
Conflicts of Interest	An affiliate of TPG Capital BD, LLC, an underwriter in this offering, owns more than 10% of our outstanding common stock. Accordingly, TPG Capital BD, LLC is deemed to have a "conflict of interest" within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, Inc., or FINRA, and this offering will be conducted in accordance with the applicable provisions of FINRA Rule 5121. See "Underwriting (Conflicts of Interest)—Conflicts of Interest."
Risk factors	You should carefully read the "Risk Factors" beginning on page 21 and other information included in this prospectus for a discussion of facts that you should consider before deciding to invest in shares of our common stock.
Proposed trading symbol	"PGNY"

The number of shares of common stock that will be outstanding after this offering is based on 75,474,794 shares of common stock outstanding as of September 30, 2019, and excludes:

- 17,409,666 shares of common stock issuable on the exercise of stock options outstanding as of September 30, 2019 under the 2008 Stock Plan, or 2008 Plan, and 2017 Equity Incentive Plan, or the 2017 Plan, with a weighted-average exercise price of approximately $2.12 per share (including 1,091,941 shares of common stock to be issued upon exercise of stock options by certain of the selling stockholders in connection with the sale of these shares in the offering);
- 225,611 shares of common stock issuable upon the exercise of outstanding stock options issued after September 30, 2019 pursuant to our 2017 Plan with an exercise price of $9.60 per share;
- 2,159,639 shares of common stock issuable upon the exercise of warrants outstanding as of September 30, 2019 with a weighted-average exercise price of $1.69 per share;
- 3,059,708 shares of common stock reserved for future issuance under our 2019 Equity Incentive Plan, or the 2019 Plan (which number includes the contemplated director nominee grants described under "Management—Non-Employee Director Compensation"), as well as any shares underlying options outstanding under the 2017 Plan that expire or otherwise terminate prior to exercise after the effective date of the 2019 Plan and any future increases in the number of shares of common stock reserved for issuance under our 2019 Plan; and
- 1,700,000 shares of common stock reserved for issuance under our 2019 Employee Stock Purchase Plan, or the ESPP, as well as any future increases in the number of shares of common stock reserved for future issuance under our ESPP.

In addition, unless we specifically state otherwise, the information in this prospectus assumes:

- a 1-for-4.5454 reverse stock split effected on October 14, 2019;
- the filing of our amended and restated certificate of incorporation, which will be in effect on the completion of this offering;
- the conversion of all outstanding convertible preferred stock warrants to warrants to purchase 2,019,245 shares of our common stock in connection with this offering;
- the automatic conversion of all outstanding shares of preferred stock into an aggregate of 65,428,088 shares of common stock in connection with this offering; and
- no exercise of the underwriters' option to purchase up to an additional 1,500,000 shares of common stock from certain selling stockholders in this offering.

Summary Consolidated Financial Data

The summary statement of operations data for the years ended December 31, 2017 and 2018 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. In order to provide additional historical financial information, we have included supplemental unaudited summary statement of operations data for the year ended December 31, 2016, which have been derived from our unaudited consolidated financial statements not included elsewhere in this prospectus. The summary statements of operations data for the six months ended June 30, 2018 and 2019 and the summary consolidated balance sheet data as of June 30, 2019 have been derived from our unaudited interim consolidated financial statements included elsewhere in this prospectus. The unaudited consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements, and in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly our consolidated financial position and results of operations.

You should read the consolidated financial data set forth below in conjunction with our consolidated financial statements and the accompanying notes and the information in "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this prospectus. Our interim and historical results are not necessarily indicative of the results to be expected for the full year or any other period in the future.

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
	(unaudited)			(unaudited)	
	(in thousands, except share and per share data)				
Consolidated Statements of Operations Data:					
Revenue	$ 22,106	$ 48,584	$ 105,400	$ 48,415	$ 103,365
Cost of services[1]	21,368	41,184	85,966	39,443	81,949
Gross profit	738	7,400	19,434	8,972	21,416
Operating expenses:					
Sales and marketing[1]	2,407	4,258	7,285	3,494	5,463
General and administrative[1]	12,868	14,147	15,601	7,640	10,489
Total operating expenses	15,275	18,405	22,886	11,134	15,952
(Loss) income from operations	(14,537)	(11,005)	(3,452)	(2,162)	5,464
Other expense:					
Interest expense, net	(1,065)	(740)	(497)	(432)	(166)
Convertible preferred stock warrant valuation adjustment	741	(714)	(2,944)	(643)	(1,193)
Total other expense, net	(324)	(1,454)	(3,441)	(1,075)	(1,359)
(Loss) income from continuing operations, before tax	(14,861)	(12,459)	(6,893)	(3,237)	4,105
Benefit (provision) for income taxes	3,028	3	1,777	835	(64)
Net (loss) income from continuing operations	(11,833)	$ (12,456)	$ (5,116)	$ (2,402)	$ 4,041
Net income from discontinued operations, net of taxes[2]	4,737	$ 4	$ 5,777	$ 5,724	$ —
Net (loss) income and comprehensive (loss) income	$ (7,096)	$ (12,452)	$ 661	$ 3,322	$ 4,041

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
	(unaudited)			(unaudited)	
	(in thousands, except share and per share data)				
Net (loss) income attributable to common stockholders	$ (11,833)	$ (13,468)	$ (5,541)	$ (2,826)	$ —
Net (loss) income per share attributable to common stockholders, basic and diluted					
Continuing operations	$ (2.09)	$ (2.37)	$ (1.00)	$ (0.50)	$ —
Discontinued operations[2]	0.84	—	1.04	1.00	—
Total net (loss) income per share attributable to common stockholders, basic and diluted	$ (1.25)	$ (2.37)	$ 0.04	$ 0.50	$ —
Weighted-average shares used in computing net (loss) income per share:					
Basic[3]	5,564,140	5,677,860	5,539,739	5,691,643	5,164,564
Diluted[3]	5,564,140	5,677,860	5,539,739	5,691,643	5,164,564
Pro forma (loss) income per share, (unaudited)[3]					
Basic			$ (0.08)		$ 0.06
Diluted			$ (0.08)		$ 0.05
Weighted-average shares used in computing pro forma net (loss) income per share (unaudited)[2][3]					
Basic			71,499,944		70,592,652
Diluted			71,499,944		81,561,714

(1) Includes stock-based compensation expense as follows:

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
	(unaudited)			(unaudited)	
Cost of services	$ 4	$ 26	$ 96	$ 38	$ 125
Selling and marketing	131	309	366	177	261
General and administrative	593	1,224	2,535	1,293	1,143
Total stock-based compensation expense	$ 728	$ 1,559	$ 2,997	$ 1,508	$ 1,529

(2) See Note 6 to our consolidated financial statements included elsewhere in this prospectus for further information about a certain divestiture.

(3) See Note 15 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the calculations of our basic and diluted earnings per share attributable to common stockholders, pro forma earnings per share attributable to common stockholders and the weighted average number of shares used in the computation of the per share amounts.

	June 30, 2019		
	Actual	Pro Forma[1]	Pro Forma As Adjusted[2] [3]
		(in thousands)	
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 298	$ 298	$ 91,268
Total assets	63,082	63,082	154,052
Working capital[4]	(547)	5,235	96,205
Convertible preferred stock warrant liability	5,782	—	—
Total stockholders' (deficit) equity	(89,514)	22,505	113,475

(1) The pro forma consolidated balance sheet data gives effect to (a) the automatic conversion of all of our outstanding shares of convertible preferred stock into 65,428,088 shares of common stock in connection with this offering, (b) the conversion of outstanding convertible preferred stock warrants to warrants to purchase 2,019,245 shares of our common stock, and the resulting reclassification of the convertible preferred stock warrant liability to additional paid-in capital in connection with this offering; and (c) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect on the completion of this offering.

(2) The pro forma as adjusted consolidated balance sheet data reflects (a) the items described in footnote (1) above and (b) our receipt of estimated net proceeds from the sale of shares of common stock that we are offering at an assumed initial public offering price of $15.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) A $1.00 increase (decrease) in the assumed initial public offering price of $15.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) each of cash and cash equivalents, total assets, working capital and total stockholders' (deficit) equity by $6.3 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of common stock offered by us would increase (decrease) each of cash and cash equivalents, total assets, working capital and total stockholders' (deficit) equity by $14.1 million, assuming the assumed initial public offering price of $15.00 per share of common stock remains the same, and after deducting the estimated underwriting discounts and commissions.

(4) Working capital is defined as current assets less current liabilities.

Non-GAAP Financial Measure—Adjusted EBITDA

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
	(unaudited)			(unaudited)	
	(in thousands, except share and per share data)				
Non-GAAP Financial Measure:					
Adjusted EBITDA[1]	$ (12,109)	$ (7,887)	$ 1,428	$ 267	$ 8,929

(1) We calculate Adjusted EBITDA as net (loss) income from continuing operations, adjusted to exclude: (a) depreciation and amortization; (b) stock-based compensation expense; (c) interest expense, net; (d) convertible preferred stock warrant valuation adjustment; (e) provision (benefit) for income taxes; (f) legal fees associated with a vendor arbitration; and (g) non-deferred costs associated with this offering.

Adjusted EBITDA is a financial measure that is not required by, or presented in accordance with GAAP. We believe that Adjusted EBITDA, when taken together with our GAAP financial results, provides meaningful supplemental information regarding our operating performance and facilitates internal comparisons of our historical operating performance on a more consistent basis by excluding certain items that may not be indicative of our business, results of operations or outlook. In particular, we believe that the use of Adjusted EBITDA is helpful to our investors as it is a measure used by management in assessing the health of our business, determining incentive compensation, evaluating our operating performance, and for internal planning and forecasting purposes.

Adjusted EBITDA is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. Some of the limitations of Adjusted EBITDA include: (1) it does not properly reflect capital commitments to be paid in the future, (2) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and

Adjusted EBITDA does not reflect these capital expenditures; (3) it does not consider the impact of stock-based compensation expense; (4) it does not reflect other non-operating expenses, including interest expense, net; (5) it does not consider the impact of any stock warrant valuation adjustment; (6) it does not reflect tax payments that may represent a reduction in cash available to us; (7) it does not include legal fees that may be payable in connection with vendor arbitration; and (8) it does not include non-deferred costs associated with this offering. In addition, our Adjusted EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate Adjusted EBITDA in the same manner as we calculate the measure, limiting its usefulness as a comparative measure. Because of these limitations, when evaluating our performance, you should consider Adjusted EBITDA alongside other financial performance measures, including our net (loss) income from continuing operations and other GAAP results.

The following table presents a reconciliation of Adjusted EBITDA to net (loss) income from continuing operations, the most directly comparable financial measure stated in accordance with GAAP for each of the periods presented:

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
			(in thousands)		
Net (loss) income from continuing operations	$ (11,833)	$ (12,456)	$ (5,116)	$ (2,402)	$ 4,041
Add:					
Depreciation and amortization	1,700	1,559	1,883	921	1,060
Stock-based compensation expense	728	1,559	2,997	1,508	1,529
Interest expense, net	1,065	740	497	432	166
Convertible preferred stock warrant valuation adjustment	(741)	714	2,944	643	1,193
Provision (benefit) for income taxes	(3,028)	(3)	(1,777)	(835)	64
Legal fees associated with a vendor arbitration[(a)]	—	—	—	—	726
IPO costs	—	—	—	—	150
Adjusted EBITDA	$ (12,109)	$ (7,887)	$ 1,428	$ 267	8,929

(a) We engage in other activities and transactions that can impact our net income. In recent periods, these other items included, but were not limited, to legal fees related to an arbitration resulting from our termination of an agreement with a specialty pharmacy vendor.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should consider and read carefully all of the risks and uncertainties described below, as well as other information included in this prospectus, including our consolidated financial statements and related notes appearing elsewhere in this prospectus, before making an investment decision. The risks described below are not the only ones we face. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition or results of operations. In such case, the trading price of our common stock could decline, and you may lose some or all of your original investment.

Risks Related to Our Business and Industry

The fertility market in which we participate is competitive, and if we do not continue to compete effectively, our results of operations could be harmed.

The market for our solutions is competitive and is likely to attract increased competition, which could make it hard for us to succeed. We compete on the basis of several factors, including the comprehensiveness of our benefits solutions and our unique Smart Cycle plan design, superior clinical outcomes, access for all employee groups (including LGBTQ+ and single mothers by choice), equitable access to care across geographies, quality of the member experience and comprehensive member support, access to our Center of Excellence network of high-quality fertility specialists, data reporting and sharing and access to an integrated pharmacy solution. While we do not believe any single competitor offers a similarly robust and integrated fertility and family building benefits solution, we compete primarily with health insurance companies and benefits administrators that also provide fertility benefits management services as part of their overall healthcare coverage. These competitors include all conventional health insurers, such as UnitedHealthcare, Cigna, Aetna and members of the Blue Cross Blue Shield Association. Other competitors that currently provide fertility benefits management services to employers include WIN Fertility and Optum Fertility Solutions. We also compete with benefits managers that are new to the industry that do not have integrated health insurance carrier solutions, such as Carrot Fertility and Maven Clinic, which currently offer employees post-tax reimbursement programs for fertility benefits.

As we market our solutions to potential clients that currently utilize other vendors to manage their employees' fertility benefits, we may fail to convince their internal stakeholders that our offerings and our model are superior to their current solutions. Some of our competitors are more established, benefit from greater brand recognition and have substantially greater financial, technical and marketing resources. Our competitors may seek to develop or integrate solutions and services that may become more efficient or appealing to our existing and potential clients. For example, fertility-focused pharmacy benefits managers, or PBMs, could emerge that would compete with our Progyny Rx solution. In addition, we believe one of our key competitive advantages is our purpose-built, data-driven platform. While we do not believe any competitors have developed a similarly robust data collection, analysis and reporting process at this time, current or future competitors may be successful in doing so in the future.

In addition, we believe that there is growing awareness of the demand for fertility benefits. As the fertility benefits field gains more attention, more competitors may be drawn into the market. We also could be adversely affected if we fail to identify or effectively respond to changes in market dynamics. As a result of any of these factors, we may not be able to continue to compete successfully against our current or future competitors, and this competition could result in the failure of our platform to continue to maintain market acceptance, which would harm our business, financial condition and results of operations.

We have a history of operating losses and may not sustain profitability in the future.

We experienced net losses from 2015 to 2018. Our net loss from continuing operations was $(12.5) million and $(5.1) million for the years ended December 31, 2017 and 2018, respectively. Our net (loss) income from continuing operations was $(2.4) million and $4.0 million, for the six months ended June 30, 2018 and 2019, respectively. While we have experienced significant revenue growth since 2016, we are not certain whether we will obtain sufficient levels of sales to sustain our growth or maintain profitability in the future. We also expect our costs and expenses to increase in future periods, which could negatively affect our future results of operations if our revenue does not increase. In particular, we intend to continue to incrementally expand our sales and client account management teams to educate potential clients and drive new client adoption, as well as enhance the scope of Progyny benefits within our existing client base. We also expect to incur additional costs as we introduce new solutions and services to enhance our comprehensive fertility offering. We will also face increased compliance costs associated with growth, the expansion of our client base and being a public company. Our efforts to grow our business may be costlier than we expect, and we may not be able to increase our revenue enough to offset our increased operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described herein, and unforeseen expenses, difficulties, complications and delays, and other unknown events. If we are unable to sustain profitability, the value of our business and common stock may significantly decrease.

We have a limited operating history with our current platform of solutions, which makes it difficult to predict our future results of operations.

We went live with our fertility benefits solution in 2016 and Progyny Rx in 2018. As a result of our limited operating history with the current platform of solutions, as well as a limited amount of time serving a majority of our client base, our ability to accurately forecast our future results of operations is limited and subject to a number of uncertainties, including our ability to plan for and model future growth. Our historical revenue growth should not be considered indicative of our future performance. Further, in future periods, our revenue growth could slow or decline for a number of reasons, including slowing demand for our solutions and fertility benefits in general, change in utilization trends by our members, general economic slowdown, an increase in unemployment, an increase in competition, changes to health care trends and regulations, changes to science relating to the fertility market, a decrease in the growth of the fertility market, or our failure, for any reason, to continue to take advantage of growth opportunities. If our assumptions regarding these risks and uncertainties and our future revenue growth are incorrect or change, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations, and our business could suffer.

If we are unable to attract new clients, our business, financial condition and results of operations would be adversely affected.

To increase our revenue, we must continue to attract new clients. Our ability to do so depends in large part on the success of our sales and marketing efforts, and the success of attracting industry leaders in diversified sectors, which could prompt others in the same sectors to follow suit to remain competitive. Potential clients may seek out other options; therefore, we must demonstrate that our solutions are valuable and superior to alternatives. If we fail to provide high-quality solutions and convince clients of the benefits of our model and value proposition, we may not be able to attract new clients. If the markets for our solutions decline or grow more slowly than we expect, or if the number of clients that contract with us for our solutions declines or fails to increase as we expect, our financial results could be harmed. As the markets in which we participate mature, fertility solutions and services evolve and competitors begin to enter into the market and introduce differentiated solutions or services that are perceived to compete with our solutions, particularly if such competing solutions are adopted

by an industry leader in a particular sector, our ability to sell our solutions could be impaired. As a result of these and other factors, we may be unable to attract new clients, which would have an adverse effect on our business, financial condition and results of operations.

Our business depends on our ability to retain our existing clients and increase the adoption of our services within our client base. Any failure to do so would harm our business, financial condition and results of operations.

As part of our growth strategy, we are focused on retaining and expanding our services within our existing client base. A client can expand the fertility benefit they offer to their employees a number of ways, including by adding egg freezing or increasing the number of Smart Cycle units under their benefits plan (i.e., from two to three Smart Cycles per household). For example, 9% of our existing 2018 clients increased their Smart Cycle benefit for their 2019 benefits plan year. In addition, our fertility benefits solution clients can purchase our add-on Progyny Rx solution. We went live with Progyny Rx in 2018 and 60% of our clients have now launched this solution, including 68% of the clients we signed in 2019.

Factors that may affect our ability to retain our existing clients and sell additional solutions to them include, but are not limited to, the following:

- the price, timeliness and outcomes of our solutions;
- the availability, price, timeliness, outcome, performance and functionality of competing solutions;
- our ability to maintain and appropriately expand our Center of Excellence network of high-quality fertility specialists;
- our ability to offer complementary solutions and services that will enhance our comprehensive fertility offering;
- changes in healthcare laws, regulations or trends;
- any material increase in unemployment rate;
- the business environment of our clients and, in particular, reduction in our clients' headcount; and
- consolidation of our clients, resulting in a change to their benefits program or a shift to one of our competitors.

Any of the above factors, alone or together, could negatively affect our ability to retain existing clients and sell additional solutions to them, which would have an adverse effect on our business, revenue growth and results of operations.

Our largest clients account for a significant portion of our revenue and a significant number of our clients are in the technology industry. The loss of one or more of these clients or changes within the technology industry could negatively impact our business, financial condition and results of operations.

We currently serve over 80 self-insured employers in the United States across more than 20 industries. In 2017 and 2018, each of our largest three clients represented more than 10% of our total revenue and in the six months ended June 30, 2019, each of our largest two clients represented 10% or more of our total revenue. For the years ended December 31, 2017 and 2018 and for the six months ended June 30, 2019, one of our clients accounted for 45%, 24% and 17% of our total revenue, respectively. In addition, another client accounted for 14% and 11% of our total revenue for the year ended December 31, 2018 and the six months ended June 30, 2019, respectively. Engagement with these clients is generally covered through contracts that are multi-year in duration. One or more of these clients may terminate early or decline to renew their existing contracts with us upon expiration

and any such termination or failure to renew could have a negative impact on our revenue and compromise our growth strategy. In addition, we generate a significant portion of our revenue from clients in the technology industry. Any of a variety of changes in that industry, including changes in economic conditions, mergers or consolidations, reduced spending on benefits programs and other factors, could adversely affect our business, financial condition and results of operations.

Changes in the health insurance market could harm our business, financial condition and results of operations.

The market for private health insurance in the United States is evolving and, as our solutions are integrated with health insurance plans offered by insurance carriers for our clients, our future financial performance will depend in part on the growth in this market. Changes and developments in the health insurance system in the United States, including taxability of medical benefits like ours, could reduce demand for our solutions and harm our business. For example, there has been an ongoing national debate relating to the health care reimbursement system in the United States. Some members of Congress have introduced proposals that would create a new single payor national health insurance program for all United States residents, others have proposed more incremental approaches such as creating a new public health insurance plan option as a supplement to private sources of coverage. In the event that laws, regulations or rules that eliminate or reduce private sources of health insurance or require such benefits to be taxable are adopted, the subsequent impact on the insurance carriers may in turn adversely impact our ability to accurately forecast future results and harm our business, financial condition and results of operations.

The health benefits industry may be subject to negative publicity, which could adversely affect our business, financial condition and results of operations.

The health benefits industry may be subject to negative publicity, which can arise from, among other things, increases in premium rates, industry consolidation, cost of care initiatives, drug prices and the ongoing debate over the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively the ACA. Negative publicity may result in increased regulation and legislative review of industry practices, which may further increase our costs of doing business and adversely affect our profitability. For example, PBM programs and drug rebates have recently been criticized as leading to a lack of transparency about the true cost of a drug, and this negative publicity may lead to regulatory changes that could potentially affect our business and operations. Negative public perception or publicity of the health benefits industry in general, the insurance carriers with whom we integrate our solutions, or us could adversely affect our business, financial condition and results of operations.

If our computer systems, or those of our provider clinics, specialty pharmacies or other downstream vendors lag, fail or suffer security breaches, we may incur a material disruption of our services, which could materially impact our business and the results of operations.

Our business is increasingly dependent on critical, complex and interdependent information technology systems, including cloud-based systems, to support business processes as well as internal and external communications. Our success therefore is dependent in part on our ability to secure, integrate, develop, redesign and enhance our (or contract with vendors to provide) technology systems that support our business strategy initiatives and processes in a compliant, secure, and cost and resource efficient manner. If we or our provider clinics, specialty pharmacies or other downstream vendors have an issue with our or their respective technology systems, it may result in a disruption to our operations or downstream disruption to our relationships with our clients or our selective network of high-quality fertility specialists. Additionally, if we choose to insource any of the services currently handled by a third party, it may result in technological or operational disruptions.

In addition, despite the implementation of security measures, our internal computer systems, and those of our provider clinics, specialty pharmacies or other downstream vendors, are potentially vulnerable to damage from malicious intrusion, malware, computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. While we are not aware that we have experienced any such system failure, accident or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption to our ability to deliver our solutions. In addition, to the extent that any disruption or security breach were to result in a loss or inappropriate disclosure of confidential information, we could incur liability. See "—Risks Related to Government Regulation—We operate in a highly regulated industry and must comply with a significant number of complex and evolving requirements—Data Protection and Breaches."

A significant change in the utilization of our solutions could have an adverse effect on our business, financial condition and results of operations.

We do not control or impact the level of utilization of our solutions for each of our clients, in particular for newer clients. A significant reduction in the number of members using our solutions could adversely affect our business, financial condition and results of operations. Factors that could contribute to a reduction in the use of our solutions include: reductions in workforce by existing clients; general economic downturn that results in business failures and high unemployment rates; employers no longer offering comprehensive health coverage or offering alternative solutions such as coverage on a voluntary, employee-funded basis; federal and state regulatory changes; changes to taxability of medical benefits; failure to adapt and respond effectively to changing medical landscape, changing regulations, changing client needs, requirements or preferences; premium increases and benefits changes; negative publicity, through social media or otherwise and news coverage.

It is also difficult for us to predict the level of utilization of our services at the member level. If the actual utilization of our services by members is significantly greater than budgeted, the client may be responsible for corresponding costs that exceed its planned expenditure. If we cannot help our clients accurately predict the level of utilization by their employees, our clients may turn to alternative solutions, and our business and profitability would be adversely impacted.

If we fail to offer high-quality support, our reputation could suffer.

Our clients rely on our client account management personnel and our members rely on our PCAs to resolve issues and realize the full benefits that our solutions and services provide. High-quality support is also important for the renewal and expansion of our services to existing clients. The importance of our support functions will increase as we expand our business and pursue new clients. If we do not help our clients quickly resolve issues and provide effective ongoing support, our ability to maintain and expand our offerings to existing and new clients could suffer, and our reputation with existing or potential clients could suffer. Further, to the extent that we are unsuccessful in hiring, training and retaining adequate PCAs and client account management personnel, our ability to provide adequate and timely support to our members and clients would be negatively impacted, and our members' and clients' satisfaction with our solutions and services would be adversely affected.

Our marketing efforts depend significantly on our ability to receive positive references from our existing clients.

Our marketing efforts depend significantly on our ability to call on our current clients to provide positive references to new, potential clients. Given our limited number of long-term clients, the loss or dissatisfaction of any client could substantially harm our brand and reputation, inhibit the market adoption of our offering and impair our ability to attract new clients and maintain existing clients. Any of these consequences could have an adverse effect on our business, financial condition and results of operations.

Failure to effectively develop and expand our marketing and sales capabilities could harm our ability to increase our client base and achieve broader market acceptance of solutions we provide.

Our ability to increase our client base and achieve broader market acceptance of solutions we provide will depend to a significant extent on our ability to expand our marketing and sales capabilities. We plan to continue expanding our direct sales force and to dedicate significant resources to sales and marketing programs, including direct sales, inside sales, targeted direct marketing, advertising, digital marketing, e-newsletter and conference sponsorships. All of these efforts will require us to invest significant financial and other resources. Our business and results of operations could be harmed if our sales and marketing efforts do not generate significant increases in revenue. We may not achieve anticipated revenue growth from expanding our sales and marketing efforts if we are unable to hire, develop, integrate and retain talented and effective sales personnel, if our new and existing sales personnel, on the whole, are unable to achieve desired productivity levels in a reasonable period of time, or if our sales and marketing programs are not effective.

Our future revenue may not grow at the rates they historically have, or at all.

We have experienced significant growth since the launch of our fertility benefits solution in 2016 and have more than doubled our client base each year since then. Revenue and our client base may not grow at the same rates they historically have, or they may decline in the future. Our future growth will depend, in part, on our ability to:

- continue to attract new clients and maintain existing clients;
- price our solutions and services effectively so that we are able to attract new clients, expand sales to our existing clients and maintain profitability;
- provide our clients and members with client support that meets their needs, including through dedicated PCAs;
- maintain successful collection of member cost shares and other applicable receivable balances directly from members;
- retain and maintain relationships with high-quality and respected fertility specialists;
- attract and retain highly qualified personnel to support all clients and members;
- maintain satisfactory relationships with insurance carriers; and
- increase awareness of our brand and successfully compete with other companies.

We may not successfully accomplish all or any of these objectives, which may affect our future revenue, and which makes it difficult for us to forecast our future results of operations. In addition, if the assumptions that we use to plan our business are incorrect or change in reaction to changes in our market, it may be difficult for us to maintain profitability. You should not rely on our revenue for any prior quarterly or annual periods as any indication of our future revenue or revenue growth.

In addition, we expect to continue to expend substantial financial and other resources on:

- sales and marketing;
- our technology infrastructure, including systems architecture, scalability, availability, performance and security; and
- general administration, including increased legal and accounting expenses associated with being a public company.

These investments may not result in increased revenue growth in our business. If we are unable to increase our revenue at a rate sufficient to offset the expected increase in our costs, our business, financial position, and results of operations will be harmed, and we may not be able to maintain profitability over the long term. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays and other unknown factors that may result in losses in future periods.

If our revenue growth does not meet our expectations in future periods, we may not maintain profitability in the future, our business, financial position and results of operations may be harmed.

If the estimates and assumptions we use to determine the size of the target markets for our services are inaccurate, our future growth rate may be impacted and our business would be harmed.

Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. Furthermore, the healthcare industry is rapidly evolving and the markets for fertility benefits management and the related fertility pharmacy benefits management are relatively immature. Market opportunity estimates and growth forecasts included in this prospectus, including those we have generated ourselves, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, including the risks described herein. Even if the markets in which we compete achieve the forecasted growth, our business could fail to grow at similar rates, if at all.

Our estimates of the market opportunity for our services are based on the assumption that the purpose-built, data-driven and disruptive fertility benefits platform with the Smart Cycle plan design we offer will be attractive to employers. Employers may pursue alternatives or may not see the value in providing enhanced fertility-related coverage and services to their employees. In addition, we believe we are expanding the size of the fertility market as we enhance demand and increase awareness for fertility benefits. If these assumptions prove inaccurate, or if the increase in awareness of fertility benefits attracts potential competitors to enter the market and results in greater competition, our business, financial condition and results of operations could be adversely affected.

It is difficult to predict member utilization rates and demand for our solutions, the entry of competitive solutions or the future growth rate and size of the fertility market, and more specifically the fertility benefits management market and the pharmacy benefits management market. The expansion of the fertility market depends on a number of factors, including, but not limited to: the continued trend of individuals starting families later in life, increase in number of single mothers by choice, adoption of non-traditional paths to parenthood and continued de-stigmatization of infertility. Further, the expansion of the fertility benefits management market and the pharmacy benefits market both depend on a number of factors, including, but not limited to: the continued trends of a competitive workforce with employers competing for talent based on benefits that they provide and employers' focus on benefits to attract and retain top talent.

If fertility benefits management or pharmacy benefits management do not continue to achieve market acceptance, or if there is a reduction in demand caused by a lack of client or member acceptance, a reduction in employers' focus on enhancing benefits to employees, weakening economic conditions, data security or privacy concerns, governmental regulation, competing offerings or otherwise, the market for our solutions and services might not continue to develop or might develop more slowly than we expect, which would adversely affect our business, financial condition and results of operations.

We may not be able to successfully manage our growth, and if we are not able to grow efficiently, our business, financial condition and results of operations could be harmed.

As usage of our solutions grows, we will need to devote additional resources to improving and maintaining our infrastructure. In addition, we will need to appropriately scale our internal business systems and our client account management and member services personnel to serve our growing client base. Any failure of or delay in these efforts could result in reduced client and member satisfaction, resulting in decreased sales to new clients and lower renewal and utilization rates by existing clients, which could hurt our revenue growth and our reputation. Even if we are successful in these efforts, they will require the dedication of management time and attention. We could also face inefficiencies or service disruptions as a result of our efforts to scale our internal infrastructure. We cannot be sure that

the expansion and improvements to our internal infrastructure will be effectively implemented on a timely basis, and such failures could harm our business, financial condition and results of operations.

Unfavorable conditions in our industry or the United States economy, or reductions in employee benefits spending, could limit our ability to grow our business and negatively affect our results of operations.

Unfavorable changes in our industry or in the United States economy could have a negative effect on ours and our clients' and potential clients' results of operations. Negative conditions in the general economy in the United States, including conditions resulting from changes in gross domestic product growth, financial and credit market fluctuations, international trade relations, political turmoil, natural catastrophes, warfare and terrorist attacks on the United States, could cause a decrease in business investments, including spending on employee benefits, and negatively affect the growth of our business. In addition, unfavorable economic conditions could result in the cancellation by certain clients or material defaults by members on their cost share. Further, economic conditions including interest rate fluctuations, changes in capital market conditions and regulatory changes, such as the taxability of medical benefits like ours, may affect our ability to obtain necessary financing on acceptable terms. In addition, the increased pace of consolidation in the healthcare industry may result in competitors with greater market power. We cannot predict the timing, strength, or duration of any economic slowdown, instability, or recovery, generally or within any particular industry.

Seasonality may cause fluctuations in our sales and results of operations.

Our business experiences moderate seasonality in revenue with a slightly higher proportion of revenue during the second half of the year as compared with the first half. Given that the majority of our clients contract with us for a January 1st benefits plan start date and that the average cost of treatments earlier in the overall treatment process is somewhat lower than the average cost as treatment progresses, our revenue from treatment services tend to grow as the year continues, particularly for new clients. In addition, as with most medical benefits plans, members will typically seek to maximize the use of their benefits once they have reached their annual deductible and/or annual out-of-pocket maximums, thereby increasing treatments in the latter part of the year. We expect that this seasonality will continue to affect our revenue and results of operations in the future as we continue to target larger enterprise clients.

In addition, the seasonality of our businesses could create cash flow management risks if we do not adequately anticipate and plan for periods of comparatively decreased cash flow, which could negatively impact our ability to execute on our strategy, which in turn could harm our results of operations. Accordingly, our results for any particular quarter may vary for a number of reasons, and we caution investors to evaluate our quarterly results in light of these factors.

If our new solutions and services are not adopted by our clients or members, or if we fail to innovate and develop new offerings that are adopted by our clients, our revenue and results of operations may be adversely affected.

To date, we have derived a substantial majority of our revenue from sales of our fertility benefits and Progyny Rx solutions. As we operate in an evolving industry, our long-term results of operations and continued growth will depend on our ability to successfully develop and market new successful solutions and services to our clients. If our existing clients and members do not value and/or are not willing to make additional payments for such new solutions or services, it could adversely affect our business, financial condition and results of operations. If we are unable to predict clients' or members' preferences, if the markets in which we participate change, including in response to government regulation, or if we are unable to modify our solutions and services on a timely basis, we may lose clients. Our results of operations would also suffer if our innovations are not responsive to the needs of the members, appropriately timed with market opportunity or effectively brought to market.

If we fail to adapt and respond effectively to the changing medical landscape, changing regulations, changing client needs, requirements or preferences, our offerings may become less competitive.

The market in which we compete is subject to a changing medical landscape and changing regulations, as well as changing client needs, requirements and preferences. The success of our business will depend, in part, on our ability to adapt and respond effectively to these changes on a timely basis. Our business strategy may not effectively respond to these changes, and we may fail to recognize and position ourselves to capitalize upon market opportunities. We may not have sufficient advance notice and resources to develop and effectively implement an alternative strategy. There may be scientific or clinical changes that require us to change our solutions or that make our solutions, including the Smart Cycles, less competitive in the marketplace. If there are sensitivities to our model or our existing competitors and new entrants create new disruptive business models and/or develop new solutions that clients and members prefer to our solutions, we may lose clients and members, and our results of operations, cash flows and/or prospects may be adversely affected. The future performance of our business will depend in large part on our ability to design and implement market appropriate strategic initiatives, some of which will occur over several years in a dynamic industry. If these initiatives do not achieve their objectives, our results of operations could be adversely affected.

If we fail to maintain and enhance our brand, our ability to expand our client base will be impaired and our business, financial condition and results of operations may suffer.

We believe that maintaining and enhancing the Progyny brand is important to support the marketing and sale of our existing and future solutions to new clients and expand sales of our solutions to existing clients. We also believe that the importance of brand recognition will increase as competition in our market increases. Successfully maintaining and enhancing our brand will depend largely on the effectiveness of our marketing efforts, our ability to provide reliable services that continue to meet the needs of our clients at competitive prices, our ability to maintain our clients' trust, our ability to continue to develop new solutions, and our ability to successfully differentiate our platform from competitive solutions and services. Our brand promotion activities may not generate client awareness or yield increased revenue, and even if they do, any increased revenue may not offset the expenses we incur in building our brand. If we fail to successfully promote and maintain our brand, our business, financial condition and results of operations may suffer.

If we fail to retain and motivate members of our management team or other key employees, or fail to attract additional qualified personnel to support our operations, our business and future growth prospects could be harmed.

Our success and future growth depend largely upon the continued services of our management team and our other key employees. From time to time, there may be changes in our executive management team or other key employees resulting from the hiring or departure of these personnel. Our executive officers and other key employees are employed on an at-will basis, which means that these personnel could terminate their employment with us at any time. The loss of one or more of our executive officers, or the failure by our executive team to effectively work with our employees and lead our company, could harm our business.

In addition, to execute our growth plan, we must attract and retain highly qualified personnel. Competition for these personnel is intense, especially for experienced sales and client account management personnel. There is no guarantee we will be able to attract such personnel or that competition among potential employers will not result in increased salaries or other benefits. From time to time, we have experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than we have. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have

breached their legal obligations, resulting in a diversion of our time and resources. In addition, prospective and existing employees often consider the value of the equity awards they receive in connection with their employment. If the perceived value of our equity awards declines, experiences significant volatility, or increases such that prospective employees believe there is limited upside to the value of our equity awards, it may adversely affect our ability to recruit and retain key employees. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business and future growth prospects could be harmed.

If we cannot maintain our company culture as we grow, our success and our business and competitive position may be harmed.

We believe our culture has been a key contributor to our success to date and that the critical nature of the mission we are pursuing promotes a sense of greater purpose and fulfillment in our employees. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel, which is critical to our growth, and to effectively focus on and pursue our corporate objectives. As we grow and develop the infrastructure of a public company, we may find it difficult to maintain these important aspects of our culture. If we fail to maintain our company culture, our business and competitive position may be harmed.

Risks Related to Our Relationships with Third Parties

Our business depends on our ability to maintain our Center of Excellence network of high-quality fertility specialists and other healthcare providers. If we are unable to do so, our future growth would be limited and our business, financial condition and results of operations would be harmed.

Our success is dependent upon our continued ability to maintain a selective Center of Excellence, our proprietary, credentialed network of high-quality fertility specialists. Fertility specialists could refuse to contract, demand higher payments or take other actions that could result in higher medical costs, less attractive service for our members or difficulty meeting regulatory or accreditation requirements. Identifying high-quality fertility specialists, credentialing and negotiating contracts with them and evaluating, monitoring and maintaining our network, requires significant time and resources. If we are not successful in maintaining our relationships with top fertility specialists, these fertility specialists may refuse to renew their contracts with us, and potential competitors may be effective in onboarding these or other high-quality fertility specialists to create a similarly high-quality network. There may be additional shifts in the fertility specialty provider space as the fertility market matures, and high-quality fertility specialists may become more demanding in re-negotiating to remain in our network. Our ability to develop and maintain satisfactory relationships with high-quality fertility specialists also may be negatively impacted by other factors not associated with us, such as regulatory changes impacting providers or consolidation activity among hospitals, physician groups and healthcare providers. In addition, certain organizations of physicians, such as practice management companies (which group together physician practices for administrative efficiency), may change the way in which healthcare providers do business with us and may compete directly with us, which could adversely affect our business, financial condition and results of operations.

In addition, the perceived value of our solutions and our reputation may be negatively impacted if the services provided by one or more of our fertility specialists are not satisfactory to our members, including as a result of provider error that could result in litigation. For example, if a provider within our network experiences an issue with their cryopreservation techniques or releases sensitive information of our members, we could incur additional expenses and give rise to litigation against us. Any such issue with one of our providers may expose us to public scrutiny, adversely affect our brand and reputation, expose us to litigation or regulatory action, and otherwise make our operations vulnerable. Further, if a fertility specialist provides services that result in less than favorable outcomes, this could cause us to fail to meet our contractually guaranteed specified service metrics, and we could

be obligated to provide the client with a fee reduction. The failure to maintain our selective network of high-quality fertility specialists or the failure of those specialists to meet and exceed our members' expectations, may result in a loss of or inability to grow or maintain our client base, which could adversely affect our business, financial condition and results of operations.

Our growth depends in part on the success of our strategic relationships with, and monitoring of, third parties, including vendors, as well as insurance carriers.

In order to grow our business, we anticipate that we will continue to depend on our relationships with third parties, including vendors and insurance carriers. As the fertility management market and our client base grow, if we do not successfully maintain our relationships with insurance carriers, they may make integration more difficult or expensive, such as implementing an onerous fee structure in exchange for our ability to continue to integrate our solutions with their platforms. If we are unsuccessful in establishing or maintaining our relationships with third parties, our ability to compete in the marketplace or to grow our revenue could be impaired and our results of operations may suffer.

In addition, our arrangements with these third parties may expose us to public scrutiny, adversely affect our brand and reputation, expose us to litigation or regulatory action, and otherwise make our operations vulnerable if we fail to adequately monitor their performance or if they fail to meet their contractual obligations to us or to comply with applicable laws or regulations.

If we fail to maintain an efficient pharmacy distribution network or if there is a disruption to our distribution network, our business, financial condition and results of operations could suffer.

The timely delivery of fertility prescriptions is essential for fertility treatments. If prescriptions are delivered late, the delay may result in postponement of a member's treatment cycle and member dissatisfaction with our solutions. We believe that our ability to maintain and grow the adoption of Progyny Rx is highly dependent on our success in maintaining an efficient pharmacy distribution network and our record of on-time delivery. If we are unable to maintain an efficient pharmacy distribution network, or if a significant disruption thereto should occur, the use of Progyny Rx may decline due to the inability to timely deliver prescription to members, which could cause our business, financial condition and results of operations to suffer.

If we lose our relationship with one or more key pharmaceutical manufacturers, or if the rebates provided by pharmaceutical manufactures decline, our business and results of operations could be adversely affected.

We maintain contractual relationships with select pharmaceutical manufacturers which provide us with access to limited distribution specialty pharmaceutical rebates for drugs we purchase. The consolidation of pharmaceutical manufacturers, the shortages of drugs provided by such manufacturers, the termination or material alteration of our contractual relationships, or our failure to renew such contracts on favorable terms could have a material adverse effect on our business and results of operations. In addition, PBM programs have been the subject of debate in federal and state legislatures and various other public and governmental forums. Adoption of new laws, rules or regulations or changes in, or new interpretations of, existing laws, rules or regulations, relating to any of these programs could materially adversely affect our business and results of operations.

Our marketing efforts depend on our ability to maintain our relationship with benefits consultants.

We sell our solutions through our sales organization and, in many cases, we leverage our relationships with top benefits consultants to establish relationships with potential clients. Our sales team has broad experience in health benefits management and extensive pre-existing long-term relationships with industry participants and benefits executives at large employers. If we fail to maintain

our relationship with the benefits consultants, our marketing efforts, business and profitability would be adversely impacted.

We are exposed to credit risk from our members.

We collect copayments, coinsurance and deductibles directly from members. We do not require collateral for such receivables. Our failure to collect a significant portion of the amount due on such receivables directly from members could adversely affect our business, financial condition and results of operations.

Risks Related to Government Regulation

We operate in a highly regulated industry and must comply with a significant number of complex and evolving requirements.

We have attempted to structure our operations to comply with laws, regulations and other requirements applicable to us directly and to our clients and vendors, but there can be no assurance that our operations will not be challenged or impacted by regulatory authorities or enforcement initiatives. We have been, and in the future may become, involved in governmental investigations, audits, reviews and assessments. Any determination by a court or agency that our solutions or services violate, or cause our clients to violate, applicable laws, regulations or other requirements could subject us or our clients to civil or criminal penalties. Such a determination also could require us to change or terminate portions of our business, disqualify us from serving clients that do business with government entities, or cause us to refund some or all of our service fees or otherwise compensate our clients. In addition, failure to satisfy laws, regulations or other requirements could adversely affect demand for our solutions and could force us to expend significant capital, research and development and other resources to address the failure. Even an unsuccessful challenge by regulatory and other authorities or parties could be expensive and time-consuming, could result in loss of business, exposure to adverse publicity, and injury to our reputation and could adversely affect our ability to retain and attract clients. If we fail to comply with applicable laws, regulations and other requirements, our business, financial condition and results of operations could be adversely affected. Such non-compliance could also require significant investment to address and may prove costly. There are several additional federal and state statutes, regulations, guidance and contractual provisions related to or impacting the healthcare industry that may apply to our business activities directly or indirectly, including, but not limited to:

- ***Licensing and Licensed Personnel.*** Many states have licensure or registration requirements for entities acting as a third-party administrator, or TPA, and PBMs. The scope of these laws differs from state to state, and the application of such laws to the activities of TPAs and PBMs is often unclear. Given the nature and scope of the solutions and services that we provide, we are required to maintain TPA and PBM licenses and registrations in certain jurisdictions and to ensure that such licenses and registrations are in good standing on an annual basis. We are licensed, have licensure applications pending before appropriate regulatory bodies, are exempt from licensure or registration, or are otherwise authorized under such laws in those states in which we provide our TPA and PBM services. These licenses require us to comply with the rules and regulations of the governmental bodies that issued such licenses. Our failure to comply with such rules and regulations could result in administrative penalties, the suspension of a license, or the loss of a license, all of which could negatively impact our business. Additionally, from time to time, legislation is considered that would purport to declare a PBM a fiduciary with respect to its clients. While the validity of such laws is questionable and we do not believe any such laws are currently in effect, we cannot predict what effect, if any, such statutes, if enacted, may have on our business and financial results.

Separately, states impose licensing requirements on insurers, risk-bearing entities, and insurance agents, as well as those entities that provide utilization review services. We do not believe that the nature of our services requires us to be licensed under applicable state law. We are unable to predict, however, how our services may be viewed by regulators over time, how these laws and regulations will be interpreted, or the full extent of their application. If a regulatory authority in any state determines that the nature of our business requires that we be licensed under applicable state laws, we may need to restructure our business to comply with any related requirements, such as maintaining adequate reserves, creating new compliance processes, hiring additional personnel to manage regulatory compliance, and paying additional regulatory fees, which could adversely affect our results of operation. Additionally, we may need to cease operations until we are able to obtain appropriate licensure, which may adversely affect our revenue for a period of time that we cannot estimate.

In addition, we employ PCAs to support and guide our members as part of our fertility benefits management services. The PCAs do not provide any licensed healthcare services, and in turn, are not licensed by any regulatory body to provide these services. We otherwise do not employ individuals to provide any healthcare services requiring licensure. If a professional board in any state determines that the services provided by our employed PCAs require a license to be provided, we may need to conduct additional training and credentialing, replace staff, obtain additional insurance, and pay increased salaries, which could adversely affect our results of operation. We may additionally need to suspend the PCA services we provide while our personnel obtains the necessary licensure, which may adversely affect our relationships with our clients and members and cause us to be in breach of our contracts.

- ***HIPAA Privacy and Security Requirements.*** There are numerous federal and state laws and regulations related to the privacy and security of health information. In particular, regulations promulgated pursuant to HIPAA establish privacy and security standards that limit the use and disclosure of certain individually identifiable health information (known as "protected health information") and require the implementation of administrative, physical and technological safeguards to protect the privacy of protected health information and ensure the confidentiality, integrity and availability of electronic protected health information. The privacy regulations established under HIPAA also provide patients with rights related to understanding and controlling how their protected health information is used and disclosed. As a provider of services to entities subject to HIPAA, we are directly subject to certain provisions of the regulations as a "Business Associate." When acting as a Business Associate under HIPAA, to the extent permitted by applicable privacy regulations and contracts and associated Business Associate Agreements with our clients, we are permitted to use and disclose protected health information to perform our services and for other limited purposes, but other uses and disclosures, such as marketing communications, require written authorization from the patient or must meet an exception specified under the privacy regulations. We also have downstream Business Associates, which provide us with services and are also subject to HIPAA regulations.

  If we, or any of our downstream Business Associates, are unable to properly protect the privacy and security of protected health information entrusted to us, we could be found to have breached our contracts with our clients and be subject to investigation by the U.S. Department of Health and Human Services, or HHS, Office for Civil Rights, OCR. In the event OCR finds that we have failed to comply with applicable HIPAA privacy and security standards, we could face civil and criminal penalties. In addition, OCR performs compliance audits of Covered Entities and Business Associates in order to proactively enforce the HIPAA privacy and security standards. OCR has become an increasingly active regulator and has signaled its intention to continue this trend. OCR has the discretion to impose penalties and may require companies to enter into resolution agreements and corrective action plans which impose ongoing compliance

requirements. OCR enforcement activity, or a third-party audit related to a HIPAA incident regarding us or a third-party vendor, can result in financial liability and reputational harm, and responses to such enforcement activity can consume significant internal resources. In addition to enforcement by OCR, state attorneys general are authorized to bring civil actions under either HIPAA or relevant state laws seeking either injunctions or damages in response to violations that threaten the privacy of state residents. Although we have implemented and maintain policies, processes and compliance program infrastructure to assist us in complying with these laws and regulations and our contractual obligations, we cannot provide assurance regarding how these laws and regulations will be interpreted, enforced or applied to our operations. In addition to the risks associated with enforcement activities and potential contractual liabilities, our ongoing efforts to comply with evolving laws and regulations at the federal and state levels also might require us to make costly system purchases and/or modifications or otherwise divert significant resources to HIPAA compliance initiatives from time to time.

- ***Other Privacy and Security Requirements.*** In addition to HIPAA, numerous other federal and state laws govern the collection, dissemination, use, access to and confidentiality of personal information. Certain federal and state laws protect types of personal information that may be viewed as particularly sensitive. For example, New York's Public Health Law, Article 27-F protects information that could reveal confidential HIV-related information about an individual. In many cases, state laws are more restrictive than, and not preempted by, HIPAA, and may allow personal rights of action with respect to privacy or security breaches, as well as fines. State laws are contributing to increased enforcement activity and may also be subject to interpretation by various courts and other governmental authorities. Further, California recently enacted the California Consumer Privacy Act, or CCPA, which goes into operation on January 1, 2020. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. The CCPA may increase our compliance costs and potential liability. Some observers have noted that the CCPA could mark the beginning of a trend toward more stringent privacy legislation in the United States, which could increase our potential liability and adversely affect our business.

  Certain of our solutions and services involve the transmission and storage of client and member data in various jurisdictions, which subjects the operation of those solutions and services to privacy or data protection laws and regulations in those jurisdictions. While we believe these solutions and services comply with current regulatory and security requirements in the jurisdictions in which we provide these solutions and services, there can be no assurance that such requirements will not change or that we will not otherwise be subject to legal or regulatory actions. These laws and regulations are rapidly evolving and changing, and could have an adverse impact on our operations. These laws and regulations are subject to uncertainty in how they may be interpreted and enforced by government authorities and regulators. The costs of compliance with, and the other burdens imposed by, these and other laws or regulatory actions may increase our operational costs, prevent us from providing our solutions, and/or impact our ability to invest in or jointly develop our solutions. We also may face audits or investigations by one or more government agencies relating to our compliance with these laws and regulations. An adverse outcome under any such investigation or audit could result in fines, penalties, other liability, or could result in adverse publicity or a loss of reputation, and adversely affect our business. Any failure or perceived failure by us or by our solutions to comply with these laws and regulations may subject us to legal or regulatory actions, damage our reputation or adversely affect our ability to provide our solutions in the jurisdiction that has enacted the applicable law or regulation. Moreover, if these laws and regulations change, or are interpreted and applied in a manner that is inconsistent with our policies and processes or the operation of our solutions,

we may need to expend resources in order to change our business operations, policies and processes or the manner in which we provide our solutions. This could adversely affect our business, financial condition and results of operations.

- ***Data Protection and Breaches.*** In recent years, there have been a number of well-publicized data breaches involving the improper dissemination of personal information of individuals both within and outside of the healthcare industry. Laws in all 50 states require businesses to provide notice to clients whose personally identifiable information has been disclosed as a result of a data breach. The laws are not consistent, and compliance in the event of a widespread data breach is costly. States are also constantly amending existing laws, requiring attention to frequently changing regulatory requirements. Most states require holders of personal information to maintain safeguards and take certain actions in response to a data breach, such as providing prompt notification of the breach to affected individuals or the state's attorney general. In some states, these laws are limited to electronic data, but states increasingly are enacting or considering stricter and broader requirements.

  Additionally, under HIPAA, Covered Entities must report breaches of unsecured protected health information to affected individuals without unreasonable delay, not to exceed 60 days following discovery of the breach by a Covered Entity or its agents. Notification also must be made to OCR and, in certain circumstances involving large breaches, to the media. Business Associates must report breaches of unsecured protected health information to Covered Entities within 60 days of discovery of the breach by the Business Associate or its agents. A non-permitted use or disclosure of protected health information is presumed to be a breach under HIPAA unless the Covered Entity or Business Associate establishes that there is a low probability the information has been compromised consistent with requirements enumerated in HIPAA.

  Despite our security management efforts with respect to physical and technological safeguards, employee training, vendor (and sub-vendor) controls and contractual relationships, our infrastructure, data or other operation centers and systems used in our business operations, including the internet and related systems of our vendors (including vendors to whom we outsource data hosting, storage and processing functions) are vulnerable to, and from time to time experience, unauthorized access to data and/or breaches of confidential information due to a variety of causes. Techniques used to obtain unauthorized access to or compromise systems change frequently, are becoming increasingly sophisticated and complex, and are often not detected until after an incident has occurred. As a result, we might not be able to anticipate these techniques, implement adequate preventive measures, or immediately detect a potential compromise. If our security measures, some of which are managed by third parties, or the security measures of our service providers or vendors, are breached or fail, it is possible that unauthorized or illegal access to or acquisition, disclosure, use or processing of personal information, confidential information, or other sensitive client, member, or employee data, including HIPAA-regulated protected health information, may occur. A security breach or failure could result from a variety of circumstances and events, including third-party action, human negligence or error, malfeasance, employee theft or misuse, phishing and other social engineering schemes, computer viruses, attacks by computer hackers, failures during the process of upgrading or replacing software, databases or components thereof, power outages, hardware failures, telecommunication failures, and catastrophic events.

  If our security measures, or those of our service providers or vendors, were to be breached or fail, our reputation could be severely damaged, adversely affecting client or investor confidence. As a result, clients may curtail their use of or stop using our offering and our business may suffer. In addition, we could face litigation, damages for contract breach, penalties and regulatory actions for violation of HIPAA and other laws or regulations applicable to data

protection and significant costs for remediation and for measures to prevent future occurrences. In addition, any potential security breach could result in increased costs associated with liability for stolen assets or information, repairing system damage that may have been caused by such breaches, incentives offered to clients or other business partners in an effort to maintain the business relationships after a breach and implementing measures to prevent future occurrences, including organizational changes, deploying additional personnel and protection technologies, training employees and engaging third-party experts and consultants. Negative publicity may also result from real, threatened or perceived security breaches affecting us or our industry or clients, which could cause us to lose clients or partners and adversely affect our operations and future prospects. While we maintain cyber insurance covering certain security and privacy damages and claim expenses, we may not carry insurance or maintain coverage sufficient to compensate for all liability and such insurance may not be available for renewal on acceptable terms or at all, and in any event, insurance coverage would not address the reputational damage that could result from a security incident.

- ***HIPAA Transaction and Identifier Standards.*** HIPAA and its implementing regulations mandate format and data content standards and provider identifier standards (known as the National Provider Identifier) that must be used in certain electronic transactions, such as claims, payment advice and eligibility inquiries. HHS has established standards that health plans must use for electronic fund transfers with providers, has established operating rules for certain transactions, and is in the process of establishing operating rules to promote uniformity in the implementation of the remaining types of covered transactions. The ACA also requires HHS to establish standards for health claims attachment transactions. HHS has modified the standards for electronic healthcare transactions (e.g., eligibility, claims submission and payment and electronic remittance) from Version 4010/4010A to Version 5010. Further, HHS now requires the use of updated standard code sets for diagnoses and procedures known as the ICD-10 code sets. Enforcement of compliance with these standards falls under HHS and is carried out by CMS.

  In the event new requirements are imposed, we will be required to modify our systems and processes to accommodate these changes. We will seek to modify our systems and processes as needed to prepare for and implement changes to the transaction standards, code sets operating rules and identifier requirements; however, we may not be successful in responding to these changes, and any responsive changes we make to our systems and processes may result in errors or otherwise negatively impact our service levels. In addition, the compliance dates for new or modified transaction standards, operating rules and identifiers may overlap, which may further burden our resources.

- ***Fraud and Abuse Laws.*** Many of our clients, insurance carriers, and network healthcare providers are impacted directly and indirectly by certain fraud and abuse laws, including the federal Anti-Kickback Statute, the Physician Self-Referral Law, commonly referred to as the Stark Law, and the False Claims Act, as well as their state equivalents. Because the solutions and services we provide are not reimbursed by government healthcare payors, such fraud and abuse laws generally do not directly apply to our business, however, some laws may be applicable.

  The laws, regulations and other requirements in this area are both broad and vague and judicial interpretation can also be inconsistent. We review our practices with regulatory experts in an effort to comply with all applicable laws, regulatory and other requirements. However, we are unable to predict how these laws, regulations and other requirements will be interpreted or the full extent of their application, particularly to services that are not directly reimbursed by federal healthcare programs. Any determination by a federal or state regulatory authority that any of our activities or those of our clients or vendors violate any of these laws or regulations could subject us to civil or criminal penalties, require us to enter into corporate integrity agreements or similar agreements with ongoing compliance obligations, disqualify us from providing services

to clients that are, or do business with, government programs and/or have an adverse impact on our business, financial condition and results of operations. Even an unsuccessful challenge by a regulatory authority of our activities could result in adverse publicity and could require a costly response from us.

- ***ERISA Regulation.*** The Employee Retirement Income Security Act of 1974, or ERISA, regulates certain aspects of employee pension and health benefits plans, including self-funded corporate health plans sponsored by our clients, with which we have agreements to provide TPA services. As part of our agreements with a number of these clients, we offer PBM services through Progyny Rx. We believe the conduct of our business vis-à-vis these plans is not generally subject to the fiduciary obligations of ERISA. However, there can be no assurance the United States Department of Labor, or the DOL, which is the agency that enforces ERISA, would not in the future assert that the fiduciary obligations imposed by ERISA apply to certain aspects of our operations or courts would not reach such a ruling in private ERISA litigation. In addition to its fiduciary provisions, ERISA has broad preemptive effect and has been held to preempt state laws imposing transparency requirements on PBMs. ERISA also imposes civil and criminal liability on service providers to health plans subject to ERISA and certain other persons with relationships to such plans if certain forms of illegal or prohibited remuneration are made or received by such service providers or other persons. These provisions of ERISA are similar, but not identical, to the healthcare anti-kickback laws described above, although ERISA lacks the statutory and regulatory "safe harbor" exceptions incorporated into the healthcare anti-kickback laws. Like the healthcare anti-kickback laws, the corresponding provisions of ERISA are broadly written and their application to particular cases can be uncertain. Employee benefits plans subject to ERISA are subject to certain rules, published by the DOL, including certain reporting requirements for direct and indirect compensation received by plan service providers. However, many self-funded health plans such as the plans that we have contracts with are exempt from these reporting requirements under current law. At this time, we are unable to predict whether the DOL will issue additional regulations or guidance on reporting or which additional regulations, if any, may be proposed in formal rulemaking by the DOL.

- ***Prompt Pay Laws.*** Certain states have laws regulating the amount of time that may elapse from when a third-party payor receives a claim for services rendered to when those services are paid. These "prompt pay" laws may impact us as well as our clients and insurance carriers. Under these "prompt pay" laws, we may be obligated to pay healthcare providers within established time periods, and such time periods may be shorter than existing contracted terms and/or via electronic transfer. In many states, we are deemed to be exempt from the prompt pay laws, however, we seek to comply with them in each state in which we do business to the extent applicable, and our efforts include the use of controls such as policies and processing systems that ensure we pay claims as quickly as possible and contract language related to timeframes permitted by applicable law. If we do not make payments to healthcare providers in a timely fashion consistent with prompt pay laws, we may be required to pay interest in addition to any amounts owed to such providers. In addition, our reputation may be harmed and our contractual obligations to certain clients may be breached, causing us to lose revenue or otherwise pay penalties under such contracts.

- ***Network Adequacy and Access Requirements.*** Network adequacy and access laws require health plans to maintain a network of healthcare providers sufficient to deliver the benefits they contract to provide to their enrollees. In light of the increase in "narrow networks", there has been a legislative push to ensure that commercial payors contract with a sufficient number of healthcare providers to create an "adequate network." Additionally, a majority of states now have some form of legislation affecting our payor clients' ability to limit access to a provider network or remove a provider from the network. Such legislation may require our clients to

admit any healthcare provider including any pharmacy provider willing to meet the plan's price and other terms for network participation ("any willing provider" legislation) or may provide that a provider may not be removed from a network except in compliance with certain procedures ("due process" legislation). Further, to ensure network adequacy and quality, a network may seek to accredit its healthcare providers through any number of accrediting bodies, such as the National Committee for Quality Assurance, or NCQA, and the Utilization Review Accreditation Commission. We follow NCQA standards to credential the health providers with whom we contract to provide services within our network, and engage Council for Affordable Quality Healthcare to conduct provider credentialing where required. Should any of the states we operate in determine that our network of providers does not meet adequacy or access requirements, we may be subject to administrative penalties and other administrative actions, as well as private litigation. In addition, if we are unable to contract with a sufficient number of providers, we may become subject to administrative penalties or enforcement actions from state regulatory agencies, litigation from consumers, and may be in breach of certain contractual covenants with our partners.

- ***Consumer Protection Laws.*** Federal and state consumer protection laws are being applied increasingly by the Federal Trade Commission, or FTC, Federal Communications Commission, or FCC, and states' attorneys general to regulate the collection, use, storage and disclosure of personal or health information, through websites or otherwise, and to regulate the presentation of website content. Courts may also adopt the standards for fair information practices promulgated by the FTC, which concern consumer notice, choice, security and access. Consumer protection laws require us to publish statements to users of our services that describe how we handle personal information and choices consumers may have about the way we handle personal information. If such information that we publish is considered untrue, we may be subject to claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences, including, costs of defending against litigation, settling claims and loss of willingness of current and future clients to work with us.

- ***Restrictions on Communication.*** Communications with our members increasingly may be subject to and restricted by laws and regulations governing communications via telephone, fax, text, and email. We also use email and social media platforms as marketing tools. For example, we maintain social media accounts. As laws and regulations, including FTC enforcement, rapidly evolve to govern the use of these platforms and devices, the failure by us, our employees or third parties acting at our direction to abide by applicable laws and regulations in the use of these platforms and devices could adversely impact our business, financial condition and results of operations or subject us to fines or other penalties.

The healthcare regulatory and political framework is uncertain and evolving. Recent and future developments in the healthcare industry could have an adverse impact on our business, financial condition and results of operations.

All of our revenue is derived from the healthcare industry, which is highly regulated and subject to changing political, legislative, regulatory and other influences. Healthcare laws and regulations are rapidly evolving and may change significantly in the future. For example, while ACA does not directly regulate our business as a benefit area, it does affect the coverage and plan designs that are or will be provided by certain insurance carriers and certain of our clients, taxability of such plans, as well as the overall reimbursement and drug pricing environment for healthcare providers. Health reform efforts, including reforms to the ACA, and measures that would expand the role of government-sponsored coverage, including single payer or so-called "Medicare-for-All" proposals, which could have far-reaching implications for the healthcare industry if enacted.

We are unable to predict the full impact of health reform initiatives on our operations in light of the uncertainty regarding whether, when and how the ACA will be further changed, what alternative reforms (including single payer proposals), if any, may be enacted, the timing of enactment and implementation of alternative provisions and the impact of alternative provisions on various healthcare industry participants.

Government regulation, industry standards and other requirements create risks and challenges with respect to our compliance efforts and our business strategies.

The healthcare industry is highly regulated and subject to frequently changing laws, regulations, industry standards and other requirements. Many healthcare laws and regulations are complex, and their application to specific solutions, services and relationships may not be clear. Because our clients are subject to various requirements, we may be impacted as a result of our contractual obligations even when we are not directly subject to such requirements. In particular, many existing healthcare laws and regulations, when enacted, did not anticipate the solutions and services that we provide, and these laws and regulations may be applied to our solutions and services in ways that we do not anticipate. The ACA, efforts to repeal or materially change the ACA, and other federal and state efforts to reform or revise aspects of the healthcare industry or to revise or create additional legal or and regulatory requirements could impact our operations, the use of our solutions and services, and our ability to market new solutions and services, or could create unexpected liabilities for us. There have also been a number of reform efforts around PBMs including pricing and transparency which could affect our business. We also may be impacted by laws, industry standards and other requirements that are not specific to the healthcare industry, such as consumer protection laws and payment card industry standards. These requirements may impact our operations and, if not followed, could result in fines, penalties and other liabilities and adverse publicity and injury to our reputation.

We are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to criminal or civil liability and harm our business, financial condition and results of operations.

While we operate only in the United States, we remain subject to the U.S. Foreign Corrupt Practices Act, or FCPA, U.S. domestic bribery laws, and other anti-corruption and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees and their third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. If we expand our business and sales outside the United States and to the public sector, we may engage with business partners and third-party intermediaries to market our services and to obtain for us the necessary permits, licenses, and other regulatory approvals. In addition, we or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, partners and agents, even if we do not explicitly authorize such activities.

Detecting, investigating, and resolving actual or alleged violations of anti-corruption laws can require a significant diversion of time, resources, and attention from senior management. In addition, noncompliance with anti-corruption, anti-bribery, or anti-money laundering laws could subject us to whistleblower complaints, investigations, prosecution, enforcement actions, sanctions, settlements, fines, damages, other civil or criminal penalties or injunctions, suspension or debarment from contracting with certain persons, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal proceeding, our business, financial condition and results of

operations could be harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees, which could adversely affect our business, financial condition and results of operations.

Any potential sales to government entities are subject to a number of challenges and risks.

We may sell our services or solutions to U.S. federal, state, and local government, and agency, clients. Sales to such entities are subject to a number of challenges and risks. Selling to such entities can be highly competitive, expensive, and time-consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. Government contracting requirements may change and in doing so restrict our ability to sell into the government sector until we have attained the revised certification. Government demand and payment for our offerings is dependent on many factors outside our control, including general economic conditions, public sector budgetary constraints and funding authorizations, and general political priorities, with funding reductions or delays adversely affecting public sector demand for our offerings.

Further, governmental and highly regulated entities may demand contract terms that differ from our standard arrangements. Such entities may have statutory, contractual, or other legal rights to terminate contracts with us or our partners due to a default or for other reasons. Any such termination may adversely affect our reputation, business, financial condition and results of operations.

Any failure to protect our intellectual property rights could impair our ability to protect our proprietary technology and our brand.

Our success depends in part on our ability to protect our brand and proprietary trade secret and confidential information, including unpatented know-how, technology and other proprietary information, maintaining, defending and enforcing our intellectual property rights. We rely on our agreements with our clients, and non-disclosure and confidentiality agreements with employees and third parties, and our trademarks, trade secrets, and copyrights to protect our intellectual property rights. However, any of these parties may breach such agreements and disclose our proprietary information, and we may not be able to obtain adequate remedies for such breaches. There is no assurance that we will be able to obtain, maintain, defend and enforce our intellectual property rights, or that such intellectual property rights will not be challenged, narrowed, held unenforceable or circumvented. Therefore, these legal protections and precautions may not prevent infringement, misappropriation or other violations of our intellectual property. Any litigation and any infringement, misappropriation or other violations of our intellectual property could hinder our ability to market and sell our solutions, and our business, financial condition and results of operations could be adversely affected.

If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us and our competitive position would be harmed.

Third parties may allege that our products and services, or the conduct of our business, infringe, misappropriate or otherwise violate such third party's intellectual property rights. Even if such claims are without merit, defending such claims would cause us to incur substantial expenses and could cause us to pay substantial damages or seek a costly license if we are found to be infringing, misappropriating, or otherwise violating a third party's intellectual property rights. If we are unable to enter into a license on acceptable terms or at all, we could be forced to cease some aspect of our business operations or be forced to redesign our products or services so that we no longer infringe the third-party intellectual property rights, which may result in significant cost and delay to us, or which redesign could be technically infeasible. Even if resolved in our favor, litigation or other legal

proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our employees and management personnel from their normal responsibilities.

Moreover, although we try to ensure that our employees do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any third parties, including such individual's former employer. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

Furthermore, we currently own registered trademarks. In addition, any of our trademarks or trade names, whether registered or unregistered, may be challenged, opposed, infringed, cancelled, circumvented or declared generic, or determined to be infringing on other marks, as applicable. We may not be able to protect our rights to these trademarks and trade names, which we will need to build name recognition by potential collaborators or clients in our markets of interest.

Any litigation against us could be costly and time-consuming to defend and could harm our business, financial condition and results of operations.

We have in the past and may in the future become subject to legal proceedings and claims that arise in the ordinary course of business, such as claims brought by our clients or vendors in connection with commercial disputes or employment claims made by our current or former employees. We are currently in arbitration with a former vendor who alleges a breach of our contract with such vendor. See "Business—Legal Proceedings." We are unable to predict the outcome of any of these legal proceedings. Such proceedings might result in substantial costs, regardless of the outcome, and may divert management's attention and resources, which might seriously harm our business, financial condition and results of operations. Insurance might not cover such claims, might not provide sufficient payments to cover all the costs to resolve one or more such claims, and might not continue to be available on terms acceptable to us. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, potentially harming our business, financial condition and results of operations.

Acquisitions, strategic investments, partnerships, or alliances could be difficult to identify, pose integration challenges, divert the attention of management, disrupt our business, dilute stockholder value, and adversely affect our business, financial condition and results of operations.

We may in the future seek to acquire or invest in businesses, joint ventures, products and services, or technologies that we believe could complement or expand our platform, enhance our technical capabilities, or otherwise offer growth opportunities. Any such acquisition or investment may divert the attention of management and cause us to incur various expenses in identifying, investigating and pursuing suitable opportunities, whether or not the transactions are completed, and may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties assimilating or integrating the businesses, technologies, products and services, personnel or operations of the acquired companies, particularly if the key personnel of the acquired company choose not to work for us, they are operationally difficult to integrate, or we have difficulty retaining the clients of any acquired business due to changes in ownership, management or otherwise. These transactions may also disrupt our business, divert our resources, and require significant management attention that would otherwise be available for development of our existing business. Any such transactions that we are able to complete may not result in any synergies or other benefits we had expected to achieve, which could result in impairment charges that could be substantial. In addition, we may not be able to find and identify desirable acquisition targets or business opportunities or be successful in entering into an agreement with any particular strategic partner. These transactions could also result in dilutive

issuances of equity securities or the incurrence of debt, which could adversely affect our results of operations. In addition, if the resulting business from such a transaction fails to meet our expectations, or we fail to successfully integrate such businesses into our own, our business, financial condition and results of operations may be adversely affected or we may be exposed to unknown risks or liabilities.

The December 2017 U.S. federal tax reform may subject us to potential adverse tax consequences.

The Tax Cuts and Jobs Act, or the Tax Act, enacted in December 2017, among other things, includes changes to U.S. federal tax rates, imposes additional limitations on the deductibility of interest, has both positive and negative changes to the utilization of future net operating loss carryforwards, allows for the expensing of certain capital expenditures, and puts into effect the migration from a "worldwide" system of taxation to a "quasi-territorial system". Our net deferred tax assets and liabilities and valuation allowance have been revalued at the U.S. corporate rate, which the Tax Act reduced to 21%. We continue to examine the impact this tax reform legislation may have on our business. The impact of this tax reform on holders of our common stock is uncertain and could be adverse.

Changes in our effective tax rate or tax liability may have an adverse effect on our results of operations.

Our effective tax rate could increase due to several factors, including, but not limited to:

- changes in the relative amounts of income before taxes in the various jurisdictions in which we operate that have differing statutory tax rates;
- changes in tax laws, tax treaties, and regulations or the interpretation of them, including the Tax Act;
- changes to our assessment about our ability to realize our deferred tax assets that are based on estimates of our future results, the prudence and feasibility of possible tax planning strategies, and the economic and political environments in which we do business;
- the outcome of future tax audits, examinations, or administrative appeals; and
- limitations or adverse findings regarding our ability to do business in some jurisdictions.
- Any of these developments could have an adverse effect on our results of operations.

Certain U.S. state tax authorities may assert that we have a state nexus and seek to impose state and local income taxes which could adversely affect our results of operations.

We currently file state income tax returns in certain states. There is a risk that certain state tax authorities where we do not currently file a state income tax return could assert that we are liable for state and local income taxes based upon income or gross receipts allocable to such states. States are becoming increasingly aggressive in asserting a nexus for state income tax purposes. We could be subject to state and local taxation, including penalties and interest attributable to prior periods, if a state tax authority in which we do not currently file a state income tax return successfully asserts that our activities give rise to a taxable nexus. Such tax assessments, penalties and interest may adversely affect our results of operations.

We may not be able to utilize a significant portion of our net operating loss or research tax credit carryforwards, which could adversely affect our profitability.

As of December 31, 2018, we had federal and state net operating loss carryforwards of approximately $86 million and $68 million, respectively, due to prior period losses, some of which, if not utilized, will begin to expire in 2030 for federal and state purposes. The federal and California research and development tax credits are approximately $756,000 and $830,000, respectively. The

federal research and development tax credits begin to expire in 2030, and the California research and development tax credits have no expiration date. These net operating loss and research tax credit carryforwards could expire unused and be unavailable to offset future income tax liabilities, which could adversely affect our profitability.

In addition, under Section 382 of the Internal Revenue Code of 1986, as amended, our ability to utilize net operating loss carryforwards or other tax attributes in any taxable year may be limited if we experience an "ownership change." A Section 382 "ownership change" generally occurs if one or more stockholders or groups of stockholders who own at least 5% of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws. This offering or future issuances of our stock could cause an "ownership change." Any future ownership change, which could be outside of our control, could also have a material effect on the use of our net operating loss carryforwards or other tax attributes, which could adversely affect our profitability.

Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States.

Accounting principles generally accepted in the United States are subject to interpretation by the Financial Accounting Standards Board, or FASB, the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported results of operations and could affect the reporting of transactions already completed before the announcement of a change.

For example, in February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The new standard establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. As an "emerging growth company," we are allowed under the JOBS Act to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. The adoption of new or revised accounting principles may require us to make changes to our systems, processes and control, which could have a significant effect on our reported financial results, cause unexpected financial reporting fluctuations, retroactively affect previously reported results or require us to make costly changes to our operational processes and accounting systems upon or following the adoption of these standards.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes appearing elsewhere in this prospectus. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations-Critical Accounting Policies and Estimates." The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Significant estimates and judgments used in preparing our consolidated financial statements include those related to the determination of fair value of our common stock, estimates of accounts receivable relating to member copayments and revenue recognition relating to services rendered but for which no claim has yet been reported, among others. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of

operations to fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

Risks Related to Ownership of Our Common Stock

Our stock price may be volatile, and the value of our common stock may decline.

The market price of our common stock may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, some of which are beyond our control, including, but not limited to:

- actual or anticipated fluctuations in our financial condition or results of operations;
- variance in our financial performance from expectations of securities analysts;
- changes in the pricing of our solutions and services;
- changes in our projected operating and financial results;
- changes in laws or regulations applicable to our products and solutions;
- announcements by us or our competitors of significant business developments, acquisitions, or new offerings;
- significant data breaches of our company, providers, vendors or pharmacies;
- our involvement in litigation;
- future sales of our common stock by us or our stockholders, as well as the anticipation of lock-up releases;
- changes in senior management or key personnel;
- the trading volume of our common stock;
- changes in the anticipated future size and growth rate of our market; and
- general economic, industry, and market conditions.

Broad market and industry fluctuations, as well as general economic, political, regulatory, and market conditions, may also negatively impact the market price of our common stock. These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In the past, companies that have experienced volatility in the market price of their securities have been subject to securities class action litigation. We may be the target of this type of litigation in the future, which could result in substantial expenses and divert our management's attention.

No public market for our common stock currently exists, and an active public trading market may not develop or be sustained following this offering.

No public market for our common stock currently exists. An active public trading market for our common stock may not develop following the completion of this offering or, if developed, it may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. The lack of an active market may also reduce the fair value of your shares. An inactive market may also impair our ability to raise capital to continue to fund operations by selling shares and may impair our ability to acquire other companies or technologies by using our shares as consideration. The initial public offering price of shares of our common stock will be determined by negotiation between us and the underwriters and may not be

indicative of prices that will prevail following the completion of this offering. The market price of shares of our common stock may decline below the initial public offering price, and you may not be able to resell your shares of our common stock at or above the initial public offering price.

We expect fluctuations in our financial results, making it difficult to project future results, and if we fail to meet the expectations of securities analysts or investors with respect to our results of operations, our stock price and the value of your investment could decline.

Our results of operations may fluctuate in the future due to a variety of factors, many of which are outside of our control. As a result, our past results may not be indicative of our future performance. In addition to the other risks described herein, factors that may affect our results of operations include the following:

- fluctuations in demand for or pricing of our solutions;
- our ability to attract new clients;
- our ability to retain our existing clients;
- client expansion rates;
- changes in clients' budgets and in the timing of their budget cycles and purchasing decisions;
- our ability to control costs, including our operating expenses and healthcare costs;
- the amount and timing of payment for operating expenses, particularly sales and marketing expenses;
- the amount and timing of non-cash expenses, including stock-based compensation, goodwill impairments and other non-cash charges;
- the amount and timing of costs associated with recruiting, training and integrating new employees and retaining and motivating existing employees;
- general economic conditions, as well as economic conditions specifically affecting industries in which our clients participate;
- the impact of new accounting pronouncements;
- changes in the competitive dynamics of our market, including consolidation among competitors or clients; and
- significant security breaches of, technical difficulties with, or interruptions to, the delivery and use of our solutions and services.

Any of these and other factors, or the cumulative effect of some of these factors, may cause our results of operations to vary significantly. If our quarterly results of operations fall below the expectations of investors and securities analysts who follow our stock, the price of our common stock could decline substantially, and we could face costly lawsuits, including securities class action suits.

In connection with our preparation of our annual financial statements for the year ended December 31, 2018, we and our independent registered public accounting firm identified a material weakness in our internal control over financial reporting. Any failure to maintain effective internal control over financial reporting could harm us.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP. In connection with our audit of the fiscal year 2018 consolidated financial

statements, we and our independent registered public accounting firm identified one material weakness in our controls related to the lack of review and oversight over financial reporting. We determined that we had insufficient financial statement close processes and procedures relating to the classification and presentation of certain revenue and expenses. Under standards established by the United States Public Company Accounting Oversight Board, a material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected and corrected on a timely basis.

We have taken steps to remediate this weakness, including hiring of a senior financial executive in 2019 with a focus on SEC reporting and technical accounting. We have also implemented preventative and detective procedures and controls including analytical reviews designed to improve our annual and quarterly financial close process. However, we cannot assure you that the measures we have taken will remediate this deficiency or that we will not suffer from other material weaknesses in the future.

If we are unable to assert that our internal control over financial reporting is effective, or when required in the future, if our independent registered public accounting firm is unable to express an unqualified opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could be adversely affected and we could become subject to litigation or investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources.

As a result of being a public company, we are obligated to develop and maintain proper and effective internal controls over financial reporting, and any failure to maintain the adequacy of these internal controls may adversely affect investor confidence in our company and, as a result, the value of our common stock.

We are required, pursuant to Section 404 of the Sarbanes-Oxley Act, or Section 404, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting for the fiscal year ending December 31, 2020, which is the year covered by the second annual report following the completion of our initial public offering. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. In addition, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting in our first annual report required to be filed with the SEC following the date we are no longer an "emerging growth company." We have recently commenced the costly and challenging process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404, but we may not be able to complete our evaluation, testing and any required remediation in a timely fashion once initiated. Our compliance with Section 404 will require that we incur substantial accounting expenses and expend significant management efforts. We currently do not have an internal audit group, and we will need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge and compile the system and process documentation necessary to perform the evaluation needed to comply with Section 404.

During the evaluation and testing process of our internal controls, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to certify that our internal control over financial reporting is effective. We cannot assure you that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness or significant deficiency in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our

financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

We will have broad discretion in the use of the net proceeds to us from this offering and may not use them effectively.

We will have broad discretion in the application of the net proceeds to us from this offering, including for any of the purposes described in the section titled "Use of Proceeds," and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, our ultimate use may vary substantially from our currently intended use. Investors will need to rely upon the judgment of our management with respect to the use of proceeds. Pending use, we may invest the net proceeds from this offering in short-term, investment-grade, interest-bearing securities, such as money market accounts, certificates of deposit, commercial paper, and guaranteed obligations of the United States government that may not generate a high yield for our stockholders. If we do not use the net proceeds that we receive in this offering effectively, our business, financial condition, results of operations and prospects could be harmed, and the market price of our common stock could decline.

Future sales of our common stock in the public market could cause the market price of our common stock to decline.

Sales of a substantial number of shares of our common stock in the public market following the completion of this offering, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that such sales may have on the prevailing market price of our common stock.

All of our directors and officers and the holders of substantially all of our capital stock and securities convertible into our capital stock are subject to lock-up agreements that restrict their ability to transfer shares of our capital stock for 180 days from the date of this prospectus. These lock-up agreements limit the number of shares of capital stock that may be sold immediately following this offering. Subject to certain limitations, substantially all of these shares will become eligible for sale upon expiration of the 180-day lock-up period. J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC and BofA Securities, Inc. may, in their sole discretion, permit our stockholders who are subject to these lock-up agreements to sell shares prior to the expiration of the lock-up agreements.

In addition, there were 17,409,666 shares of common stock issuable upon the exercise of options outstanding as of September 30, 2019. We intend to register all of the shares of common stock issuable upon exercise of outstanding options or other equity incentives we may grant in the future, for public resale under the Securities Act of 1933, as amended, or the Securities Act. The shares of common stock will become eligible for sale in the public market to the extent such options are exercised, subject to the lock-up agreements described above and compliance with applicable securities laws.

Further, based on shares outstanding as of September 30, 2019, holders of approximately 62,034,844 shares, or 76% of our capital stock after the completion of this offering, will have rights, subject to some conditions, to require us to file registration statements covering the sale of their shares or to include their shares in registration statements that we may file for ourselves or other stockholders.

Our issuance of additional capital stock in connection with financings, acquisitions, investments, our equity incentive plans or otherwise will dilute all other stockholders.

We expect to issue additional capital stock in the future that will result in dilution to all other stockholders. We expect to grant equity awards to employees, directors and consultants under our equity incentive plans. We may also raise capital through equity financings in the future. As part of our business strategy, we may acquire or make investments in businesses, joint ventures, products and services, or technologies and issue equity securities to pay for any such acquisition or investment. Any such issuances of additional capital stock may cause stockholders to experience significant dilution of their ownership interests and the per share value of our common stock to decline.

If securities or industry analysts do not publish research, or publish unfavorable or inaccurate research, about our business, the market price and trading volume of our common stock could decline.

The market price and trading volume of our common stock following the completion of this offering will be heavily influenced by the way analysts interpret our financial information and other disclosures. We do not have control over these analysts. If few securities analysts commence coverage of us, or if industry analysts cease coverage of us, our stock price would be negatively affected. If securities or industry analysts do not publish research or reports about our business, downgrade our common stock, or publish negative reports about our business, our stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our common stock could decrease, which might cause our stock price to decline and could decrease the trading volume of our common stock.

You will experience immediate and substantial dilution in the net tangible book value of the shares of common stock you purchase in this offering.

The initial public offering price of our common stock will be substantially higher than the pro forma net tangible book value per share of our common stock immediately after this offering. If you purchase shares of our common stock in this offering, you will suffer immediate dilution of $13.74 per share, representing the difference between our pro forma as adjusted net tangible book value per share after giving effect to the sale of common stock in this offering and the assumed public offering price of $15.00 per share, the midpoint of the price range set forth on the cover page of this prospectus. See the section titled "Dilution."

We do not intend to pay dividends for the foreseeable future and, as a result, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.

We have never declared or paid any cash dividends on our capital stock, and we do not intend to pay any cash dividends in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, you may need to rely on sales of our common stock after price appreciation, which may never occur, as the only way to realize any future gains on your investment.

We are an "emerging growth company," and we cannot be certain if the reduced reporting and 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 may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies," including the auditor attestation requirements of Section 404 reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on

executive compensation and stockholder approval of any golden parachute payments not previously approved. Pursuant to Section 107 of the JOBS Act, as an emerging growth company, we have elected to use the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies. As a result, our consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our common stock less attractive to investors. In addition, if we cease to be an emerging growth company, we will no longer be able to use the extended transition period for complying with new or revised accounting standards.

We will remain an emerging growth company until the earliest of: (1) the last day of the fiscal year following the fifth anniversary of this offering; (2) the last day of the first fiscal year in which our annual gross revenue is $1.07 billion or more; (3) the date on which we have, during the previous rolling three-year period, issued more than $1 billion in non-convertible debt securities; and (4) the last day of the fiscal year in which the market value of our common stock held by non-affiliates exceeded $700 million as of June 30 of such fiscal year.

We cannot predict if investors will find our common stock less attractive if we choose to rely on these exemptions. For example, if we do not adopt a new or revised accounting standard, our future results of operations may not be as comparable to the results of operations of certain other companies in our industry that adopted such standards. 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 our stock price may be more volatile.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

As a public company, we will incur significant legal, accounting, and other expenses that we did not incur as a private company, which we expect to further increase after we are no longer an "emerging growth company." The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the Nasdaq Stock Market, or Nasdaq, and other applicable securities rules and regulations impose various requirements on public companies. Our management and other personnel devote a substantial amount of time to compliance with these requirements. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time- consuming and costly. We cannot predict or estimate the amount of additional costs we will incur as a public company or the specific timing of such costs.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws, as they will be in effect upon the completion of this offering, may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and amended and restated bylaws will include provisions that:

- authorize our board of directors to issue, without further action by the stockholders, shares of undesignated preferred stock with terms, rights, and preferences determined by our board of directors that may be senior to our common stock;

- require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent;

- specify that special meetings of our stockholders can be called only by our board of directors, the chairperson of our board of directors, or our chief executive officer;
- establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our board of directors;
- establish that our board of directors is divided into three classes, with each class serving three-year staggered terms;
- prohibit cumulative voting in the election of directors;
- provide that our directors may be removed for cause only upon the vote of at least $66^{2}/_{3}\%$ of our outstanding shares of voting stock;
- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum; and
- require the approval of our board of directors or the holders of at least $66^{2}/_{3}\%$ of our outstanding shares of voting stock to amend our bylaws and certain provisions of our certificate of incorporation.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally, subject to certain exceptions, prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any "interested" stockholder for a period of three years following the date on which the stockholder became an "interested" stockholder. Any of the foregoing provisions could limit the price that investors might be willing to pay in the future for shares of our common stock, and they could deter potential acquirers of our company, thereby reducing the likelihood that you would receive a premium for your shares of our common stock in an acquisition.

Our amended and restated certificate of incorporation that will become effective upon the closing of this offering will designate the state courts in the State of Delaware of, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware, as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could discourage lawsuits against us or our directors, officers, or employees.

Our amended and restated certificate of incorporation, as will be in effect upon the completion of this offering, will provide that, to the fullest extent permitted by law, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, any state court located within the State of Delaware, or if all such state courts lack jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a breach of a fiduciary duty owed by any current or former director, officer or other employee, to us or our stockholders; (3) any action or proceeding asserting a claim against us or any of our current or former directors, officers or other employees, arising out of or pursuant to any provisions of the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws; (4) or any action or proceeding to interpret, apply, enforce or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws; (5) any action or proceeding as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware; or (6) any action asserting a claim against us, or any of our directors, officers or other employees, that is governed by the internal affairs

doctrine, in all cases to the fullest extent permitted by law and subject to the court's having personal jurisdiction over the indispensable parties named as defendants. For the avoidance of doubt, these choice of forum provisions will not apply to suits brought to enforce a duty or liability created by the Securities Act, the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

These choice of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees and may discourage these types of lawsuits. Furthermore, if a court were to find the choice of forum provisions contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations or financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will" or "would" or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our revenue, expenses and other operating results, including our preliminary estimates for the nine months ended September 30, 2019;
- our ability to achieve profitability on an annual basis and then sustain such profitability;
- future investments in our business, our anticipated capital expenditures and our estimates regarding our capital requirements;
- our ability to acquire new clients and successfully engage new and existing clients;
- the costs and success of our marketing efforts, and our ability to promote our brand;
- our reliance on key personnel and our ability to identify, recruit and retain skilled personnel;
- our ability to effectively manage our growth, including our ability to expand our network of fertility specialists, retain and recruit personnel, and maintain our culture;
- our ability to compete effectively with existing competitors and new market entrants; and
- the growth rates of the markets in which we compete.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described in the section titled "Risk Factors" and elsewhere in this prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this prospectus. And while we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

MARKET, INDUSTRY AND OTHER DATA

This prospectus contains statistical data, estimates and forecasts that are based on independent industry publications, such as those published by The Journal of the American Medical Association, the American Society for Reproductive Medicine, the American Journal of Obstetrics & Gynecology, Reproductive Medicine Associates of New Jersey, the Reproductive Medicine Associates of New York, European Society of Human Reproduction and Embryology, RESOLVE: The National Infertility Association, FertilityIQ, the Twin & Multiple Births Association, Family Equality Council, Gallup and other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Further, while we believe our internal research is reliable, such research has not been verified by any third party. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "Risk Factors," that could cause results to differ materially from those expressed in these publications and other publicly available information.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the sale of the common stock that we are offering of approximately $91.0 million based on an assumed initial public offering price of $15.00 per share of common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of our common stock by the selling stockholders.

A $1.00 increase (decrease) in the assumed initial public offering price of $15.00 per share of common stock would increase (decrease) the net proceeds to us from this offering by approximately $6.3 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of common stock offered by us would increase (decrease) the net proceeds to us from this offering by approximately $14.1 million, assuming the assumed initial public offering price of $15.00 per share of common stock remains the same, and after deducting estimated underwriting discounts and commissions.

The principal purposes of this offering are to create a public market for our common stock, facilitate our future access to the capital markets and increase our capitalization and financial flexibility. As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds to us from this offering. However, we currently intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. We may also use a portion of the net proceeds to acquire complementary businesses, services or technologies. However, we do not have agreements or commitments to enter into any acquisitions at this time.

We will have broad discretion over how to use the net proceeds to us from this offering. We intend to invest the net proceeds to us from the offering that are not used as described above in investment-grade, interest-bearing instruments.

DIVIDEND POLICY

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends in the foreseeable future. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, operating results, contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash and capitalization as of June 30, 2019:

- on an actual basis;
- on a pro forma basis, giving effect to (1) the automatic conversion of all of our outstanding shares of convertible preferred stock into shares of common stock in connection with this offering, (2) the conversion of outstanding convertible preferred stock warrants to warrants to purchase 2,019,245 shares of our common stock, and the resulting reclassification of the convertible preferred stock warrant liability to additional paid-in capital in connection with this offering; and (3) the filing and effectiveness of our amended and restated certificate of incorporation which will be in effect on the completion of this offering; and
- on a pro forma as adjusted basis, giving effect to (1) the pro forma adjustments set forth above and (2) our receipt of estimated net proceeds from the sale of shares of common stock that we are offering at an assumed initial public offering price of $15.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table together with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As of June 30, 2019		
	Actual	Pro Forma	Pro Forma As Adjusted
	(in thousands except share and per share amounts)		
Cash and cash equivalents	$ 298	$ 298	$ 91,268
Convertible preferred stock, $0.0001 par value; 314,930,070 shares authorized, 65,428,088 shares issued and outstanding, actual; and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	106,237	—	—
Stockholders' (deficit) equity:			
Preferred stock, $0.0001 par value; no shares authorized, issued or outstanding, actual; 100,000,000 shares authorized and no shares issued or outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, $0.0001 par value; 441,000,000 authorized, 5,187,474 shares issued, actual; 1,000,000,000 shares authorized, pro forma and pro forma as adjusted; 70,615,562 shares issued and outstanding, pro forma; and 77,315,562 shares issued and outstanding, pro forma as adjusted	1	8	8
Additional paid-in capital	12,180	124,194	215,164
Treasury stock, at cost, $0.0001 par value, 589,320 shares outstanding	(884)	(884)	(884)
Retained earnings	(100,813)	(100,813)	(100,813)
Total stockholders' (deficit) equity	$ (89,514)	$ 22,505	$ 113,475
Total capitalization	$ 16,723	$ 22,505	$ 113,475

A $1.00 increase (decrease) in the assumed initial public offering price of $15.00 per share of common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) each of our pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' (deficit) equity and total capitalization by approximately $6.3 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of common stock offered by us would increase (decrease) each of our pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' (deficit) equity and total capitalization by approximately $14.1 million, assuming the assumed initial public offering price of $15.00 per share of common stock remains the same, and after deducting estimated underwriting discounts and commissions.

The information set forth in the table is based on 70,615,562 shares of common stock outstanding as of June 30, 2019, and excludes:

- 21,808,981 shares of common stock issuable on the exercise of stock options outstanding as of June 30, 2019 under our 2008 Plan and our 2017 Plan, with a weighted-average exercise price of approximately $1.81 per share (including 1,091,941 shares of common stock to be issued upon exercise of stock options by certain of the selling stockholders in connection with the sale of these shares in the offering);

- 758,693 shares of common stock issuable upon the exercise of outstanding stock options issued after June 30, 2019 pursuant to our 2017 Plan with a weighted-average exercise price of $5.97 per share;

- 2,159,639 shares of common stock issuable upon the exercise of warrants outstanding as of June 30, 2019, with a weighted-average exercise price of $1.69 per share;

- 3,059,708 shares of common stock reserved for future issuance under our 2019 Plan (which number includes the contemplated director nominee grants described under "Management—Non-Employee Director Compensation"), as well as any shares underlying options outstanding under the 2017 Plan that expire or otherwise terminate prior to exercise after the effective date of the 2019 Plan and any future increases in the number of shares of common stock reserved for issuance under our 2019 Plan; and

- 1,700,000 shares of common stock reserved for issuance under our ESPP, as well as any future increases in the number of shares of common stock reserved for future issuance under our ESPP.

DILUTION

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

Our historical net tangible book value as of June 30, 2019 was $(105.6) million, or $(20.37) per share. Our pro forma net tangible book value as of June 30, 2019 was $6.4 million, or $0.09 per share. Pro forma net tangible book value per share represents the amount of our total tangible assets less our total liabilities, divided by the number of our shares of common stock outstanding as of June 30, 2019, after giving effect to: (1) the automatic conversion of all of our outstanding shares of convertible preferred stock into 65,428,088 shares of common stock in connection with this offering, (2) the conversion of outstanding convertible preferred stock warrants to warrants to purchase 2,019,245 shares of our common stock, and the resulting reclassification of the convertible preferred stock warrant liability to additional paid-in capital in connection with this offering; and (3) the filing and effectiveness of our amended and restated certificate of incorporation that will be in effect on the completion of this offering.

After giving effect to the sale by us and the selling stockholders of 10,000,000 shares of common stock in this offering at an assumed initial public offering price of $15.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of June 30, 2019 would have been $97.3 million, or $1.26 per share. This amount represents an immediate increase in pro forma as adjusted net tangible book value of $1.17 per share to our existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of $13.74 per share to new investors purchasing common stock in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of common stock. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$ 15.00
Historical net tangible book value per share as of June 30, 2019	$ (20.37)	
Increase in historical net tangible book value per share attributable to the pro forma adjustments described above	20.46	
Pro forma net tangible book value per share as of June 30, 2019	0.09	
Increase in pro forma as adjusted net tangible book value per share attributable to new investors purchasing shares in this offering	1.17	
Pro forma as adjusted net tangible book value per share after this offering		1.26
Dilution in pro forma as adjusted net tangible book value per share to new investors participating in this offering		$ 13.74

The dilution information discussed above is illustrative only and may change based on the actual initial public offering price and other terms of this offering. A $1.00 increase (decrease) in the assumed initial public offering price of $15.00 per share of common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by $0.08 per share and increase (decrease) the dilution to new investors by $0.92 per share, in each case assuming the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions. Similarly, each increase or decrease of 1,000,000 shares in the number of shares of common stock offered by us would increase (decrease) our pro forma as adjusted net tangible book value by approximately $0.16 per share and

decrease (increase) the dilution to new investors by approximately $0.16 per share, in each case assuming the assumed initial public offering price of $15.00 per share of common stock remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, as of June 30, 2019, on a pro forma as adjusted basis as described above, the number of shares of our common stock, the total consideration and the average price per share (1) paid to us by existing stockholders, and (2) to be paid by new investors acquiring our common stock in this offering at an assumed initial public offering price of $15.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	70,615,562	91.3%	99,306,342	49.7%	$ 1.41
New investors	6,700,000	8.7	100,500,000	50.3	$ 15.00
Totals	77,315,562	100.0%	$ 199,806,342	100.0%	

Sales of our common stock by the selling stockholders in this offering will reduce the number of shares of common stock held by existing stockholders to 67,315,562 shares, or 87.1% (or 65,815,562 shares, or 85.1% if the underwriters' option to purchase additional shares of our common stock from certain selling stockholders is exercised in full) of the total number of shares of our common stock outstanding following the completion of this offering, and will increase the number of shares held by new investors purchasing shares in this offering to 10,000,000 shares, or 12.9% (or 11,500,000 shares, or 14.9% if the underwriters' option to purchase additional shares of our common stock from certain selling stockholders is exercised in full) of the total number of shares of common stock outstanding following the completion of this offering.

The information set forth in the table and calculations above is based on 70,615,562 shares of common stock outstanding as of June 30, 2019, and excludes:

- 21,808,981 shares of common stock issuable on the exercise of stock options outstanding as of June 30, 2019 under the 2008 Plan and the 2017 Plan with a weighted-average exercise price of approximately $1.81 per share (including 1,091,941 shares of common stock to be issued upon exercise of stock options by certain of the selling stockholders in connection with the sale of these shares in the offering);
- 758,693 shares of common stock issuable upon the exercise of outstanding stock options issued after June 30, 2019 pursuant to our 2017 Plan with a weighted-average exercise price of $5.97 per share;
- 2,159,639 shares of common stock issuable upon the exercise of warrants outstanding as of June 30, 2019 with a weighted-average exercise price of $1.69 per share;
- 3,059,708 shares of common stock reserved for future issuance under our 2019 Plan (which number includes the contemplated director nominee grants described under "Management—Non-Employee Director Compensation"), as well as any shares underlying options outstanding under the 2017 Plan that expire or otherwise terminate prior to exercise after the effective date of the 2019 Plan and any future increases in the number of shares of common stock reserved for issuance under our 2019 Plan; and
- 1,700,000 shares of common stock reserved for issuance under our ESPP, as well as future increases in the number of shares of common stock reserved for future issuance under our ESPP.

To the extent that any outstanding options are exercised or new options are issued under our stock-based compensation plans, or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering.

SELECTED CONSOLIDATED FINANCIAL DATA

The selected consolidated statement of operations data for the years ended December 31, 2017 and 2018 and the selected consolidated balance sheet data as of December 31, 2018 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. In order to provide additional historical financial information, we have included supplemental unaudited selected statement of operations data for the year ended December 31, 2016 and unaudited selected consolidated balance sheet data as of December 31, 2016, which have been derived from our unaudited consolidated financial statements not included elsewhere in this prospectus. The selected statements of operations data for the six months ended June 30, 2018 and 2019 and the selected consolidated balance sheet data as of June 30, 2019 have been derived from our unaudited interim consolidated financial statements included elsewhere in this prospectus. The unaudited consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements, and in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly our consolidated financial position and results of operations. You should read the consolidated financial data set forth below in conjunction with our consolidated financial statements and the accompanying notes and the information in "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this prospectus. Our interim and historical results are not necessarily indicative of the results to be expected for the full year or any other period in the future.

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
	(unaudited)			(unaudited)	
	(in thousands, except share and per share data)				
Consolidated Statements of Operations Data:					
Revenue	$ 22,106	$ 48,584	$ 105,400	$ 48,415	$ 103,365
Cost of services[1]	21,368	41,184	85,966	39,443	81,949
Gross profit	738	7,400	19,434	8,972	21,416
Operating expenses:					
Sales and marketing[1]	2,407	4,258	7,285	3,494	5,463
General and administrative[1]	12,868	14,147	15,601	7,640	10,489
Total operating expenses	15,275	18,405	22,886	11,134	15,952
(Loss) income from operations	(14,537)	(11,005)	(3,452)	(2,162)	5,464
Other expense:					
Interest expense, net	(1,065)	(740)	(497)	(432)	(166)
Convertible preferred stock warrant valuation adjustment	741	(714)	(2,944)	(643)	(1,193)
Total other expense, net	(324)	(1,454)	(3,441)	(1,075)	(1,359)
(Loss) income from continuing operations, before tax	(14,861)	(12,459)	(6,893)	(3,237)	4,105
Benefit (provision) for income taxes	3,028	3	1,777	835	(64)
Net (loss) income from continuing operations	(11,833)	$ (12,456)	$ (5,116)	$ (2,402)	$ 4,041
Net income from discontinued operations, net of taxes[2]	4,737	$ 4	$ 5,777	$ 5,724	$ —
Net (loss) income and comprehensive (loss) income	$ (7,096)	$ (12,452)	$ 661	$ 3,322	$ 4,041
Net (loss) income attributable to common stockholders	$ (11,833)	$ (13,468)	$ (5,541)	$ (2,826)	$ —

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
	(unaudited)			(unaudited)	
	(in thousands, except share and per share data)				
Net (loss) income per share attributable to common stockholders, basic and diluted					
Continuing operations	$ (2.09)	$ (2.37)	$ (1.00)	$ (0.50)	$ —
Discontinued operations[2]	0.84	—	1.04	1.00	—
Total net (loss) income per share attributable to common stockholders, basic and diluted	$ (1.25)	$ (2.37)	$ 0.04	$ 0.50	$ —
Weighted-average shares used in computing net (loss) income per share:					
Basic[3]	5,564,140	5,677,860	5,539,739	5,691,643	5,164,564
Diluted[3]	5,564,140	5,677,860	5,539,739	5,691,643	5,164,564
Pro forma (loss) income per share (unaudited)[3]					
Basic			$ (0.08)		$ 0.06
Diluted			(0.08)		0.05
Weighted-average shares used in computing pro forma net (loss) income per share (unaudited)[2][3]					
Basic			71,499,944		70,592,652
Diluted			71,499,944		81,561,714

(1) Includes stock-based compensation expense as follows:

	Year Ended December 31,			Six Months Ended June 30,	
	2016	2017	2018	2018	2019
	(unaudited)			(unaudited)	
Cost of services	$ 4	$ 26	$ 96	$ 38	$ 125
Selling and marketing	131	309	366	177	261
General and administrative	593	1,224	2,535	1,293	1,143
Total stock-based compensation expense	$ 728	$ 1,559	$ 2,997	$ 1,508	$ 1,529

(2) See Note 6 to our consolidated financial statements included elsewhere in this prospectus for further information about a certain divestiture.

(3) See Note 15 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the calculations of our basic and diluted earnings per share attributable to common stockholders, pro forma earnings per share attributable to common stockholders and the weighted average number of shares used in the computation of the per share amounts.

	December 31,		June 30,
	2016	2017	2018	2019
	(unaudited)			(unaudited)
Consolidated Balance Sheet Data:				
Cash and cash equivalents	$ 3,011	$ 4,691	$ 127	$ 298
Total assets	32,159	34,961	41,324	63,082
Working capital[1]	(2,386)	(1,000)	(5,665)	(547)
Convertible preferred stock warrant liability	931	1,645	4,589	5,782
Total stockholders' deficit	(85,742)	(97,622)	(95,115)	(89,514)

(1) Working capital is defined as current assets less current liabilities.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the section titled "Selected Consolidated Financial Data" and the consolidated financial statements and related notes included elsewhere in this prospectus. Some of the information contained in this discussion and analysis, including information with respect to our plans and strategy for growing our business, includes forward-looking statements that involve risks and uncertainties. You should review the sections titled "Special Note Regarding Forward-Looking Statements" and "Risk Factors" for a discussion of forward-looking statements and 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 envision a world where anyone who wants to have a child can do so. Our mission is to make dreams of parenthood come true through healthy, timely and supported fertility journeys. Through our differentiated approach to benefits plan design, patient education and support and active network management, our clients' employees are able to pursue the most effective treatment from the best physicians and achieve optimal outcomes.

Progyny is a leading benefits management company specializing in fertility and family building benefits solutions in the United States. Our clients include many of the nation's most prominent employers across a broad array of industries. We launched our fertility benefits solution in 2016 with our first five employer clients, and we have grown our base of clients to over 80. We currently provide coverage to approximately 1.4 million employees and their partners (known in our industry as covered lives), who we refer to as our members. We have achieved this growth by demonstrating that our purpose-built, data-driven and disruptive platform consistently delivers superior clinical outcomes in a cost-efficient manner while driving exceptional client and member satisfaction. We have retained substantially all of our clients since inception, and our member satisfaction over that same time period is evidenced by our most recent industry-leading Net Promoter Score, or NPS, of +71 for our fertility benefits solution and +86 for our integrated pharmacy benefits solution, Progyny Rx.

Fertility Benefits Solution. Our fertility benefits solution includes providing members with access to effective and cost-efficient fertility treatments through our Smart Cycle plan design. Smart Cycles are proprietary treatment bundles designed by us to include those medical services available to our members through our selective network of high-quality fertility specialists. Medical services under our Smart Cycles include everything needed for a comprehensive fertility treatment cycle, including all necessary diagnostic testing and access to the latest technology (e.g., in the case of in vitro fertilization, or IVF, preimplantation genetic testing). We currently offer 17 different Smart Cycle treatment bundles, which may be used in various combinations depending on the member's need. Each Smart Cycle treatment bundle has a separate unit value (i.e., some have fractional values and some have whole values). Our clients contract to purchase a cumulative Smart Cycle unit value per eligible member. These can range from one to an unlimited unit value. Members, in consultation with their Patient Care Advocates, or PCAs, can choose their preferred provider clinics within our network and utilize the specific Smart Cycle treatment bundles necessary for the treatment pathway they determine throughout their fertility journey.

In addition, we provide care management services as part of our fertility benefits solution, which include active management of our selective network of high-quality fertility specialists, real-time member eligibility and treatment authorization, member-facing digital solutions, detailed quarterly reporting for our clients supported by our dedicated account management teams and end-to-end comprehensive concierge member support provided by our in-house staff of PCAs. Clients can also add adoption and surrogacy reimbursement programs as part of this solution.

Progyny Rx. We went live with our integrated pharmacy benefits solution in 2018. Progyny Rx can only be purchased by clients that purchase our fertility benefits solution. Progyny Rx provides our members with access to the medications needed during their fertility treatment. As part of this solution, we provide care management services, which include our formulary plan design, simplified authorization, assistance with prescription fulfillment and timely delivery of the medications by our network of specialty pharmacies, as well as medication administration training, pharmacy support services and continuing PCA support.

We currently serve over 80 self-insured employers in the United States across more than 20 industries, including three of the top ten Fortune 500 companies. Our current clients, who are industry leaders across both high-growth and mature industries and who range in size from 1,000 to 250,000 employees, represent 1.4 million covered lives.

We sell our solutions through our in-house sales organization and, in many cases, we leverage our relationships with top benefits consultants to establish relationships with potential clients. Our sales team has broad experience in health benefits management and extensive long-term relationships with industry participants and benefits executives at large employers. Our sales team is organized principally by geography and account size and is responsible for identifying potential clients and managing the overall sales process. The success and effectiveness of our sales team is evidenced by the over 50 new clients that added our fertility benefits solution in 2019, and the fact that approximately 65% of our current clients terminated their existing fertility coverage with their conventional carrier to switch to Progyny.

In addition to bringing on new clients, we have been able to grow our revenue by increasing services bought by existing clients. We are able to expand our services to existing clients in several ways, including by adding our Progyny Rx solution or by increasing the number of Smart Cycles provided to members. As part of our fertility benefits solution, we provide a dedicated account management team to each of our clients to support their day-to-day needs, resolve issues as they arise and review with them the detailed quarterly and annual reporting that we provide. Through these teams we are able to understand and anticipate our clients' needs and drive awareness of our solutions within our existing clients.

Our revenue was $48.6 million and $105.4 million for the years ended December 31, 2017 and 2018, respectively, representing year-over-year growth of 117%. Our revenue was $48.4 million and $103.4 million for the six months ended June 30, 2018 and 2019, respectively, representing period-over-period growth of 113%. Our net loss from continuing operations was $(12.5) million and $(5.1) million for the years ended December 31, 2017 and 2018, respectively. Our net (loss) income from continuing operations was $(2.4) million and $4.0 million for the six months ended June 30, 2018 and 2019, respectively. Our Adjusted EBITDA was $(7.9) million and $1.4 million for the years ended December 31, 2017 and 2018, respectively. Our Adjusted EBITDA was $0.3 million and $8.9 million for the six months ended June 30, 2018 and 2019, respectively. See the section titled "Prospectus Summary—Summary Consolidated Financial Data—Non-GAAP Financial Measure—Adjusted EBITDA" for the definition of Adjusted EBITDA as well as a reconciliation of Adjusted EBITDA to net (loss) income from continuing operations. Our fertility benefits solution represented 100% and 95% of our total revenue for the years ended December 31, 2017 and 2018, respectively, and 94% and 83% of total revenue for the six months ended June 30, 2018 and 2019, respectively. Our Progyny Rx solution, which went live in 2018, represented 5% of our total revenue for the year ended December 31, 2018 and 6% and 17% of total revenue for the six months ended June 30, 2018 and 2019, respectively.

Visibility and Revenue Model

We believe we have an attractive investment profile given the visibility and predictability of our revenue model and our ability to retain substantially all of our clients since we launched our fertility

benefits solution in 2016. Our clients primarily contract with us to provide our fertility benefits solution and, where added on by our clients, our Progyny Rx solution. Our revenue has both a utilization-based component and a population-based component, as follows:

- ***Utilization Component.*** Clients pay us for the fertility benefits and Progyny Rx solutions utilized by their employees. With respect to the fertility benefits solution, we bill clients for Smart Cycles in accordance with our bundled case rates, which vary by the type of fertility service rendered and clinic location. Case rates include all third-party fertility specialists, anesthesiology and laboratory services, as well as all of our care management services. With respect to Progyny Rx, we bill the client for the fertility medication dispensed to their employees in connection with the authorized fertility treatments. Medication fees also include our formulary management, drug utilization review and cost containment services and other care management services.

- ***Population-Based Component.*** Clients who purchase our fertility benefits solution also typically pay us a per employee per month fee, or PEPM fee, which is population-based. This allows us to provide access to our PCAs for fertility and family building education and guidance and other digital tools to all of our members, regardless of whether they ultimately pursue fertility treatment. PEPM fees represented 0% and 1% of our total revenue for the years ended December 31, 2017 and 2018 and 1% for each of the six months ended June 30, 2018 and 2019.

Our revenue in a given year is determined by both the utilization of our fertility benefits and Progyny Rx solutions by our members and the number of members enrolled in our clients' benefits plans. Each year, we contract directly with new clients for our fertility benefits solution and, where added by the client, our Progyny Rx solution. Given that the majority of our clients contract with us for a January 1st benefits plan start date, our sales cycle follows the conventional healthcare benefits cycle, which concludes by the end of October of the prior year to allow for benefits education and annual open enrollment to occur in November. As a result, our revenue model provides visibility into our financial performance for the following year once contracts are agreed upon. Revenue forecasting for the next year is determined by the number of members enrolled and the estimated utilization, based on our historical experience, of fertility treatments and fertility medications.

Similarly, for existing clients, any changes in plan designs are typically elected by the end of October so that clients can inform their employees of the benefits during the open enrollment period ahead of a January 1st plan year start. This timeline, together with existing hiring trends and information provided by any client regarding their employee hiring plans, provides us visibility into the level of benefits to be provided for the upcoming plan year and an estimated number of enrolled members.

Given the scale and geographical distribution of our members and the historical utilization of our services by those members, the utilization of our fertility benefits and Progyny Rx solutions has become relatively predictable for our existing clients. Likewise, the utilization rate for new clients as a whole has become relatively predictable based on the historical utilization of our members across our broader existing client base. Finally, it has been our experience that utilization patterns from the early months of the plan year are a reliable indicator of utilization for the remainder of the year on a client-by-client basis.

Key Factors Affecting Our Performance

Expanding Our Client Base. We believe there is substantial opportunity to continue to grow our revenue through sales to new clients. Our addressable market is large self-insured employers. There are approximately 8,000 self-insured employers in the United States (excluding quasi-governmental entities, such as universities and school systems, and labor unions) who have a minimum of 1,000 employees, representing approximately 69 million potential covered lives in total. Our current member base of 1.4 million represents only 2% of our total market opportunity. We intend to continue to drive new client acquisition by investing significantly in sales and marketing to engage, educate and drive

awareness of the unmet need around fertility solutions among benefits executives. We also increase brand awareness and adoption with self-insured employers by leveraging our strong relationships with benefits consultants. In particular, we are focused on expanding the number of clients with more than 2,500 covered lives. The following table highlights the number of active clients and covered lives as of the end of the respective periods.

	As of December 31,				As of June 30,			
	2017		2018		2018		2019	
Client Tier (Members)	Clients	Members	Clients	Members	Clients	Members	Clients	Members
Up to 2,500	5	7,400	7	10,800	6	8,400	16	28,400
2,501 - 10,000	8	58,300	15	98,300	16	101,300	42	215,100
10,001 - 50,000	4	92,800	7	180,700	7	181,200	17	367,500
Greater than 50,000	1	75,500	4	430,400	4	419,600	5	710,600
Total	**18**	**234,000**	**33**	**720,200**	**33**	**710,500**	**80**	**1,321,600**

Importantly, as we have continued to grow, we have meaningfully diversified our client base across more than 20 different industries currently from just two industries when we launched our fertility benefits solution in 2016. We are expanding our client base within each industry and have an industry-specific strategy that enables us to most effectively target our addressable market. Because our clients within an industry compete with each other for employees, we believe our solutions are increasingly viewed as an important way for them to differentiate from, or remain competitive with, one another. Additionally, we believe that our expanding presence has resulted in a heightened awareness of the need to offer fertility benefits and has informed the market of the value we provide to our clients and our members, which we believe also helps facilitate growth. In addition, we are continuously utilizing our established client relationships to evaluate other potential fertility solutions that could benefit our members and simultaneously drive growth. Our ability to attract new clients will depend on a number of factors, including the effectiveness and pricing of our solutions, offerings of our competitors, the effectiveness of our marketing efforts to drive awareness and the demand for fertility benefits solutions overall. We define a client as an organization for which we have an active contract in the period indicated. We count each organization we contract with as a single client including divisions, segments or subsidiaries of larger organizations to the extent we contract separately with them.

Membership Growth and Benefits Utilization. A key driver of our revenue is the number of members we serve and the rate at which they utilize their fertility benefits. As our client base has grown, our membership has grown from approximately 110,000 members in 2016 when we launched our fertility benefits solution to 1.4 million members currently.

The following table highlights the number of assisted reproductive treatment, or ART, cycles performed for Progyny members and the member utilization rates for each of the periods presented.

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
Assisted Reproductive Treatment (ART) Cycles[(1)]	3,517	7,099	3,209	6,005
Utilization - All Members[(2)]	1.69%	1.25%	0.77%	0.86%
Utilization - Female Only[(2)]	1.39%	1.02%	0.64%	0.73%

(1) Represents the number of ART cycles performed, including IVF with a fresh embryo transfer, IVF freeze all cycles/embryo banking, frozen embryo transfers and egg freezing.

(2) Represents the member utilization rate for all services, including but not limited to, ART cycles, initial consultations, IUIs and genetic testing. The utilization rate for all members includes all unique members (female and male) who utilize the benefit during that period while the utilization rate for female only includes only unique females who utilize the benefit during that period. For the purposes of calculating utilization rates in any given period, the results reflect the number of unique members utilizing the benefit for that period. Individual periods cannot be combined as member treatments may span multiple periods.

We believe we are well positioned to realize organic revenue growth from our existing clients as our clients and their respective employee bases grow, thereby providing an opportunity for more employees to utilize their fertility benefits. In addition, based on historical experience, the rate at which members of our existing clients choose to begin their fertility journey and utilize our services has grown as the trend of individuals choosing to start a family later in life continues and more employees become aware of their existing benefits and the experience of their co-workers who have used them. We believe the combination of these factors results in a meaningful opportunity for revenue expansion with our existing client base. Our ability to grow our revenue from our existing client base will depend on our performance and the growth of the employee bases as well as the awareness of the benefits within our clients.

Increasing Adoption of Our Offerings within Our Client Base. We believe there is a significant opportunity to grow our revenue by selling enhanced levels of our services and add-on solutions to our existing client base. For example, a client can expand the fertility benefits they offer to their employees by increasing the number of Smart Cycle units under their benefits plan (i.e., from two to three Smart Cycles per household). For example, 9% of our existing 2018 clients increased their Smart Cycle benefit for their 2019 benefits plan year. In addition, our fertility benefits solution clients can purchase our add-on Progyny Rx solution. We introduced Progyny Rx in the third quarter of 2017 and went live with a select number of clients in January 2018. Currently, 60% of our clients are utilizing this solution, including 68% of the clients that went live in 2019. We believe our sales and marketing capabilities play an important role in informing and educating clients about the additional value and impact we can provide to them and their members by enhancing their benefits program with us. Our ability to sell more of our services to our existing client base will depend on our performance and our ability to demonstrate the value of our solutions.

Enhancing the Depth and Breadth of Our Fertility Benefits Offering. Our ability to stay at the forefront of the fertility benefits market and continue to achieve superior outcomes as it continues to evolve is a key determinant of our success. We believe the combination of our Medical Advisory Board, consisting of 10 nationally recognized fertility clinicians (i.e., reproductive endocrinologists or embryologists), our relationships with our selective network of high-quality fertility specialists and our ability to collect, track and report our proprietary fertility outcomes data to each and every client provides us with differentiated insights into fertility care delivery and support. In addition, we believe we have positive and collaborative relationships with our clients that offer us additional insights into their needs. To date, we have identified multiple ways we believe we can potentially expand our services including vertical integration of services we currently outsource, such as laboratory and pharmacy services. In addition to new solutions, we believe our platform is well positioned to expand our client base beyond self-insured employers to support quasi-governmental entities, such as universities and school systems, and labor unions. We will continue to evaluate all of these opportunities as our business continues to expand.

Purpose-Built Platform Designed for Scale. As part of our strategic plan prior to and in conjunction with launching our fertility benefits solution, we designed a purpose-built platform with the intent of sustaining significant growth and supporting a much larger client base over time. One of our main objectives in designing our platform was to ensure that we could achieve this growth without any dilution to or decrease in the level and quality of services we provide, which we believe we have demonstrated to date through the annual growth in our client base. We believe this is further supported by our NPS score and our retention rate, as we have been able to retain substantially all of our clients since we launched our fertility benefits solution in 2016. We regularly evaluate and measure our performance relative to our internal benchmarks and historical outcomes to ensure our standards are maintained and reinvest in our platform where needed. We believe we are capable of continuing to rapidly acquire more clients and members without significant infrastructure enhancements or capital expenditures, including with regard to our relatively newer offering, Progyny Rx. If we were to further expand our solutions into new adjacencies, it is possible that we would have to make additional investments in our platform.

Components of Results of Operations

Revenue

Revenue includes fertility benefits solution revenue, pharmacy benefits solution revenue and PEPM fees.

Fertility Benefits Solution Revenue

Fertility benefits solution revenue primarily represents utilization of our fertility benefits solution. Our client contracts are typically for a three-year term and pricing for this solution is established for each Smart Cycle treatment bundle, based in part on when the client first became a client and the number of members covered under the solution. Fertility benefits solution revenue includes amounts we receive directly from members, including deductibles, co-insurance and co-payments associated with the treatments under the fertility benefits solution. Revenue is recognized based on the negotiated price with our clients and includes the portion to be paid directly by the member. Revenue is recognized when the Smart Cycle is completed for a member. Revenue is also accrued for authorized Smart Cycles rendered based on member appointments scheduled with a fertility specialist in our network but for which no claim has yet been reported, net of an allowance for appointment cancellations.

Pharmacy Benefits Solution Revenue

Pharmacy benefits solution revenue primarily represents utilization of Progyny Rx. For clients who contract for the fertility benefits solution, we offer an add-on, separate, fully integrated pharmacy benefits solution designed by us. Progyny Rx provides our members with access to our formulary plan design, simplified authorization, prescription fulfillment and timely delivery of the medications used during treatment through our network of specialty pharmacies, as well as provides our members with medication administration training and other pharmacy support services. Prescription drugs are dispensed by our contracted mail order specialty pharmacies. Revenue related to the dispensing of prescription drugs by the specialty pharmacies in our network includes the prescription fees negotiated with our clients, including the portion that we collect directly from members (deductibles, co-insurance and co-payments). The contractual fees agreed to with our clients are inclusive of the cost of the prescription drug from our specialty providers, less any applicable discounts, as well as the related clinical and care management services. Revenue from these arrangements are recognized when the drugs are dispensed. This solution was introduced in the marketplace in the third quarter of 2017 and went live with a select number of clients in January 1, 2018.

Per employee per month (PEPM) fee

Clients who purchase our fertility benefits solution also pay us a population based PEPM fee which provides access to our PCAs for fertility and family building education and guidance and other digital tools for all of our covered members, regardless of whether or not they ultimately pursue fertility treatment. We earn a PEPM fee for the majority of our clients. Revenue from the PEPM fee is billed and recognized monthly based upon the contractual fee and the number of employees at that specific client for that month.

Cost of Services

Our cost of services has three primary components: (1) fertility benefits services; (2) pharmacy benefits services; and (3) vendor rebates.

Fertility Benefits Services

Fertility benefits services costs include: (1) fees paid to provider clinics within our network, labs and anesthesiologists; (2) costs incurred in connection with our care management service functions, which include employee-related expenses (e.g. salaries and benefits) for teams such as the Provider Account Management, PCA and Provider Relations teams; and (3) associated overhead costs, including related information technology support costs and depreciation and amortization. Our contracts with provider clinics are typically for a term of one to two years.

Pharmacy Benefits Services

Pharmacy benefits services costs include: (1) the fees for prescription drugs dispensed and clinical services provided during the reporting period by our specialty pharmacy partners; (2) costs incurred in connection with our care management service functions, which include employee-related expenses (e.g., salaries and benefits) for teams such as the PCA and Provider Relations teams; and (3) associated overhead costs, including related information technology support costs and depreciation and amortization. Contracts with the specialty pharmacies are typically for a term of one year.

Vendor Rebates

We receive a rebate on certain medications purchased by our specialty pharmacies. Our contractual arrangements with pharmaceutical manufacturers provide for us to receive a rebate from established list prices, which is paid subsequent to dispensing. These rebates are recorded as a reduction to cost of services when prescriptions are dispensed.

Gross Profit and Gross Margin

Gross profit is total revenue less total cost of services. Gross margin is gross profit expressed as a percentage of total revenue. We expect that gross profit and gross margin will continue to be affected by various factors including the geographic location where treatments are performed, as well as pricing with each of our clients, provider clinics, labs, specialty pharmacies and pharmaceutical companies, all of which are negotiated separately, have different contracting start and end dates and durations which are not coterminous with each other. Additionally, staffing levels necessary to deliver our care management services will continue to grow as we continue to add clients and their associated members.

Operating Expenses

Our operating expenses consist of sales and marketing and general and administrative expenses.

Sales and Marketing Expense

Sales and marketing expense consists primarily of employee related costs, including salaries, bonuses, commissions, benefits, stock-based compensation, other related costs, and an allocation of our general overhead for those employees associated with sales and marketing. These expenses also include third-party consulting services, advertising, marketing, promotional events, and brand awareness activities. We expect sales and marketing expense to continue to increase in absolute dollars as we continue to invest and grow our business.

General and Administrative Expense

General and administrative expense consists primarily of employee related costs, including salaries, bonuses, benefits, stock-based compensation, other related costs, and an allocation of our general overhead for those employees associated with general and administrative services such as executive, legal, human resources, information technology, accounting, and finance. These expenses also include

third-party consulting services and facilities costs. We anticipate that we will incur additional costs for employees and professional fees and insurance and related third-party consulting services in anticipation of readiness to become and operate on an ongoing basis as a public company.

Other (Income) Expense, net

Other expense includes interest expense and stock warrant valuation adjustment.

Benefit (Provision) for Income Taxes

We are subject to income taxes in the United States. As of December 31, 2018, and 2017, we recorded a full valuation allowance for our deferred tax assets based on our historical loss and the uncertainty regarding our ability to project future taxable income. In future periods, if we are able to generate income, we may reduce or eliminate the valuation allowance.

Results of Operations

The following tables set forth our results of operations for the periods presented and as a percentage of revenue for those periods:

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
	(in thousands)			
Consolidated Statements of Operations Data:				
Revenue	$ 48,584	$ 105,400	$ 48,415	$ 103,365
Cost of services[(1)]	41,184	85,966	39,443	81,949
Gross profit	7,400	19,434	8,972	21,416
Operating expenses:				
Sales and marketing[(1)]	4,258	7,285	3,494	5,463
General and administrative[(1)]	14,147	15,601	7,640	10,489
Total operating expenses	18,405	22,886	11,134	15,952
(Loss) income from operations	(11,005)	(3,452)	(2,162)	5,464
Other expense, net	1,454	3,441	1,075	1,359
(Loss) income before income taxes	(12,459)	(6,893)	(3,237)	4,105
Benefit (provision) for income taxes	3	1,777	835	(64)
Net (loss) income from continuing operations	$ (12,456)	$ (5,116)	$ (2,402)	$ 4,041

(1) Includes stock-based compensation expense as follows:

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Cost of services	$ 26	$ 96	$ 38	$ 125
Sales and marketing	309	366	177	261
General and administrative	1,224	2,535	1,293	1,143
Total stock-based compensation expense	$ 1,559	$ 2,997	$ 1,508	$ 1,529

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Consolidated Statements of Operations Data, as a percentage of revenue:				
Revenue	100%	100%	100%	100%
Cost of services	85	82	82	79
Gross profit	15	18	18	21
Operating expenses:				
Sales and marketing	8	7	7	5
General and administrative	30	15	16	10
Total operating expenses	38	22	23	15
(Loss) income from operations	(23)	(4)	(5)	5
Other expense, net	3	3	2	1
(Loss) income before income taxes	(26)	(7)	(7)	4
Benefit (provision) for income taxes	—	2	2	—
Net (loss) income from continuing operations	(26)%	(5)%	(5)%	4%

Comparison of Six Months Ended June 30, 2018 and 2019

Revenue

	Six Months Ended June 30,		
	2018	2019	% Change
	(unaudited) (dollars in thousands)		
Revenue	$ 48,415	$ 103,365	113%

Revenue increased by $55.0 million, or 113%, for the six months ended June 30, 2019 compared to the six months ended June 30, 2018. This increase is primarily due to a $40.5 million or 89% increase in revenue from our fertility benefits solution and a $14.5 million or 515% increase from sales of our Progyny Rx solution. The increase in revenue from our fertility benefits solution was primarily due to an increase in the number of clients. Our Progyny Rx solution was introduced in the marketplace in the third quarter of 2017 and went live with a select number of clients in January 1, 2018. Our revenue growth for the six months ended 2019 benefited from having Progyny Rx available for the full selling season to both new and existing clients.

Cost of Services

	Six Months Ended June 30,		
	2018	2019	% Change
	(unaudited) (dollars in thousands)		
Cost of services	$ 39,443	$ 81,949	108%

Cost of services increased by $42.5 million, or 108%, for the six months ended June 30, 2019 compared to the six months ended June 30, 2018. This increase is primarily due to an $40.6 million increase in medical treatment and pharmacy prescription costs associated with the fertility treatments delivered, a $1.9 million increase in personnel and overhead cost for our care management services teams and an increase in costs of adjudicating claims.

Gross Profit and Gross Margin

	Six Months Ended June 30,		
	2018	2019	% Change
	(unaudited) (dollars in thousands)		
Gross profit	$ 8,972	$ 21,416	139%
Gross margin	19%	21%	

Gross profit increased by $12.4 million, or 139%, for the six months ended June 30, 2019 compared to the six months ended June 30, 2018.

Gross margin increased two percentage points for the six months ended June 30, 2019 compared to the six months ended June 30, 2018 primarily due to increased operating efficiencies and the mix of geographies and fertility specialists at which treatments were performed.

Operating Expenses

Sales and Marketing Expense

	Six Months Ended June 30,		
	2018	2019	% Change
	(unaudited) (dollars in thousands)		
Sales and marketing	$ 3,494	$ 5,463	56%

Sales and marketing expense increased by $2.0 million, or 56%, for the six months ended June 30, 2019 compared to the six months ended June 30, 2018. This increase was primarily due to a $1.7 million increase in personnel-related costs due to additional headcount and commission for sales and marketing functions.

General and Administrative Expense

	Six Months Ended June 30,		
	2018	2019	% Change
	(unaudited) (dollars in thousands)		
General and administrative	$ 7,640	$ 10,489	37%

General and administrative expense increased by $2.8 million, or 37%, for the six months ended June 30, 2019 compared to the six months ended June 30, 2018. This increase was primarily due to a $0.7 million increase in legal fees, $0.6 million increase in personnel-related costs due to additional headcount for general and administrative functions, $0.6 million increase in bad debt expense, $0.2 million costs related to this offering, and $0.7 million in other related general and administrative expenses.

Other Expense, Net

	Six Months Ended June 30,		
	2018	2019	% Change
	(unaudited) (dollars in thousands)		
Other expense, net	$ 1,075	$ 1,359	26%

Other expense, net increased by $0.3 million for the six months ended June 30, 2019 compared to the six months ended June 30, 2018. This increase was primarily due to a $0.6 million stock warrant valuation mark-to-market adjustment, offset by $0.3 million in lower interest expense.

Benefit (Provision) for Income Taxes

	Six Months Ended June 30,		
	2018	2019	% Change
	(unaudited) (dollars in thousands)		
Benefit (provision) for income taxes	$ 835	$ (64)	NM

For the six months ended June 30, 2018 we recorded a benefit for income taxes of $835,000, primarily related to the interperiod tax allocation rules. There is no provision or benefit for federal income taxes recorded for the six months ended June 30, 2019 as we did not have any income from discontinued operations and therefore there was no allocation of tax expense or benefit recorded between continuing operations and discontinued operations. We recorded a provision for state taxes of $64,000 in the six months ended June 30, 2019.

Comparison of Years Ended December 31, 2017 and 2018

Revenue

	Year Ended December 31,		
	2017	2018	% Change
	(dollars in thousands)		
Revenue	$ 48,584	$ 105,400	117%

Revenue increased by $56.8 million, or 117%, for 2018 compared to 2017. This increase is primarily due to a $51.2 million, or 105%, increase in revenue from our fertility benefits solution due to an increase in the number of clients and a $5.6 million increase in revenue from the adoption of Progyny Rx that went live on January 1, 2018 with a select number of clients.

Cost of Services

	Year Ended December 31,		
	2017	2018	% Change
	(dollars in thousands)		
Cost of services	$ 41,184	$ 85,966	109%

Cost of services increased by $44.8 million, or 109%, for 2018 compared to 2017. This increase is primarily due to a $40.4 million increase in medical treatment and pharmacy prescription costs associated with the fertility treatments delivered and a $4.4 million increase in personnel costs and overhead costs for our care management services teams and costs of adjudicating claims.

Gross Profit and Gross Margin

	Year Ended December 31,		
	2017	2018	% Change
	(dollars in thousands)		
Gross profit	$ 7,400	$ 19,434	163%
Gross margin	15%	19%	

Gross profit increased by $12.0 million, or 163%, in 2018 compared to 2017.

Gross margin increased by four percentage points for 2018 compared to 2017 primarily due to higher PEPM revenue. A larger proportion of clients paid a PEPM fee in 2018 compared to 2017 due to a one-time promotion to waive the PEPM fee for all clients that committed to our fertility benefits solution prior to December 31, 2016. Increased operating efficiencies and the mix of geographies and fertility specialists at which treatments were performed also contributed to the increase in gross margin.

Operating Expenses

Sales and Marketing Expense

	Year Ended December 31,		
	2017	2018	% Change
	(dollars in thousands)		
Sales and marketing	$ 4,258	$ 7,285	71%

Sales and marketing expense increased by $3.0 million, or 71%, for 2018 compared to 2017. This increase was primarily due to an increase in personnel-related costs due to additional headcount and commission for sales and marketing functions.

General and Administrative Expense

	Year Ended December 31,		
	2017	2018	% Change
	(dollars in thousands)		
General and administrative	$ 14,147	$ 15,601	10%

General and administrative expense increased by $1.5 million, or 10%, for 2018 compared to 2017. This increase was primarily due to a $1.3 million increase in stock-based compensation expense, a $0.4 million increase in personnel-related costs due to additional headcount for general and administrative functions, and a $0.4 million increase in bad debt expense, and offset by a $0.6 million decrease in legal fees.

Other Expense, Net

	Year Ended December 31,		
	2017	2018	% Change
	(dollars in thousands)		
Other expense, net	$ 1,454	$ 3,441	137%

Other expense, net increased by $2.0 million, or 137%, for 2018 compared to 2017. This increase was primarily due to a change of $2.2 million stock warrant valuation adjustment, offset by a $0.2 million in lower interest expense.

Benefit for Income Taxes

	Year Ended December 31,		
	2017	2018	% Change
	(dollars in thousands)		
Benefit for income taxes	$ 3	$ 1,777	591%

For the years ended December 31, 2017 and December 31, 2018 we recorded a benefit for income taxes of $3,000 and $1.8 million, respectively, primarily related to the interperiod tax allocation rules.

Unaudited Quarterly Results of Operations Data

The following table sets forth our unaudited quarterly consolidated results of operations for each of the six quarterly periods in the period ended June 30, 2019. Our unaudited quarterly results of operations have been prepared on the same basis as our audited consolidated financial statements, and we believe they reflect all normal recurring adjustments necessary for the fair statement of our results of operations for these periods. This information should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. Our historical operating data may not be indicative of our future performance.

	Three Months Ended					
	Mar. 31, 2018	Jun. 30, 2018	Sep. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	Jun. 30, 2019
	(in thousands)					
Revenue	$ 22,258	$ 26,157	$ 27,798	$ 29,187	$ 47,197	$ 56,168
Cost of services[(1)]	18,324	21,119	22,751	23,772	37,233	44,716
Gross profit	3,934	5,038	5,047	5,415	9,964	11,452
Operating expenses:						
Sales and marketing[(1)]	1,763	1,731	1,648	2,143	2,346	3,117
General and administrative[(1)]	4,016	3,624	3,986	3,975	4,508	5,981
Total operating expenses	5,779	5,355	5,634	6,118	6,854	9,098
(Loss) income from operations	(1,845)	(317)	(587)	(703)	3,110	2,354
Interest expense, net	(88)	(344)	(27)	(38)	(38)	(128)
Convertible preferred stock warrant valuation adjustment	(184)	(459)	(918)	(1,383)	(551)	(642)
Total other expense, net	(272)	(803)	(945)	(1,421)	(589)	(770)
(Loss) income from continuing operations, before tax	(2,117)	(1,120)	(1,532)	(2,124)	2,521	1,584
Benefit (provision) for income taxes	546	289	395	547	—	(64)
Net (loss) income from continuing operations	(1,571)	(831)	(1,137)	(1,577)	2,521	1,520
Net income from discontinued operations, net of taxes	5,724	—	1	52	—	—
Net (loss) income	$ 4,153	$ (831)	$ (1,136)	$ (1,525)	$ 2,521	$ 1,520
Adjusted EBITDA[(2)]	$ (474)	$ 741	$ 683	$ 479	$ 4,354	$ 4,575

(1) Includes stock-based compensation expense as follows:

	Three Months Ended					
	Mar. 31, 2018	Jun. 30, 2018	Sep. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	Jun. 30, 2019
	(in thousands)					
Cost of services	$ 19	$ 19	$ 22	$ 36	$ 45	$ 80
Sales and marketing	96	81	90	99	115	146
General and administrative	808	485	684	558	357	786
Total stock-based compensation	$ 923	$ 585	$ 796	$ 693	$ 517	$ 1,012

(2) Adjusted EBITDA is a non-GAAP financial measure. See the section titled "Prospectus Summary—Summary Consolidated Financial Data—Non-GAAP Financial Measure— Adjusted EBITDA" for the definition of Adjusted EBITDA. The following table presents a reconciliation of Adjusted EBITDA to net (loss) income from continuing operations, the most directly comparable financial measure stated in accordance with GAAP for each of the periods presented:

	Three Months Ended					
	Mar. 31, 2018	Jun. 30, 2018	Sep. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	Jun. 30, 2019
	(in thousands)					
Net (loss) income from continuing operations	$ (1,571)	$ (831)	$ (1,137)	$ (1,577)	$ 2,521	$ 1,520
Add:						
Depreciation and amortization	448	473	474	488	510	550
Stock-based compensation	923	585	796	694	517	1,012
Interest expense, net	88	344	27	38	38	128
Convertible preferred stock warrant valuation adjustment	184	459	918	1,383	551	642
Provision (benefit) for income taxes	(546)	(289)	(395)	(547)	—	64
Legal fees associated with vendor arbitration	—	—	—	—	217	509
IPO costs	—	—	—	—	—	150
Adjusted EBITDA	$ (474)	$ 741	$ 683	$ 479	$ 4,354	$ 4,575

	Three Months Ended					
Consolidated Statements of Operations Data, as a percentage of revenue:	Mar. 31, 2018	Jun. 30, 2018	Sep. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	Jun. 30, 2019
Revenue	100%	100%	100%	100%	100%	100%
Cost of services	82	81	82	81	79	80
Gross profit	18	19	18	19	21	20
Operating expenses:						
Sales and marketing	8	7	6	7	5	5
General and administrative	18	14	14	14	10	11
Total operating expenses	26	21	20	21	15	16
(Loss) income from operations	(8)	(2)	(2)	(2)	6	4
Total other expense, net	1	3	3	5	1	1
(Loss) income from continuing operations, before tax	9	(5)	(5)	(7)	5	3
Benefit for income taxes	2	1	1	2	—	—
Net (loss) income from continuing operations	(7)%	(4)%	(4)%	(5)%	5%	3%
Adjusted EBITDA	(2)%	3%	2%	2%	9%	8%

Quarterly Revenue Trends

Our quarterly revenue increased sequentially for all periods presented primarily due to sales of our solutions to new clients as well as an increase in the adoption and utilization of our fertility benefits and pharmacy benefits solutions by our clients and their members. Given that the majority of our clients contract with us for a January 1st benefits plan start date, the first quarter has historically been the strongest in terms of sequential quarterly growth. We have in the past and expect in the future to experience seasonal fluctuations in our revenue as more members choose to start their fertility journey while also seeking to minimize their out of pocket costs as the calendar year progresses.

Quarterly Cost of Services, Gross Profit and Gross Margin Trends

Cost of services has generally increased sequentially as a result of the increase in our revenue. Gross profit in absolute dollar terms increased sequentially for all periods presented, primarily due to growth in revenue. Gross margin increased from 18%-19% throughout the four quarters of 2018 to 20-21% during the first two quarters of 2019 primarily due to increased operating efficiencies and the mix of geographies and fertility specialists at which treatments were performed.

Quarterly Expense Trends

Sales and Marketing expenses increased sequentially as a result of the increase in personnel related costs due to additional headcount and commission for sales and marketing functions. General and Administrative expenses increased sequentially as a result of additional headcount.

Liquidity and Capital Resources

As of June 30, 2019, we had $0.3 million of cash and cash equivalents and $11.9 million of cash available on the revolving line of credit with Silicon Valley Bank. Since inception, we have financed our operations primarily through sales of our solutions and the net proceeds we have received from sales of equity securities as further detailed below. As of December 31, 2018, our principal sources of liquidity were cash and cash equivalents totaling $0.1 million and $6.9 million of cash available on the revolving line of credit. Our cash and cash equivalents and working capital are affected by the timing of payments to third party providers and collections from clients and have increased as our revenue has increased. In particular, during the ramp up and onboarding of new clients who typically begin their benefits plan year as of January 1st, our accounts receivable has historically increased more than our accounts payable, accrued expenses and other current liabilities. Those factors have contributed to negative cash flows from operations for the six months ended June 30, 2018 and 2019. Historically, these timing impacts have reversed throughout the remainder of the calendar year. Accordingly, our working capital, and its impact on cash flow from operations, can fluctuate materially from period to period. We believe that our existing cash and cash equivalents, cash flow from operations and the cash available on the revolving line of credit will be sufficient to support working capital and capital expenditure requirements for at least the next 12 months. Our future capital requirements will depend on many factors, including sales of our solutions and client renewals, the timing and the amount of cash received from clients, the expansion of our sales and marketing activities and the continuing market adoption of our solutions.

We may, in the future, enter into arrangements to acquire or invest in complementary businesses, products, and technologies. We may be required to seek additional equity or debt financing. In the event that we require additional financing, we may not be able to raise such financing on terms acceptable to us or at all. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business, operations and financial condition.

In June 2018, we entered into an agreement with Silicon Valley Bank to replace our outstanding term loan with a revolving line of credit of up to $15.0 million that will mature on June 8, 2021. The available revolving line of credit is based upon an advance rate of 80% of "eligible" accounts receivable and may be used to fund our working capital and other general corporate needs. Eligible accounts receivable includes accounts billed with aging 90 days or less and excludes accounts receivable due for member copayments, coinsurance, and deductibles. The principal amount outstanding will accrue at a floating per annum rate of the greater of (1) the prime rate (as defined in the agreement) or 0.5% above the prime rate depending on whether certain conditions have been met and (2) 4.75%.

The following table summarizes our cash flows from continuing operations for the periods presented:

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
	(in thousands)		(unaudited)	
Cash (used in) provided by operating activities	$ (9,419)	$ 2,272	$ (1,276)	$ (1,924)
Cash (used in) investing activities	(612)	(579)	(365)	(258)
Cash provided by (used in) financing activities	11,766	(8,738)	(5,124)	2,153
Net increase (decrease) in cash and cash equivalents from continuing operations	$ 1,735	$ (7,045)	$ (6,765)	$ (29)

Operating Activities

Net cash provided by operating activities was $2.3 million for the year ended December 31, 2018, primarily consisting of $0.7 million net income, adjusted for certain non-cash items, which include $3.0 million of stock-based compensation, $2.9 million change in fair value of warrant liabilities, $1.9 million depreciation and amortization, and $0.8 million from bad debt expense and impacted by a loss from discontinued operations of $5.8 million. The non-cash adjustments were partially offset by a $1.8 million increase in deferred tax benefits resulting from the sale of a discontinued business. Changes in operating assets and liabilities included increases in accounts receivable of $12.8 million, accounts payable of $10.4 million and accrued expenses and other current liabilities of $2.8 million reflecting the impact of revenue growth combined with the timing of payments to third party providers and collections from clients on net working capital.

Net cash used in operating activities was $9.4 million for the year ended December 31, 2017, primarily consisting of $12.5 million net loss from continuing operations, adjusted for certain non-cash items, which include $1.6 million of stock-based compensation, $1.6 million depreciation and amortization, $0.7 million change in fair value of warrant liabilities, $0.4 million from bad debt expense and $0.2 million accretion of debt discount and debt issuance costs. Changes in operating assets and liabilities included increases in accounts receivable of $2.0 million and accrued expenses and other current liabilities of $2.0 million, partially offset by a decrease accounts payable of $0.9 million reflecting the impact of revenue growth combined with the timing of payments to third party providers and collections from clients on net working capital.

The $11.7 million increase in cash provided by operating activities for the year ended December 31, 2018 compared to the prior year was primarily due to a $7.3 million decrease in our net loss from continuing operations. We also recognized an increase in non-cash expenses associated with warrants of $2.2 million, stock-based compensation of $1.4 million and $0.8 million of other expenses, offset by an increase in non-cash income tax benefit of $1.8 million. In addition, there was an increase in cash provided by changes in working capital of $1.8 million due to timing of vendor payments and client payments.

Net cash used in operating activities was $1.9 million for the six months ended June 30, 2019, primarily consisting of $4.0 million net income from continuing operations adjusted for certain non-cash items, which include $1.5 million stock-based compensation expense, $1.2 million change in fair value of warrant liabilities, $1.1 million depreciation and amortization, and $1.1 million from bad debt expense. Changes in operating assets and liabilities included increases in accounts receivable of $22.0 million reflecting the impact of revenue growth combined with the timing of payments to third party providers and collections from clients on net working capital.

Net cash used in operating activities was $1.3 million for the six months ended June 30, 2018, primarily consisting of $2.4 million net loss from continuing operations adjusted for certain non-cash items, which include $1.5 million from stock-based compensation, $0.6 million change in fair value of warrant liabilities, $1.5 million depreciation and amortization, $0.5 million from bad debt expense, $0.1 million loss on debt extinguishment, and $0.1 million accretion on debt. These non-cash adjustments were partially offset by a $0.8 million increase in deferred tax benefits. Changes in operating assets and liabilities included increases in accounts receivable of $1.8 million reflecting the impact of revenue growth combined with the timing of payments to third party providers and collections from clients on net working capital.

The $0.6 million increase in cash used in operating activities for the six months ended June 30, 2019 compared to the same period in prior year was primarily due to $9.1 million decrease in cash flows from working capital resulting from the impact of revenue growth combined with the timing of payments to third party providers and collections from clients. The decrease in cash flow from working capital as compared to prior year were partially offset by $6.4 million increase to net income from continuing operations and an increase in non-cash expense of $2.1 million related to warrants, bad debt expenses, stock-based compensation and deferred tax benefits.

Investing Activities

Net cash used in investing activities from continuing operations was $0.6 million for the year ended December 31, 2018 primarily consisting of $0.4 million for purchase of computers and software and the remaining $0.2 million related to leasehold improvements and furniture.

Net cash used for investing activities from continuing operations was $0.6 million for the year ended December 31, 2017, consisting of $0.3 million for purchase of computers and software and $0.3 million related to leasehold improvements and furniture.

Net cash used in investing activities was $0.3 million for the six months ended June 30, 2019 primarily consisting of purchases of computers and software.

Net cash used in investing activities was $0.4 million for the six months ended June 30, 2018 primarily consisting of purchases of computers, software, leasehold improvements and furniture.

Financing Activities

Net cash used for financing activities was $8.7 million for the year ended December 31, 2018, primarily due to our entering into a loan agreement with Silicon Valley Bank for a new revolving line of credit in June 2018 and, upon execution thereof, repaying and terminating the then-outstanding term loan that had been entered into in November 2015 and $3.7 million of treasury stock purchases of common and preferred stock from existing shareholders.

Net cash provided by financing activities was $11.8 million for the year ended December 31, 2017 primarily consisting of $15.0 million proceeds from our convertible preferred stock and warrants issuance in 2017, offset by a $3.3 million repayment of the then-outstanding term loan.

Net cash provided by financing activities was $2.2 million for the six months ended June 30, 2019, primarily consisting of $2.9 million net draws on our revolving line of credit with Silicon Valley Bank.

Net cash used by financing activities was $5.1 million for the six months ended June 30, 2018 related to the $5.3 million repayment of the term loan held by Silicon Valley Bank, $2.5 million repurchase of convertible preferred stock, offset by $2.7 million cash provided from net draws on our revolving line of credit with Silicon Valley Bank.

Contractual Obligations and Commitments

The following table summarizes our contractual obligations as of December 31, 2018:

	Payments Due By Period				
	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
			(in thousands)		
Operating lease commitments	$ 898	$ 828	$ 70	$ —	$ —
Purchase obligations	—	—	—	—	—
Total	$ 898	$ 828	$ 70	$ —	$ —

The commitment amounts in the table above are associated with contracts that are enforceable and legally binding and that specify all significant terms, including fixed or minimum services to be used, fixed, minimum or variable price provisions, and the approximate timing of the actions under the contracts. The table does not include obligations under agreements that we can cancel without a significant penalty.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Qualitative and Quantitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates.

Interest Rate Risk

At June 30, 2019, we had cash and cash equivalents of $0.3 million. Interest-earning instruments carry a degree of interest rate risk. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure. A hypothetical 10% change in interest rates would not result in a material impact on our consolidated financial statements.

Inflation Rate Risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations. Nonetheless, if our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition, and results of operations.

Critical Accounting Policies and Estimates

We believe that the following accounting policies involve a high degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our consolidated financial condition and results of our operations. See note 2 to our consolidated financial statements appearing elsewhere in this prospectus for a description of our other significant accounting policies. The preparation of our consolidated financial statements in

conformity with GAAP requires us to make estimates and judgments that affect the amounts reported in those financial statements and accompanying notes. Although we believe that the estimates we use are reasonable, due to the inherent uncertainty involved in making those estimates, actual results reported in future periods could differ from those estimates.

Revenue Recognition

Our revenue is recognized when control of the promised goods or services is transferred to our clients in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

We apply the following five-step model to recognize revenue from contracts with our clients:

- Identification of the contract, or contracts, with a client
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, a performance obligation is satisfied

Our contracts typically have a stated term of three years and include contractual termination options after the first year, allowing the client to terminate the contract with 30 to 90 days' notice.

Fertility Benefits Revenue

We primarily generate revenue through our fertility benefits solution, in which we provide our clients and their employees and partners, or our members, with fertility benefits. As part of the fertility benefits solution, we provide access to effective and cost-efficient fertility treatments, referred to as Smart Cycles, as well as other related services. Smart Cycles are our proprietary treatment bundles that include certain medical services available to members through our proprietary, credentialed network of provider clinics. In addition to access to our Smart Cycle treatment bundles and access to our network of provider clinics, the fertility benefits solution includes other comprehensive services, which we refer to as care management services, such as active management of the provider clinic network, real-time member eligibility and treatment authorization, member-facing digital tools throughout the Smart Cycle and detailed quarterly reporting all supported by client facing account management and end-to-end comprehensive member support provided by our in house staff of PCAs.

The promises within our fertility benefits contract with a client represent a single performance obligation because we provide a significant service of integrating our Smart Cycles and access to the fertility treatment services provided by provider clinics with the other comprehensive services into the combined fertility benefits solution that the client contracted to receive. Our fertility benefits solution is a stand-ready obligation that is satisfied over the contract term.

Our contracts include the following sources of consideration, which are all variable: a PEPM administration fee (in most, but not all contracts) and a fixed rate per Smart Cycle. The PEPM administration fee is allocated between the fertility benefits solution and the pharmacy benefits solution based on standalone selling price, estimated using an expected cost plus margin method. We allocate the variable consideration related to the fixed rate per Smart Cycle to the distinct period during which the related services were performed as those fees relate specifically to our efforts to provide our fertility benefits solution to our clients in the period and represent the consideration we are entitled to for the fertility benefits services provided. As a result, the fixed rate per Smart Cycle is included in the transaction price and recognized in the period in which the Smart Cycle is provided to the member.

Our contracts also include potential service level agreement refunds related to outcome based service metrics. These service level refunds, which are determined based on results of a full plan year, if met, are based on a percentage of the PEPM fee paid by clients. We estimate the variable consideration related to the total PEPM administration fee, less estimated refunds related to service level agreements, and recognize the amounts allocated to the fertility benefits solution ratably over the contract term. Our estimate of service level agreement refunds, have not historically resulted in significant adjustments to the transaction price.

Clients are invoiced on a monthly basis for the PEPM administration fee. We invoice our clients and members for their respective portions of the fixed rate per Smart Cycle bundle when all treatment services within a Smart Cycle are completed by the provider clinic. Once an invoice is issued, payment terms are typically between 30 to 60 days.

We assess whether we are the principal or the agent for each arrangement with a client, since fertility treatment services are provided by a third party—the provider clinics. We are the principal in our arrangements with clients and therefore present revenue gross of the amounts paid to the provider clinics because we control the specified service (the fertility benefits solution) before it is transferred to the client. We integrate the fertility treatment services provided by the provider clinics into the overall fertility benefits solution that the client contracted to receive. In addition, we define the scope of the potential services to be performed by the provider clinics and monitor the performance of the provider clinics. Furthermore, we are primarily responsible for fulfilling the promise to the client and have discretion in setting the pricing, as we separately negotiate agreements with the provider clinics, which establish pricing for each treatment service. Pricing of services from provider clinics is independent from the fees charged to clients.

Pharmacy Benefits Revenue

For clients that have the fertility benefits solution, we offer, as an add-on, our pharmacy benefits solution, which is a separate, fully integrated pharmacy benefit. As part of the pharmacy benefits solution, we provide care management services, which include our formulary plan design, prescription fulfillment, simplified authorization and timely delivery of the medications used during treatment through our network of specialty pharmacies, and clinical services consisting of member assessments, UnPack It calls, telephone support, online education, medication administration training, pharmacy support services and continuing PCA support.

The pharmacy-related promises represent a single performance obligation because we provide a significant service of integrating the formulary plan design, prescription fulfillment, clinical services and PCA support into the combined pharmacy benefits solution that the client contracted to receive. The pharmacy benefits solution is a stand-ready obligation that is satisfied over the contract term.

Our contracts include the following sources of consideration, all of which are variable: a PEPM administration fee (in most, but not all contracts) and a fixed fee per fertility drug. As described above, the PEPM administration fee, less estimated refunds related to service level agreements, is allocated to the pharmacy benefits solution and recognized ratably over the contract term. We allocate the variable consideration related to the fixed fee per fertility drug to the distinct period during which the related services were performed, as those fees relate specifically to the our efforts to provide our pharmacy benefits solution to clients in the period and represents the consideration we are entitled to for the pharmacy benefits services provided. As a result, the fixed fee per fertility drug is in included in the transaction price and recognized in the period in which we are entitled to consideration from a client, which is when a prescription is filled and delivered to the members.

As stated above, clients are invoiced on a monthly basis for the PEPM administration fee. We invoice the client and the member for their respective portions of the fixed fee per fertility drug, when

the prescription services are completed by the specialty pharmacy. Once an invoice is issued, payment terms are typically between 30 to 60 days.

We assess whether we are the principal or the agent for each arrangement with a client, as prescription fulfillment and clinical services are provided by a third party—the specialty pharmacies. We are the principal in our arrangements with clients, and therefore present revenue gross of the amounts paid to the specialty pharmacies. We control the specified service (the pharmacy benefits solution) before it is transferred to the client. We integrate the prescription fulfillment and clinical services provided by the pharmacies and PCA's into the overall pharmacy benefits solution that the client contracted to receive. In addition, we define the scope of the potential services to be performed by the specialty pharmacies and monitor the performance of the specialty pharmacies. Furthermore, we are primarily responsible for fulfilling the promise to the client and has discretion in setting the pricing, as we separately negotiate agreements with pharmacies, which establish pricing for each drug. Pricing of fertility drugs is independent from the fees charged to clients.

Accrued Receivable and Accrued Claims Payable

Accrued receivables for those fertility benefits claims are estimated based on historical experience each period based on the fertility benefits services provided but for which a claim has not been received from the provider clinic. At the same time, cost of services and accrued claims payables (included within accrued expense and other current liabilities) are estimated based on the amount to be paid to the provider clinics and historical gross margin achieved. Estimates are adjusted to actual at the time of billing. Adjustments to original estimates have been not been material.

Stock-Based Compensation

We estimate the fair value of stock options granted to employees and directors using the Black-Scholes option-pricing model, which requires the input of subjective assumptions, including (1) the expected stock price volatility, (2) the expected term of the award, (3) the risk-free interest rate and (4) expected dividends. Effective January 1, 2018, we changed our accounting policy to account for forfeitures as they occur. Prior to January 1, 2018, forfeitures were estimated at the date of grant and revised, if necessary, in subsequent periods if actual forfeitures differed from those estimates.

The fair value of the shares of common stock underlying the stock options has historically been determined by our board of directors as there was no public market for the common stock. The board of directors determines the fair value of our common stock by considering a number of objective and subjective factors, including: the valuation of comparable companies, sales of redeemable convertible preferred stock to unrelated third parties, our operating and financial performance, the lack of liquidity of common stock and general and industry specific economic outlook, amongst other factors. We selected companies with comparable characteristics to us, including enterprise value, risk profiles and position within the industry and with historical share price information sufficient to meet the expected term of the stock options.

The following assumptions were used to calculate the fair value of stock options granted to employees:

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
Expected volatility	49.3% - 50.1%	48.1% - 48.9%	48.7% - 48.9%	48.7% - 49.0%
Expected term (years)	5.69 - 6.07	5.38 - 6.10	5.91 - 6.09	5.96 - 6.08
Risk-free interest rate	1.8% - 2.2%	2.6% - 3.1%	2.6% - 2.7%	1.9% - 2.5%
Expected dividend yield	—	—	—	—

Common Stock Valuations

The fair value of the common stock underlying our stock-based awards has historically been determined by our board of directors, with input from management and contemporaneous third-party valuations. We believe that our board of directors has the relevant experience and expertise to determine the fair value of our common stock. Given the absence of a public trading market of our common stock, and in accordance with the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, our board of directors exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of our common stock at each grant date. These factors include:

- the prices of common or preferred stock sold to third-party investors by us and in secondary transactions;
- lack of marketability of our common stock;
- our actual operating and financial performance;
- current business conditions and projections;
- hiring of key personnel and the experience of our management;
- our history and the introduction of new services;
- our stage of development;
- likelihood of achieving a liquidity event, such as an initial public offering, or IPO, or a merger or acquisition of the company given prevailing market conditions;
- the market performance of comparable publicly traded companies; and
- the U.S. and global capital market conditions.

In valuing our common stock, our board of directors determined the equity value of our business using various valuation methods including combinations of income and market approaches with input from management. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in our industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in our cash flows.

For each valuation, the equity value determined by the income and market approaches was then allocated to the common stock using either the option pricing method, or OPM, or a hybrid method. The hybrid method is a hybrid of the probability weighted expected return method, or PWERM, and OPM.

The option pricing method is based on a binomial lattice model, which allows for the identification of a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a probability distribution. Discrete future outcomes considered under the PWERM include an IPO, as well as non-IPO market-based outcomes. In determining the fair value of the enterprise using the PWERM, we developed assumptions for an IPO liquidity event and the various outcomes that it could yield. With the OPM model, we assumed a stay private scenario. Our valuations prior to March 2019 were based on the OPM. Beginning in March 31, 2019, we valued our common stock based on a hybrid method of the PWERM and the OPM.

Application of these approaches involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding our expected future revenue, expenses, and future cash flows, discount rates, market multiples, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact our valuations as of each valuation date and may have a material impact on the valuation of our common stock.

For valuations after the completion 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 grant. Future expense amounts for any particular period could be affected by changes in our assumptions or market conditions.

Based on the assumed initial public offering price per share of $15.00, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, the aggregate intrinsic value of our outstanding stock options as of June 30, 2019 was $287.7 million, with $129.2 million related to vested stock options.

Recently Adopted Accounting Pronouncements

See the sections titled "Summary of Significant Accounting Policies—Accounting Policies Adopted in the Current Year" and "—Accounting Pronouncements Issued but Not Yet Adopted" in Note 2 to our consolidated financial statements for more information.

Emerging Growth Company Status

We are an emerging growth company, as defined in the JOBS Act. The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of some accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period under the JOBS Act until the earlier of the date we (1) are no longer an emerging growth company or (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

BUSINESS

Overview

We envision a world where anyone who wants to have a child can do so. Our mission is to make dreams of parenthood come true through healthy, timely and supported fertility journeys. Through our differentiated approach to benefits plan design, patient education and support and active network management, our clients' employees are able to pursue the most effective treatment from the best physicians and achieve optimal outcomes.

Progyny is a leading benefits management company specializing in fertility and family building benefits solutions in the United States. Our clients include many of the nation's most prominent employers across a broad array of industries. We launched our fertility benefits solution in 2016 with our first five employer clients, and we have grown our base of clients to over 80. We currently provide coverage to approximately 1.4 million employees and their partners (known in our industry as covered lives), who we refer to as our members. We have achieved this growth by demonstrating that our purpose-built, data-driven and disruptive platform consistently delivers superior clinical outcomes in a cost-efficient manner while driving exceptional client and member satisfaction. We have retained substantially all of our clients since we launched our fertility benefits solution, and our member satisfaction over that same time period is evidenced by our most recent industry-leading Net Promoter Score, or NPS, of +71 for our fertility benefits solution and +86 for our integrated pharmacy benefits solution, Progyny Rx.

The prevalence of infertility is high, affecting one in eight couples in the United States according to the Centers for Disease Control and Prevention, or CDC, and infertility is gaining attention as individuals are more openly discussing their struggles. Despite its high prevalence and its recognition by the World Health Organization, or WHO, as a disease since 2009, access to treatment has previously been limited by poor insurance coverage in the United States. This is driven in part by the fact that the American Medical Association did not vote in support of WHO's designation until 2017. Similarly, legislators have not designated infertility as a condition meriting mandated health insurance coverage, with only approximately one-third of states in the United States mandating insurance coverage for infertility. For the states that do mandate coverage, the mandates vary greatly and often leave patients with inadequate coverage or unable to pursue care at all.

Whether an employer is mandated to cover infertility, or simply chooses to do so, the coverage and benefits design options have historically been limited and have resulted in poor patient outcomes, increased costs and unintended consequences for both patients and employers. Infertility coverage offered by conventional health insurance carriers today generally falls short in a number of important ways, including that it typically: (1) is structured as a limited lifetime dollar maximum benefit, which is often depleted by the patient before they have achieved a successful pregnancy; (2) includes rules that limit access to treatment options, leading to poor outcomes; (3) does not provide adequate education, guidance or support for patients struggling with the rigors of the fertility journey, leading to poor treatment choices; and (4) limits patient access to many of the nation's top reproductive endocrinologists because these fertility specialists do not broadly participate in conventional health insurance carrier networks, meaning they contract with us and no more than one other insurance carrier.

The confluence of these factors results in a host of health-related, financial and workplace issues for employers and their employees, such as decreased employee productivity and retention, as well as increased employee absenteeism, stress and depression. We seek to help our clients address these fundamental challenges and inefficiencies across the infertility treatment landscape as the demand for infertility services continues to grow.

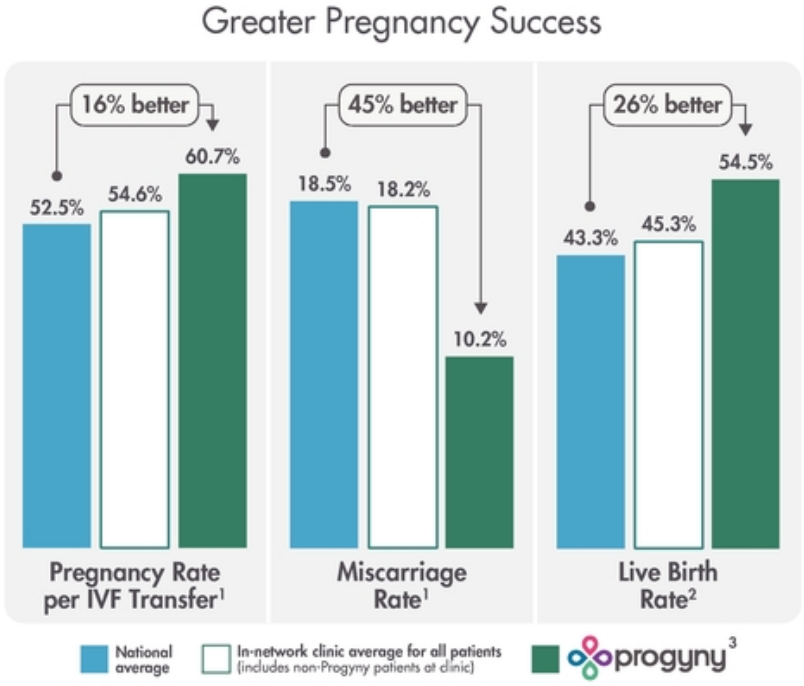
We are redefining fertility and family building benefits, proving that a comprehensive fertility solution can simultaneously benefit employers, patients and physicians. We believe the differentiated

value proposition we deliver to all of these constituents is key to our success and growth. By empowering our members with education, guidance and financial support, and enabling high-quality fertility specialists to use the latest science and technologies, our solution leads to the development of customized treatment plans that result in optimal clinical outcomes for our members and cost savings for our clients.

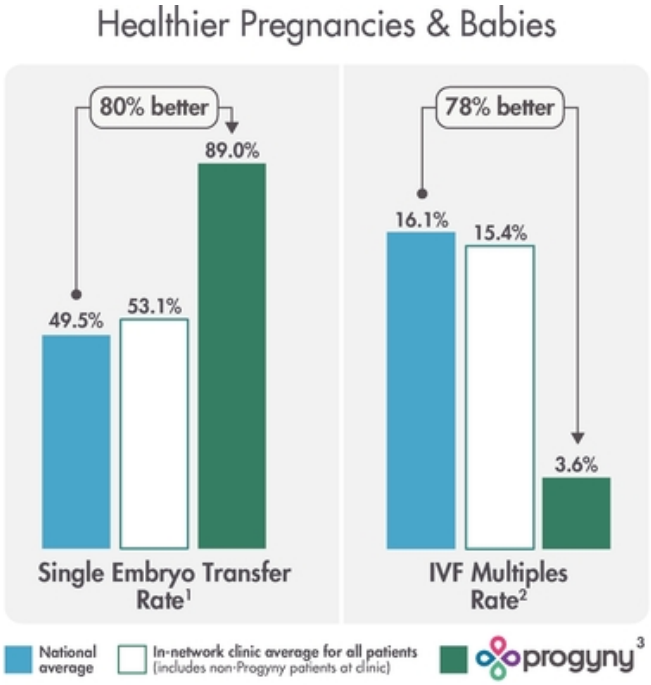
At Progyny, we accomplish these beneficial results because of our robust and differentiated solution. We enable our members to pursue effective and cost-efficient fertility treatments and support them throughout the entire fertility journey, from enrollment and initial consultation to treatment and post-treatment monitoring. It starts with our unique approach to benefits plan design—the Smart Cycle—which ensures that all member populations, regardless of their chosen path to parenthood, have comprehensive and equitable coverage. In order to simplify the process for our members, we position the benefit to them using our proprietary Smart Cycle approach. Smart Cycles are our proprietary treatment bundles designed by us to include the medical services required for a member's full course of treatment, including all necessary diagnostic testing and access to the latest technology. We offer a number of Smart Cycle treatment bundles, which may be used in various combinations depending on the member's need. In conjunction with the Smart Cycle plan design, each of our members has a dedicated Patient Care Advocate, or PCA, who has fertility expertise and provides end-to-end concierge support, including logistical support (i.e., fertility specialist selection, appointment scheduling, treatment authorization and treatment payment), clinical guidance (i.e., treatment options, outcomes statistics and what to expect) and emotional support during the often challenging and unpredictable fertility journey. Additionally, all Progyny members have access to our selective network of high-quality fertility specialists who we equip with a benefits design that enables them to pursue the best treatment pathways, providing our members with tailored treatments that result in optimal clinical outcomes.

In addition to our fertility benefits solution, we offer an integrated pharmacy benefit solution, Progyny Rx, which can be added by our clients. Progyny Rx provides our members with access to the medications needed during their fertility treatment. As part of this solution, we provide care management services, which include our formulary plan design, simplified authorization, assistance with prescription fulfillment and timely delivery of the medications by our network of specialty pharmacies, as well as medication administration training, pharmacy support services and continuing PCA support. Our Progyny Rx solution creates an efficient pharmacy solution for our members and provider clinics by reducing dispensing and delivery times to our members, eliminating the risk of a missed treatment cycle and mitigating their administrative burden. As our members receive more effective treatment and differentiated support throughout their fertility journeys, our clients gain more value from their fertility benefits expenditures through an increase in healthier, timelier pregnancies as well as an ultimate reduction in both fertility treatment costs and maternity and neonatal intensive care unit, or NICU, expenses, all while supporting a more present and productive employee base.

We have demonstrated our ability to drive better outcomes for our clients, members and provider clinics across multiple metrics as summarized in the charts below. Provider clinics within our network produce outcomes that surpass their own reported practice averages when treating Progyny members because of our differentiated solution. Additionally, across our membership, our outcomes compared to national averages have been consistently superior. Progyny's selective network of high-quality fertility specialists consistently demonstrates a strong adherence to best practices with a substantially higher single embryo transfer rate. As a result, our members experience significantly fewer pregnancies with multiples (e.g., twins or triplets). Multiples are associated with a higher probability of adverse medical conditions for the mother and babies, and as a byproduct, significantly escalate the costs for employers. Our IVF multiples rate is 3.6% compared to the national average of 16.1%. A lower multiples rate is the primary means to achieving lower high-risk maternity and NICU expenses for our clients.



Note: Progyny represents Progyny in-network provider clinic averages for Progyny members only. For each Progyny outcome presented, the p-value when compared to the national average is <0.0001. 1. Calculated based on CDC, 2016 National Summary and Clinic Data Sets, published 2018; 2. Calculated based on CDC, 2017 National Summary and Clinic Data Sets, published 2019; 3. Calculated based on the 12-month period ended December 31, 2018.



Note: Progyny represents Progyny in-network provider clinic averages for Progyny members only. For each Progyny outcome presented, the p-value when compared to the national average is <0.0001. 1. Calculated based on the Society for Assisted Reproductive Technology, or SART, 2017 National Summary Report, published 2019; 2. Calculated based on CDC, 2017 National Summary and Clinic Data Sets, published 2019; 3. Calculated based on the 12-month period ended December 31, 2018.

We have experienced significant growth since the launch of our fertility benefits solution. Our growth strategy is to increase the number of clients we serve, expand the services our current clients utilize and increase the breadth of our offering with new services. We believe we are well positioned for growth as our current base of 1.4 million members represents only 2% of what we believe to be our total addressable market. In addition, we believe we can continue to increase our business with our existing clients as they expand their employee bases and adopt more of our services over time. As evidence of our success to date, we have retained substantially all of our clients since we began offering our fertility benefits solution, and in many cases, these clients have expanded their use of our offerings. To continue fostering our growth and to ensure we are providing our clients with the most effective benefits solution, we also seek to use the insights gained from our robust data collection process and the expertise of our prestigious Medical Advisory Board and network of high-quality fertility specialists to continue to develop innovative solutions that further enhance and differentiate our offering.

Our revenue was $48.6 million and $105.4 million for the years ended December 31, 2017 and 2018, respectively, representing year-over-year growth of 117%. Our revenue was $48.4 million and $103.4 million for the six months ended June 30, 2018 and 2019, respectively, representing period-over-period growth of 113%. Our net loss from continuing operations was $(12.5) million and $(5.1) million for the years ended December 31, 2017 and 2018, respectively. Our net (loss) income from continuing operations was $(2.4) million and $4.0 million for the six months ended June 30, 2018 and 2019, respectively. Our Adjusted EBITDA was $(7.9) million and $1.4 million for the years ended December 31, 2017 and 2018, respectively. Our Adjusted EBITDA was $0.3 million and $8.9 million for the six months ended June 30, 2018 and 2019, respectively. See the section titled "Prospectus Summary—Summary Consolidated Financial Data—Non-GAAP Financial Measure—Adjusted EBITDA" for the definition of Adjusted EBITDA as well as a reconciliation of Adjusted EBITDA to net (loss) income from continuing operations. Our fertility benefits solution represented 100% and 95% of our total revenue for the years ended December 31, 2017 and 2018, respectively, and 94% and 83% of total revenue for the six months ended June 30, 2018 and 2019, respectively. Progyny Rx, which went live in 2018, represented 5% of our total revenue for the year ended December 31, 2018 and 6% and 17% of total revenue for the six months ended June 30, 2018 and 2019, respectively.

Industry Background

The prevalence of infertility is high, affecting one in eight couples in the United States according to the CDC, and infertility is gaining attention as individuals are more openly discussing their struggles with fertility. As transparency and dialogue around infertility have increased, there has been a de-stigmatization of the disease. Despite this change in perception of infertility and its high prevalence, it is one of the only high-prevalence medical conditions with limited or non-existent medical insurance. By comparison, medical conditions with a similar prevalence, such as diabetes (affecting one in 11 individuals, according to the CDC) and asthma (affecting one in 13 individuals, according to the CDC), are comprehensively covered by conventional health insurance carriers and employers. Due to the high prevalence of infertility, its high costs of treatment and the limited insurance coverage provided for the disease, there is a significant unmet need for fertility services in the United States and several macro trends are driving that need for fertility treatments and propelling the overall size of the fertility market higher.

While fertility treatments have been available for almost 40 years to help individuals suffering from infertility build their families, access to these treatments has been limited due to the lack of comprehensive coverage and the prohibitive costs. The cost of care for a successful outcome can exceed $60,000 according to a study published in The Journal of the American Medical Association, yet only a small percentage of employers provide a benefits plan that addresses these costs. As a result, the vast majority of patients who undergo fertility treatment must pay for most or all of their care out-of-pocket, which is cost-prohibitive for many families and individuals.

The lack of adequate coverage has been the result of both broader public policy issues, as well as conventional health insurance carrier-specific policies. For example, it was not until 2017 that infertility was first recognized as a disease by the American Medical Association and, even now, only 16 states have mandated insurance coverage for infertility. For the states that do mandate coverage, the mandates vary greatly and often leave patients with inadequate coverage or unable to pursue care at all. Given this environment, conventional health insurance carriers have offered little to no coverage of fertility treatments for a number of reasons, including the view that fertility treatment is an elective procedure or a lifestyle choice. When conventional health insurance carriers have chosen to structure fertility coverage for their employer clients, that coverage often has limited lifetime dollar maximums (with median coverage maximum of $15,000 according to Mercer) and clinically antiquated "one size fits all" clinical protocols, such as mandated step therapy protocols. Step therapies provide limited or no benefit coverage for therapies in a specific, often efficacy-limiting order (e.g., requiring multiple failed intrauterine insemination, or IUI, attempts before in vitro fertilization, or IVF) and can exhaust the patient's financial coverage and extend the treatment timeline while an individual's fertility continues to decline. The end result is wasted time and money and lack of access to the treatments most likely to result in a successful pregnancy, with poor results being exacerbated by the patient's lack of education and support.

Major cultural shifts and the evolving demographics of the workforce in the United States are driving demand for fertility treatments and adequate coverage to support them. More individuals than ever are making the choice to start their families later in life, increasing the biological likelihood of infertility as an individual's fertility declines with age. According to the CDC, in 2016, for the first time ever, the birth rate of women in the United States aged 30 to 34 surpassed that of women aged 25 to 29, and there is evidence that this phenomenon is global. Additionally, the increased acceptance of non-traditional paths to parenthood has created an increased need for access to fertility treatments. According to Gallup and the Family Equality Council, approximately 8% of millennials identify as LGBTQ+ and 48% of them are actively planning on expanding their families in the coming years. As millennials begin to reach child-bearing age and become the largest demographic in the workforce, we believe these prevailing cultural trends, in conjunction with the continued de-stigmatization of infertility, will continue to accelerate growth in demand for fertility treatments.

As employees are demanding more robust fertility benefits coverage, employers are increasingly focused on providing a comprehensive fertility benefits that supports an inclusive and diverse workplace in order to attract and retain top employees. In a 2015 survey conducted by Reproductive Medicine Associates of New Jersey among 1,000 nationally representative U.S. adults aged 25 to 40, or the 2015 RMANJ Report, 68% of respondents and 70% of millennial respondents indicated that they were willing to change jobs to ensure fertility coverage. Because employers in the same industry are competing for employee talent, once the availability of fertility benefits begins to penetrate a particular industry, a demonstrable network effect occurs in which employees within that industry begin to expect the benefit from their employers, which can cause an employer to adopt the benefit to remain competitive and bolster employee satisfaction.

Driven by these market dynamics, according to the CDC, the market for fertility treatments grew at a 10.5% compound annual growth rate from 2013 to 2017 as more individuals pursued treatment. Given this increasing demand coupled with inadequate existing coverage, there is a greater need than ever before for a fertility benefits manager who can provide comprehensive and effective benefits to the employer market.

Industry Challenges

Employers are faced with three major challenges relating to providing fertility benefits to their employee bases:

- the lack of a comprehensive fertility benefits solution that optimizes their fertility treatment expenditures;
- the need to reduce the significant maternity and NICU expenses, and the workplace impact, resulting from multiple births caused by fertility treatments; and
- the desire to find innovative ways to attract and retain highly sought-after talent.

Employers are seeing an increasing demand for fertility and family building benefits solutions from their employees, yet the programs offered by their conventional health insurance carriers do not successfully address these core challenges.

Lack of Effective Fertility Benefits Solutions

The conventional fertility benefits options available to employers have been designed to control the utilization of services (and expenditures) by employees rather than to optimize outcomes. As such, their plan designs have included restrictive features, such as lifetime dollar maximums, mandated step therapy protocols and limited or no coverage for advanced diagnostics and procedures. In addition, these plan designs have failed to provide access to premier fertility specialists, robust patient support and the ability to dispense fertility medication in a timely manner. Given the evolution of fertility science, such conventional plans have not kept pace and have generated suboptimal clinical outcomes, as well as greater upfront treatment costs and maternity and NICU expenses. This in turn leads to inefficient utilization of employers' expenditures on their fertility benefits programs.

When conventional fertility benefits coverage is restrictively structured with a lifetime dollar maximum, the patient often makes poor clinical decisions that ultimately result in greater costs for the employer. Because the dollar maximum can easily be exhausted in the midst of a fertility treatment cycle, patients may elect to transfer multiple embryos because they are under financial pressure and mistakenly believe that it will optimize their chance of becoming pregnant. According to the 2015 RMANJ Report, 94% of respondents who are actively trying to have a child believe that they must use multiple embryos to increase their chance of having a child through IVF. The common use of multiple embryo transfer belies the fact that this procedure greatly increases the risk of multiple births and health complications among the mother and babies. One of the most common complications associated with multiples is preterm births. Preterm births significantly escalate healthcare costs, including maternity care, labor and delivery costs and NICU expenses. According to a study published in the American Journal of Obstetrics & Gynecology that analyzed the total costs of care over 400,000 deliveries between 2005 and 2010, as adjusted for inflation, the maternity and perinatal healthcare costs attributable to a set of twins are approximately $150,000 on average, more than four times the comparable costs attributable to singleton births of approximately $35,000, and often exceed this average. In the case of triplets, the costs escalate significantly and average $560,000, sometimes extending upwards of $1.0 million.

Conventional health insurance carriers also often mandate step therapy protocols and restrict access to use of advanced diagnostics and procedures, which exacerbates the inefficient utilization of dollars available under the lifetime dollar maximum and wastes valuable time on less effective treatments. A patient with mandated fertility step therapy protocol may be required to undergo three to six cycles of IUI, which has an average success rate range of 5% to 15%, takes place over three to six months and can cost up to $4,000 per cycle (or an aggregate of approximately $12,000 to $24,000), according to FertilityIQ. Multiple rounds of mandated IUI is likely to exhaust the patient's lifetime dollar maximum fertility benefits and waste valuable time before more effective IVF treatment can be

pursued. These repeated failures also increase the physical and emotional rigors of infertility. In addition, patients go through an average of 2.2 IVF treatment cycles to achieve a successful pregnancy, with treatment costs typically around $18,000 per IVF cycle and medication costs typically around $7,000 per IVF cycle. Additionally, conventional fertility benefits programs generally do not cover certain advanced diagnostics and procedures that have been demonstrated to increase the likelihood of a healthy live birth. As scientific advances have continued to further evolve the field of assisted reproductive technology, or ART, conventional insurance carriers have not kept pace with these developments by evaluating and providing coverage for the latest approved technologies. For example, preimplantation genetics testing, or PGT, allows for a healthy embryo to be identified by screening for, and identifying, chromosomal abnormalities and certain genetic diseases. The use of PGT is correlated with reduced risk of miscarriage and increased probability of a successful transfer and pregnancy. However, PGT is not commonly covered or access to it is restricted by conventional health insurance carriers. More broadly, conventional health insurance carriers often do not cover all of the latest fertility technologies that correlate with better outcomes.

In addition to restrictive plan designs, the success of conventional fertility programs is also limited because many of the nation's top fertility specialists do not broadly participate in conventional health insurance carriers' networks. These fertility specialists have been reluctant to enter into conventional health insurance carriers' networks due to their restrictive plan designs and limited lifetime dollar maximums that do not allow the specialists to employ best practices and that encourage patients to make compromises in their course of treatment. In addition, fertility specialists avoid participation in conventional health insurance carrier networks because there are typically significant administrative burdens related to accepting those carriers' coverage, such as the process of receiving multiple authorizations to perform treatment. The consequence of this non-participation is that patients may not have access to premier specialists who have the highest success rates. While fertility patients are typically willing to travel to reach high-quality care, the networks offered by conventional health insurance carriers often limit the patients' ability to see those fertility specialists that may increase their chances for a successful pregnancy.

The fertility process is a long, rigorous journey, both emotionally and physically. Conventional benefits programs also lack any meaningful care coordination, education or patient support. Patients and their dependents have no help in understanding the complex choices they are faced with and discerning between treatment alternatives. For example, patients are often uneducated on the health risks and financial implications associated with preterm multiple births caused by the transfer of multiple embryos. There is also limited emotional support when patients face setbacks or unexpected outcomes as the current system ignores the emotional burden of patients embarking on the path to pregnancy through ART treatments and the impact that burden has on employee productivity and the workplace. In the 2015 RMANJ Report, 55% of surveyed individuals believe infertility to be more stressful than unemployment, and 61% believe infertility to be more stressful than divorce. Another study published by European Society of Human Reproduction and Embryology reported that 50% of women with infertility reported feeling depressed most or all of the time. The current system places the heavy burden of coping with the infertility journey completely on the patient, without adequate resources for emotional and educational support.

The conventional pharmacy delivery infrastructure is not designed to address the uniqueness of fertility treatment, which requires highly coordinated and timely delivery of medication. Conventional benefits managers require extensive and multiple authorizations and have inconsistent approval processes, which can complicate and delay the provision of medications that are essential to fertility treatment. We believe that with conventional benefits programs, authorization and delivery times of one to two weeks are typical. If medications are not received on time, patients may have to wait a month or longer to commence another round of fertility treatment, wasting valuable time and money. In addition, the storage, preparation and administration of fertility medication is complex and requires extensive self-administered injections, yet most fertility benefits programs offer limited guidance and clinical

support to patients around these issues. Additionally, fertility medications are often self-administered injectable drugs, and the effectiveness of a patient's treatment may be compromised by improper storage and/or incorrect administration of their medications if the patient is not provided access to education and support.

Because of the unique challenges of infertility, including the high costs and complexity of treatment and the variability of outcomes across fertility specialists, conventional benefits solutions have been unable to optimize outcomes and efficiently utilize employers' dollars committed to fertility. As a result, employers are facing increased demand for an expensive benefits program without the availability of an effective solution in the conventional managed care environment.

Costs Associated with Multiple Births and Poor Fertility Treatment Outcomes

Regardless of whether an employer chooses to cover fertility treatments, they end up bearing the significant medical costs associated with unanticipated multiple births and miscarriages, as well as the associated impacts on the workplace. The high number of multiple embryo transfers that conventionally occurs during IVF leads to a significant number of multiple births, which in turn is a primary cause of dangerous and expensive preterm births, the most common complication resulting from multiple births, which lead to extensive maternity and NICU costs. Based on 2005 data published by the Institute of Medicine of the National Academies and as adjusted for inflation, it is estimated that the yearly societal economic cost of preterm birth in the United States is approximately $33.7 billion, primarily due to high-risk prenatal care, pregnancy complications, preterm delivery, NICU stays and chronic health conditions, all of which are covered under employer-sponsored medical insurance. In addition to multiple birth rates, the relatively higher miscarriage rate associated with IVF treatment also results in significant additional medical costs for employers and their employees, as well as emotional and physical strain on patients. As a result of these suboptimal treatment outcomes, employers also bear the related costs of increased employee absenteeism at the workplace, which is common with instances of multiples births. For example, because a pregnancy with multiples is more likely to involve health complications for the mother and babies, there is a 4.4x greater likelihood of time away from work due to longer hospital stays before and after delivery, according to RESOLVE: The National Infertility Association, or RESOLVE, as well as more medical appointments for chronic infant conditions. Furthermore, multiple births lead to decreased employee retention. According to research conducted by the Twin & Multiple Births Association, mothers of multiples are slower to return to work than mothers of singletons, and 55.8% of all mothers with twins take nine to 12 months of maternity leave. Employers may not be fully aware of the causal effect and ultimate impact of suboptimal fertility care under the current solutions offered by the conventional benefits programs since these programs do not collect outcomes data from their fertility specialists and therefore cannot accurately report on their program's performance in a timely manner.

Ability to Attract and Retain Talent

Employers are facing increasing competition to attract and retain talent as the labor market is at historically low unemployment levels. As a result, employers are enhancing their value proposition to employees by evaluating and providing benefits that are most in demand. Family building solutions are an increasing area of focus for employees, and in turn, employers.

As their need for fertility treatment increases, many employees are demanding that their employers begin to provide or enhance their fertility benefits coverage. In the 2015 RMANJ Report, 68% of respondents and 70% of millennial respondents indicated that they were willing to change jobs to ensure fertility coverage. Among those respondents who have needed fertility treatment, 90% indicated a willingness to change jobs to ensure fertility coverage.

Our Market Opportunity

We believe we have a significant opportunity to provide employers with a superior comprehensive solution that addresses the unique challenges and complexities of fertility treatment and related fertility pharmacy services.

Our core market for fertility benefits management is substantial and growing rapidly with strong tailwinds from major societal and cultural shifts, such as people starting families later in life, the growth in non-traditional paths to parenthood and other health-related burdens which have impacted the ability to have children. In addition, we believe that continued de-stigmatization of infertility, along with increased financial support from employers, will continue to drive better access to, and stronger demand for, fertility treatment services, thereby further enabling the expansion of our addressable market.

We estimate that the market for fertility treatments in the United States was approximately $6.7 billion in 2017, based on data published by the CDC regarding the number of treatment cycles and FertilityIQ's estimate of the average cost per cycle. We estimate the potential size of the U.S. fertility market to be at least twice as large because this figure excludes those individuals who do not seek treatment for infertility. According to a recent study by Reproductive Medicine Associates of New York, approximately 50% of people suffering from infertility do not seek treatment. Furthermore, when comparing the United States to other countries, the percentage of babies born utilizing ART is materially lower, at less than 2% in the United States (where fertility treatment is not adequately covered), compared to approximately 10% in Denmark and 5% in Japan (where there is more public health funding for fertility treatment).

We contract with employers to provide fertility and family building benefits to their employees and covered dependents. We believe our addressable market consists of the approximately 8,000 self-insured employers in the United States. These 8,000 employers have a minimum of 1,000 employees, representing approximately 69 million potential covered lives in total. Our current member base of 1.4 million represents only 2% of our total market opportunity.

Regardless of whether or not these self-insured employers currently provide a fertility benefit, we believe they are prospective clients of Progyny. Further, 35% of our clients had no prior fertility coverage before adopting Progyny and nearly all of our clients enhanced their coverage when they switched to Progyny. Overall, we believe our market opportunity is substantial and is continuing to grow as a result of the rising demand for fertility benefits solutions, the lack of adequate offerings in the market today and the increasing awareness of the challenges of infertility we are driving.

Our Solutions

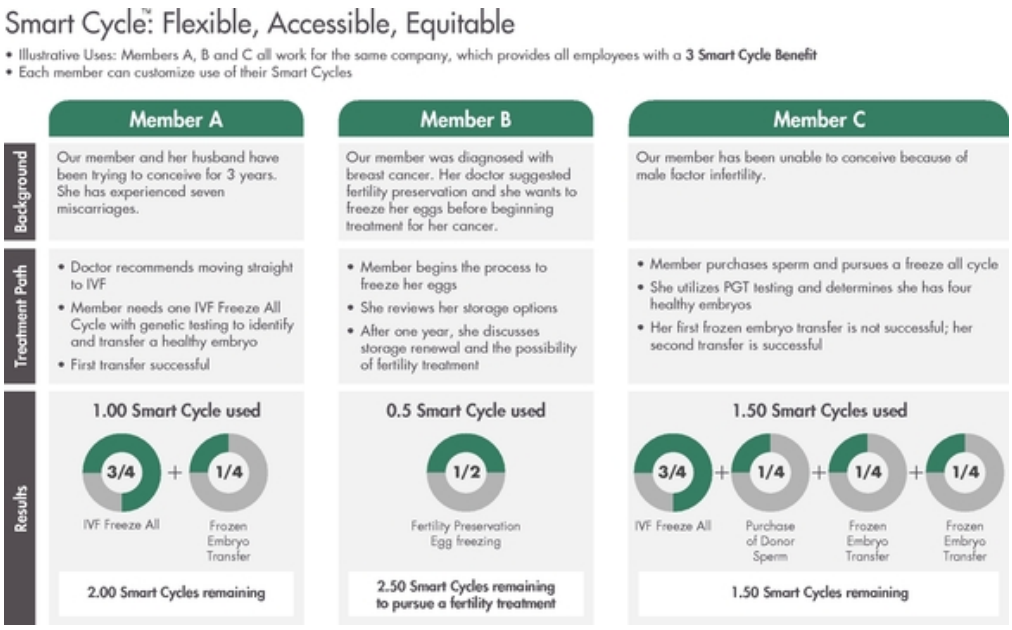
We are redefining effective fertility and family building benefits through our purpose-built, data-driven and disruptive platform through which we offer our fertility benefits and Progyny Rx solutions. Our innovative and comprehensive fertility solution has proven to be simultaneously beneficial for our clients, our members and our network of fertility specialists. Through our differentiated approach to benefits plan design, patient education and support and active network management, our clients' employees are able to pursue the most effective treatment from the best fertility specialists and achieve optimal outcomes in a cost-efficient manner, while our clients achieve savings in upfront treatment costs as well as reduced maternity and NICU expenses.

Fertility Benefits Solution

Differentiated Benefits Plan Design

The innovative Smart Cycle is our easy-to-understand fertility benefits design. Unlike conventional fee-for-service benefits models, members are not burdened by having to track the individual price of any service or manage their clinical decisions based on a limited lifetime dollar maximum. For our clients, our Smart Cycle plan design allows members equitable access to the treatment they need and is designed to drive superior outcomes and reduce both upfront treatment and subsequent costs. Everything needed for a comprehensive fertility treatment is contained within a Smart Cycle treatment bundle, including all necessary diagnostic testing and access to the latest technology (e.g., in the case of IVF treatment, preimplantation genetic testing). We currently offer 17 different Smart Cycle treatment bundles, which may be used independently or in combination depending on the member's need. Each Smart Cycle has a separate unit value (i.e., some have fractional values and some have whole values). Our clients contract to purchase a cumulative Smart Cycle unit value per eligible member. These can range from one to unlimited cumulative Smart Cycles units. Members can choose their preferred provider clinics within our network and utilize their Smart Cycles for whichever treatments they and their fertility specialists determine to be necessary throughout their fertility journey.

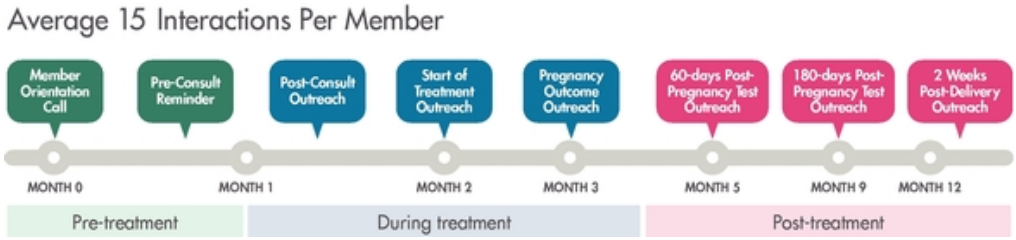
The Smart Cycle structure allows our members, together with the advice of their fertility specialists and the support of their PCAs, to select the Smart Cycle treatment bundles that align with their unique treatment needs and their intended family building pathway, without having to follow the "one size fits all" protocols common to conventional health insurance carriers, and without the worry that their desired treatment approach will not be authorized or covered for the full treatment cycle. Our comprehensive Smart Cycles, which are our proprietary treatment bundles, are assessed regularly by our Medical Advisory Board, and include access to the latest science and technologies, enabling our network of fertility specialists to utilize best practices.



Our superior clinical outcomes driven by our Smart Cycle plan design include higher rates of pregnancy and live births, as well as lower miscarriage rates and fewer multiple births.

Personalized Concierge-Style Member Support Services

Our fertility benefits solution provides members with access to significant support services that are crucial to the success of the fertility and family building journey. Before the fertility treatment process begins, and throughout every step of the fertility journey, we deliver high-touch member support services through a dedicated PCA. Our PCAs have deep fertility expertise and provide extensive clinical education, guidance and emotional support to our members, regardless of their chosen path to parenthood, with members pursuing treatment experiencing on average 15 interactions with their PCA. Our PCAs are well-versed in surrogacy and adoption options, and they are trained to proactively refer our members with more severe emotional and mental health concerns to the other specialized services provided by their employers. Additionally, we have an in-house clinical staff, comprised of professionals with substantial expertise in reproductive endocrinology, fertility nursing, clinical psychology and social work that design our PCA training curriculum and direct our comprehensive member experience. Our member experience leads members to make informed decisions about the best course of treatment unique to them. Even if the members have exhausted their treatment benefit, members still have the opportunity to receive support and guidance from their PCAs.



Our comprehensive member portal, accessible via any desktop or mobile device, further supports the member experience by providing key educational resources and easy-to-access benefits information to our members. Our members can use the portal to securely message their PCA or access a curated library of videos, articles, podcasts and webinars on fertility and family building. The portal also offers digital solutions that help our members address the emotional effects that are often associated with infertility, including loss, self-blame, anxiety and depression. Additionally, the portal can be used to review plan coverage, benefit utilization, claim details and account balances. We believe our platform provides our members with best-in-class support services to help them navigate their fertility and family building journeys.

Selective Network of High-Quality Fertility Specialists

We have utilized our deep industry knowledge and the insights derived from our data analytics platform to establish and actively manage a national network of the leading fertility specialists in the country. Our members receive access to our selective Center of Excellence network of high-quality providers that includes nearly 800 fertility specialists who practice at nearly 600 provider clinic locations throughout the United States. Our network includes 22 of the top 25 fertility practice groups by volume in the United States according to 2017 CDC data, which was published in 2019 and is the most recent data available. Fertility specialists who are invited to join our network must meet and maintain rigorous credentialing standards and quality thresholds that we set for inclusion in our network to ensure that our members receive the highest quality of care.

Our fertility specialist network is unique in that approximately 30% of our provider clinics do not broadly participate in conventional health insurance carrier networks. We have been successful in providing our members with access to our Center of Excellence network of high-quality leading fertility specialists because of the differentiated relationships we have created with our network of fertility specialists who value their inclusion in the Progyny network and the ability we give them to utilize the

latest technologies and best practices. Our national network serves members in virtually every state (two states have no practicing reproductive endocrinologists), providing extensive geographic coverage to our national employers.

Progyny Rx, an Integrated Pharmacy Benefits Solution

Progyny Rx is our integrated pharmacy benefits solution that can be added by clients that utilize our fertility benefits solution. This solution provides our members with access to the medications needed during their treatment. As part of this solution, we provide care management services, which include our formulary plan design, simplified authorization, assistance with prescription fulfillment and timely delivery of the medications by our network of specialty pharmacies, as well as medication administration training, pharmacy support services and continuing PCA support. Our single treatment and medication authorization process reduces the administrative burden, creating an efficient pharmacy solution for our members and their fertility specialists. Progyny Rx reduces dispensing and delivery time to two days to eliminate the risk of missed treatment cycles. Our single medication authorization and delivery led to no missed or delayed cycles for the program in 2018. We provide phone-based, clinical education and support seven days a week to ensure that our members understand any necessary medication storage requirements and administration techniques, including injection training. For example, each member is offered an UnPack It call, during which they speak to a licensed pharmacy clinician who explains the contents of their individual medication package, which contains an average of up to 20 items per cycle, and provides instruction on proper medication administration. To further support those members that require additional education, we also offer a library of on-demand videos. Given the importance of the timely use of medication to the success of fertility treatments, and the complexity involved in administering the medications, we believe Progyny Rx provides a differentiated and effective pharmacy solution for our clients and their employees.

Robust Data Collection Process

We believe that we are the only fertility and family building benefits company to collect data in a timely manner directly from providers on adherence to treatment protocols and clinical outcomes, including single embryo transfer rates, pregnancy rates, miscarriage rates, live birth rates, multiple birth rates, practice patterns, treatment timelines and costs per birth. Our data is used to understand the utilization of our benefits, our provider clinics' adherence to best practices and the outcomes produced by each clinic and across our network. This data informs decisions across our platform, from services covered to our fertility network standards. The insights from our data also enable us to actively manage our fertility specialist network and ensure that our fertility specialists are utilizing best practices and optimizing outcomes. The data collection process also includes extensive member surveys, which allow us to understand and improve our member satisfaction. Finally, our data allows us to provide our clients with unique and detailed quarterly reports in order to provide full transparency into the utilization of their benefit program, their expenditures and the outcomes delivered and value created. We believe that we effectively utilize our thorough data collection and analysis process and our unique and robust data set to continuously improve the client and member experience across our platform.

Prestigious Medical Advisory Board

Our Medical Advisory Board is comprised of nationally recognized fertility specialists who are advancing fertility science and research. They are responsible for oversight of key clinical issues, including evaluating new fertility treatment diagnostics and procedures to ensure that our benefits design and overall program is comprehensive and is designed to drive to the best outcomes. This review ensures that we are evaluating and covering the latest and most effective fertility treatments and identifying opportunities to improve our plan design, member experience and fertility specialist network standards.

Full Service Client Account Management

We provide a dedicated account management team to each of our clients to ensure that we are delivering superior service. Our account managers support our clients' day-to-day needs and resolve issues that arise. For example, to help our clients ensure that their employees are fully aware of the Progyny program, our account management teams work with our clients to create co-branded materials to support health fairs, open enrollment events and other employee communications. The account management team also attends open enrollment benefits fairs and other health fairs throughout the year and hosts virtual open enrollment webinars for members to attend live or on-demand. Our account management team also reviews all quarterly and annual program reports with our clients to reinforce the transparency we provide to clients into their expenditures and outcomes and to review and quantify the value created by our solutions. We believe our account management services, including our detailed client reporting, plays an important role in helping us maintain and strengthen our client relationships.

Ease of Integration for Our Clients

Once we are selected by an employer to manage their fertility and family building benefit, our solution is easy to implement as part of their broader pre-tax medical benefits package. Integrating our solution involves only a small commitment of our client's time (typically only six to ten hours over the course of six weeks). Facilitating the ease of integration is the fact that we have developed multiple integration solutions that allow us to integrate with any health plan or health insurance carrier, reducing significant time and expense for our clients. Our unique ability to integrate our solution with our clients' health insurance coverage allows our benefit to be offered to employees on a pre-tax basis, providing our members with significant savings in comparison to a post-tax reimbursement program, which requires the employee to pay income taxes on the amount of the reimbursement. We believe our ability to integrate our benefits solutions with all of the large national health insurance carriers is a differentiating factor within the industry.

Surrogacy and Adoption Reimbursement Program

We also offer a surrogacy and adoption reimbursement program. We can manage the reimbursement of surrogacy and adoption expenses for those clients who offer such reimbursement benefits. For these programs, employers designate a specific lifetime dollar amount toward surrogacy and/or adoption services for their employees. We then administer the expense reimbursement to employees up to this dollar amount. We work with our clients to determine what expenses related to adoption and/or surrogacy will be covered under their plan, thereby alleviating their administrative burden. Examples of reimbursable expenses typically include agency fees, surrogacy fees, travel expenses and healthcare expenses for the surrogate.

Our Value Proposition

We believe that our competitive success is a function of our ability to concurrently: (1) provide tangible financial value to our clients; (2) deliver a better and more supported fertility journey to our members; and (3) provide value to, and work collaboratively with, the nation's finest fertility specialists.

We Provide Measurable Value to Our Employer Clients

- *Substantial and Measurable Financial Value.* Our superior clinical outcomes drive savings in both upfront fertility treatment costs as well as subsequent maternity and NICU expenses for employers. Because our live birth rate is 54.5% compared to the national average of 43.3% (as calculated based on CDC data) the number of costly treatment cycles utilized by our members is lowered. Additionally, our multiple birth rate is 3.6% compared to the national average of

16.1% (as calculated based on CDC data) resulting in a reduction in the incidence of multiple births and the associated costs for high-risk pre-natal care, pregnancy complications, preterm delivery, NICU stays and the management of associated chronic health conditions.

- *Progyny Rx Savings.* Progyny Rx delivers unit cost savings of between 10% and 20% to our clients in comparison to the net costs that they would experience with a traditional pharmacy benefits manager. Additionally, we have implemented a pharmacy cost containment program to carefully match the amount we dispense to the actual amount needed for a specific patient's treatment. Our cost containment protocol delivers an additional savings of approximately 8% based on a reduction in unnecessary quantities dispensed.

- *Employee Productivity and Retention.* Our solution addresses employee absenteeism, poor productivity, and the lack of employee retention driven by the stress of suffering from infertility (and undergoing fertility treatment) as well as the back-to-work issues related to multiple births. Our members are able to receive the most effective treatments more quickly, thereby reducing the physical and emotional rigors of infertility and its treatment. In addition, before the fertility treatment process even begins, and throughout every step of the care journey, we deliver high-touch member support services through our PCAs. Our program helps reduce time away from work for medical visits, allows employees to be more productive while they are at work and reduces the percentage of employees who do not return to work because of a multiple birth.

- *Appeal to Existing and Prospective Employees.* Better fertility benefits programs can be a key component of enhancing a company's overall benefits and an important tool in its recruiting efforts and in helping retain key talent. Research from FertilityIQ states that employees who had their IVF covered by their employer reported being more likely to remain in their job for a longer period (62%) and were more willing to overlook shortcomings of their employer (53%). An appealing feature of the Progyny benefit from an employee retention perspective is that the benefit is both comprehensive and is accessible by all groups across an employee population without favoring a particular segment, thereby providing increased alignment with an employer's women's, diversity and equality initiatives. Beyond the comprehensiveness of our plan design, a substantial majority of our members also appreciate the concierge member support. The level of employee satisfaction we provide is important for any employer focused on employee retention.

We Provide Meaningful Value to Our Members

- *Superior Clinical Outcomes.* Our members experience healthier pregnancies (with significantly increased utilization of single embryo transfer) and superior rates of pregnancy and live birth as well as reduced rates of miscarriages and multiple births. Our members achieve successful healthy pregnancies faster, saving valuable time and money and limiting personal and professional disruption.

Outcome	National Averages for All Provider Clinics	Progyny In-Network Provider Clinic Averages for All Patients	Progyny In-Network Provider Clinic Averages for Progyny Members Only[4]
Single embryo transfer rate[1]	49.5%	53.1%	89.0%
Pregnancy rate per IVF transfer[2]	52.5%	54.6%	60.7%
Miscarriage rate[2]	18.5%	18.2%	10.2%
Live birth rate[3]	43.3%	45.3%	54.5%
IVF multiples rate[3]	16.1%	15.4%	3.6%

(1) Calculated based on the Society for Assisted Reproductive Technology, or SART, 2017 National Summary Report, published in 2019.

(2) Calculated based on CDC, 2016 National Summary and Clinic Data Sets, published in 2018.

(3) Calculated based on CDC, 2017 National Summary and Clinic Data Sets, published in 2019.

(4) Calculated based on the 12-month period ended December 31, 2018.

- *Comprehensive Coverage.* We provide all individuals with access to comprehensive coverage. Our Smart Cycle design ensures that members always have coverage for a full treatment cycle as their access to treatment is not limited by a dollar maximum that could be exhausted mid-treatment. Additionally, members have access to the latest technologies and procedures, which are reviewed and approved by our Medical Advisory Board, which are designed to achieve optimal outcomes.

- *Access for All Members and Dependents.* Smart Cycles are available to be utilized across all employee groups, including populations not typically covered, such as LGBTQ+ individuals and single mothers by choice. These individuals have equal access to fertility and family building solutions, regardless of their chosen path to parenthood. Our solutions provide support for those pursuing adoption and surrogacy as well.

- *Equitable Access to Care.* As our employer clients often have nationwide employee bases, and the costs of fertility treatments vary greatly by geography, our Smart Cycle design (which is denominated in the number of treatment attempts) ensures members receive fair and balanced access to care that is not dependent on where members live, how expensive a fertility specialist is or which specific treatments are required.

- *High-Touch Concierge Member Experience.* We provide our members with high-touch, end-to-end concierge support, including logistical assistance (i.e., fertility specialist selection, appointment scheduling, treatment authorization and treatment payment), clinical guidance (i.e., treatment options, outcomes statistics and what to expect) and emotional support. All of these services are delivered by our PCAs and our in-house clinical staff. In addition, our member portal provides educational resources, secure PCA messaging, claims history and access to scheduling and payment tools. Our member satisfaction with the Progyny solution is demonstrated through our industry-leading NPS of +71 for our fertility benefits solution.

- *Access to Selective, Premier Fertility Specialist Network.* Our members have access to our Center of Excellence network of the nation's most desired fertility providers, including nearly 800 fertility specialists who practice at nearly 600 provider clinic locations throughout the United States. Through rigorous credentialing standards for entry and inclusion in our network, we ensure that all of our network of fertility specialists utilize the latest technologies and best practices. Through our data collection and analysis process, we are continuously monitoring our fertility specialists to ensure adherence to these best practices, as well as measure various key performance metrics to maintain network quality. Our network includes 22 of the top 25 fertility practice groups by volume in the United States according to 2017 CDC data, which was published in 2019 and is the most recent data available. In addition, approximately 30% of our provider clinics do not broadly participate in conventional health insurance carrier networks.

- *Integrated Pharmacy Benefits Solution.* Our Progyny Rx platform provides members with a simplified authorization process and timely medication delivery to help ensure no member treatment cycles are missed. Additionally, given the complexity of administration and storage of fertility medications and the importance of proper medication administration to a successful treatment, we provide member support from pharmacy clinicians seven days a week, including injection training from pharmacy clinicians. Our member satisfaction with our Progyny Rx platform is demonstrated through our industry-leading NPS of +86.

We Provide Meaningful Value to Our Fertility Specialists

- *Members Supported With a Comprehensive Benefit.* Our solutions allow our members to arrive at their fertility specialist with a fully-covered course of treatment and the flexibility to utilize the latest approved technologies and best practices via our comprehensive Smart Cycle benefits plan design. This allows the fertility specialist to prescribe a customized treatment plan based on best practices and effectiveness, without worrying about mandated protocols or dollar limitations on coverage. These members are also educated on the use of best practices and are supported by PCAs along their fertility journey, thereby both enabling informed member decision making and removing much of the burden of member support from the provider clinic. Our members make optimal treatment choices as evidenced by our single embryo transfer rate of 89.0% compared to the national average of 49.5% (as calculated based on SART data).

- *Eliminate Step Therapy Protocols.* Our network of fertility specialists have access to the latest science and technologies through our innovative Smart Cycles, which are our proprietary treatment bundles that have been designed to achieve the best fertility outcomes based on our members' specific medical conditions. Smart Cycles free our fertility specialists from having to follow the ineffective protocols common to conventional coverage and allow them to pursue the most effective treatments first, thereby saving time and money.

- *Simplified Administration.* Once a Smart Cycle treatment is authorized, fertility specialists within our network are able to prescribe the optimal treatment plan without any need for pre-certification or pre-authorization before a specific test or procedure, eliminating a hurdle common to conventional health insurance carriers. Through our integrated pharmacy benefit, fertility specialists do not have to secure a separate medication authorization, which is typical in the conventional managed care pharmacy programs.

- *Superior Clinical Outcomes.* Outcomes for Progyny members across our fertility specialist network are superior to the average outcomes that these same provider clinics report to the CDC for all of their patients. For example, as shown in the prior table, the in-network average live birth rate for Progyny members is 54.5%, as compared to the 45.3% average live birth rate for all of the patients at those same clinics.

- *Eliminating Financial Risk Associated With Collections.* Fertility specialists are guaranteed full compensation directly from Progyny for the care that they provide our members. As such, we assume full responsibility for the collection of all members' deductibles and coinsurance, thereby eliminating the burden and cost of collection (and bad debt expense) for member payments that our provider clinics otherwise would experience.

- *Data Sharing and Reporting.* Our robust data capture and analysis capabilities allow us to provide a deep and sophisticated level of information to fertility specialists about their practices. We produce clinic scorecards quarterly with key performance indicators that allow fertility specialists to compare their results with peer averages. These scorecards, which include clinical outcomes, treatment progression data and member survey data, among other metrics, allow us to help our fertility specialists understand their practices compared to their peers and identify any areas for improvement.

- *Higher Volumes and Improved Financial Performance.* Fertility specialists in our network often experience an increase in patient volume, and because of our comprehensive benefits design, an increase in the number of patients who progress from consultation to treatment.

Our Competitive Strengths

Market Leadership

We are a leading benefits management company specializing in fertility and family building benefits solutions in the United States, with a client base of over 80 self-insured employer clients representing 1.4 million members. We drive superior clinical outcomes for our members including higher pregnancy success rates, lower miscarriage rates, fewer multiple births and a higher live birth rate. We are a recognized and trusted brand and believe that our leadership and market differentiation is evidenced by our retention of substantially all of our clients since we first began offering our fertility benefits solutions in 2016.

Differentiated Model Drives Superior Clinical Outcomes at Reduced Overall Cost

In contrast to conventional fee-for-service coverage, which is designed to simply contain utilization, our case management-driven benefits model is comprehensive, does not exhaust coverage mid treatment cycle, includes access to the latest technologies and best clinical practices and drives superior outcomes. This is a cost-efficient model, allowing employers to provide more robust coverage with lower overall expenditures. The success of our plan design in driving more favorable outcomes is evidenced by the fact that outcomes for Progyny members across our fertility specialist network are superior to the average outcomes that these same provider clinics report to the CDC for all of their patients. For example, at the same provider clinics, the average live birth rate for Progyny members is 54.5% compared to the average live birth rate for all of their patients of 45.3%.

In addition to the tangible medical and pharmacy cost savings, our clients are also able to avoid some of the indirect costs of infertility such as employee absenteeism and loss of productivity caused by stress and depression, as well as lack of employee retention caused by multiple births:

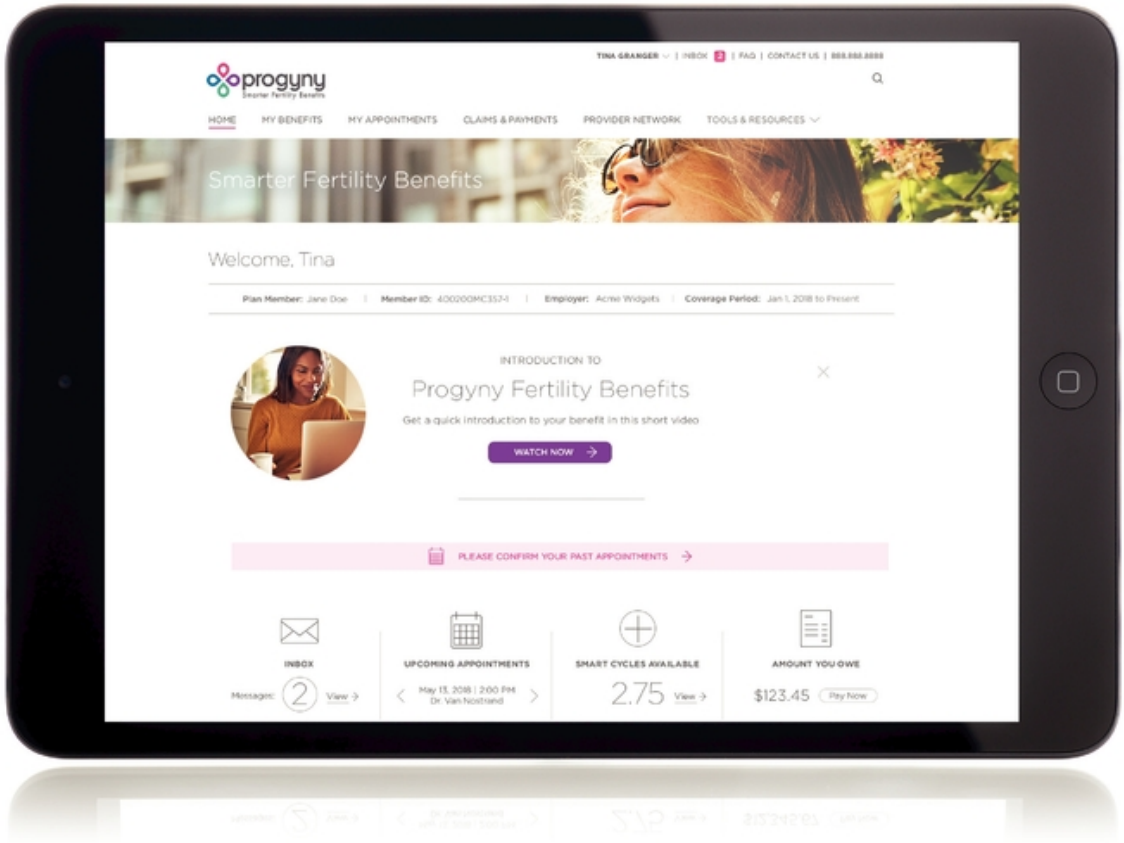
- The estimated yearly societal economic cost of preterm birth in the United States is approximately $33.7 billion (based on data published by the Institute of Medicine of the National Academies in 2005, as adjusted for inflation). These costs are primarily the result of high-risk prenatal care, pregnancy complications, preterm delivery, extended NICU stays and chronic health conditions, all of which are covered under employer-sponsored medical insurance. The rate of preterm births is significantly higher for multiples than for singletons after ART according to the American Society for Reproductive Medicine.

- Half of surveyed people trying to conceive said they were depressed most or all of the time.

- Pregnancies with multiples resulted in a 4.4x greater likelihood for time away from work due to longer hospital stays as well as more medical appointments and treatments for chronic infant conditions according to RESOLVE.

Superior Member Experience

We believe that a key differentiator of our services is our concierge member support delivered by our PCAs who are unique to our platform and a valuable resource to our members. PCAs provide meaningful education, clinical guidance and emotional support for our members and are available throughout the member's fertility and family building journey. In addition, the member experience is tailored to meet the unique needs of our clients' employees and the PCAs have expertise in fertility treatment issues uniquely affecting LGBTQ+ individuals, single mothers by choice and individuals looking to pursue surrogacy or adoption. Our member experience is further enhanced by our online member portal with an easy-to-use interface and significant educational resources and support tools.



Selective, Premier Fertility Specialist Network

We have built a Center of Excellence network of the nation's most desired fertility providers. Our fertility specialists are thought leaders in the treatment of fertility and are driving differentiated outcomes for our members. Because of the unique Progyny benefits design, our fertility specialists can utilize the most effective treatment for members the first time, without the restrictions of conventional benefits programs. Our network includes 22 of the top 25 fertility practice groups by volume in the United States according to 2017 CDC data. Our differentiated approach to fertility benefits design and its alignment with our fertility specialists' primary objective of delivering the best possible outcomes is evidenced by the fact that approximately 30% of our provider clinics do not broadly contract with conventional health insurance carriers.

Value-Added Integrated Pharmacy Program

Fertility medication is expensive, complicated, time sensitive and critical to the success of treatment. We more effectively manage the complex fertility medication process through a single authorization mechanism for fertility treatments and the related prescription drugs, with guaranteed timely delivery and extensive clinical support around drug storage and administration techniques, including injection training, seven days a week. In addition to the unit-cost savings we deliver through our negotiated formulary rates, we also employ an innovative cost containment program that has enabled our clients and members to save additional costs through the reduction in overprescribing that is typical of conventional fertility pharmacy management. Through our comprehensive Progyny Rx

program, we generate significant cost savings for our employers while driving increased member satisfaction.

Purpose-Built, Data-Driven and Disruptive Platform

The outcomes data we collect and analyze provides insights across our business, including the creation and management of our plan design and clinical protocols to ensure the efficiency of employer expenditures. We also manage our fertility specialist network and ensure adherence to Progyny practice standards based on this data to ensure that fertility specialists are driving improved clinical outcomes and member satisfaction.

A key differentiator of our solution is our in-depth client reporting. We synthesize our data into comprehensive reporting for our employer clients so that they can see the detail of the utilization of the benefit by their employees, their expenditures, the outcomes and value created and their employees' satisfaction with the experience. We believe we are the only benefits manager that tracks fertility outcomes from medical record data on a timely basis, and we believe this unique data reporting to be important for our employer clients to understand why Progyny offers a superior solution.

Highly Scalable Platform

We believe we have demonstrated that our purpose built platform is highly scalable. Since launching our benefits solution, we have more than doubled our client base every year without any dilution to or decrease in the level and quality of services. Once we begin providing services to a client, we believe it is difficult for our clients to replicate our outcomes with another solution. In addition, we have been able to add new solutions and technologies to our offering while sustaining this growth and believe our platform is capable of continuing to rapidly adopt more clients without meaningful infrastructure enhancements. We believe our growth will continue to enhance our network effect and allow us to more effectively serve our new and existing clients with more robust insights and solutions, further strengthening our client relationships.

Deeply Experienced Management Team with Strong Culture

Our management team has extensive operational experience and background in healthcare, technology and services. Additionally, our sales, support and development teams have significant healthcare, technology and benefits experience and are a key competitive advantage to our success. Given the complexity of the highly regulated industry we operate in, we believe our management's industry experience is also a meaningful differentiator for us. Their demonstrated track record of success in running public companies and scaling growth organizations will allow us to continue to be leaders in our industry.

A large part of our continued success is driven by our unique culture and the dedication and commitment of our Progyny team. We have experienced only 2% voluntary attrition to date in 2019. According to our 2019 employee survey, over 90% of our employees would recommend working at Progyny to a friend, are proud to work for Progyny, and believe Progyny creates an environment where they do their best work. We have been recognized by Modern Healthcare as one of the Best Places to Work in Healthcare in 2018 and 2019, positioning us well to continue to attract and retain top talent.

Our Growth Strategy

Expand Our Client Base

We intend to continue increasing our client base of self-insured employers throughout the United States by leveraging our experienced salesforce and strong relationships with benefits consultants. Since we launched our first clients in 2016, we have more than doubled our client base each year. We believe

we have an addressable market of approximately 8,000 potential self-insured employer clients in the United States and, with our current base of over 80 clients, are still in the early stages of our growth trajectory. Importantly, as we have continued to grow, we have meaningfully diversified our client base across an array of different industries. We believe this demonstrates the attractiveness of our offering and provides greater confidence in our ability to further penetrate the broader addressable market. We are expanding our client base within each industry that we serve, and have an industry-specific strategy, which enables us to most effectively target our addressable market. Because our clients within an industry compete with each other for employees, we believe our solutions are increasingly viewed as an important way for them to remain competitive with one another. Additionally, we believe that our expanding presence has resulted in a heightened awareness of fertility benefits and has informed the market of the value we provide to our employer clients and our members, which we believe also helps facilitate growth.

Capitalize on Embedded Growth Potential within Our Existing Client Base

Because of how our revenue model is structured, we believe we are positioned to realize organic revenue growth as our clients and their respective employee bases grow and utilize more fertility treatment services as a result. A meaningful portion of our clients have grown, and we believe many of them will continue to grow. In addition, we have historically realized similar utilization trends of fertility services for new members compared with existing members on a same client basis. We believe the combination of these factors results in meaningful and sustainable embedded growth potential well into the future.

Expansion of Progyny Benefits Solutions within Our Existing Client Base

We believe we will continue to see growth from existing clients that add incremental services to their fertility benefits program. For example, a client can expand the fertility benefits they offer to their employees by increasing the number of Smart Cycles they contract for. Since 2018, 9% of our clients have increased their Smart Cycle benefit. In addition, our fertility benefits solution clients can purchase our add-on Progyny Rx solution. We introduced Progyny Rx in the third quarter of 2017 and went live with a select number of clients in January 2018. Currently, 60% of our clients are utilizing this solution, including 68% of the clients that went live in 2019. We believe our sales and marketing capabilities play an important role in informing and educating clients about the additional value and impact we can provide to them and their members by enhancing their benefit program.

New Services and Addressable Markets to Enhance the Depth and Breadth of Our Comprehensive Fertility Offering

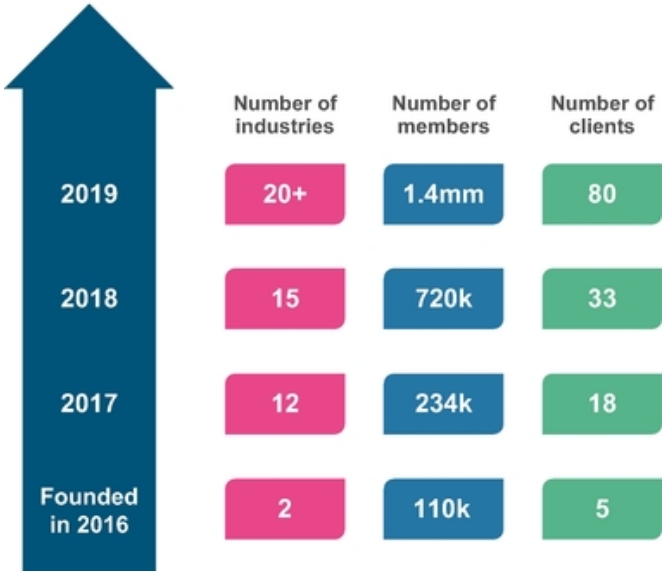
As we continue to grow and expand our client base, we are continuously evaluating the latest evolving trends to find ways we can better serve the needs of existing and new potential clients and their employees. We believe we are uniquely positioned to do this for several reasons. First, we believe the combination of our Medical Advisory Board and our selective network of high-quality fertility specialists, as well as the data we collect and analyze, provides us with differentiated insights into fertility care delivery and support. In addition, we believe we have positive and collaborative relationships with our clients that offer us additional insights into their needs. We believe the combination of these factors, coupled with our demonstrated track record of adding more services to our benefits design, highlights that we are well positioned to do so in the future. To date, we have identified several ways we believe we can potentially expand our offering and expand our client base in the future.

For instance, we believe we are well positioned to vertically integrate services we currently outsource such as laboratory screening and pharmacy dispensing. We also believe there is potential to enhance value for our clients and address new solution opportunities both organically and through

opportunistic mergers and acquisitions. We also believe that we are well-positioned to opportunistically pursue adjacent growth opportunities in the future, including adding programs for high-risk pregnancy management, neonatal care management, mental health and return-to-work programs. Additionally, we believe our outcomes-based approach to care management, coupled with our platform capabilities, may be applicable to care in other episodic conditions and may provide entry into new markets. In addition to new solutions, we believe we are well positioned to expand beyond our client base of self-insured employers to support quasi-governmental entities, such as universities, school systems and labor unions. We will continue to evaluate opportunities as our platform continues to expand.

Our Clients

We currently serve over 80 self-insured employers in the United States across more than 20 industries, including three of the top 10 Fortune 500 companies. Our current clients, who are industry leaders across both high-growth and mature industries and range in size from 1,000 to 250,000 employees, represent 1.4 million covered lives.



In 2017 and 2018, each of our largest three clients represented more than 10% of our total revenue and in the six months ended June 30, 2019, each of our largest two clients represented 10% or more of our total revenue. For the years ended December 31, 2017 and 2018 and for the six months ended June 30, 2019, Google Inc. accounted for 45%, 24% and 17% of our total revenue, respectively. In addition, Microsoft Corporation accounted for 14% and 11% of our total revenue for the year ended December 31, 2018 and the six months ended June 30, 2019, respectively.

Our clients represent a large proportion of companies identified by FertilityIQ as the "best companies to work for as a fertility patient" in their 2019-2020 industry study. We believe that our employer clients are thought leaders in their respective industries and are creating a network effect that is helping to drive more widespread adoption of fertility benefits in their specific industries. Based on the FertilityIQ Family Builder Workplace Index: 2019-2020, our clients represent:

- 20 of Fertility IQ's top 30 in technology;
- 14 of Fertility IQ's top 20 in consumer retail;
- 9 of Fertility IQ's top 15 in industrial;

- 7 of Fertility IQ's top 15 in healthcare;
- 7 of Fertility IQ's top 10 in media;
- 4 of Fertility IQ's top 10 in insurance; and
- 3 of Fertility IQ's top 10 in legal.

In addition to the industries identified by FertilityIQ, we also have clients in the food and beverage, financial services, life sciences, professional services, energy, manufacturing, logistics, transportation, real estate, nonprofit and hospitality sectors.

Substantially all of our clients have renewed their benefits management contracts since our initial benefits offerings launched in 2016. The majority of our clients have signed multi-year contracts or contracts that renew automatically on an annual basis.

In the 2019 sales cycle, more clients have opted for comprehensive coverage, with substantially all of our new clients electing for Progyny Rx, multiple Smart Cycles and/or egg-freezing.

Our Competitive Landscape

We believe we are the leader in the market for employer-sponsored fertility benefits and family building solutions.

We believe we compete favorably based on the following competitive factors:

- the value and comprehensiveness of the benefits solution and superior outcomes for employees;
- benefits plan design;
- access for all employees and their dependents, including LGBTQ+ and single mothers by choice;
- equitable access to care across geographies;
- treatment plans that maximize effectiveness and achieve desired outcomes;
- member experience, including unlimited dedicated patient education, clinical guidance and emotional support;
- access to a network of high-quality fertility specialists;
- data reporting and sharing; and
- access to an integrated pharmacy solution.

While we do not believe any single competitor offers a comparably robust, integrated fertility and family building benefits solution, we compete primarily with health insurance companies and benefits administrators that also provide fertility benefits management services as part of their overall healthcare coverage. These competitors include conventional health insurance carriers, such as UnitedHealthcare, Cigna, Aetna and members of the Blue Cross Blue Shield Association.

Other competitors who currently provide fertility benefits management services to employers include WIN Fertility and Optum Fertility Solutions.

Our solutions are structured as a pre-tax benefit program integrated into employers' overall employee medical insurance, which is unique compared to the offerings of benefits managers new to the industry that do not have integrated health insurance carrier solutions. These emerging companies, such as Carrot Fertility and Maven Clinic, currently offer employees post-tax reimbursement programs for fertility benefits. In addition to our unique plan design, member support and fertility specialist network, one of the key structural differences between our pre-tax benefit and their post-tax

reimbursement programs is that the individual receiving reimbursement for fertility treatments must pay income taxes on the amount of that reimbursement for the post-tax programs.

Sales and Marketing

We sell our solutions through our sales organization and, in many cases, we leverage our relationships with top benefits consultants to establish relationships with potential clients. Our sales team has broad experience in health benefits management and extensive long-term relationships with industry participants and benefits executives at large employers. Our sales team is organized principally by geography and account size and is responsible for identifying potential clients and managing the overall sales process. The success and effectiveness of our sales team is evidenced by the over 50 new clients that we added in 2019, and the fact that approximately 65% of our current clients terminated their existing fertility coverage to switch to Progyny.

We generate client leads, accelerate sales opportunities and build brand awareness through our marketing programs. Our marketing programs target human resource, benefits and finance executives in addition to health professionals and senior business leaders. Our principal marketing programs include learning opportunities for potential members, demand generation, field marketing events, integrated marketing campaigns (including direct email and online advertising) and participation in industry events, trade shows and conferences. We also benefit from strong referrals as several of our prominent clients have publicly endorsed Progyny and discussed the value they and their members receive.

Government Regulation

As a participant in the health care industry, we are required to comply with extensive and complex U.S. laws and regulations at the federal and state levels. Although many regulatory and governmental requirements do not directly apply to our business, our clients are required to comply with a variety of U.S. laws, and we may be affected by these laws as a result of our contractual obligations. We have attempted to structure our operations to comply with laws, regulations and other requirements applicable to us directly and to our clients, members, fertility specialists and specialty pharmacies, but there can be no assurance that our operations will not be challenged or impacted by enforcement initiatives.

Healthcare Reform

It is uncertain how our operations will be affected by the changing political, legislative, and regulatory landscapes, as well as other influences impacting the healthcare industry. While the most salient vehicle for healthcare reform, the Patient Protection and Affordable Care Act, or ACA, does not directly regulate our business as a benefit area, it does affect the coverage and plan designs that are or will be provided by certain insurance carriers and certain of our clients, as well as the overall reimbursement environment for healthcare providers. Other health reform efforts have been proposed by members of Congress, such as measures that would expand the role of government-sponsored coverage, including further reform to the ACA, as well as single payer or so-called "Medicare-for-All" proposals, which could have far-reaching implications for the healthcare industry if enacted.

We are unable to predict how the full impact of healthcare reform initiatives events will ultimately be resolved and what the potential impact may be on our business and on our relationships with current and future clients, insurance carriers, and healthcare providers.

Licensing Requirements

Many states have licensure or registration requirements for entities providing third-party administrator, or TPA, or pharmacy benefit management, or PBM, services. Given the nature and scope

of the solutions and services that we provide, we are required to maintain TPA and PBM licenses and registrations in certain jurisdictions and to ensure that such licenses and registrations are in good standing on an annual basis. These licenses require us to comply with the rules and regulations of the governmental bodies that issued such licenses. Our failure to comply with such rules and regulations could result in administrative penalties, the suspension of a license, or the loss of a license, all of which could negatively impact our business.

Separately, states impose licensing requirements on insurers, risk-bearing entities, and insurance agents, as well as those entities that provide utilization review services. We do not believe that our services require us to be licensed under these state laws. We are unable to predict, however, how our services may be viewed by regulators over time, how these laws and regulations will be interpreted, or the full extent of their application. If a regulatory authority in any state determine that the nature of our business requires that we be licensed under such state laws, we may need to restructure our business to comply with any related requirements.

Fraud and Abuse Laws. Many of our clients, insurance carriers, and network healthcare providers are impacted directly and indirectly by certain fraud and abuse laws. Because the solutions we provide are not reimbursed by government healthcare payors, such fraud and abuse laws generally do not directly apply to our business.

ERISA. The Employee Retirement Income Security Act of 1974, or ERISA, regulates certain aspects of employee pension and health benefits plans, including self-funded corporate health plans, sponsored by our clients, with which we have agreements to provide TPA services. We believe the conduct of our business vis-a-vis these plans is not generally subject to the fiduciary obligations of ERISA. However, there can be no assurance the United States Department of Labor, or the DOL, which is the agency that enforces ERISA, would not in the future assert that the fiduciary obligations imposed by ERISA apply to certain aspects of our operations or courts would not reach such a ruling in private ERISA litigation. In addition to its fiduciary provisions, ERISA has broad preemptive effect and has been held to preempt state laws imposing transparency requirements on PBMs. ERISA also imposes civil and criminal liability on service providers to health plans subject to ERISA and certain other persons with relationships to such plan if certain forms of illegal or prohibited remuneration are made or received by such service providers or other persons. These provisions of ERISA are similar, but not identical, to the healthcare anti-kickback laws described above, although ERISA lacks the statutory and regulatory "safe harbor" exceptions incorporated into the healthcare anti-kickback laws. Like the healthcare anti-kickback laws, the corresponding provisions of ERISA are broadly written and their application to particular cases can be uncertain. Employee benefits plans subject to ERISA are subject to certain rules, published by the DOL, including certain reporting requirements for direct and indirect compensation received by plan service providers. However, many self-funded health plans such as the plans that we have contracts with are exempt from these reporting requirements under current law. At this time, we are unable to predict whether the DOL will issue additional regulations or guidance on reporting or which additional regulations, if any, may be proposed in formal rulemaking by the DOL.

Prompt Pay Laws. Certain states have laws regulating the amount of time that may elapse from when a third-party payor receives a claim for services rendered to when those services are paid. Many of these state laws do not apply to our business as these laws are preempted by ERISA or otherwise exempt entities like us that provide TPA-only services.

Network Adequacy and Access. Certain states and government programs have laws regulating healthcare provider networks in order to ensure adequacy and access for beneficiaries and providers. These laws may affect us and our payor clients in network design and management. If we do not comply, we could face enforcement action or other penalties.

Requirements Regarding the Privacy and Security of Personal Information

HIPAA Privacy and Security Requirements. There are numerous federal and state laws and regulations related to the privacy and security of health information. In particular, regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, or collectively referred to as HIPAA, establish privacy and security standards that limit the use and disclosure of certain individually identifiable health information (known as "protected health information") and require the implementation of administrative, physical and technological safeguards to protect the privacy of protected health information and ensure the confidentiality, integrity and availability of electronic protected health information.

As a provider of services to entities subject to HIPAA, we are directly subject to certain provisions of the regulations as a "Business Associate." When acting as a Business Associate under HIPAA, to the extent permitted by applicable privacy regulations and contracts and associated Business Associate Agreements with our clients, we are permitted to use and disclose protected health information to perform our solutions and for other limited purposes, but other uses and disclosures, such as marketing communications, require written authorization from the patient or must meet an exception specified under the privacy regulations.

Other Privacy and Security Requirements. In addition to HIPAA, numerous other federal and state laws govern the collection, dissemination, use, access to and confidentiality of personal information. Certain federal and state laws protect types of personal information that may be viewed as particularly sensitive. For example, New York's Public Health Law, Article 27-F protects information that could reveal confidential HIV-related information about an individual. State laws are contributing to increased enforcement activity and may also be subject to interpretation by various courts and other governmental authorities. Further, California recently enacted the California Consumer Privacy Act, or CCPA, which goes into operation on January 1, 2020. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation.

Data Protection and Breaches. Laws in all 50 states require businesses to provide notice to clients whose personally identifiable information has been disclosed as a result of a data breach. Most states require holders of personal information to maintain safeguards and take certain actions in response to a data breach, such as providing prompt notification of the breach to affected individuals or the state's attorney general. A non-permitted use or disclosure of protected health information is presumed to be a breach under HIPAA unless the Covered Entity or Business Associate establishes that there is a low probability the information has been compromised consistent with requirements enumerated in HIPAA. As a Business Associate under HIPAA, we are required to report breaches of unsecured protected health information to Covered Entities within 60 days of discovery of the breach.

HIPAA Transaction and Identifier Standards. HIPAA and its implementing regulations mandate format and data content standards and provider identifier standards (known as the National Provider Identifier) that must be used in certain electronic transactions, such as claims, payment advice and eligibility inquiries. HHS now requires the use of updated standard code sets for diagnoses and procedures known as the ICD-10 code sets. Enforcement of compliance with these standards falls under HHS and is carried out by CMS. In the event new requirements are imposed, we will be required to modify our systems and processes to accommodate these changes.

Consumer Protection Laws. Federal and state consumer protection laws are being applied increasingly by the Federal Trade Commission, or FTC, Federal Communications Commission, or FCC,

and states' attorneys general to regulate the collection, use, storage and disclosure of personal or health information, through websites or otherwise, and to regulate the presentation of website content. Courts may also adopt the standards for fair information practices promulgated by the FTC, which concern consumer notice, choice, security and access. Consumer protection laws require us to publish statements to our members that describe how we handle personal information and choices members may have about the way we handle personal information. If such information that we publish is considered untrue, we may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences.

Restrictions on Communication. Communications with our members increasingly may be subject to and restricted by laws and regulations governing communications via telephone, fax, text, and email. We also use email and social media platforms as marketing tools. For example, we maintain social media accounts. As laws and regulations, including FTC enforcement, rapidly evolve to govern the use of these platforms and devices, the failure by us, our employees or third parties acting at our direction to abide by applicable laws and regulations in the use of these platforms and devices could adversely impact our business, financial condition and results of operations or subject us to fines or other penalties.

Intellectual Property

We rely on trademarks, copyrights, trade secrets, intellectual property assignment agreements, confidentiality procedures, non-disclosure agreements, and employee non-disclosure and invention assignment agreements to establish and protect our proprietary rights. Though we rely in part upon these legal and contractual protections, we believe that factors such as our relationships with providers and clients, unique benefits model, ability to track outcomes and creation of resources for all constituents, along with the skills and ingenuity of our employees, are larger contributors to our success our company. Other than the trademark Progyny (and design), Smart Cycle and UnPack It, which are not subject to any known rights of others, including any impairments, assignments or pledges, we do not believe our business is dependent to a material degree on trademarks, patents, copyrights or trade secrets.

Our Employees

As of September 30, 2019, we had 163 full-time employees. None of our employees are represented by a labor union or covered by collective bargaining agreements, and we have not experienced any work stoppages.

Our Facilities

Our corporate headquarters occupies approximately 13,600 square feet in New York, New York, under a sublease that expires in February 2020. We use this space for administration, sales and marketing and client support.

We have entered into a sublease agreement which will commence in September 2019. The sublease is for a 25,212 square foot office location in New York City and expires in May 2029.

Legal Proceedings

On January 14, 2019, a vendor filed a Demand for Arbitration and Statement of Claim against us for alleged breach of the November 10, 2017 Preferred Specialty Pharmacy Agreement, or the Agreement, between us and the vendor. On March 13, 2019, we terminated the Agreement for material breach with the vendor. On April 3, 2019, the vendor filed a Second Amended Demand for Arbitration, or SAD, for breach of the Agreement. The vendor is seeking $25.0 million in damages, fees, interest and costs. The alleged damages are not quantified or factually supported in the SAD.

Pursuant to a schedule set forth by the Arbitration Panel, on May 3, 2019, we filed a Motion to Dismiss the SAD. That Motion to Dismiss was fully briefed on June 14, 2019 and was decided on July 31, 2019. The Arbitration Panel dismissed two of the vendor's four claims. We believe the vendor's remaining claims are without merit and intend to vigorously defend against the claims in the arbitration. See "Risk Factors—Risks Related to Our Business and Industry—Any litigation against us could be costly and time-consuming to defend and could harm our business, financial condition and results of operations."

We believe there is no other litigation pending that could have, individually or in the aggregate, a material adverse effect on our financial position, results of operations, or cash flows. However, in addition to the matter described above, we may, from time to time, be involved in various legal proceedings arising from the normal course of business activities. Defending such proceedings is costly and can impose a significant burden on management and employees. The results of litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

MANAGEMENT

The following table sets forth information for our executive officers and directors as of September 30, 2019:

Name	Age	Position
Executive Officers:		
David Schlanger	60	Chief Executive Officer and Director
Peter Anevski	52	President, Chief Financial and Operating Officer
Karin Ajmani	48	Executive Vice President, Chief of Strategic Development
Jennifer Bealer	38	Executive Vice President, General Counsel
Lisa Greenbaum	48	Executive Vice President, Chief Client Officer
Non-Employee Directors:		
Beth Seidenberg, M.D.	62	Chair of the Board of Directors
Fred E. Cohen, M.D., D.Phil.	63	Director
Norman Payson, M.D.	71	Director
Simeon George, M.D.(1)	42	Director
Kevin Gordon(2)	57	Director
Jeff Park(2)	47	Director
Cheryl Scott(2)	70	Director

(1) Dr. George has informed us of his intention to resign from our board of directors, effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

(2) Mr. Gordon, Mr. Park and Ms. Scott currently are director nominees and have been appointed as members of our board of directors effective immediately prior to the effectiveness of the registration statement of which this prospectus is a part.

Executive Officers

David Schlanger has served as our Chief Executive Officer since January 2017 and on our board of directors since March 2017. From August 2013 until September 2016, he served as the Chief Executive Officer of WebMD Health Corp., or WebMD. Prior to that, he served as the Interim Chief Executive Officer and in various other senior executive positions at WebMD and predecessor companies for more than 15 years, including as Senior Vice President, Strategic and Corporate Development and Senior Vice President, Corporate Development. Mr. Schlanger received his B.S. from Georgetown University and his J.D. from the University of Michigan Law School. We believe that Mr. Schlanger is qualified to serve on our board of directors because of his extensive experience at healthcare companies and in executive management.

Peter Anevski has served as our Chief Financial and Operating Officer since January 2017 and our President since June 2019. Mr. Anevski has extensive experience managing financial functions for public companies. From May 2013 until September 2016, he served as the Executive Vice President and Chief Financial Officer of WebMD. Prior to that, Mr. Anevski served in senior finance and operations roles at WebMD and predecessor companies for 14 years, including as Senior Vice President, Finance. Mr. Anevski received his B.A. in Accounting from Montclair State University.

Karin Ajmani has served as our Chief of Strategic Development since June 2019 and has extensive experience in the public health and managed care industries. Prior to that, she served as our President from August 2018 to June 2019 and as our President, Healthcare Solutions from July 2015 until August 2018. From January 2008 until June 2015, she served as the Chief Executive Officer of US Imaging Network, a radiology network. Ms. Ajmani has served on the board of directors of Citra Health Solutions since 2014. Ms. Ajmani received her B.A. from the University of Pittsburgh and her Masters

of Public Health, Health Policy and Management from Columbia University Mailman School of Public Health.

Jennifer Bealer has served as our General Counsel since October 2017. Prior to that, she was an Associate at Ropes & Gray's nationally-ranked healthcare practice from November 2010 to October 2017, where she gained extensive expertise in providing healthcare clients with strategic, regulatory, compliance and transaction advice. Ms. Bealer holds Bachelor of Science degrees in Biology and Psychology from the Pennsylvania State University and received her J.D. from the University of Pennsylvania Law School, A.L.M from Harvard University, and Master of Bioethics from University of Pennsylvania School of Medicine.

Lisa Greenbaum has served as our Executive Vice President and Chief Client Officer since June 2019. Prior to that, Ms. Greenbaum spent 15 years at WebMD in various roles, including Group General Manager of Professional Services, Senior Vice President, Group Vice President, Vice President of Sales and Executive Director. She also has experience working for digital health and pharmaceutical companies, including HealthStream, Merck and Procter & Gamble. Ms. Greenbaum received her B.A. from Duke University.

Non-Employee Directors

Beth Seidenberg, M.D. has served on our board of directors since May 2010 and since June 2015, she has served as Chair of our board of directors. Dr. Seidenberg has been a partner at Kleiner Perkins, a venture capital firm, since May 2005, where she primarily focuses on life sciences investing. Prior to joining Kleiner Perkins, Dr. Seidenberg was the Senior Vice President, Head of Global Development and Chief Medical Officer at Amgen, Inc., a biotechnology company. In addition, Dr. Seidenberg was a senior executive in research and development at Bristol Myers Squibb Company, a biopharmaceutical company, and Merck. Dr. Seidenberg has served on the board of directors of Epizyme, Inc. since February 2008 and on the board of directors of Atara Biotherapeutics since August 2012. From June 2011 to February 2019, she served on the board of directors of Tesaro, Inc. and from December 2012 until June 2018 she served on the board of directors of ARMO BioSciences, Inc. Dr. Seidenberg received a B.S. from Barnard College and an M.D. from the University of Miami School of Medicine and completed her post-graduate training at the Johns Hopkins University, George Washington University and the National Institutes of Health. We believe that Dr. Seidenberg is qualified to serve on our board of directors because of her extensive experience in the life sciences industry as a senior executive and venture capitalist, as well as her training as a physician.

Fred E. Cohen, M.D. D.Phil. has served on our board of directors since March 2015. Dr. Cohen is currently a Senior Advisor to TPG Capital, where he previously served for over 15 years as a Partner, and founder of TPG Biotechnology, a life science focused venture capital fund. Beginning in November 2017, Dr. Cohen has served as a co-founder and senior managing director of Vida Ventures, LLC, a biotechnology venture capital fund. In addition, for over two decades throughout his career, Dr. Cohen has been affiliated with University of California, San Francisco where he held various clinical responsibilities, including as a research scientist, an internist for hospitalized patients, a consulting endocrinologist, and the Chief of the Division of Endocrinology and Metabolism. Dr. Cohen currently serves on the boards of directors of the following public companies: Urogen Pharma Ltd. (since May 2017), Genomic Health Inc. (since April 2002), CareDx, Inc. (since January 2003), Intellia Therapeutics, Inc. (since January 2019) and Veracyte, Inc. (since 2007). Dr. Cohen also serves on the board of directors of several privately-held companies and previously served on the board of directors of BioCryst Pharmaceuticals, Inc. from July 2013 until January 2019, Quintiles Transnational Holdings, Inc. from May 2007 to November 2015, Roka Bioscience, Inc. from September 2009 to October 2017, Five Prime Therapeutics, Inc. from May 2002 until May 2018 and Tandem Diabetes Care, Inc from June 2013 until June 2019. Dr. Cohen received his B.S. degree in Molecular Biophysics and Biochemistry from Yale University, his D.Phil. in Molecular Biophysics from Oxford on a Rhodes

Scholarship, and his M.D. from Stanford. He is a member of the National Academy of Medicine and the American Academy of Arts and Sciences. We believe that Dr. Cohen is qualified to serve on our board of directors because of his financial and medical knowledge and experience.

Norman Payson, MD has served on our board of directors since December 2016. Dr. Payson was co-founder and Chief Executive Officer of Healthsource from 1985 to 1997, Chief Executive Officer of Oxford Health Plans from 1998 to 2002, Chairman of Concentra from 2005 to 2008 and Chief Executive Officer of Apria Healthcare Group Inc. from 2008 to 2012, where he is currently a member of the board of directors and a consultant. Since 1997, Dr. Payson has served as President of NCP, Inc., his family office, through which he engages in consulting and personal investment activities. Additionally, Dr. Payson has served as a strategic advisor for Evolent Health, Inc., or Evolent, since March 2014 and from December 2013 to June 2019, Dr. Payson also served on the board of directors of Evolent. Additionally, Dr. Payson is currently serving on the Board of Directors of various private and not-for-profit companies including Access Clinical Partners, City of Hope, Smile Brands, HPM National Advisory Board at the Mailman School of Public Health at Columbia and USC Schaeffer Center Advisory Board. Until June 2019, Dr. Payson served as a director at Geisel School of Medicine at Dartmouth, where he now serves as director emeritus. Dr. Payson holds a Bachelor of Science degree in earth and planetary sciences from the Massachusetts Institute of Technology and received his doctorate in medicine from Dartmouth Medical School. We believe that Dr. Payson is qualified to serve on our board of directors because of his 30-year career as chief executive officer or chairman of multiple healthcare organizations, including publicly-traded companies.

Simeon George, M.D., M.B.A. has served on our board of directors since May 2012. Dr. George joined S.R. One, Limited in September 2007 as an Associate and later became Partner, and since February 2019 has served as Chief Executive Officer. From 2006 to 2007, Dr. George was a consultant at Bain & Company, and in 2004 he was an investment banker at Goldman Sachs and Merrill Lynch. Dr. George currently serves on the boards of directors of the following public companies: Principia Biopharma Inc. (since February 2011), CRISPR Therapeutics (since April 2015) and Turning Point Therapeutics, Inc. (since May 2017). Dr. George also served on the boards of directors of HTG Molecular Diagnostics, Inc., from June 2011 until October 2015, and Genocea Biosciences, Inc., from February 2009 to December 2014. Dr. George received his B.A. in neuroscience from the Johns Hopkins University, where he graduated Phi Beta Kappa. He received his M.D. from the University of Pennsylvania School of Medicine and his M.B.A. (Mayer Scholar) from the Wharton School of the University of Pennsylvania. We believe Dr. George is qualified to serve as a member of our board of directors due to his educational background in sciences, as well as financial understanding of the biotechnology industry gained from his investing experience.

Kevin Gordon has been appointed as a member of our board of directors effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part. Mr. Gordon has served on the board of directors of Veracyte, Inc., a genomic diagnostics company, since December 2016 and Q Holdco Limited, a private company that provides world class engineered and elastomeric solutions since September 2019. From January 2018 until March 2019, he was the President and Chief Financial Officer of Liquidia Technologies Inc., a clinical biopharmaceutical company. Mr. Gordon served as Executive Vice President and Chief Operating Officer of Quintiles Transnational Holdings Inc., or Quintiles, a research, clinical trial and pharmaceutical consulting company, from October 2015 until its merger with IMS Health Holdings, Inc. (forming IQVIA Holdings, Inc.) in October 2016. Prior to that, he was the Executive Vice President and Chief Financial Officer of Quintiles from July 2010 until December 2015. Mr. Gordon served as Executive Vice President and Chief Financial Officer of Teleflex Incorporated, a medical device company, from March 2007 until January 2010. Mr. Gordon held various senior corporate development positions at Teleflex Incorporated from 1997 to 2007. From 1992 to 1997, he held various senior positions, including Chief Financial Officer at Package Machinery Company. From 1984 to 1992, he held senior manager and other various finance positions at KPMG LLP. Mr. Gordon holds a Bachelor of Science degree in

Accounting from the University of Connecticut. We believe that Mr. Gordon is qualified to serve on our board of directors because of his extensive accounting experience and leadership experience in healthcare companies.

Jeff Park has been appointed as a member of our board of directors effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part. Mr. Park has served since April 2019 as the Chairman and Chief Executive Officer of WellDyneRx, an independent pharmacy benefits manager. From January 2018 until May 2018, he was the Interim Chief Executive Officer of Diplomat Pharmacy, Inc., or Diplomat, a provider of specialty pharmacy services. Additionally, from June 2017 to February 2019, he served on the board of directors of Diplomat. Prior to that, from July 2015 until July 2016, he was the Chief Operating Officer of OptumRX, the entity resulting from the merger of Catamaran Corporation, or Catamaran, and OptumRX, UnitedHealthcare Group's free-standing pharmacy care services business. Before the merger, from March 2014 until July 2015, he was Catamaran's Executive Vice President, Operations, and periovusly served as Catamaran's Chief Financial Officer, beginning in 2006. Mr. Park holds a Bachelor of Science degree in Accounting from Brock University. We believe that Mr. Park is qualified to serve on our board of directors because of his extensive leadership experience in the pharmaceutical industry.

Cheryl Scott has been appointed as a member of our board of directors effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part. Ms. Scott has served since July 2016 as the Main Principal of the McClintock Scott Group. From June 2006 to July 2016, Ms. Scott served as Senior Advisor to the Bill & Melinda Gates Foundation. Previously, she served as President and Chief Executive Officer of the Seattle-based Group Health Cooperative for eight years. Ms. Scott has served as a member of the board of directors of Evolent Health, Inc. since November 2015. She also currently serves on a variety of private and not-for-profit boards. She was a member of the board of directors of Recreational Equipment Incorporated (REI) from 2005 to 2017, and served as the board chairperson from 2015 to 2017. Ms. Scott received her bachelor's degree in communications and master's degree in health management from the University of Washington, and is currently a Clinical Professor of Health Services at the University of Washington. We believe that Ms. Scott is qualified to serve on our board of directors because of her extensive career in healthcare, leadership and corporate governance, including her tenure as the Chief Executive Officer of Group Health Cooperative.

Composition of Our Board of Directors

Our business and affairs are managed under the direction of our board of directors. We currently have five directors. All of our directors currently serve on the board of directors pursuant to the provisions of a voting agreement between us and several of our stockholders. This agreement will terminate upon the closing of this offering, after which there will be no further contractual obligations regarding the election of our directors. Following the completion of this offering, no stockholder will have any special rights regarding the election or designation of members of our board of directors. Our current directors will continue to serve as directors until their resignation, removal or successor is duly elected.

Our board of directors may establish the authorized number of directors from time to time by resolution. In accordance with our amended and restated certificate of incorporation that will be in effect on the completion of this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms. At each annual general meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. Our directors will be divided among the three classes as follows:

- the Class I directors will be Cheryl Scott and Kevin Gordon, whose terms will expire at the annual meeting of stockholders to be held in 2020;

- the Class II directors will be Jeff Park and David Schlanger, whose terms will expire at the annual meeting of stockholders to be held in 2021; and

- the Class III director will be Norman Payson, Fred Cohen and Beth Seidenberg, whose terms will expire at the annual meeting of stockholders to be held in 2022.

We expect that any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control.

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning her or his background, employment and affiliations, our board of directors has determined that none of our directors, other than Mr. Schlanger, has any relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the listing standards of Nasdaq. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our Company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our shares by each non-employee director and the transactions described in the section titled "Certain Relationships and Related Party Transactions."

Committees of Our Board of Directors

Our board of directors has established an audit committee and a compensation committee, and will establish a nominating and corporate governance committee prior to the completion of this offering. The composition and responsibilities of each of the committees of our board of directors upon completion of this offering are described below. Members serve on these committees until their resignation or until otherwise determined by our board of directors. Our board of directors may establish other committees as it deems necessary or appropriate from time to time.

Audit Committee

Our audit committee consists of Dr. Payson, Mr. Park and Mr. Gordon. Our board of directors has determined that each of Dr. Payson, Mr. Gordon and Mr. Park satisfies the independence requirements under Nasdaq listing standards and Rule 10A-3(b)(1) of the Exchange Act. The chair of our audit committee is Mr. Park, who our board of directors has determined is an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K promulgated under the Securities Act. Each member of our audit committee can read and understand fundamental financial statements in accordance with applicable requirements. In arriving at these determinations, our board of directors has examined each audit committee member's scope of experience and the nature of their employment in the corporate finance sector.

The primary purpose of the audit committee is to discharge the responsibilities of our board of directors with respect to our corporate accounting and financial reporting processes, systems of internal control and financial statement audits, and to oversee our independent registered public accounting firm. Specific responsibilities of our audit committee include:

- helping our board of directors oversee our corporate accounting and financial reporting processes;

- managing the selection, engagement, qualifications, independence and performance of a qualified firm to serve as the independent registered public accounting firm to audit our financial statements;

- discussing the scope and results of the audit with the independent registered public accounting firm, and reviewing, with management and the independent accountants, our interim and year-end operating results;
- developing procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- reviewing related person transactions;
- obtaining and reviewing a report by the independent registered public accounting firm at least annually that describes our internal quality control procedures, any material issues with such procedures and any steps taken to deal with such issues when required by applicable law; and
- approving or, as permitted, pre-approving, audit and permissible non-audit services to be performed by the independent registered public accounting firm.

Our audit committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable listing standards of Nasdaq.

Compensation Committee

Our compensation committee consists of Drs. Cohen and Seidenberg and Mr. Park. The chair of our compensation committee is Dr. Cohen. Our board of directors has determined that each of Drs. Cohen and Seidenberg and Mr. Park is independent under Nasdaq listing standards and a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act.

The primary purpose of our compensation committee is to discharge the responsibilities of our board of directors in overseeing our compensation policies, plans and programs and to review and determine the compensation to be paid to our executive officers, directors and other senior management, as appropriate. Specific responsibilities of our compensation committee include:

- reviewing and approving the compensation of our chief executive officer, other executive officers and senior management;
- reviewing, evaluating and recommending to our board of directors succession plans for our executive officers;
- reviewing and recommending to our board of directors the compensation paid to our directors;
- administering our equity incentive plans and other benefits programs;
- reviewing, adopting, amending and terminating incentive compensation and equity plans, severance agreements, profit sharing plans, bonus plans, change-of-control protections and any other compensatory arrangements for our executive officers and other senior management; and
- reviewing and establishing general policies relating to compensation and benefits of our employees, including our overall compensation philosophy.

Our compensation committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable listing standards of Nasdaq.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee will consist of Dr. Payson, Mr. Gordon and Ms. Scott. The chair of our nominating and corporate governance committee will be Dr. Payson. Our board of directors has determined that each member of the nominating and corporate governance committee is independent under Nasdaq listing standards.

Specific responsibilities of our nominating and corporate governance committee will include:

- identifying and evaluating candidates, including the nomination of incumbent directors for reelection and nominees recommended by stockholders, to serve on our board of directors;
- considering and making recommendations to our board of directors regarding the composition and chairmanship of the committees of our board of directors;
- instituting plans or programs for the continuing education of our board of directors and orientation of new directors;
- developing and making recommendations to our board of directors regarding corporate governance guidelines and matters; and
- overseeing periodic evaluations of the board of directors' performance, including committees of the board of directors.

Our nominating and corporate governance committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable listing standards of Nasdaq.

Code of Conduct

We have adopted a Code of Conduct that applies to all our employees, officers and directors. This includes our principal executive officer, principal financial officer and principal accounting officer or controller, or persons performing similar functions. The full text of our Code of Conduct will be posted on our website at www.progyny.com. We intend to disclose on our website any future amendments of our Code of Conduct or waivers that exempt any principal executive officer, principal financial officer, principal accounting officer or controller, persons performing similar functions or our directors from provisions in the Code of Conduct. Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

Compensation Committee Interlocks and Insider Participation

None of the members of the compensation committee are currently, or have been at any time, one of our officers or employees. None of our executive officers currently serve, or have served during the last year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our board of directors or compensation committee.

Non-Employee Director Compensation

Our board of directors has adopted a non-employee director compensation policy, effective as of June 2019, which is designed to enable us to attract and retain, on a long-term basis, highly qualified non-employee directors. Previously, we did not pay compensation to any of our non-employee directors for their service on our board of directors. Under the policy, each non-employee director will be paid cash compensation from and after the completion of this offering, as set forth below. All amounts for

service as a chairperson of the board of directors or a committee thereof are in addition to the amount for service as a member of our board of directors.

Position	Annual Retainer ($)
Board of Directors	40,000
Board of Directors Chair	25,000
Audit Committee Chair	20,000
Compensation Committee Chair	10,000
Nominating and Corporate Governance Committee Chair	7,500

In addition, each of our non-employee directors will receive an initial option grant in the amounts set forth below upon their election or appointment to our board of directors. All amounts for service as a chairperson of the board of directors or a committee thereof are in addition to the amount for service as a member of our board of directors.

Position	Initial Grant
Board of Directors	44,000
Board of Director Chair	8,800
Audit Committee Chair	6,600
Compensation Committee Chair	4,400
Nominating and Corporate Goveranance Committee Chair	2,200

For any director elected prior to the completion of this offering, 25% of the shares underlying this option will vest on the first anniversary of the completion of the offering, with the remaining shares vesting in 36 equal monthly installments thereafter. For any director elected after the completion of this offering, 25% of the shares underlying this option will vest on the first anniversary of the grant date, with the remaining shares vesting in 36 equal monthly installments thereafter. All vesting of equity awards under our non-employee director compensation policy is subject to the director's continuous service as of each applicable vesting date.

In accordance with the above policy, on June 4, 2019, we granted options to purchase 48,400, 52,800, and 44,000 shares to Fred Cohen, M.D., D.Phil., Beth Seidenberg, M.D. and Simeon George, M.D., respectively, each at an exercise price of $3.96 per share. In addition, on the effective date of the registration statement of which this prospectus forms a part, we will issue options to purchase 44,000, 50,600 and 44,000 shares to Kevin Gordon, Jeff Park and Cheryl Scott, respectively, each at an exercise price equal to the initial public offering price set forth on the cover page of this prospectus.

EXECUTIVE COMPENSATION

Our named executive officers, consisting of our principal executive officer and the next two most highly compensated executive officers, as of December 31, 2018, were:

- David Schlanger, our Chief Executive Officer;
- Peter Anevski, our President, Chief Financial & Operating Officer; and
- Karin Ajmani, our Executive Vice President, Chief of Strategic Development.

2018 Summary Compensation Table

The following table presents all of the compensation awarded to or earned by or paid to our named executive officers for the year ended December 31, 2018.

Name and Principal Position	Salary ($)	Bonus ($)[1]	Option Awards ($)[2]	All Other Compensation ($)[3]	Total ($)
David Schlanger *Chief Executive Officer*	350,000	175,000	1,204,158	74,574	1,803,732
Peter Anevski *President, Chief Financial & Operating Officer*	325,000	163,000	688,090	53,698	1,229,788
Karin Ajmani *Executive Vice President, Chief of Strategic Development*	325,000	100,000	260,174	9,520	694,694

(1) Amounts reflect merit-based discretionary bonuses. In 2018, we achieved and exceeded our company-wide financial, sales and operational performance objectives, and as a result, the Board determined to grant discretionary bonuses to certain key employees, including all of our named executive officers. These objectives included revenue, gross margin, adjusted EBITDA and sales targets, as well as operational goals related to client management and retention, member experience and our provider network.

(2) Amounts reported represent the aggregate grant date fair value of stock options granted to our executive officers during 2018 under our 2017 Plan, computed in accordance with ASC Topic 718. The assumptions used in calculating the grant date fair value of the stock options reported in this column are set forth in the notes to our audited consolidated financial statements included elsewhere in this prospectus. This amount does not reflect the actual economic value that may be realized by the executive officer.

(3) Amounts include $72,000 and $48,000 in housing expenses provided to Mr. Schlanger and Mr. Anevski, respectively, pursuant to their prior employment agreements. Mr. Schlanger's prior employment agreement provided for a monthly housing allowance of $6,000 and Mr. Anevski's prior employment agreement provided for a monthly housing allowance of $4,000. The remainder of the amounts in this column include 401(k) matching contributions and group term life insurance tax reimbursements made to each of our named executive officers.

Outstanding Equity Awards as of December 31, 2018

The following table presents information regarding outstanding equity awards held by our named executive officers as of December 31, 2018.

		Option Awards[1]			
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date
David Schlanger	8/4/2017	2,862,735	3,111,668(2)	0.91	8/3/2027
	8/17/2018	97,172	105,621(2)	1.50	8/16/2028
Peter Anevski	8/4/2017	1,635,848	1,778,096(2)	0.91	8/3/2027
	8/17/2018	55,526	60,355(2)	1.50	8/16/2028
Karin Ajmani	9/16/2015	586,303	100,100(3)	0.87	9/15/2025
	11/3/2016	312,315	—	1.46	11/2/2026
	8/4/2017	430,473	602,662(4)	0.91	8/3/2027

(1) All of the option awards listed in the table above were granted under the 2017 Plan, other than options granted to Ms. Ajmani in 2015 and 2016, which were granted under the 2008 Plan. The terms of both plans are described below under "—Equity Incentive Plans."

(2) These options vested 25% on January 16, 2018 with the remaining 75% vesting in equal monthly installments over the next three years.

(3) These options vested 25% on July 1, 2016 with the remaining 75% vesting in equal monthly installments over the next three years.

(4) These options vested 25% on April 1, 2018 with the remaining 75% vesting in equal monthly installments over the next three years.

In addition to the outstanding equity grants listed in the table above, on May 24, 2019, we issued options to purchase 1,870,022, 1,705,020 and 165,001 shares of common stock to Mr. Schlanger, Mr. Anevski and Ms. Ajmani, respectively, each at an exercise price of $3.96 per share. These options were granted under the 2017 Plan and vest 25% on May 24, 2020 with the remaining 75% vesting in equal monthly installments over the next three years.

Employment Arrangements

We have entered into employment arrangements with each of our named executive officers. The arrangements generally provide for at-will employment without any specific term and set forth the named executive officer's initial base salary, bonus potential, eligibility for employee benefits and severance benefits upon a qualifying termination of employment, subject to such employee executing a separation agreement with us.

David Schlanger

In September 2019, we entered into an amended and restated employment agreement with Mr. Schlanger, our Chief Executive Officer, which was effective as of July 1, 2019. Pursuant to his agreement, Mr. Schlanger is entitled to an annual base salary of $500,000 and is eligible to receive an annual discretionary performance and retention bonus of up to a maximum of 75% of his annual salary.

Pursuant to his agreement, if Mr. Schlanger is terminated by us without "cause" or if Mr. Schlanger resigns for "good reason" outside of the "change in control severance period" (as those terms are defined in his agreement), he is entitled to: (1) continued payment of his then-current base

salary for a period of 12 months, (2) payment of his current year target bonus, prorated based on completed months of service to the date of termination, as well as any bonus relating to the prior year to the extent earned as determined by our board of directors, (3) payment of premiums for continued health benefits to him under COBRA for up to 12 months following his termination, (4) 12 months of accelerated vesting of any of his then-unvested shares subject to outstanding equity awards and (5) his options remaining exercisable for 12 months following his termination. If Mr. Schlanger is terminated without cause or resigns with good reason within one month prior to or within two years following our "acquisition" (or the "change of control severance period," each as defined in his agreement), he is entitled to the aforementioned payments and benefits, except that any then-unvested outstanding equity awards will become vested in their entirety as of the last day of his employment. Good reason within two years of our acquisition includes resignation by Mr. Schlanger for any or no reason after the nine-month anniversary of the acquisition. If Mr. Schlanger resigns without good reason or is terminated for cause or death, he will not be entitled to any severance benefits, his options will no longer vest and all payments, other than those already earned, will terminate. If Mr. Schlanger is terminated because of his disability, then his then-outstanding options will be exercisable for 12 months following his last day of employment. Mr. Schlanger's benefits are conditioned, among other things, on his complying with his post-termination obligations under his agreement and timely signing a general release of claims in our favor.

Peter Anevski

In September 2019, we entered into an amended and restated employment agreement with Mr. Anevski, our President, Chief Operating & Financial Officer, which was effective as of July 1, 2019. Pursuant to his agreement, Mr. Anevski is entitled to an annual base salary of $425,000 and is eligible to receive an annual discretionary performance and retention bonus of up to a maximum of 75% of his annual salary.

Pursuant to his agreement, if Mr. Anevski is terminated by us without "cause" or if Mr. Anevski resigns for "good reason" outside of the "change of control severance period" (as those terms are defined in his agreement), he is entitled to: (1) continued payment of his then-current base salary for a period of 12 months, (2) payment of his current year target bonus, prorated based on completed months of service to the date of termination, as well as any bonus relating to the prior year to the extent earned as determined by our board of directors, (3) payment of premiums for continued health benefits to him under COBRA for up to 12 months following his termination, (4) 12 months of accelerated vesting of any of his then-unvested shares subject to outstanding equity awards and (5) his options remaining exercisable for 12 months following his termination. If Mr. Anevski is terminated without cause or resigns with good reason within one month prior to or within two years following our "acquisition" (or the "change of control severance period," each as defined in his agreement), he is entitled to the aforementioned payments and benefits, except that any then-unvested outstanding equity awards will become vested in their entirety as of the last day of his employment. Good reason within two years of our acquisition includes resignation by Mr. Anevski for any or no reason after the nine-month anniversary of the acquisition. If Mr. Anevski resigns without good reason or is terminated for cause or death, he will not be entitled to any severance benefits, his equity awards will no longer vest and all payments, other than those already earned, will terminate. If Mr. Anevski is terminated because of his disability, then his then-outstanding options will be exercisable for 12 months following his last day of employment. Mr. Anevski's benefits are conditioned, among other things, on his complying with his post-termination obligations under his offer letter and timely signing a general release of claims in our favor.

Karin Ajmani

We entered into a letter agreement with Ms. Ajmani, our Executive Vice President, Chief of Strategic Development in June 2015, which was amended and restated in June 2019 and governs the current terms of her employment with us. Pursuant to her agreement, Ms. Ajmani is entitled to: (1) an annual base salary of $325,000, (2) is eligible to receive an annual discretionary bonus of up to a maximum of 50% of her annual salary, based on the achievement of certain individual performance goals and our achievement of certain performance targets, and (3) was granted options to purchase 165,001 shares of our common stock, which option will vest as to 25% on the one year anniversary of the grant date and the remainder will vest monthly over the following 36 months.

Pursuant to her letter agreement, if Ms. Ajmani is terminated by us without "cause" or if Ms. Ajmani resigns for "good reason" (each as defined in her letter agreement), she is entitled to: (1) continued payment of her base salary for a period of 12 months, (2) payment of premiums for continued health benefits to her under COBRA for up to 12 months following her termination, (3) accelerated vesting of any then-unvested options that would have vested through the 12 month anniversary of her termination, (4) payment of her target bonus for the then-current year, pro-rated to the date of termination and payment of the prior year's bonus to the extent earned as determined by our board of directors and (5) extension of the exercise period of any outstanding non-qualified stock options for a period of six months following her termination. In the event that Ms. Ajmani is terminated by us without cause or she resigns for good reason in connection with our "acquisition" (as defined in her letter agreement), then all of Ms. Ajmani's unvested options will become 100% vested and exercisable as of the date of her last day of employment with us. If Ms. Ajmani is terminated with cause, resigns without good reason, or her employment ends because of her death or disability, then she will not be entitled to any severance benefits, her options will no longer vest and all payments, other than those already earned, will terminate. Ms. Ajmani's benefits are conditioned, among other things, on her signing a general release of claims in our favor.

Equity Incentive Plans

2019 Equity Incentive Plan

Our board of directors and stockholders adopted and approved our 2019 Plan in October 2019. Our 2019 Plan is a successor to and continuation of our 2017 Plan. Our 2019 Plan will become effective on the date of the underwriting agreement related to this offering. The 2019 Plan came into existence upon its adoption by our board of directors, but no grants will be made under the 2019 Plan prior to its effectiveness. Once the 2019 Plan is effective, no further grants will be made under the 2017 Plan.

Awards. Our 2019 Plan provides for the grant of incentive stock options, or ISOs, within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, or the Code, to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options, or NSOs, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance awards and other forms of awards to employees, directors and consultants, including employees and consultants of our affiliates.

Authorized Shares. Initially, the maximum number of shares of our common stock that may be issued under our 2019 Plan after it becomes effective will not exceed 19,198,875 shares of our common stock, which is the sum of (1) 2,640,031 new shares, plus (2) an additional number of shares not to exceed 16,558,844, consisting of (A) shares that remain available for the issuance of awards under our 2017 Plan as of immediately prior to the time our 2019 Plan becomes effective and (B) shares of our common stock subject to outstanding stock options or other stock awards granted under our 2017 Plan that, on or after the 2019 Plan becomes effective, terminate or expire prior to exercise or settlement; are forfeited because of the failure to vest; or are reacquired or withheld (or not issued) to satisfy a tax withholding obligation or the purchase or exercise price, if any, as such shares become available from

time to time. In addition, the number of shares of our common stock reserved for issuance under our 2019 Plan will automatically increase on January 1 of each calendar year, starting on January 1, 2020 through January 1, 2029, in an amount equal to (i) 4% of the total number of shares of our common stock outstanding on December 31 of the fiscal year before the date of each automatic increase, or (ii) a lesser number of shares determined by our board of directors prior to the applicable January 1. The maximum number of shares of our common stock that may be issued on the exercise of ISOs under our 2019 Plan is 40,000,000 shares.

Shares subject to stock awards granted under our 2019 Plan that expire or terminate without being exercised in full do not reduce the number of shares available for issuance under our 2019 Plan. Shares withheld under a stock award to satisfy the exercise, strike or purchase price of a stock award or to satisfy a tax withholding obligation do not reduce the number of shares available for issuance under our 2019 Plan. If any shares of our common stock issued pursuant to a stock award are forfeited back to or repurchased or reacquired by us (1) because of a failure to meet a contingency or condition required for the vesting of such shares, (2) to satisfy the exercise, strike or purchase price of an award or (3) to satisfy a tax withholding obligation in connection with an award, the shares that are forfeited or repurchased or reacquired will revert to and again become available for issuance under the 2019 Plan. Any shares previously issued which are reacquired in satisfaction of tax withholding obligations or as consideration for the exercise or purchase price of a stock award will again become available for issuance under the 2019 Plan.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2019 Plan and is referred to as the "plan administrator" herein. Our board of directors may also delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified stock awards and (2) determine the number of shares subject to such stock awards. Under our 2019 Plan, our board of directors has the authority to determine award recipients, grant dates, the numbers and types of stock awards to be granted, the applicable fair market value, and the provisions of each stock award, including the period of exercisability and the vesting schedule applicable to a stock award.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2019 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2019 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator.

The plan administrator determines the term of stock options granted under the 2019 Plan, up to a maximum of 10 years. Unless the terms of an optionholder's stock option agreement, or other written agreement between us and the recipient approved by the plan administrator, provide otherwise, if an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability, death, or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. This period may be extended in the event that exercise of the option is prohibited by applicable securities laws. If an optionholder's service relationship with us or any of our affiliates ceases due to death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 18 months following the date of death. If an optionholder's service relationship with us or any of our affiliates ceases due to disability, the optionholder may generally exercise any vested options for a period of 12 months following the cessation of service. In the event of a termination for cause, options generally terminate upon the termination date. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option will be determined by the plan administrator and may include (1) cash, check, bank draft or money order, (2) a broker-assisted cashless exercise, (3) the tender of shares of our common stock previously owned by the optionholder, (4) a net exercise of the option if it is an NSO, or (5) other legal consideration approved by the plan administrator.

Unless the plan administrator provides otherwise, options or stock appreciation rights generally are not transferable except by will or the laws of descent and distribution. Subject to approval of the plan administrator or a duly authorized officer, an option may be transferred pursuant to a domestic relations order, official marital settlement agreement, or other divorce or separation instrument.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an award holder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our parent or subsidiary corporations unless (1) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant, and (2) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock unit awards are granted under restricted stock unit award agreements adopted by the plan administrator. Restricted stock unit awards may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. A restricted stock unit award may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the plan administrator, or in any other form of consideration set forth in the restricted stock unit award agreement. Additionally, dividend equivalents may be credited in respect of shares covered by a restricted stock unit award. Except as otherwise provided in the applicable award agreement, or other written agreement between us and the recipient approved by the plan administrator, restricted stock unit awards that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards are granted under restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past or future services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock Appreciation Rights. Stock appreciation rights are granted under stock appreciation right agreements adopted by the plan administrator. The plan administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our common stock on the date of grant. A stock appreciation right granted under the 2019 Plan vests at the rate specified in the stock appreciation right agreement as determined by the plan administrator. Stock appreciation rights may be settled in cash or shares of common stock or in any other form of payment as determined by the Board and specified in the stock appreciation right agreement.

The plan administrator determines the term of stock appreciation rights granted under the 2019 Plan, up to a maximum of 10 years. If a participant's service relationship with us or any of our affiliates ceases for any reason other than cause, disability, or death, the participant may generally exercise any

vested stock appreciation right for a period of three months following the cessation of service. This period may be further extended in the event that exercise of the stock appreciation right following such a termination of service is prohibited by applicable securities laws. If a participant's service relationship with us, or any of our affiliates, ceases due to disability or death, or a participant dies within a certain period following cessation of service, the participant or a beneficiary may generally exercise any vested stock appreciation right for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, stock appreciation rights generally terminate immediately upon the occurrence of the event giving rise to the termination of the individual for cause. In no event may a stock appreciation right be exercised beyond the expiration of its term.

Performance Awards. The 2019 Plan permits the grant of performance awards that may be settled in stock, cash or other property. Performance awards may be structured so that the stock or cash will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period. Performance awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, the common stock.

The performance goals may be based on any measure of performance selected by the board of directors. The performance goals may be based on company-wide performance or performance of one or more business units, divisions, affiliates, or business segments, and may be either absolute or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the board of directors at the time the performance award is granted, the board will appropriately make adjustments in the method of calculating the attainment of performance goals as follows: (i) to exclude restructuring and/or other nonrecurring charges; (ii) to exclude exchange rate effects; (iii) to exclude the effects of changes to generally accepted accounting principles; (iv) to exclude the effects of any statutory adjustments to corporate tax rates; (v) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (vi) to exclude the dilutive effects of acquisitions or joint ventures; (vii) to assume that any portion of our business which is divested achieved performance objectives at targeted levels during the balance of a performance period following such divestiture; (viii) to exclude the effect of any change in the outstanding shares of our common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (ix) to exclude the effects of stock based compensation and the award of bonuses under our bonus plans; (x) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (xi) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles.

Other Stock Awards. The plan administrator may grant other awards based in whole or in part by reference to our common stock. The plan administrator will set the number of shares under the stock award (or cash equivalent) and all other terms and conditions of such awards.

Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid to any non-employee director with respect to any calendar year, including awards granted and cash fees paid by us to such non-employee director, will not exceed $750,000 in total value; provided that such amount will increase to $1.0 million for the first year for newly appointed or elected non-employee directors.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of shares reserved for issuance under the 2019 Plan, (2) the class and maximum number of shares by which the share reserve may increase automatically each year, (3) the class and maximum number of shares that may be issued on the exercise of ISOs,

and (4) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. The following applies to stock awards under the 2019 Plan in the event of a corporate transaction (as defined in the 2019 Plan), unless otherwise provided in a participant's stock award agreement or other written agreement with us or one of our affiliates or unless otherwise expressly provided by the plan administrator at the time of grant.

In the event of a corporate transaction, any stock awards outstanding under the 2019 Plan may be assumed, continued or substituted for by any surviving or acquiring corporation (or its parent company), and any reacquisition or repurchase rights held by us with respect to the stock award may be assigned to the successor (or its parent company). If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then (i) with respect to any such stock awards that are held by participants whose continuous service has not terminated prior to the effective time of the corporate transaction, or current participants, the vesting (and exercisability, if applicable) of such stock awards will be accelerated in full to a date prior to the effective time of the corporate transaction (contingent upon the effectiveness of the corporate transaction), and such stock awards will terminate if not exercised (if applicable) at or prior to the effective time of the corporate transaction, and any reacquisition or repurchase rights held by us with respect to such stock awards will lapse (contingent upon the effectiveness of the corporate transaction), and (ii) any such stock awards that are held by persons other than current participants will terminate if not exercised (if applicable) prior to the effective time of the corporate transaction, except that any reacquisition or repurchase rights held by us with respect to such stock awards will not terminate and may continue to be exercised notwithstanding the corporate transaction.

In the event a stock award will terminate if not exercised prior to the effective time of a corporate transaction, the plan administrator may provide, in its sole discretion, that the holder of such stock award may not exercise such stock award but instead will receive a payment equal in value to the excess (if any) of (i) the per share amount payable to holders of common stock in connection with the corporate transaction, over (ii) any per share exercise price payable by such holder, if applicable. In addition, any escrow, holdback, earn out or similar provisions in the definitive agreement for the corporate transaction may apply to such payment to the same extent and in the same manner as such provisions apply to the holders of common stock.

Change in Control. Awards granted under the 2019 Plan may be subject to acceleration of vesting and exercisability upon or after a change in control (as defined in the 2019 Plan) as may be provided in the applicable stock award agreement or in any other written agreement between us or any affiliate and the participant, but in the absence of such provision, no such acceleration will automatically occur.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2019 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board of directors adopts our 2019 Plan. No stock awards may be granted under our 2019 Plan while it is suspended or after it is terminated.

2019 Employee Stock Purchase Plan

Our board of directors and stockholders adopted and approved the 2019 Employee Stock Purchase Plan, or ESPP, in October 2019. The ESPP will become effective immediately prior to and contingent upon the date of the underwriting agreement related to this offering. The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates.

The ESPP is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Code.

Share Reserve. Following this offering, the ESPP will authorize the issuance of 1,700,000 shares of our common stock pursuant to purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our common stock reserved for issuance will automatically increase on January 1 of each calendar year, from January 1, 2021 (assuming the ESPP becomes effective in 2019) through January 1, 2029, by the lesser of (1) 1% of the total number of shares of our common stock outstanding on December 31 of the preceding calendar year, and (2) 2,500,000 shares; provided that prior to the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (1) and (2).

Administration. Our board of directors has delegated concurrent authority to administer the ESPP to our compensation committee. The ESPP is implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under the ESPP, we may specify offerings with durations of not more than 27 months. It is contemplated that each of the purchase periods will be six months, except that the first offering period will commence on the date of the underwriting agreement related to this offering and end on July 31, 2020. An offering under the ESPP may be terminated under certain circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, up to 15% of their earnings (as defined in the ESPP) for the purchase of our common stock under the ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in the ESPP at a price per share equal to the lower of (a) 85% of the fair market value of a share of our common stock on the first trading date of an offering, which shall be deemed to be the initial public offering price set forth on the cover page of this prospectus for the first offering, or (b) 85% of the fair market value of a share of our common stock on the date of purchase.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in the ESPP, as determined by our board of directors, including: (1) being customarily employed for more than 20 hours per week; (2) being customarily employed for more than five months per calendar year; or (3) continuous employment with us or one of our affiliates for six months. No employee may purchase shares under the ESPP at a rate in excess of $25,000 worth of our common stock based on the fair market value per share of our common stock at the beginning of an offering for each year such a purchase right is outstanding and may not purchase more than 2,500 shares in any offering period. Finally, no employee will be eligible for the grant of any purchase rights under the ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our outstanding capital stock measured by vote or value pursuant to Section 424(d) of the Code.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or similar transaction, the board of directors will make appropriate adjustments to (1) the number of shares reserved under the ESPP, (2) the maximum number of shares by which the share reserve may increase automatically each year, (3) the number of shares and purchase price of all outstanding purchase rights and (4) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. In the event of a corporate transaction (as defined in the ESPP), any then-outstanding rights to purchase our stock under the ESPP may be assumed, continued or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase shares of our common stock within 10 business days prior to such corporate transaction, and such purchase rights will terminate immediately.

ESPP Amendments, Termination. Our board of directors has the authority to amend or terminate our ESPP, provided that except in certain circumstances such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. We will obtain stockholder approval of any amendment to our ESPP, as required by applicable law or listing requirements.

2017 Equity Incentive Plan

Our 2017 Plan was adopted by our board of directors and approved by our stockholders in June 2017, and was last amended in February 2019. Our 2017 Plan will be terminated prior to the closing of this offering, and thereafter we will not grant any additional stock awards under our 2017 Plan. However, our 2017 Plan will continue to govern the terms and conditions of the outstanding stock awards previously granted thereunder.

As of September 30, 2019, stock options covering 15,933,954 shares of our common stock with a weighted-average exercise price of $2.22 per share were outstanding, and 645,290 shares of our common stock remained available for the future grant of stock awards under our 2017 Plan. Options granted under our 2017 Plan are subject to terms and conditions generally similar to those described above with respect to options that may be granted under our 2019 Plan.

Our board of directors, or a committee of our board of directors, administers our 2017 Plan. The administrator, among other things, generally has the authority to construe and interpret our 2017 Plan and stock awards granted thereunder, and to make all other determinations necessary or advisable for the administration of the 2017 Plan.

In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (i) the class and maximum number of shares reserved for issuance under the 2017 Plan, (ii) the class and maximum number of shares that may be issued upon the exercise of ISOs and (iii) the class, number, and price of shares subject to outstanding stock awards.

Our 2017 Plan provides that in the event of a corporate transaction (as defined in the 2017 Plan), the administrator generally may take one or more of the following actions with respect to outstanding stock awards: (i) arrange for the assumption, continuation, or substitution of a stock award by a surviving or acquiring corporation; (ii) arrange for the assignment of any reacquisition or repurchase rights held by us to the surviving or acquiring corporation; (iii) accelerate the vesting, in whole or in part, of the stock award and provide for its termination if not exercised (if applicable) at or before the effective time of the transaction; (iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us; (v) cancel or arrange for the cancellation of the stock award, to the extent not vested or not exercised before the effective time of the transaction, in exchange for a cash payment (including no consideration); or (vi) make a payment equal to the excess, if any, of (a) the value of the property the participant would have received on exercise of the award immediately before the effective time of the transaction, over (b) any exercise price payable by the participant in connection with the exercise. Our board of directors is not obligated to treat all awards or participants in the same manner.

2008 Stock Plan

Our 2008 Plan was adopted by our board of directors and approved by our stockholders in 2008, and was last amended in 2016. Our 2008 Plan was terminated in connection with our adoption of the 2017 Plan, and no new awards may be granted under it. However, our 2008 Plan continues to govern the terms and conditions of the outstanding awards previously granted thereunder.

As of September 30, 2019, stock options covering 1,475,712 shares of our common stock with a weighted-average exercise price of $0.97 per share were outstanding. Options granted under our 2008 Plan are subject to terms and conditions generally similar to those described above with respect to options that may be granted under our 2019 Plan, except the period following termination that an option may remain exercisable in the event of death or disability is generally shorter than the corresponding period under the 2019 Plan.

Our board of directors, or a committee of our board of directors, administers our 2008 Plan. The administrator, among other things, generally has the authority to construe and interpret our 2008 Plan and awards granted thereunder, and to make all other determinations necessary or advisable for the administration of the 2008 Plan.

In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization of our outstanding stock, proportionate adjustments will be made to the number, class, and price of shares covered by each outstanding award.

Our 2008 Plan provides that in the event of a corporate transaction (as defined in the 2008 Plan), our board of directors will take one or more of the following actions with respect to outstanding awards: (i) arrange for the assumption, continuation, or substitution of an award by a surviving or acquiring corporation; (ii) arrange for the assignment of any reacquisition or repurchase rights held by us to the surviving or acquiring corporation; (iii) accelerate the vesting, in whole or in part, of the award and provide for its termination if not exercised (if applicable) at or before the effective time of the transaction; (iv) arrange for the lapse of any reacquisition or repurchase rights held by us; (v) cancel or arrange for the cancellation of the award, to the extent not vested or not exercised before the effective time of the transaction, in exchange for a cash payment, if any; or (vi) make a payment equal to the excess, if any, of (a) the value of the property the participant would have received on exercise of the award, over (b) any exercise price payable by the participant in connection with the exercise. Our board of directors is not obligated to treat all awards or participants in the same manner.

401(k) Plan

We maintain a 401(k) plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees are able to defer eligible compensation up to certain Code limits, which are updated annually. Currently, we match 50% of the contributions that eligible employees make to the 401(k) plan up to 6% of the employee's eligible compensation. The 401(k) plan is intended to be qualified under Section 401(a) of the Code, with the related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan are deductible by us when made, and contributions and earnings on those amounts are not generally taxable to the employees until withdrawn or distributed from the 401(k) plan.

Limitations of Liability and Indemnification Matters

On the completion of this offering, our amended and restated certificate of incorporation will contain provisions that limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will

not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will authorize us to indemnify our directors, officers, employees and other agents to the fullest extent permitted by Delaware law. Our amended and restated bylaws that will be in effect on the completion of this offering will provide that we are required to indemnify our directors and officers to the fullest extent permitted by Delaware law and may indemnify our other employees and agents. Our amended and restated bylaws that will be in effect on the completion of this offering will also provide that, on satisfaction of certain conditions, we will advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by the board of directors. With certain exceptions, these agreements provide for indemnification for related expenses including attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these amended and restated certificate of incorporation and amended and restated bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain customary directors' and officers' liability insurance.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for directors, executive officers or persons controlling us, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Rule 10b5-1 Sales Plans

Our directors and officers may adopt written plans, known as Rule 10b5-1 plans, in which they will contract with a broker to buy or sell shares of our common stock on a periodic basis. Under a Rule 10b5-1 plan, a broker executes trades under parameters established by the director or officer when entering into the plan, without further direction from them. The director or officer may amend a Rule 10b5-1 plan in some circumstances and may terminate a plan at any time. Our directors and executive officers may also buy or sell additional shares outside of a Rule 10b5-1 plan when they do not possess of material nonpublic information, subject to compliance with the terms of our insider trading policy.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation arrangements for our directors and named executive officers, which are described elsewhere in this prospectus, below we describe transactions since January 1, 2016 to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed $120,000; and
- any of our directors, executive officers or holders of more than 5% of our capital stock, or any affiliate or member of the immediate family of, or person sharing the household with, the foregoing persons, had or will have a direct or indirect material interest.

Series B Preferred Stock Financing

Between June 2016 and November 2017, we sold an aggregate of approximately 18,000,000 shares of our Series B Preferred Stock at a price per share of $1.73 for an aggregate purchase price of approximately $31 million in private placements to accredited investors. The table below sets forth the number of shares of our Series B Preferred Stock and warrants exercisable for shares of our Series B Preferred Stock purchased by our executive officers, directors, holders of more than 5% of our share capital and their affiliated entities or immediate family members. Each share of Series B Preferred Stock in the table below will automatically convert into one common share upon the completion of this offering. The holders of our Series B Preferred Stock listed below are entitled to specified registration rights. See the section titled "Description of Capital Stock—Registration Rights" for more information regarding these registration rights.

Stockholder	Shares of Series B Preferred Stock	Total Purchase Price ($)
TPG Biotechnology Partners III, L.P.(1)	4,388,689	7,574,388
KPCB Holdings, Inc., as nominee(2)	3,635,950	6,274,106
S.R. One, Limited(3)	2,408,065	4,156,052
EVO Eagle, LLC(4)	2,897,058	5,000,000

(1) Dr. Cohen, a member of our board of directors, is a Senior Advisor to TPG, which is an affiliate of TPG Biotechnology Partners III, L.P. See the section titled "Principal and Selling Stockholders" for additional information regarding TPG Biotechnology Partners III, L.P.

(2) Dr. Seidenberg, a member of our board of directors, is a partner at Kleiner Perkins. See the section titled "Principal and Selling Stockholders" for additional information regarding KPCB Holdings, Inc.

(3) Dr. George, a member of our board of directors, is a partner at S.R. One, Limited. See the section titled "Principal and Selling Stockholders" for additional information regarding S.R. One, Limited.

(4) Dr. Payson, a member of our board of directors, and his spouse share voting and dispositive power over the shares held by EVO Eagle, LLC.

Investors' Rights, Voting, and Co-Sale Agreements

In connection with our convertible preferred stock financings, we entered into investors' rights, voting, and right of first refusal and co-sale agreements containing registration rights, information rights, voting rights with respect to the election of directors, co-sale rights and rights of first refusal, among other things, with certain holders of our capital stock. The parties to the investors' rights agreement include KPCB Holdings, Inc., S.R. One, Limited, TPG Biotechnology Partners III, L.P., Merck Ventures B.V. and EVO Eagle, LLC, an entity owned by Dr. Payson and his wife. The parties to the voting agreement include Mr. Schlanger, Mr. Anevski, KPCB Holdings, Inc., S.R. One, Limited, TPG Biotechnology Partners III, L.P., Merck Ventures B.V. and EVO Eagle, LLC. The parties to the co-sale agreement include KPCB Holdings, Inc., S.R. One, Limited, TPG Biotechnology Partners III, L.P. and Merck Ventures B.V. These stockholder agreements will terminate upon the

completion of this offering, except for the registration rights granted under our investors' rights agreement, as more fully described in "Description of Capital Stock—Stockholder Registration Rights." Since January 1, 2016, we have waived our right of first refusal in connection with the sale of certain shares of our capital stock, including sales by certain of our directors, executive officers, and principal stockholders, resulting in the purchase of such shares by certain of our stockholders, including related persons. See also the section titled "Principal and Selling Stockholders" for additional information regarding beneficial ownership of our capital stock.

Stock Purchase Agreement

In June 2018, we entered into a Stock Purchase Agreement with our former Chief Executive Officer, and certain other holders of our capital stock, including KPCB Holdings, Inc., S.R. One, Limited and TPG Biotechnology Partners III, L.P., pursuant to which we and the other holders purchased our former Chief Executive Officer's entire equity interest in us for an aggregate purchase price of approximately $10.0 million; $2.5 million of which was paid by us. In connection with the stock purchase agreement, we and the other purchasers waived all claims against our former Chief Executive Officer and our former Chief Executive Officer waived all claims against us and the other purchasers.

Sale of EEVA Technology

In January 2018, we entered into an Asset Purchase Agreement with Ares Trading S.A., or Ares, an affiliate of Merck Ventures B.V., a holder of our capital stock, pursuant to which we sold all of the intellectual property related to our early embryo viability assessment, or EEVA, technology for $7.9 million, consisting of $3.0 million in cash and the forgiveness of a $4.9 million liability remaining from the previous license agreement with Ares for the Eeva product. The cash consideration included $0.3 million of deferred consideration, of which the last payment was received by us in March 2019.

Equity Grants to Directors and Executive Officers

We have granted stock options to certain of our directors and executive officers. For more information regarding the stock options and stock awards granted to our directors and named executive officers, see "Management—Director Compensation" and "Executive Compensation."

Indemnification Agreements

Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will contain provisions limiting the liability of directors, and our amended and restated bylaws that will be in effect on the completion of this offering will provide that we will indemnify each of our directors and officers to the fullest extent permitted under Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect on the completion of this offering will also provide our board of directors with discretion to indemnify our employees and other agents when determined appropriate by the board. In addition, we have entered into an indemnification agreement with each of our directors and executive officers, which requires us to indemnify them. For more information regarding these agreements, see the section titled "Executive Compensation—Limitations on Liability and Indemnification Matters."

Policies and Procedures for Transactions with Related Persons

Prior to the completion of this offering, we intend to adopt a policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of our common stock and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related person transaction with us without the approval or ratification of our board of directors or our audit committee. Any request for us to enter into a transaction with an executive officer,

director, nominee for election as a director, beneficial owner of more than 5% of our common stock or any member of the immediate family of any of the foregoing persons, in which the amount involved exceeds $120,000 and such person would have a direct or indirect interest, must be presented to our board of directors or our audit committee for review, consideration and approval. In approving or rejecting any such proposal, our board of directors or our audit committee is to consider the material facts of the transaction, including whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related person's interest in the transaction.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our shares as of September 30, 2019, as adjusted to reflect our and the selling stockholders' sale of common stock in this offering, by:

- each of our named executive officers;
- each of our directors;
- all of our directors and executive officers as a group;
- each of the selling stockholders; and
- each person or entity known by us to own beneficially more than 5% of our common stock (by number or by voting power).

We have determined beneficial ownership in accordance with the rules and regulations of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Except as indicated by the footnotes below, we believe, based on information furnished to us, that the persons and entities named in the table below have sole voting and sole investment power with respect to all shares that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership before the offering is based on 75,474,794 shares of common stock outstanding as of September 30, 2019, assuming the automatic conversion of all outstanding shares of preferred stock into shares of common stock. Applicable percentage ownership after the offering is based on 82,174,794 shares of common stock outstanding immediately after the completion of this offering, giving effect to the sale of 6,700,000 shares of our common stock by us and 3,300,000 shares of our common stock by the selling stockholders and excluding any potential purchases in this offering by the persons and entities named in the table below. In computing the number of shares beneficially owned by a person and the percentage ownership of such person, we deemed to be outstanding all shares subject to options held by the person that are currently exercisable, or exercisable or would vest based on service-based vesting conditions within 60 days of September 30, 2019. However, except as described above, we did not deem such shares outstanding for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, the address for each beneficial owner listed in the table below is c/o Progyny, Inc., 245 5th Avenue, New York, New York 10016.

Name of Beneficial Owner	Shares Beneficially Owned Prior to Offering		Number of Shares Offered	Shares Beneficially Owned After Offering	
	Shares	Percentage		Shares	Percentage
5% Stockholders					
TPG Biotechnology Partners III, L.P.(1)	20,661,413	27.2%	—	20,661,413	25.0%
KPCB Holdings, Inc., as nominee(2)	19,460,800	25.6	—	19,460,800	23.5
S.R. One, Limited(3)	10,526,957	13.9	—	10,526,957	12.8
Merck Ventures B.V.(4)	4,866,408	6.4	373,994	4,492,414	5.5
David Schlanger(5)	4,375,514	5.6	660,007	3,715,507	4.3
Other Named Executive Officers and Directors					
Peter Anevski(6)	2,500,293	3.3	660,007	1,840,286	2.2
Karin Ajmani(7)	1,665,952	2.2	264,003	1,401,949	1.7
Fred Cohen, M.D., D.Phil.(8)	—	—	—	—	—
Beth Seidenberg, M.D.(2)	19,460,800	25.6	—	19,460,800	23.5
Simeon George, M.D.(3)	10,526,957	13.9	—	10,526,957	12.8
Norm Payson(9)	3,663,310	4.9	373,994	3,289,316	4.0
All executive officers and directors as a group (9 persons) (10)	**42,247,826**	**52.2**	**1,994,772**	**40,253,054**	**43.2**
Other Selling Stockholders					
Entities affiliated with the Mellon Family(11)	2,646,601	3.5	373,994	2,272,607	2.8
Entities affiliated with Union Grove Partners(12)	1,521,211	2.0	373,994	1,147,217	1.4
All other selling stockholders(13)	376,501	*	183,246	193,255	*

* Represents beneficial ownership of less than 1%.

(1) Consists of (a) 20,096,062 shares and (b) warrants to purchase 565,351 shares held by TPG Biotechnology Partners III, L.P., a Delaware limited partnership. The general partner of TPG Biotechnology Partners III, L.P. is TPG Biotechnology GenPar III, L.P., a Delaware limited partnership, whose general partner is TPG Biotechnology GenPar III Advisors, LLC, a Delaware limited liability company, whose sole member is TPG Holdings I, L.P., a Delaware limited partnership, whose general partner is TPG Holdings I-A, LLC, a Delaware limited liability company, whose sole member is TPG Group Holdings (SBS), L.P., a Delaware limited partnership, whose general partner TPG Group Holdings (SBS) Advisors, LLC, a Delaware limited liability company, whose sole member is TPG Group Holdings (SBS) Advisors, Inc., a Delaware corporation. David Bonderman and James G. Coulter are sole stockholders of TPG Group Holdings (SBS) Advisors, Inc. and may therefore be deemed to be the beneficial owners of the securities held by TPG Biotechnology Partners III, L.P. Messrs. Bonderman and Coulter disclaim beneficial ownership of the securities held by TPG Biotechnology Partners III, L.P. except to the extent of their pecuniary interest therein. The address of TPG Biotechnology Partners III, L.P. is c/o TPG Global, LLC, 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102.

(2) Consists of (a) 17,621,896 shares held by Kleiner Perkins Caufield & Byers XIII, LLC ("KPCB XIII"), (b) 1,273,553 shares held by individuals and entities associated with Kleiner Perkins Caufield and Byers ("KPCB"), (c) warrants to purchase 527,247 shares held by KPCB XIII and (d) warrants to purchase 38,104 and shares held by individuals and entities associated with KPCB. All shares are held for convenience in the name of "KPCB Holdings, Inc., as nominee" for the accounts of such individuals and entities. The managing member of KPCB XIII is KPCB XIII Associated, LLC ("KPCB XIII Associates"). L., John Doerr, Raymond J. Lane, Theodore E. Schlein and Brook H. Byers, the managing members of KPCB XIII Associates, exercise shared voting and dispositive control over the shares held by KPCB XIII. Such managing members and Dr. Seidenberg disclaim beneficial ownership of all shares held by KPCB XIII except to the extent of their pecuniary interest therein. The principal business address for Kleiner Perkins Caufield & Byers, LLC, is 2750 Sand Hill Road, Menlo Park, CA 94025.

(3) Consists of (a) 10,238,244 shares and (b) warrants to purchase 288,713 shares held by S.R. One, Limited, an indirect wholly owned subsidiary of GlaxoSmithKline plc. Dr. George, the President at S.R. One Limited, is a member of our board of directors and disclaims beneficial ownership of the shares held by S.R. One, Limited, except to the extent of his pecuniary interest therein. The address of S.R. One, Limited is 161 Washington Street, Suite 500, Conshohocken, PA 19428.

(4) Consists of (a) 4,677,959 shares and (b) warrants to purchase 188,449 shares held by Merck Ventures B.V., a wholly owned subsidiary of Merck B.V. Merck B.V. is a wholly owned indirect subsidiary of Merck KGaA, a publicly traded company. The address of Merck Ventures B.V. is Gustav Mahlerplein 102, Toyo Ito Building, 20th Floor, 1082 MA Amsterdam, The Netherlands. If the underwriters exercise their option to purchase additional shares in full, Merck Ventures B.V. would sell an additional 375,000 shares, resulting in 4,117,414 shares, or 5.0%, beneficially owned after the offering.

(5) Consists of (a) 3,275,501 shares issuable upon the exercise of options and (b) 1,100,013 shares held by Mr. Schlanger.

(6) Consists of (a) 294,151 shares issuable upon the exercise of options and (b) 2,206,142 shares held by Mr. Anevski.

(7) Consists of (a) 907,911 shares issuable upon the exercise of options and (b) 758,041 shares held by Ms. Ajmani.

(8) Dr. Cohen, one of our directors, is a TPG Senior Advisor. Dr. Cohen has no voting or investment power over and disclaims beneficial ownership of the shares held by TPG Biotechnology Partners III, L.P., except to the extent of his pecuniary interest therein.

(9) Consists of (a) 48,979 shares issuable to Dr. Payson upon the exercise of options, (b) 1,484,696 shares held by Melinda B. Payson and Robert L. Carson, Trustee of The Melinda B. Payson 2018 Grantor Retained Annuity Trust dated November 28, 2018, (c) 1,484,696 shares held by Norman C. Payson and Robert L. Carson, Trustee of The Norman C. Payson 2018 Grantor Retained Annuity Trust dated November 28, 2018, (d) 522,446 shares held by Dr. Payson and (e) 122,493 shares held by EVO Eagle, LLC. Mr. Payson and his spouse share voting and dispositive power over the shares held by EVO Eagle, LLC. If the underwriters exercise their option to purchase additional shares in full, The Melinda B. Payson 2018 Grantor Retained Annuity Trust dated November 28, 2018 and The Norman C. Payson 2018 Grantor Retained Annuity Trust dated November 28, 2018 would sell an aggregate of an additional 375,000 shares, resulting in an aggregate of 2,914,316 shares, or 3.5%, beneficially owned after the offering.

(10) Consists of (a) 36,812,220 shares, (b) 4,581,542 shares issuable upon the exercise of options and (c) warrants to purchase 854,064 shares. Includes 36,761 shares offered by Ms. Bealer.

(11) Consists of (a) 1,587,961 shares held by the Richard King Mellon Foundation, a Pennsylvania nonprofit corporation and (b) 1,058,640 shares held by the Mellon Family Investment Company V, a limited partnership formed in Pennsylvania, whose general partner is MFIC V LLC, a Pennsylvania limited liability company. The address of Mellon Family Investment Company V is 352 Horner Hill Road, Laughlintown, PA 15655. The address of Richard King Mellon Foundation is 500 Grant Street, Suite 4106, Pittsburgh, PA 15219. If the underwriters exercise their option to purchase additional shares in full, the Richard King Mellon Foundation and the Mellon Family Investment Company V would sell an aggregate of an additional 375,000 shares, resulting in an aggregate of 1,897,607 shares, or 2.3%, beneficially owned after the offering.

(12) Consists of (a) 1,355,520 shares held by Union Grove Partners Direct Venture Fund, LP, a Delaware limited partnership, whose general partner is Union Grove Venture Partners 2014, LLC, a North Carolina limited liability company and (b) 165,691 shares held by Union Grove Partners Venture Access Fund II, LP, a Delaware limited partnership, whose general partner is Union Grove Venture Partners 2015, LLC, a North Carolina limited liability company. The address of these entities affiliated with Union Grove Partners is 7203 Union Grove Church Rd Chapel Hill, NC 27516. If the underwriters exercise their option to purchase additional shares in full, the Union Grove Partners Direct Venture Fund, LP and the Union Grove Partners Venture Access Fund II, LP would sell an aggregate of an additional 375,000 shares, resulting in an aggregate of 772,217 shares, or less than 1%, beneficially owned after the offering.

(13) Represents shares and options to purchase shares held by nine selling stockholders not listed above, all of whom are current employees of ours and who, as a group, beneficially own less than 1% of our outstanding common stock prior to this offering.

DESCRIPTION OF CAPITAL STOCK

General

The following description of our capital stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws are summaries and are qualified by reference to the amended and restated certificate of incorporation and the amended and restated bylaws that will be in effect on the completion of this offering. Copies of these documents have been filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of the common stock and preferred stock reflect changes to our capital structure that will be in effect on the completion of this offering.

On the completion of this offering, our amended and restated certificate of incorporation will authorize shares of undesignated preferred stock, the rights, preferences and privileges of which may be designated from time to time by our board of directors.

Upon the completion of this offering, our authorized capital stock will consist of 1,100,000,000 shares, all with a par value of $0.0001 per share, of which:

- 1,000,000,000 shares are designated common stock; and
- 100,000,000 shares are designated preferred stock.

As of September 30, 2019, we had outstanding 75,474,794 shares of common stock, which assumes the automatic conversion of 65,428,088 outstanding shares of preferred stock into shares of common stock.

Our outstanding capital stock was held by 123 stockholders of record as of September 30, 2019. Our board of directors is authorized, without stockholder approval except as required by the listing standards of Nasdaq, to issue additional shares of our capital stock.

Common Stock

Voting rights. The common stock is entitled to one vote per share on any matter that is submitted to a vote of our stockholders, including the election of directors. Our amended and restated certificate of incorporation that will be in effect on the completion of this offering will not provide for cumulative voting for the election of directors. Accordingly, the holders of a majority of the outstanding shares of common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they so choose, other than any directors that holders of any redeemable convertible preferred stock we may issue may be entitled to elect.

Dividend rights. Subject to preferences that may be applicable to any then outstanding redeemable convertible preferred stock, holders of common stock are entitled to receive ratably those dividends, if any, as may be declared by the board of directors out of legally available funds.

Rights upon liquidation. In the event of our liquidation, dissolution, or winding up, the holders of common stock will be entitled to share ratably in the assets legally available for distribution to stockholders after the payment of or provision for all of our debts and other liabilities, subject to the prior rights of any redeemable convertible preferred stock then outstanding.

Other rights. Holders of common stock have no preemptive or conversion rights or other subscription rights and there are no redemption or sinking funds provisions applicable to the common stock. All outstanding shares of common stock are, and the common stock to be outstanding upon the completion of this offering will be, duly authorized, validly issued, fully paid, and nonassessable. The rights, preferences and privileges of holders of common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of redeemable convertible preferred stock that we may designate and issue in the future.

Preferred Stock

As of September 30, 2019, there were 65,428,088 shares of our preferred stock outstanding. In connection with this offering, each outstanding share of our preferred stock will convert into one share of our common stock.

On the completion of this offering and under our amended and restated certificate of incorporation that will be in effect on the completion of this offering, our board of directors may, without further action by our stockholders, fix the rights, preferences, privileges and restrictions of up to an aggregate of 100,000,000 shares of preferred stock in one or more series and authorize their issuance. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, 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 our common stock. Any issuance of our preferred stock could adversely affect the voting power of holders of our common stock, and the likelihood that such holders would receive dividend payments and payments on liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change of control or other corporate action. On the completion of this offering, no shares of preferred stock will be outstanding. We have no present plan to issue any shares of preferred stock.

Options

As of September 30, 2019, we had outstanding options to purchase 17,409,666 shares of our common stock, with a weighted-average exercise price of approximately $2.12 per share, under our 2008 Plan and 2017 Plan.

Warrants

As of September 30, 2019, we had outstanding warrants exercisable for an aggregate of 2,159,639 shares of our common stock, with a weighted-average exercise price of $1.69 per share, which assumes the conversion of all outstanding convertible preferred stock warrants to warrants to purchase 2,019,245 shares of our common stock. All of the warrants to purchase shares of our convertible preferred stock will become exercisable for shares of our common stock on a one-for-one basis upon the closing of this offering. Warrants exercisable for an aggregate of 140,394 shares of our common stock will expire upon the closing of this offering, if not exercised prior to such date.

Registration Rights

Stockholder Registration Rights

We are party to an investor rights agreement that provides that certain holders of our preferred stock, including certain holders of at least 5% of our capital stock and entities affiliated with certain of our directors, have certain registration rights, as set forth below. This investor rights agreement was entered into in 2015. The registration of shares of our common stock by the exercise of registration rights described below would enable the holders to sell these shares without restriction under the Securities Act when the applicable registration statement is declared effective. We will pay the registration expenses, other than underwriting discounts and commissions and legal fees in excess of $30,000, of the shares registered by the demand, piggyback and Form S-3 registrations described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. The demand, piggyback and Form S-3 registration rights described below will expire upon the earliest to occur of (1) the three year anniversary of the effective date of the registration statement, of which this prospectus is a part, (2) a deemed liquidation event, as such term is defined in our then-current certificate of incorporation and (3) with respect to any particular stockholder, such time that such stockholder can sell all of its shares under Rule 144 of the Securities Act during any 90-day period.

Demand Registration Rights

Following the completion of this offering, the holders of an aggregate of 62,034,844 shares of our common stock will be entitled to certain demand registration rights. At any time after the earlier of March 4, 2020 or the period beginning 180 days after the completion of this offering, the holders of a majority of these shares may, on not more than two occasions, request that we register all or a portion of their shares on a registration statement on Form S-1. Such request for registration must cover shares with an anticipated aggregate offering price, net of underwriting discounts and commissions, of at least $15 million.

Piggyback Registration Rights

In connection with this offering, the holders of an aggregate of 62,034,844 shares of our common stock, on an as-converted basis, were entitled to, and the necessary percentage of holders waived, their rights to notice of this offering and to include their shares of registrable securities in this offering. After this offering, in the event that we propose to register any of our common stock for the purposes of a public offering of such common stock, solely for cash, under the Securities Act, either for our own account or for the account of other security holders, the holders of these shares will be entitled to certain piggyback registration rights allowing the holder to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement to register sales of our common stock for the purposes of a public offering of such common stock, solely for cash, under the Securities Act, other than with respect to (i) a registration relating to the sale of securities to our employees pursuant to an equity incentive, stock option, stock purchase, or similar plan, (ii) a registration relating to an SEC Rule 145 transaction, (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of our securities, or (iv) a registration in which the only common stock being registered is common stock issuable upon conversion of debt securities that are also being registered, the holders of these shares are entitled to notice of the registration and have the right to include their shares in the registration, subject to limitations that the underwriters may impose on the number of shares included in the offering.

Form S-3 Registration Rights

Following the completion of this offering, the holders of an aggregate of 62,034,844 shares of common stock will be entitled to certain Form S-3 registration rights. The holders of at least 20% of these shares can make a request that we register their shares on a registration statement on Form S-3 if we are qualified to file a registration statement on Form S-3 and if the reasonably anticipated aggregate gross proceeds of the shares offered, net of underwriting discounts and commissions, would equal or exceed $3.0 million. We will not be required to effect more than two registrations on Form S-3 within any 12-month period.

Anti-Takeover Provisions

Certificate of Incorporation and Bylaws to be in Effect on the Completion of this Offering

Because our stockholders do not have cumulative voting rights, stockholders holding a majority of the voting power of our shares of common stock will be able to elect all of our directors. Our amended and restated certificate of incorporation and amended and restated bylaws to be effective on the completion of this offering will provide for stockholder actions at a duly called meeting of stockholders. A special meeting of stockholders may be called by a majority of our board of directors, the chair of our board of directors, our chief executive officer or our lead independent director. Our amended and restated bylaws to be effective on the completion of this offering will establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors.

In accordance with our amended and restated certificate of incorporation to be effective on the completion of this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms.

The foregoing provisions will make it more difficult for another party to obtain control of us by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management. In addition, the authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change our control.

These provisions are intended to preserve our existing control structure after completion of this offering, facilitate our continued innovation and the risk-taking that it requires, permit us to continue to prioritize our long-term goals rather than short-term results, enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of us. These provisions are also designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and may have the effect of deterring hostile takeovers or delaying changes in our control or management. As a consequence, these provisions may also inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts.

Section 203 of the Delaware General Corporation Law

When we have a class of voting stock that is either listed on a national securities exchange or held of record by more than 2,000 stockholders, we will be subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, subject to certain exceptions.

Choice of Forum

Our amended and restated certificate of incorporation to be effective on the completion of this offering will provide that the Court of Chancery of the State of Delaware be the exclusive forum for actions or proceedings brought under Delaware statutory or common law: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a breach of fiduciary duty; (3) any action asserting a claim against us arising under the Delaware General Corporation Law; (4) any action regarding our amended and restated certificate of incorporation or our amended and restated bylaws; (5) any action as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware; or (6) any action asserting a claim against us that is governed by the internal affairs doctrine. This provision would not apply to claims brought to enforce a duty or liability created by the Securities Act, the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our amended and restated certificate of incorporation will further provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Limitations of Liability and Indemnification

See the section titled "Executive Compensation—Limitations on Liability and Indemnification Matters."

Exchange Listing

Our common stock is currently not listed on any securities exchange. We have applied to have our common stock approved for listing on the Nasdaq Global Market under the symbol "PGNY."

Transfer Agent and Registrar

On the completion of this offering, the transfer agent and registrar for our common stock will be Computershare Trust Company, N.A. The transfer agent's address is 250 Royall Street, Canton, MA 02021.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock. Future sales of substantial amounts of our common stock, including shares issued on the exercise of outstanding options, in the public market after this offering, or the possibility of these sales or issuances occurring, could adversely affect the prevailing market price for our common stock or impair our ability to raise equity capital.

Based on our shares outstanding as of September 30, 2019, on the completion of this offering, a total of 82,174,794 shares of common stock will be outstanding, assuming the automatic conversion of all of our outstanding shares of preferred stock into an aggregate of 65,428,088 shares of common stock. Of these shares, all of the common stock sold in this offering by us and the selling stockholders, plus any shares sold by the selling stockholders on exercise of the underwriters' option to purchase additional common stock from certain selling stockholders, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless these shares are held by "affiliates," as that term is defined in Rule 144 under the Securities Act.

The remaining shares of common stock will be, and shares of common stock subject to stock options will be on issuance, "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below. Restricted securities may also be sold outside of the United States to non-U.S. persons in accordance with Rule 904 of Regulation S.

Subject to the lock-up agreements described below and the provisions of Rule 144 or Regulation S under the Securities Act, as well as our insider trading policy, these restricted securities will be available for sale in the public market after the date of this prospectus.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, an eligible stockholder is entitled to sell such 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. To be an eligible stockholder under Rule 144, such stockholder must not be 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 must have 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. 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 such person is entitled to sell such shares without complying with any of the requirements of Rule 144, subject to the expiration of the lock-up agreements described below.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell shares on expiration of the lock-up agreements described below. Beginning 90 days after the date of this prospectus, within any three-month period, such stockholders may sell a number of shares that does not exceed the greater of:

- 1% of the number of common stock then outstanding, which will equal approximately 821,748 shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares of common stock from certain selling stockholders; or
- the average weekly trading volume of our common stock on the Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such 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 was issued shares under a written compensatory plan or contract and who is not deemed to have been an affiliate of ours during the immediately preceding 90 days, to sell these shares in reliance on 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 ours 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 under Rule 701, subject to the expiration of the lock-up agreements described below.

Form S-8 Registration Statements

We intend to file one or more registration statements on Form S-8 under the Securities Act with the SEC to register the offer and sale of shares of our common stock that are issuable under our 2008 Plan, 2017 Plan, 2019 Plan and ESPP. These registration statements will become effective immediately on filing. Shares covered by these registration statements will then be eligible for sale in the public markets, subject to vesting restrictions, any applicable lock-up agreements described below, and Rule 144 limitations applicable to affiliates.

Lock-up Arrangements

We, the selling stockholders and all of our directors, executive officers and the holders of substantially all of our common stock and securities exercisable for or convertible into our common stock outstanding immediately on the completion of this offering, have agreed, or will agree, with the underwriters that, until 180 days after the date of this prospectus, we and they will not, without the prior written consent of J.P. Morgan Securities, LLC, Goldman Sachs & Co. LLC and BofA Securities, Inc., offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any of our shares of common stock, any options or warrants to purchase any of our shares of common stock or any securities convertible into or exchangeable for or that represent the right to receive shares of our common stock. These agreements are described in the section titled "Underwriting (Conflicts of Interest)." J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC and BofA Securities, Inc. may, in their sole discretion, release any of the securities subject to these lock-up agreements at any time.

In addition to the restrictions contained in the lock-up agreements described above, we have entered into agreements with all of our security holders that contain market stand-off provisions imposing restrictions on the ability of such security holders to offer, sell or transfer our equity securities for a period of 180 days following the date of this prospectus.

Registration Rights

Upon the completion of this offering, the holders of 62,034,844 shares of our common stock or their transferees, will be entitled to certain rights with respect to the registration of the offer and sale of their shares under the Securities Act. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately on the effectiveness of the registration. See the section titled "Description of Capital Stock—Registration Rights" for additional information.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS OF OUR COMMON STOCK

The following summary describes the material U.S. federal income tax consequences of the acquisition, ownership, and disposition of our common stock acquired in this offering by Non-U.S. Holders (as defined below). This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, does not address the potential application of the Medicare contribution tax or the alternative minimum tax and does not deal with foreign, state, and local consequences that may be relevant to Non-U.S. Holders in light of their particular circumstances, nor does it address U.S. federal tax consequences (such as gift and estate taxes) other than income taxes. Special rules different from those described below may apply to certain Non-U.S. Holders that are subject to special treatment under the Internal Revenue Code of 1986, as amended (the "Code"), such as financial institutions, insurance companies, tax-exempt organizations, broker-dealers and traders in securities, persons who use or are required to use mark-to-market accounting, U.S. expatriates or former U.S. permanent residents, "controlled foreign corporations," "passive foreign investment companies," corporations that accumulate earnings to avoid U.S. federal income tax, corporations organized outside of the United States, any state thereof or the District of Columbia that are nonetheless treated as U.S. taxpayers for U.S. federal income tax purposes, persons that hold our common stock as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or integrated investment or other risk reduction strategy, persons who acquire our common stock through the exercise of an option or otherwise as compensation, persons subject to special tax accounting rules under Section 451(b) of the Code, "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds, partnerships and other pass-through entities or arrangements, and investors in such pass-through entities or arrangements. Such Non-U.S. Holders are urged to consult their own tax advisors to determine the U.S. federal, state, local, and other tax consequences that may be relevant to them. Furthermore, the discussion below is based upon the provisions of the Code, and Treasury Regulations, rulings, and judicial decisions thereunder as of the date hereof, and such authorities may be repealed, revoked, or modified, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the U.S. Internal Revenue Service (the "IRS") with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions. This discussion assumes that the Non-U.S. Holder holds our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment).

This discussion is for informational purposes only and is not tax advice. Persons considering the purchase of our common stock pursuant to this offering should consult their own tax advisors concerning the U.S. federal income, estate, and other tax consequences of acquiring, owning, and disposing of our common stock in light of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction, including any state, local, or foreign tax consequences.

For the purposes of this discussion, a "Non-U.S. Holder" is, for U.S. federal income tax purposes, a beneficial owner of common stock that is neither a U.S. Holder, nor a partnership (or other entity treated as a partnership for U.S. federal income tax purposes regardless of its place of organization or formation). A "U.S. Holder" means a beneficial owner of our common stock that is for U.S. federal income tax purposes any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation or other entity treated as a corporation for U.S. federal income tax purposes created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;

- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

Distributions

Distributions, if any, made on our common stock to a Non-U.S. Holder to the extent made out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles) generally will constitute dividends for U.S. tax purposes and will be subject to withholding tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty, subject to the discussions below regarding effectively connected income, backup withholding, and foreign accounts. To obtain a reduced rate of withholding under a treaty, a Non-U.S. Holder generally will be required to provide us with a properly executed IRS Form W-8BEN (in the case of individuals) or IRS Form W-8BEN-E (in the case of entities), or other appropriate form, certifying the Non-U.S. Holder's entitlement to benefits under that treaty. This certification must be provided to us or our paying agent prior to the payment of dividends and must be updated periodically. In the case of a Non-U.S. Holder that is an entity, Treasury Regulations and the relevant tax treaty provide rules to determine whether, for purposes of determining the applicability of a tax treaty, dividends will be treated as paid to the entity or to those holding an interest in that entity. If a Non-U.S. Holder holds stock through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to such agent. The holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. If you are eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty and you do not timely file the required certification, you may be able to obtain a refund or credit of any excess amounts withheld by timely filing an appropriate claim for a refund with the IRS.

We generally are not required to withhold tax on dividends paid to a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base that such holder maintains in the United States) if a properly executed IRS Form W-8ECI, stating that the dividends are so connected, is furnished to us (or, if stock is held through a financial institution or other agent, to such agent). In general, such effectively connected dividends will be subject to U.S. federal income tax, on a net income basis at the regular rates applicable to U.S. residents. A corporate Non-U.S. Holder receiving effectively connected dividends may also be subject to an additional "branch profits tax," which is imposed, under certain circumstances, at a rate of 30% (or such lower rate as may be specified by an applicable treaty) on the corporate Non-U.S. Holder's effectively connected earnings and profits, subject to certain adjustments. Non-U.S. Holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

To the extent distributions on our common stock, if any, exceed our current and accumulated earnings and profits, they will first reduce the Non-U.S. Holder's adjusted basis in our common stock, but not below zero, and then will be treated as gain to the extent of any excess amount distributed, and taxed in the same manner as gain realized from a sale or other disposition of common stock as described in the next section.

Gain on Disposition of Our Common Stock

Subject to the discussions below regarding backup withholding and foreign accounts, a Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to gain realized on a sale or other disposition of our common stock unless (a) the gain is effectively connected with a trade or business of such holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base that such holder maintains in the United States), (b) the Non-U.S. Holder is a nonresident alien individual and is present in the United States for 183 or more days in the taxable year of the disposition and certain other conditions are met, or (c) we are or have been a "United States real property holding corporation" within the meaning of Code Section 897(c)(2) at any time within the shorter of the five-year period preceding such disposition or such holder's holding period. In general, we would be a United States real property holding corporation if our interests in U.S. real estate comprise (by fair market value) at least half of our business assets. We believe that we have not been and we are not, and do not anticipate becoming, a United States real property holding corporation. Even if we are treated as a United States real property holding corporation, gain realized by a Non-U.S. Holder on a disposition of our common stock will not be subject to U.S. federal income tax so long as (1) the Non-U.S. Holder owned, directly, indirectly and constructively, no more than 5% of our common stock at all times within the shorter of (i) the five-year period preceding the disposition or (ii) the holder's holding period and (2) our common stock is regularly traded on an established securities market. There can be no assurance that our common stock will continue to qualify as regularly traded on an established securities market. If any gain on your disposition is taxable because we are a United States real property holding corporation and your ownership of our common stock exceeds 5%, you will be taxed on such disposition generally in the manner as gain that is effectively connected with the conduct of a U.S. trade or business (subject to the provisions under an applicable income tax treaty), except that the branch profits tax generally will not apply.

If you are a Non-U.S. Holder described in (a) above, you will be required to pay tax on the net gain derived from the sale at regular U.S. federal income tax rates, and corporate Non-U.S. Holders described in (a) above may be subject to the additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. Gain described in (b) above will be subject to U.S. federal income tax at a flat 30% rate or such lower rate as may be specified by an applicable income tax treaty, which gain may be offset by certain U.S.-source capital losses (even though you are not considered a resident of the United States), provided that the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

Information Reporting Requirements and Backup Withholding

Generally, we must report information to the IRS with respect to any dividends we pay on our common stock (even if the payments are exempt from withholding), including the amount of any such dividends, the name and address of the recipient, and the amount, if any, of tax withheld. A similar report is sent to the holder to whom any such dividends are paid. Pursuant to tax treaties or certain other agreements, the IRS may make its reports available to tax authorities in the recipient's country of residence.

Dividends paid by us (or our paying agents) to a Non-U.S. Holder may also be subject to U.S. backup withholding. U.S. backup withholding generally will not apply to a Non-U.S. Holder who provides a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E, or IRS Form W-ECI, or otherwise establishes an exemption. Notwithstanding the foregoing, backup withholding may apply if the payor has actual knowledge, or reason to know, that the holder is a U.S. person who is not an exempt recipient.

U.S. information reporting and backup withholding requirements generally will apply to the proceeds of a disposition of our common stock effected by or through a U.S. office of any broker, U.S. or foreign, except that information reporting and such requirements may be avoided if the holder provides a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E or otherwise meets documentary evidence requirements for establishing non-U.S. person status or otherwise establishes an exemption. Generally, U.S. information reporting and backup withholding requirements will not apply to a payment of disposition proceeds to a Non-U.S. Holder where the transaction is effected outside the United States through a non-U.S. office of a non-U.S. broker. Information reporting and backup withholding requirements may, however, apply to a payment of disposition proceeds if the broker has actual knowledge, or reason to know, that the holder is, in fact, a U.S. person. For information reporting purposes, certain brokers with substantial U.S. ownership or operations will generally be treated in a manner similar to U.S. brokers.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be credited against the tax liability of persons subject to backup withholding, provided that the required information is timely furnished to the IRS.

Foreign Accounts

Sections 1471 through 1474 of the Code (commonly referred to as FATCA) impose a U.S. federal withholding tax of 30% on certain payments, including dividends paid on, and, for dispositions on or after January 1, 2019, the gross proceeds of a disposition of, our common stock paid to a foreign financial institution (as specifically defined by applicable rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity holders of such institution, as well as certain account holders that are foreign entities with U.S. owners). FATCA also generally imposes a federal withholding tax of 30% on certain payments, including dividends paid on, and the gross proceeds of a disposition of, our common stock to a non-financial foreign entity unless such entity provides the withholding agent with either a certification that it does not have any substantial direct or indirect U.S. owners or provides information regarding substantial direct and indirect U.S. owners of the entity. An intergovernmental agreement between the United States and an applicable foreign country may modify those requirements. The withholding tax described above will not apply if the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from the rules.

The U.S. Treasury Department recently released proposed regulations which, if finalized in their present form, would eliminate the federal withholding tax of 30% applicable to the gross proceeds of a disposition of our common stock. In its preamble to such proposed regulations, the U.S. Treasury Department stated that taxpayers may generally rely on the proposed regulations until final regulations are issued. Holders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their investment in our common stock.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF PURCHASING, HOLDING, AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY RECENT OR PROPOSED CHANGE IN APPLICABLE LAW.

UNDERWRITING (CONFLICTS OF INTEREST)

We and the selling stockholders are offering the shares of common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC and BofA Securities, Inc. are acting as joint book-running managers of the offering and as representatives of the underwriters. We and the selling stockholders have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we and the selling stockholders have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of common stock listed next to its name in the following table:

Name	Number of Shares
J.P. Morgan Securities LLC	
Goldman Sachs & Co. LLC	
BofA Securities, Inc.	
Citigroup Global Markets Inc.	
Piper Jaffray & Co.	
SVB Leerink LLC	
TPG Capital BD, LLC	
Total	10,000,000

The underwriters are committed to purchase all the common shares offered by us and the selling stockholders if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the common shares directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. Any such dealers may resell shares to certain other brokers or dealers at a discount of up to $ per share from the initial public offering price. After the initial offering of the shares to the public, if all of the common shares are not sold at the initial public offering price, the underwriters may change the offering price and the other selling terms. Sales of shares made outside of the United States may be made by affiliates of the underwriters.

The underwriters have an option to buy up to 1,500,000 additional shares of common stock from certain selling stockholders to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased with this option to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to us per share of common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to be

paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Per Share	Total Without Exercise of Option to Purchase Additional Shares	Total With Full Exercise of Option to Purchase Additional Shares
Shares sold by us	$	$	$
Shares sold by the selling stockholders	$	$	$
Total	$	$	$

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately $3.5 million. We have agreed to reimburse the underwriters for reasonable fees and expenses related to the clearance of this offering by the Financial Industry Regulatory Authority in an amount not to exceed $40,000.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed, subject to certain exceptions, that we will not (1) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise dispose of, directly or indirectly, or file with the SEC a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, or (2) enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any shares of common stock or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares of common stock or such other securities, in cash or otherwise), in each case without the prior written consent of J.P. Morgan Securities, LLC, Goldman Sachs & Co. LLC and BofA Securities, Inc. for a period of 180 days after the date of this prospectus.

Our directors and executive officers, and certain of our significant shareholders have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each of these persons or entities, for a period of 180 days after the date of this prospectus, may not, without the prior written consent of J.P. Morgan Securities, LLC, Goldman Sachs & Co. LLC and BofA Securities, Inc., or pursuant to certain limited exceptions, (1) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock (including, without limitation, common stock or such other securities which may be deemed to be beneficially owned by such directors, executive officers, managers and members in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant) or (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the common stock or such other securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of common stock or such other securities, in cash or otherwise, or (3) make any demand for

or exercise any right with respect to the registration of any shares of our common stock or any security convertible into or exercisable or exchangeable for our common stock.

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

We have applied to list our common stock on the Nasdaq Global Market under the symbol "PGNY."

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of common stock in the open market for the purpose of preventing or retarding a decline in the market price of the common stock while this offering is in progress. These stabilizing transactions may include making short sales of the common stock, which involves the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering, and purchasing shares of common stock on the open market to cover positions created by short sales. Short sales may be "covered" shorts, which are short positions in an amount not greater than the underwriters' option to purchase additional shares referred to above, or may be "naked" shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act of 1933, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the Nasdaq Global Market, in the over-the-counter market or otherwise.

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;

- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

None of us, the selling stockholders or the underwriters can assure investors that an active trading market will develop for our common shares, or that the shares will trade in the public market at or above the initial public offering price.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities.

Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

In addition, from time to time, certain of the underwriters and their respective affiliates may effect transactions for their own account or for the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future. Silicon Valley Bank, the lender under our revolving line of credit, is an affiliate of SVB Leerink LLC, one of the underwriters in this offering.

Conflicts of Interest

TPG Biotechnology Partners III, L.P., an affiliate of TPG Capital BD, LLC, one of the underwriters in this offering, owns more than 10% of our outstanding common stock. Accordingly, TPG Capital BD, LLC is deemed to have a "conflict of interest" within the meaning of FINRA Rule 5121 and this offering will be conducted in accordance with the applicable provisions of FINRA Rule 5121. Pursuant to that rule, the appointment of a qualified independent underwriter is not necessary in connection with this offering. In accordance with FINRA Rule 5121(c), no sales of the shares will be made to any discretionary account over which TPG Capital BD, LLC exercises discretion without the prior specific written approval of the account holder.

Selling Restrictions

Other than in the United States, no action has been taken by us, the selling stockholders or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities 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 into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each a "Member State") no shares of common stock has been offered or will be offered pursuant to the offering to the public in

that Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that offers of the shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the underwriters for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require the Company or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any Class A common stock in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

The shares are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the shares or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

Notice to Prospective Investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons").

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre ("DIFC")

This document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("DFSA"). This document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the

original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Notice to Prospective Investors in the United Arab Emirates

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

Notice to Prospective Investors in Australia

This prospectus:

- does not constitute a product disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "Corporations Act");
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("ASIC"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;
- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, or Exempt Investors, available under section 708 of the Corporations Act.

The shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the shares you undertake to us that you will not, for a period of 12 months from the date of issue of the shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the shares nor any interest therein may

be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that

corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore

Notice to Prospective Investors in Bermuda

Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

Notice to Prospective Investors in Saudi Arabia

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("CMA") pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended (the "CMA Regulations"). The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial adviser.

Notice to Prospective Investors in the British Virgin Islands

The shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands),"BVI Companies"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This prospectus has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered prospectus has been or will be prepared in respect of the shares for the purposes of the Securities and Investment Business Act, 2010 ("SIBA") or the Public Issuers Code of the British Virgin Islands.

Notice to Prospective Investors in China

This prospectus does not constitute a public offer of shares, whether by sale or subscription, in the People's Republic of China (the "PRC"). The shares are not being offered or sold directly or indirectly in the PRC to or for the benefit of, legal or natural persons of the PRC.

Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the shares or any beneficial interest therein without obtaining all prior PRC's governmental approvals that

are required, whether statutorily or otherwise. Persons who come into possession of this document are required by the issuer and its representatives to observe these restrictions.

Notice to Prospective Investors in Korea

The shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "FSCMA"), and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "FETL"). Furthermore, the purchaser of the shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

Notice to Prospective Investors in Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the shares has been or will be registered with the Securities Commission of Malaysia ("Commission") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the shares, as principal, if the offer is on terms that the shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Notice to Prospective Investors in Taiwan

The shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the

meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the shares in Taiwan.

Notice to Prospective Investors in South Africa

Due to restrictions under the securities laws of South Africa, the shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

i. the offer, transfer, sale, renunciation or delivery is to:

(a) persons whose ordinary business is to deal in securities, as principal or agent;

(b) the South African Public Investment Corporation;

(c) persons or entities regulated by the Reserve Bank of South Africa;

(d) authorised financial service providers under South African law;

(e) financial institutions recognised as such under South African law;

(f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or

(g) any combination of the person in (a) to (f); or

ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000.

No "offer to the public" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the "South African Companies Act")) in South Africa is being made in connection with the issue of the shares. Accordingly, this document does not, nor is it intended to, constitute a "registered prospectus" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the shares in South Africa constitutes an offer of the shares in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from "offers to the public" set out in section 96(1)(a) of the South African Companies Act. Accordingly, this document must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) of the South African Companies Act (such persons being referred to as "SA Relevant Persons"). Any investment or investment activity to which this document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA relevant persons.

If Exchange Controls are applicable, add: No South African residents or offshore subsidiary of a South African resident may subscribe for or purchase any of the shares or beneficially own or hold any of the shares unless specific approval has been obtained from the financial surveillance department of the South African Reserve Bank (the "SARB") by such persons or such subscription, purchase or beneficial holding or ownership is otherwise permitted under the South African Exchange Control Regulations or the rulings promulgated thereunder (including, without limitation, the rulings issued by the SARB providing for foreign investment allowances applicable to persons who are residents of South Africa under the applicable exchange control laws of South Africa).

LEGAL MATTERS

The validity of the issuance of the shares of common stock being offered by this prospectus will be passed upon for us and the selling stockholders by Cooley LLP, New York, New York. Certain legal matters in connection with this offering will be passed upon for the underwriters by Davis Polk & Wardwell LLP, New York, New York.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements at December 31, 2017 and 2018, and for each of the two fiscal years in the period ended December 31, 2018, as set forth in their report. We have included our consolidated financial statements in the prospectus and elsewhere in the registration statement in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy 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. The SEC maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

On the completion of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available at www.sec.gov.

We also maintain a website at www.progyny.com. Information contained in, or accessible through, our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is only as an inactive textual reference.

PROGYNY, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Index to Audited Consolidated Financial Statements	
Report of Independent Registered Public Accounting Firm	F-2
Financial Statements:	
Consolidated Balance Sheets	F-3
Consolidated Statements of Operations and Comprehensive Income (Loss)	F-4
Consolidated Statements of Changes in Convertible Preferred Stock and Stockholders' Deficit	F-5
Consolidated Statements of Cash Flows	F-6
Notes to Consolidated Financial Statements	F-7

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Progyny, Inc. and subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Progyny, Inc. (the Company) as of December 31, 2017 and 2018, the related consolidated statements of operations and comprehensive income (loss), changes in convertible preferred stock and stockholders' deficit, and cash flows for each of the two years in the period ended December 31, 2018, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2017 and 2018, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2018, in conformity with U.S. generally accepted accounting principles.

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. 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 that 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/ Ernst & Young LLP

We have served as the Company's auditor since 2012.

New York, NY
August 1, 2019

except for Note 1, as to which the date is

October 15, 2019

PROGYNY, INC.

Consolidated Balance Sheets

(in thousands, except share and per share amounts)

	December 31,		June 30,	Pro Forma June 30,
	2017	2018	2019	2019
			(unaudited)	
ASSETS				
Current assets:				
Cash and cash equivalents	$ 4,691	$ 127	$ 298	$ 298
Accounts receivable, net of $1,090, $3,486, and $7,086 of allowances at December 31, 2017, 2018 and June 30, 2019 (unaudited), respectively	11,373	23,325	44,241	44,241
Prepaid expenses and other current assets	706	885	1,273	1,273
Assets of discontinued operations, current	—	200	—	—
Total current assets	16,770	24,537	45,812	45,812
Property and equipment, net	597	776	716	716
Goodwill	11,880	11,880	11,880	11,880
Intangible assets, net	5,342	3,859	3,117	3,117
Other assets	372	272	1,557	1,557
Total assets	$ 34,961	$ 41,324	$ 63,082	$ 63,082
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT				
Current liabilities:				
Accounts payable	$ 5,130	$ 15,578	$ 23,509	$ 23,509
Accrued expenses and other current liabilities	7,439	9,782	13,945	13,945
Convertible preferred stock warrant liabilities	1,645	4,589	5,782	—
Short term debt	—	253	3,123	3,123
Current portion of long-term debt	3,556	—	—	—
Total current liabilities	17,770	30,202	46,359	40,577
Long-term debt, net of current portion	1,632	—	—	—
Liabilities of discontinued operations, non-current	4,869	—	—	—
Total liabilities	24,271	30,202	46,359	40,577
Commitments and contingencies *(Note 11)*				
Convertible preferred stock, $0.0001 par value; 314,930,070 shares authorized as of December 31, 2017 and 2018 and June 30, 2019 (unaudited); 66,630,284, 65,428,088 and 65,428,088 shares issued and outstanding at December 31, 2017, December 31 2018 and June 30, 2019 (unaudited), respectively; aggregate liquidation preference of $108,444, $106,369 and $106,237 as of December 31, 2017 and 2018 and June 30, 2019 (unaudited), respectively; no shares issued or outstanding, pro forma (unaudited)	108,312	106,237	106,237	—
STOCKHOLDERS' DEFICIT				
Common stock, $0.0001 par value; 417,000,000 shares authorized at December 31, 2017 and 2018 respectively and 441,000,000 at June 30, 2019 (unaudited); 5,690,083, 5,155,407 and 5,187,474 shares issued at December 31, 2017 and 2018 and June 30, 2019 (unaudited), respectively; no shares issued or outstanding, pro forma (unaudited)	1	1	1	8
Additional paid-in capital	6,933	10,622	12,182	124,194
Treasury stock, at cost, $0.0001 par value; zero, 589,320 and 589,320 shares outstanding at December 31, 2017, 2018 and June 30, 2019 (unaudited)	—	(884)	(884)	(884)
Accumulated deficit	(104,556)	(104,854)	(100,813)	(100,813)
Total stockholders' deficit	(97,622)	(95,115)	(89,514)	22,505
Total liabilities, convertible preferred stock, and stockholders' deficit	$ 34,961	$ 41,324	$ 63,082	$ 63,082

The accompanying notes are an integral part of these consolidated financial statements.

PROGYNY, INC.

Consolidated Statements of Operations and Comprehensive Income (Loss)

(in thousands, except share and per share amounts)

	Year Ended December 31		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Revenue	$ 48,584	$ 105,400	$ 48,415	$ 103,365
Cost of services	41,184	85,966	39,443	81,949
Gross profit	7,400	19,434	8,972	21,416
Operating expenses:				
Sales and marketing	4,258	7,285	3,494	5,463
General and administrative	14,147	15,601	7,640	10,489
Total operating expenses	18,405	22,886	11,134	15,952
(Loss) income from operations	(11,005)	(3,452)	(2,162)	5,464
Other expense:				
Interest expense, net	(740)	(497)	(432)	(166)
Convertible preferred stock warrant valuation adjustment	(714)	(2,944)	(643)	(1,193)
Total other expense, net	(1,454)	(3,441)	(1,075)	(1,359)
(Loss) income from continuing operations, before tax	(12,459)	(6,893)	(3,237)	4,105
Benefit (provision) for income taxes	3	1,777	835	(64)
Net (loss) income from continuing operations	$ (12,456)	$ (5,116)	$ (2,402)	$ 4,041
Net income from discontinued operations, net of taxes	$ 4	$ 5,777	$ 5,724	$ —
Net (loss) income and comprehensive (loss) income	$ (12,452)	$ 661	$ 3,322	$ 4,041
Net (loss) income attributable to common stockholders	$ (13,468)	$ (5,541)	$ (2,826)	$ —
Net (loss) income per share attributable to common stockholders:				
Basic				
Continuing operations	$ (2.37)	$ (1.00)	$ (0.50)	$ —
Discontinued operations	—	1.04	1.00	—
Total basic net (loss) income per share attributable to common stockholders	$ (2.37)	$ 0.04	$ 0.50	$ —
Diluted				
Continuing operations	$ (2.37)	$ (1.00)	$ (0.50)	$ —
Discontinued operations	—	1.04	1.00	—
Total diluted net (loss) income per share attributable to common stockholders	$ (2.37)	$ 0.04	$ 0.50	$ —
Weighted-average shares used in computing net (loss) income per share:				
Basic	5,677,860	5,539,739	5,691,643	5,164,564
Diluted	5,677,860	5,539,739	5,691,643	5,164,564
Pro forma (loss) income per share (unaudited)				
Basic		$ (0.08)		$ 0.06
Diluted		$ (0.08)		$ 0.05
Weighted-average shares used in computing pro forma net (loss) income per share (unaudited)				
Basic		71,499,944		70,592,652
Diluted		71,499,944		81,561,714

The accompanying notes are an integral part of these consolidated financial statements.

PROGYNY, INC.
Consolidated Statements of Changes in Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share and per share amounts)

	Convertible Preferred Stock		Common Stock		Treasury Stock	Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance at December 31, 2016	57,939,105	$ 92,300	5,664,372	$ 1	$ —	$ 6,361	$ (92,104)	$ (85,742)
Issuance of Series B convertible preferred stock	8,691,179	16,012	—	—	—	(1,012)	—	(1,012)
Stock-based compensation	—	—	—	—	—	1,559	—	1,559
Stock option exercise	—	—	25,711	—	—	25	—	25
Net loss	—	—	—	—	—	—	(12,452)	(12,452)
Balance at December 31, 2017	66,630,284	$ 108,312	5,690,083	$ 1	$ —	$ 6,933	$ (104,556)	$ (97,622)
Repurchase of convertible preferred stock	(1,202,196)	(2,075)	—	—	—	—	(425)	(425)
Repurchase of common stock	—	—	(589,321)	—	(884)	—	(321)	(1,205)
Non-cash contribution	—	—	—	—	—	414	—	414
Stock option exercise	—	—	54,645	—	—	65	—	65
Impact of adoption of 2016-09	—	—	—	—	—	213	(213)	—
Stock-based compensation	—	—	—	—	—	2,997	—	2,997
Net income	—	—	—	—	—	—	661	661
Balance at December 31, 2018	65,428,088	$ 106,237	5,155,407	$ 1	$ (884)	$ 10,622	$ (104,854)	$ (95,115)

For the six months ended June 30, 2018 (unaudited)	Convertible Preferred Stock		Common Stock		Treasury Stock	Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance at December 31, 2017	66,630,284	$ 108,312	5,690,083	$ 1	$ —	$ 6,933	$ (104,556)	$ (97,622)
Repurchase of Preferred Stock	(1,202,196)	(2,075)	—	—	—	—	(425)	(425)
Non-cash contribution	—	—	—	—	—	414	—	414
Stock option exercise	—	—	4,812	—	—	8	—	8
Impact of adoption of 2016-09	—	—	—	—	—	213	(213)	—
Stock-based compensation	—	—	—	—	—	1,508	—	1,508
Net income	—	—	—	—	—	—	3,322	3,322
Balance at June 30, 2018	65,428,088	$ 106,237	5,694,895	$ 1	$ —	$ 9,075	$ (101,872)	$ (92,795)

For the six months ended June 30, 2019 (unaudited)	Convertible Preferred Stock		Common Stock		Treasury Stock	Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance at December 31, 2018	65,428,088	$ 106,237	5,155,407	$ 1	$ (884)	$ 10,622	$ (104,854)	$ (95,115)
Stock option exercise	—	—	32,067	—	—	31	—	31
Stock-based compensation	—	—	—	—	—	1,529	—	1,529
Net income	—	—	—	—	—	—	4,041	4,041
Balance at June 30, 2019	65,428,088	$ 106,237	5,187,474	$ 1	$ (884)	$ 12,182	$ (100,813)	$ (89,514)

The accompanying notes are an integral part of these consolidated financial statements.

PROGYNY, INC.

Consolidated Statements of Cash Flows

(in thousands)

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
OPERATING ACTIVITIES				
Net (loss) income	$ (12,452)	$ 661	$ 3,322	$ 4,041
Less: Income from discontinued operations, net of income tax	(4)	(5,777)	(5,724)	—
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:				
Deferred tax benefit	(3)	(1,777)	(835)	64
Loss on debt extinguishment	—	88	88	—
Depreciation and amortization	1,559	1,883	921	1,059
Stock-based compensation	1,559	2,997	1,508	1,529
Bad debt expense	431	824	498	1,102
Loss on disposal of property and equipment	2	—	—	1
Accretion of debt discount and debt issuance costs	200	75	75	—
Change in fair value of warrant liabilities	714	2,944	643	1,193
Changes in operating assets and liabilities:				
Accounts receivable	(2,044)	(12,776)	(13,021)	(22,018)
Prepaid expenses and current other assets	(198)	(179)	(135)	(388)
Other assets	(279)	100	89	(150)
Accounts payable	(909)	10,448	8,105	7,544
Accrued expenses and other current liabilities	2,005	2,761	3,190	4,099
Net cash (used in) provided by continuing operations	(9,419)	2,272	(1,276)	(1,924)
Net cash used in discontinued operations	(55)	—	—	—
Net cash (used in) provided by operating activities	(9,474)	2,272	(1,276)	(1,924)
INVESTING ACTIVITIES				
Purchase of property and equipment	(612)	(579)	(365)	(258)
Net cash used in continuing operations	(612)	(579)	(365)	(258)
Net cash provided by discontinued operations	—	2,481	2,427	200
Net cash (used in) provided by investing activities	(612)	1,902	2,062	(58)
FINANCING ACTIVITIES				
Payment of deferred initial public offering costs	—	—	—	(748)
Repayment of term loan	(3,259)	(5,351)	(5,351)	—
Proceeds from revolving line of credit	—	64,421	6,659	94,757
Repayments made against revolving line of credit	—	(64,168)	(3,940)	(91,887)
Repurchase of convertible preferred stock	—	(2,500)	(2,500)	—
Repurchase of common stock	—	(1,205)	—	—
Exercise of stock options	25	65	8	31
Proceeds from issuance of convertible preferred stock and warrants, net	15,000	—	—	—
Net cash (used in) provided by continuing operations	11,766	(8,738)	(5,124)	2,153
Net cash provided by discontinued operations	—	—	—	—
Net cash provided by (used in) financing activities	11,766	(8,738)	(5,124)	2,153
Net increase (decrease) in cash and cash equivalents	1,680	(4,564)	(4,338)	171
Cash and cash equivalents, beginning of year	3,011	4,691	4,691	127
Cash and cash equivalents, end of year	$ 4,691	$ 127	$ 353	$ 298
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Cash paid for interest	$ 542	$ 505	$ 432	$ 166
Cash paid for income taxes	—	—	—	—
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES				
Non-cash settlement of liability	$ —	$ 414	$ 414	$ —
Non-cash liability forgiveness related to divestiture	$ —	$ 4,869	$ 4,869	$ —
Non-cash deferred initial public initial offering costs in accounts payable and accrued liabilities	$ —	$ —	$ —	$ 387

The accompanying notes are an integral part of these consolidated financial statements.

PROGYNY, INC.

Notes to Consolidated Financial Statements

1. Business and Basis of Presentation

Description of Business

Progyny, Inc. (referred to as "Progyny" or the "Company") was incorporated in the state of Delaware on April 3, 2008, and maintains its corporate headquarters in New York, NY. Prior to its 2015 acquisition of Fertility Authority, LLC, the Company was exclusively a medical device company in the field of reproductive medicine, translating scientific discoveries related to early embryo development into clinical tools. The Company's product, the Early Embryo Viability Assessment Test ("Eeva"), was designed to assist clinicians and patients in assessing the likelihood of certain in vitro fertilization ("IVF") outcomes.

With the acquisition of Fertility Authority, LLC, in March 2015, the Company established and operated as two segments; (i) medical device and (ii) the fertility benefits solution. In January 2018, the Company executed an agreement with a related party to sell the Eeva business, representing all of the medical device segment.

Subsequent to the sale of the Eeva business, Progyny is a provider of a fertility benefits solution. The fertility benefits solution consists of a significant service that integrates: (1) the treatment services ("Smart Cycles") that the Company has designed, (2) access to the Progyny network of high-quality fertility specialists that perform the Smart Cycle treatments and (3) active management of the selective network of high-quality provider clinics, real-time member eligibility and treatment authorization, member-facing digital tools and detailed quarterly reporting supported by the Company's dedicated account management teams, and end to end comprehensive concierge member support provided by Progyny's in-house staff of Patient Care Advocates ("PCAs") (collectively, the "care management services").

The Company enhanced its fertility benefits solution with the launch of Progyny Rx, its pharmacy benefits solution, effective January 1, 2018. As part of this solution, the Company provides formulary plan design, simplified authorization, assistance with prescription fulfillment, and timely delivery of the medications by the Company's network of specialty pharmacies, as well as medication administration training, pharmacy support services, and continuing PCA support. As a pharmacy benefits solution provider, Progyny manages the dispensing of pharmaceuticals through the Company's specialty pharmacy contracts. The pharmacy benefits solution is only available as an add-on service to its fertility benefits solution.

On October 14, 2019, the shareholders of Progyny approved a one-for-4.5454 reverse stock split of its common and convertible preferred stock. Accordingly, the consolidated financial statements and notes retroactively reflect the capital structure of Progyny after giving effect to the reverse stock split.

Emerging Growth Company Status

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act, until such time as those standards apply to private companies.

The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it is (i) no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, the

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

1. Business and Basis of Presentation (Continued)

Company's consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

The Company will remain an emerging growth company until the earliest of (i) the last day of the Company's first fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which the Company has total annual gross revenue of at least $1.07 billion, or (c) when the Company is deemed to be a large accelerated filer, which means the market value of the Company's common stock that is held by non-affiliates exceeds $700.0 million as of the prior June 30th and (ii) the date on which the Company has issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements include those of the Company and its wholly owned subsidiary, Fertility Authority LLC. Effective June 2018, the Company legally dissolved the Fertility Authority LLC legal entity. All intercompany balances and transactions have been eliminated in consolidation. The consolidated financial statements and accompanying notes were prepared in accordance with accounting principles generally accepted in the United States ("GAAP").

Segment Information

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker ("CODM"), or decision-making group, in making decisions on how to allocate resources and assess performance. Following the divestiture of Eeva, the Company operates and manages in one operating segment, providing fertility and pharmacy benefits solutions. The Company defines its CODM as its Board of Directors (the "Board of Directors"). All long-lived assets are located in the United States and all revenue is attributed to the United States. Since the Company operates in one operating segment, all required financial segment information can be found in the consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with GAAP generally requires management to make estimates and assumptions that affect the reported amount of certain assets, liabilities, revenue, and expenses, and the related disclosure of contingent assets and liabilities. Specific accounts that require management estimates include accrued receivables, accrued claims payable, allowance for doubtful accounts, accrued rebates, convertible preferred stock warrant liabilities and stock-based compensation. Management bases its estimates on historical experience and on various other assumptions that are believed to be 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.

Unaudited Interim Financial Information

The accompanying balance sheet as of June 30, 2019, the statements of operations and comprehensive income (loss), statements of cash flows and changes in convertible preferred stock and stockholders' deficit for the six months ended June 30, 2018 and 2019 are unaudited. In the opinion of

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

management, the unaudited data reflects all adjustments, which include only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of June 30, 2019 and the results of its operations and comprehensive income (loss) and its cash flows for the six months ended June 30, 2018 and 2019. The financial data and other information disclosed in these notes related to the six months ended June 30, 2018 and 2019 are also unaudited. The results for the six months ended June 30, 2019 are not necessarily indicative of results to be expected for the year ending December 31, 2019, any other interim periods or any future year period.

Unaudited Pro Forma Financial Information

Upon completion of the Company's initial public offering ("IPO"), all outstanding shares of convertible preferred stock convert into shares of common stock on a one-for-one basis. The unaudited pro forma balance sheet information also gives effect to such conversion.

The unaudited pro forma basic and diluted net loss per share for the year ended December 31, 2018 and six months ended June 30, 2019 has been computed to give effect to an adjustment to the denominator in the pro forma basic and diluted net loss per share calculation for the automatic conversion of the convertible preferred stock into shares of common stock as of the beginning of the period or the date of issuance.

The Company believes that the unaudited pro forma basic and diluted net loss per share disclosure provides material information to investors because the conversion of the convertible preferred stock is expected to occur upon the closing of the IPO. Therefore, the disclosure of the pro forma information provides a measure of net (loss) income per share that is comparable to what will be reported as a public company.

Cash and Cash Equivalents

Cash and cash equivalents are stated at fair value. The Company considers all highly liquid investments purchased with original maturities of six months or less at the time of purchase to be cash equivalents. Cash and cash equivalents consist of cash and bank deposits as of December 31, 2017 and 2018 and June 30, 2019.

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to clients in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

The Company applies the following five-step model to recognize revenue from contracts with clients:

- Identification of the contract, or contracts, with a client
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, a performance obligation is satisfied

Progyny's contracts typically have a stated term of three years and include contractual termination options after the first year, allowing the client to terminate the contract with 30 to 90 days' notice.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

Fertility Benefits Revenue

Progyny primarily generates revenue through its fertility benefits solution, in which Progyny provides self-insured enterprise entities ("clients") and their employees and partners (together, "members") with fertility benefits. As part of the fertility benefits solution, Progyny provides access to effective and cost-efficient fertility treatments, referred to as Smart Cycles, as well as other related services. Smart Cycles are proprietary treatment bundles that include certain medical services available to members through Progyny's proprietary, credentialed network of provider clinics. In addition to access to Progyny's Smart Cycle treatment bundles and access to Progyny's network of provider clinics, the fertility benefits solution includes other comprehensive services, which Progyny refers to as care management services, such as active management of the provider clinic network, real-time member eligibility and treatment authorization, member-facing digital tools throughout the Smart Cycle and detailed quarterly reporting all supported by client facing account management and end-to-end comprehensive member support provided by Progyny's in house staff of Patient Care Advocates ("PCAs").

The promises within Progyny's fertility benefits contract with a client represent a single performance obligation because Progyny provides a significant service of integrating the Progyny-designed Smart Cycles and access to the fertility treatment services provided by provider clinics with the other comprehensive services into the combined fertility benefits solution that the client contracted to receive. Progyny's fertility benefits solution is a stand-ready obligation that is satisfied over the contract term.

Progyny's contracts include the following sources of consideration, which are all variable: a per employee per month ("PEPM") administration fee (in most, but not all contracts) and a fixed rate per Smart Cycle. The PEPM administration fee is allocated between the fertility benefits solution and the pharmacy benefits solution based on standalone selling price, estimated using an expected cost-plus margin method. The Company allocates the variable consideration related to the fixed rate per Smart Cycle to the distinct period during which the related services were performed as those fees relate specifically to the Company's efforts to provide its fertility benefits solution to its clients in the period and represents the consideration the Company is entitled to for the fertility benefits services provided. As a result, the fixed rate per Smart Cycle is included in the transaction price and recognized in the period in which the Smart Cycle is provided to the member.

Progyny's contracts also include potential service level agreement refunds related to outcome-based service metrics. These service level refunds, which are determined based on results of a full plan year, if met, are based on a percentage of the PEPM fee paid by clients. The Company estimates the variable consideration related to the total PEPM administration fee, less estimated refunds related to service level agreements, and recognizes the amounts allocated to the fertility benefits solution ratably over the contract term. Progyny's estimate of service level agreement refunds, have not historically resulted in significant adjustments to the transaction price.

Clients are invoiced on a monthly basis for the PEPM administration fee. Progyny invoices its clients and members for their respective portions of the fixed rate per Smart Cycle bundle when all treatment services within a Smart Cycle are completed by the provider clinic. Once an invoice is issued, payment terms are typically between 30 to 60 days.

The Company assesses whether it is the principal or the agent for each arrangement with a client, since fertility treatment services are provided by a third party—the provider clinics. The Company is

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

the principal in its arrangements with clients and therefore presents revenue gross of the amounts paid to the provider clinics because Progyny controls the specified service (the fertility benefits solution) before it is transferred to the client. Progyny integrates the fertility treatment services provided by the provider clinics into the overall fertility benefits solution that the client contracted to receive. In addition, Progyny defines the scope of the potential services to be performed by the provider clinics and monitors the performance of the provider clinics. Furthermore, Progyny is primarily responsible for fulfilling the promise to the client and has discretion in setting the pricing, as Progyny separately negotiates agreements with the provider clinics, which establish pricing for each treatment service. Pricing of services from provider clinics is independent from the fees charged to clients.

Pharmacy Benefits Revenue

For clients that have the fertility benefits solution, Progyny offers, as an add-on, its pharmacy benefits solution, which is a separate, fully integrated pharmacy benefit. As part of the pharmacy benefits solution, Progyny provides care management services, which include Progyny's formulary plan design, prescription fulfillment, simplified authorization and timely delivery of the medications used during treatment through Progyny's network of specialty pharmacies, and clinical services consisting of member assessments, UnPack It calls, telephone support, online education, medication administration training, pharmacy support services and continuing PCA support.

The pharmacy-related promises represent a single performance obligation because Progyny provides a significant service of integrating the formulary plan design, prescription fulfillment, clinical services and PCA support into the combined pharmacy benefits solution that the client contracted to receive. The pharmacy benefits solution is a stand-ready obligation that is satisfied over the contract term.

Progyny's contracts include the following sources of consideration, all of which are variable: a PEPM administration fee (in most, but not all contracts) and a fixed fee per fertility drug. As described above, the PEPM administration fee, less estimated refunds related to service level agreements, is allocated to the pharmacy benefits solution and recognized ratably over the contract term. The Company allocates the variable consideration related to the fixed fee per fertility drug to the distinct period during which the related services were performed, as those fees relate specifically to the Company's efforts to provide its pharmacy benefits solution to clients in the period and represents the consideration the Company is entitled to for the pharmacy benefits services provided. As a result, the fixed fee per fertility drug is in included in the transaction price and recognized in the period in which the Company is entitled to consideration from a client, which is when a prescription is filled and delivered to the members.

As stated above, clients are invoiced on a monthly basis for the PEPM administration fee. Progyny invoices the client and the member for their respective portions of the fixed fee per fertility drug, when the prescription services are completed by the specialty pharmacy. Once an invoice is issued, payment terms are typically between 30 to 60 days.

The Company assesses whether it is the principal or the agent for each arrangement with a client, as prescription fulfillment and clinical services are provided by a third party—the specialty pharmacies. The Company is the principal in its arrangements with clients, and therefore presents revenue gross of the amounts paid to the specialty pharmacies. Progyny controls the specified service (the pharmacy benefits solution) before it is transferred to the client. Progyny integrates the prescription fulfillment and clinical services provided by the pharmacies and PCA's into the overall pharmacy benefits solution

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

that the client contracted to receive. In addition, Progyny defines the scope of the potential services to be performed by the specialty pharmacies and monitors the performance of the specialty pharmacies. Furthermore, Progyny is primarily responsible for fulfilling the promise to the client and has discretion in setting the pricing, as Progyny separately negotiates agreements with pharmacies, which establish pricing for each drug. Pricing of fertility drugs is independent from the fees charged to clients.

Accrued Receivable and Accrued Claims Payable

Accrued receivables are estimated based on historical experience for those fertility benefits services provided but for which a claim has not been received from the Provider Clinic. At the same time, cost of services and accrued claims payables (included within accrued expense and other current liabilities) are estimated based on the amount to be paid to the Provider Clinic and historical gross margin achieved on fertility benefits services. Estimates are adjusted to actual at the time of billing. Adjustments to original estimates have been not been material.

As of December 31, 2017, accrued receivables and accrued claims payables were $5.9 million, and $4.8 million, respectively as compared to accrued receivables and accrued claims payables of $9.5 million, and $6.7 million, respectively, as of December 31, 2018. As of June 30, 2019 (unaudited), accrued receivables and accrued claims payables were $12.2 million and $9.9 million, respectively. Accrued receivables are included within accounts receivable in the consolidated balance sheet.

As of December 31, 2017, and 2018 and June 30, 2019 (unaudited), unbilled receivables, which represent claims received and approved but unbilled at the end of the reporting period, were $1.0 million, $3.6 million and $8.3 million, respectively. Unbilled receivables are typically billed to clients within 30 days of the approved claim based on the contractual billing schedule agreed upon with the client. Claims payable are paid within 30 days based on contractual terms.

Accounts Receivable and Allowance for Doubtful Accounts

The accounts receivable balance primarily includes amounts due from clients and members. Accounts receivable also includes certain accrued receivables for fertility benefit claims from Provider Clinics at the end of each period for services provided that have not yet been received. The Company estimates an allowance for cancellations based upon historical experience and estimates member

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

uncollectible amounts based upon historical bad debts, current member receivable balances and the age of member receivable balances.

	Years Ended December 31, 2018 and 2017 and the Six Months Ended June 30, 2019					
June 30, 2019	**Balance at Beginning of Period**	**Charged to Revenue**	**Charged to Costs and Expenses**	**Write-offs**	**Other**	**Balance at End of Period**
			(in thousands)			
Allowance for Doubtful Accounts	$ 1,175	$ —	$ 1,101	$ —	$ —	$ 2,276
Allowance for Cancellations	2,311	7,908	—	—	(5,409)[1]	4,810
	3,486	**7,908**	**1,101**	**—**	**(5,409)**	**7,086**
December 31, 2018						
Allowance for Doubtful Accounts	$ 590	$ —	$ 824	$ (239)	$ —	$ 1,175
Allowance for Cancellations	500	7,008	—	—	(5,197)[1]	2,311
	1,090	**7,008**	**824**	**(239)**	**(5,197)**	**3,486**
December 31, 2017						
Allowance for Doubtful Accounts	$ 158	$ —	$ 432	$ —	$ —	$ 590
Allowance for Cancellations	—	500	—	—	—	500
	158	**500**	**432**	**—**	**—**	**1,090**

(1) Represents the allowance released as a result of the cancellation or adjustment to an authorized fertility benefits service treatment.

Cost of Services

Fertility Benefit Services

Cost of services include: (i) fees paid to Provider Clinics within Progyny's network, (ii) costs incurred in connection with the Company's care management service functions, which include employee-related expenses (e.g. salaries and benefits) for teams such as the Patient Care Advocate and Provider Relations teams and (iii) associated overhead costs, including related information technology support costs and depreciation and amortization.

Pharmacy Benefit Services

Cost of services include: (i) the contractual fees associated with prescription drugs dispensed and clinical services provided during the reporting period indirectly through specialty pharmacy partners and (ii) costs incurred in connection with the Company's care management service functions, which include employee-related expenses (e.g. salaries and benefits) for teams such as the Patient Care Advocate and Provider Relations teams and (iii) associated overhead costs, including related information technology support costs and depreciation and amortization.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

In the specialty pharmacy contracts, the contractual fees of prescription drugs sold includes the cost of the prescription drugs purchased and shipped to members by the Company's specialty mail service dispensing pharmacy, net of any volume-related or other discounts.

Vendor rebates

The Company receives a rebate on formulations purchased and dispensed by the Company's specialty pharmacy. The Company's contractual arrangements with pharmaceutical manufacturers provide for the Company to receive a discount (or rebate) from established list prices paid subsequent to dispensing when products are purchased indirectly from a pharmaceutical manufacturer (e.g., through a specialty pharmacy.) These rebates are recognized as a reduction of Cost of services when prescriptions are dispensed and are generally estimated and billed to manufacturers within 15 days of the end of each month. The effect of adjustments resulting from the reconciliation of rebates recognized to the amounts billed and collected has not been material to the Company's results of operations.

Concentration of Major Clients

The following table summarizes the clients who accounted for 10% or more of total revenue for the ended December 31, 2017 and 2018 and for the six months ended June 30, 2018 and 2019.

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Client A	45%	24%	25%	17%
Client B	15%	10%	10%	<10%
Client C	14%	<10%	<10%	<10%
Client D	—%	14%	<10%	11%

Concentration of Credit Risk and Off-Balance-Sheet Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consists primarily of cash and cash equivalents and accounts receivable.

The Company invests its cash and cash equivalents with highly rated financial institutions and management believes that the financial risks associated with its cash equivalents are minimal. Substantially all of the Company's cash is maintained with one financial institution with a high credit standing. From time to time, such deposits may exceed federally insured limits.

The Company regularly reviews the outstanding accounts receivable, including consideration of factors such as the age of the receivable balance. Three clients, one at 34%, 17% and 17% accounted for more than 10% of the Company's accounts receivables as of December 31, 2017. Three clients, one at 25%, 13% and 10% accounted for more than 10% of the Company's accounts receivables as of December 31, 2018. Two clients, one at 11% and another at 10% account for more than 10% of the total accounts receivables as of June 30, 2019 (unaudited). To manage credit risk related to accounts receivable, the Company evaluates clients' financial condition and collateral is generally not required.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

Deferred Offering Costs

Deferred offering costs, consisting of legal, accounting and other fees and costs relating to the Company's planned IPO, are capitalized and recorded on the balance sheet. The deferred offering costs will be offset against the proceeds received upon the closing of the planned IPO. In the event that the Company's plans for an IPO are terminated, all of the deferred offering costs will be written off within operating expenses in the Company's statements of operations and comprehensive loss. There were no deferred offering costs capitalized as of December 31, 2017 and 2018. As of June 30, 2019, $1.1 million of deferred offering costs were recorded as other assets on the consolidated balance sheet.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets or asset groups may not be recoverable. In such instances, the recoverability of assets to be held and used is measured first by a comparison of the carrying amount of an asset group to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, an impairment loss would be recognized if the carrying amount of the asset exceeds the fair value of the asset or asset group. The fair value is determined based on valuation techniques such as a comparison to fair values of similar assets or using a discounted cash flow analysis. There were no impairments recorded for the years ended December 31, 2017 and 2018 and the periods ended June 30, 2018 and June 30, 2019 (unaudited).

Property and Equipment

Property and equipment consist of computer equipment, machinery and equipment, furniture and fixtures, and leasehold improvements. The assets are stated at cost less accumulated depreciation and amortization. Depreciation is calculated using the straight-line method based on estimated useful lives and in the case of leasehold improvements, the shorter of the useful life or the remaining term of the lease (see Note 5).

Goodwill and Intangible Assets

Goodwill represents the excess of the consideration transferred over the fair value of the assets acquired and liabilities assumed in a business combination. Other intangible assets consist of trademarks, physician network, and the websites acquired in the Fertility Authority acquisition. Goodwill, including other definite-lived intangible assets, are carried at their initial acquisition date fair value less any impairment. Other intangible assets are recorded at fair value at the date of acquisition, less accumulated amortization. Amortization is calculated using the straight-line method based on estimated useful lives.

Goodwill is reviewed for impairment annually as of October 1st of each year or when an interim triggering event has occurred indicating potential impairment. Events or changes in circumstances which could trigger an impairment review, which are assessed at the reporting unit level, include significant changes in the manner of the Company's use of the acquired assets or the strategy for the Company's overall business, significant negative industry or economic trends, significant underperformance relative to historical or projected future results of operations, a significant adverse change in the business climate, an adverse action or assessment by a regulator, unanticipated competition or a loss of key personnel. The Company has the option to first assess qualitative factors

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of the reporting unit is less than its carrying amount, then additional impairment testing is not required. However, if an entity concludes otherwise, then it is required to perform the first of a two-step impairment test.

The first step involves comparing the estimated fair value of the reporting unit with its respective book value, including goodwill. If the estimated fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. If the carrying amount of goodwill exceeds the implied fair value of the goodwill, an impairment loss is recognized in an amount equal to the excess.

The Company tests for goodwill impairment on each of its one reporting unit, which is at the operating segment or one level below the operating segment. This analysis requires us to make a series of critical assumptions to (1) evaluate whether any impairment exists and (2) measure the amount of impairment. There was no impairment of goodwill or intangible assets for the years ended December 31, 2017 and 2018 and the six months ended June 30, 2018 and 2019 (unaudited).

Convertible Preferred Stock Warrants

Freestanding warrants to purchase the Company's convertible preferred stock are classified as liabilities on the accompanying consolidated balance sheets. The convertible preferred stock warrants are recorded as liabilities because the underlying shares of convertible preferred stock are contingently redeemable, upon a deemed liquidation event which may obligate the Company to transfer assets at some point in the future to settle these warrants. The warrants are recorded at estimated fair value and are subject to remeasurement at each balance sheet date and recorded in Other Income (expense), in the accompanying consolidated statement of operations and comprehensive income (loss).

Stock-Based Compensation

The Company accounts for share-based compensation awards in accordance with FASB ASC Topic 718, *Compensation—Stock Compensation* (ASC 718). ASC 718 requires all share-based payments, including grants of stock options, to be recognized in the consolidated statements of operations and comprehensive income (loss) based on their respective fair values. For non-employee awards a measurement date is normally reached when performance is completed, and the fair value is remeasured as the stock options vest.

The fair value of the Company's stock options has been determined using the Black-Scholes option-pricing model, which requires the input of subjective assumptions, including (i) the expected stock price volatility, (ii) the expected term of the award, (iii) the risk-free interest rate and (iv) expected dividends. Due to the lack of historical and implied volatility data of the Company's common stock, the expected stock price volatility has been estimated based on the historical volatilities of a specified group of companies in Progyny's industry for a period equal to the expected life of the option. Progyny selected companies with comparable characteristics to the Company, including enterprise value, risk profiles and position within the industry and with historical share price information sufficient to meet the expected term of the stock options. The historical volatility data has been computed using the daily closing prices for the selected companies.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

The expected life of the options granted represents the period of time that options granted are expected to be outstanding and is calculated using the simplified method, which is the mid-point between the vesting date and the end of the contractual term for each option. We have estimated the expected term of non-employee service-based and performance-based awards based on the remaining contractual term of such awards. The risk-free interest rate is based on a zero coupon, United States Treasury instrument whose term is consistent with the expected life of the stock option. The Company has not paid, and does not anticipate paying, cash dividends on its shares of common stock; therefore, the expected dividend yield is zero.

Effective January 1, 2018, the Company adopted ASU 2016-09, *Compensation—Stock Compensation* which in turn resulted in a change in accounting policy to account for forfeitures as they occur. Prior to January 1, 2018, forfeitures were estimated at the date of grant and revised, if necessary, in subsequent periods if actual forfeitures differed from those estimates. The adoption resulted in a transition adjustment of $213,000, recorded to Accumulated deficit.

The Company's share-based awards are subject to either service-based or performance-based vesting conditions. The Company recognizes compensation expense for service-based awards over the vesting period of the award on a straight-line basis. Compensation expense related to awards with performance-based vesting conditions is recognized when achievement of the performance condition is considered probable over the requisite service period.

Common Stock Valuation

The Company has historically granted stock options at exercise prices equal to the fair value as determined by the Board of Directors on the date of grant. In the absence of a public trading market, the Board of Directors, with input from management, exercised significant judgement and considered numerous objective and subjective factors to determine the fair value of the Company's common stock as of the date of each stock option grant, including:

- the Company's financial performance
- the rights, preferences and privileges of the convertible preferred stock relative to those of the common stock; and
- general economic and financial conditions, and the trends specific to the markets in which the Company operates

In addition, the Board of Directors considered the independent valuations completed by a third-party valuation consultant. The valuations of the Company's common stock were determined in accordance with the guidelines outlined in the *American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation*. In performing these valuations, a variety of relevant factors were considered including, but not limited to:

- the prices of common or preferred stock sold to third-party investors by the Company and in secondary transactions;
- lack of marketability of the Company's common stock;
- the Company's actual operating and financial performance;
- current business conditions and projections;

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

- hiring of key personnel and the experience of the Company's management;
- the history of the Company and the introduction of new services;
- our stage of development;
- likelihood of achieving a liquidity event, such as an initial public offering, or IPO, or a merger or acquisition of the Company given prevailing market conditions;
- the market performance of comparable publicly traded companies; and
- the U.S. and global capital market conditions.

In valuing the Company's common stock, its Board of Directors determined the equity value of its business using various valuation methods including combinations of income and market approaches with input from management. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in the Company's industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in its cash flows.

For each valuation, the equity value determined by the income and market approaches was then allocated to the common stock using either the option pricing method, or OPM, or a hybrid method. The hybrid method is a hybrid of the probability weighted expected return method, or PWERM, and OPM.

The option pricing method is based on a binomial lattice model, which allows for the identification of a range of possible future outcomes, each with an associated probability. PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a probability distribution. Discrete future outcomes considered under the PWERM include an IPO, as well as non-IPO market-based outcomes. In determining the fair value of the enterprise using the PWERM, the Company developed assumptions for an IPO liquidity event and the various outcomes that could yield. With the OPM model, the company assumed a stay private scenario. The Company's valuations prior to March 2019 were based on the OPM. Beginning in March 31, 2019, the Board of Directors valued the Company's common stock based on a hybrid method of the PWERM and the OPM.

Income Taxes

The Company accounts for income taxes in accordance with FASB ASC Topic 740, Income Taxes ("ASC 740"). Deferred income taxes are recorded for the expected tax consequences of temporary differences between the tax basis of assets and liabilities for financial reporting purposes and amounts recognized for income tax purposes. The Company periodically reviews the recoverability of deferred tax assets recorded on the consolidated balance sheet and provides valuation allowances as deemed necessary to reduce such deferred tax assets to the amount that will, more likely than not, be realized. Income tax expense consists of taxes currently payable and changes in deferred tax assets and liabilities calculated according to local tax rules.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, the Company considers all available evidence for each jurisdiction including past operating results, estimates of future taxable income and the feasibility of ongoing tax planning strategies. In the event the Company changes its determination as to the amount of deferred tax assets that can be realized, the Company will adjust its valuation allowance with a corresponding impact to income tax expense in the period in which such determination is made.

The amount of deferred tax provided is calculated using tax rates enacted at the balance sheet date. The impact of tax law changes is recognized in periods when the change is enacted.

A two-step approach is applied pursuant to ASC 740 in the recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return. The first step is to determine if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained in an audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement.

The Company's policy is to recognize interest and penalty expenses associated with uncertain tax positions as a component of income tax expense in the consolidated statements of operations and comprehensive income (loss). As of December 31, 2017, and 2018 and June 30, 2018 and 2019 (unaudited), the Company had no accrued interest or penalties related to uncertain tax positions and no amounts have been recognized in the Company's consolidated statements of operations and comprehensive income (loss).

Fair Value of Financial Instruments and Fair Value Measurements

The Company determines the fair value of financial assets and liabilities using the fair value hierarchy established in the accounting standards. The hierarchy describes three levels of inputs that may be used to measure fair value, as follows:

Level 1—Quoted prices in active markets for identical assets and liabilities.

Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurements. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The carrying amounts of certain of the Company's financial instruments, including cash equivalents, accounts receivable accounts payable and the term loan approximate fair value due to their

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

short maturities. Warrants to purchase shares of the Company's convertible preferred stock are stated at fair value and remeasured at the end of each reporting period.

Net (Loss) Income per Share Attributable to Common Stockholders

Basic net (loss) income per share attributable to common stockholders is calculated by dividing the net (loss) income attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period. The Company adjusts its net (loss) income attributable to common stockholders to reflect the impact of deemed dividends recorded for convertible preferred stock during the period.

The Company's convertible preferred stock was entitled to receive noncumulative dividends, prior and in preference to any declaration or payment of any dividend on common stock and thereafter participate pro rata on an as-converted basis with the common stockholders in any distributions to common stockholders and were therefore considered to be participating securities. As a result, the Company calculated the net (loss) income per share using the two-class method. Accordingly, the net (loss) income attributable to common stockholders is derived from the net (loss) income for the period and, in periods in which the Company has net income attributable to common stockholders, an adjustment is made for the allocations of undistributed earnings to participating securities based on their outstanding shareholder rights. Under the two-class method, the net loss attributable to common stockholders is not allocated to the convertible preferred stock as the convertible preferred stockholders did not have a contractual obligation to share in the Company's losses.

Diluted net (loss) income attributable to common stockholders is computed by adjusting (loss) income attributable to common stockholders to allocate undistributed earnings based on the potential impact of dilutive securities, including outstanding stock options, convertible preferred stock, convertible preferred stock warrants, and common stock warrants. Diluted net (loss) income per share attributable to common stockholders is computed by dividing the diluted net income (loss) attributable to common stockholders by the weighted average number of common shares outstanding for the period, including common stock equivalents. In periods when the Company has incurred a net loss, convertible preferred stock, options to purchase common stock, convertible preferred stock warrants, and common stock warrants are considered common stock equivalents but have been excluded from the calculation of diluted net loss per share attributable to common stockholders as their effect is antidilutive.

Recently Adopted Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606), to achieve a consistent application of revenue recognition within the U.S., resulting in a single revenue model to be applied by reporting companies under GAAP. Under the new model, recognition of revenue occurs when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the revised guidance required that reporting companies disclose the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Company adopted this standard on January 1, 2019 using the full retrospective approach. The adoption of the new standard had an immaterial impact on the consolidated financial statements.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

In November 2015, the FASB issued ASU 2015-17, *Balance Sheet Classification of Deferred Taxes*, requiring companies to classify all deferred tax assets and liabilities as noncurrent on the balance sheet instead of separating deferred taxes into current and noncurrent amounts. The Company prospectively adopted this guidance effective January 1, 2018, which did not have a significant effect on the Company's consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09, *Compensation—Stock Compensation ("ASC 718")*: Improvements to Employee Share-Based Payment Accounting, which changes the accounting for share-based payment transactions, including income tax consequences, classification of awards as either equity or liabilities, and classification in the statement of cash flows. The Company adopted this standard on a prospective basis as of January 1, 2018, which resulted in a transition adjustment of $213,000, recorded through Accumulated deficit. The adoption had no other effect on the net deferred tax balances, the consolidated statement of cash flows or otherwise on its consolidated financial statements.

In September 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows ("ASC 230"): Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force)*, which changes how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The Company adopted this guidance effective January 1, 2018, which did not have a significant effect on the Company's consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles—Goodwill and Other: Simplifying the Test for Goodwill Impairment,* to simplify the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test. The new standard requires goodwill impairment to be based upon the results of Step 1 of the goodwill impairment test, which evaluates the extent, if any, by which the carrying value of a reporting unit exceeds its fair value, with any resulting impairment not exceeding the carrying amount of goodwill. The Company early adopted ASU 2017-04 on a prospective basis effective January 1, 2018. The adoption of this guidance did not have a significant effect on the Company's consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01, *Clarifying the definition of a business*. The new standard clarifies the definition of a business to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The new standard is effective for the Company for fiscal years beginning after December 15, 2018 and interim periods within annual periods beginning after December 15, 2019. The Company adopted this guidance effective January 1, 2019, which did not have a significant effect on the Company's consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09, *Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting*. The amendments provide guidance on determining which changes to the terms and conditions of share-based payment awards require an entity to apply modification accounting under ASC 718. An entity should account for the effects of a modification unless all the following are met: 1. The fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the modified award is the same as the fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the original award immediately before the original award is modified. If the modification does not affect any of the inputs to the valuation technique that the entity uses to value the award, the entity is not required to estimate the value immediately before and after the modification. 2. The vesting conditions of the modified award are the same as the vesting conditions of the original award immediately before the original

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

2. Summary of Significant Accounting Policies (Continued)

award is modified. 3. The classification of the modified award as an equity instrument or a liability instrument is the same as the classification of the original award immediately before the original award is modified. The Company adopted the guidance effective January 1, 2018. The adoption of this guidance did not have a significant effect on the Company's consolidated financial statements.

In March 2018, the FASB issued ASU No. 2018-05, *Income Taxes (ASC 740)*, to conform to SEC Staff Accounting Bulletin No. 118 ("SAB 118"). The standard was issued to allow registrants to record provisional amounts during a measurement period not to extend beyond one year from the enactment date in instances when a registrant does not have the necessary information available, prepared, or analyzed in reasonable detail to complete the accounting for certain income tax effects of the Tax Cuts and Jobs Act (the "Tax Reform Act"). The standard was effective upon issuance. The adoption of this guidance did not have a significant effect on the Company's consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation—Stock Compensation (ASC 718): Improvements to Employee Share-Based Payment Accounting*, which changes the accounting for share-based payment transactions with nonemployees. For private companies the new standard is effective for fiscal years beginning after December 15, 2019, and for interim periods therein. The Company adopted this guidance effective January 1, 2019. The adoption of this guidance did not have a significant effect on the Company's consolidated financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The new standard establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for the Company for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. On July 17, 2019, the FASB voted to propose a deferral of the effective date of the standard to fiscal years beginning after December 15, 2020. The Company plans to adopt this standard as of the effective date for private companies using the modified retrospective approach of all leases entered into before the effective date. The Company is currently evaluating the impact this ASU will have on its consolidated financial statements.

In August 2018, the FASB issued final guidance requiring a customer in a cloud computing arrangement that is a service contract to follow the internal use software guidance in Accounting Standards Codification ("ASC") 350-402 *Intangibles—Goodwill and Other—Internal Use Software* (Subtopic 350-40) to determine which implementation costs to capitalize as assets. The amendments in this ASU are effective for fiscal years beginning after December 15, 2019. Early adoption of the amendments is permitted, including adoption in any interim period, for all entities and should be applied either retrospectively or prospectively to all implementation costs incurred after the date of adoption. The Company is currently reviewing its cloud computing arrangements to evaluate the impact of adoption of the final guidance but does not expect that the pending adoption of this ASU will have a material effect on its consolidated financial statements.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

3. Revenue

Disaggregated revenue

The following table disaggregates revenue by service (in thousands):

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Revenue				
Fertility benefits services revenue	$ 48,584	$ 99,786	$ 45,615	$ 86,061
Pharmacy benefits services revenue	—	5,614	2,801	17,304
Total	$ 48,584	$ 105,400	$ 48,415	$ 103,365

Contract balances

There are no material contract asset or contract liability balances as of December 31, 2017, December 31, 2018 or June 30, 2019 (unaudited).

Transaction price allocated to remaining performance obligations

The Company does not disclose the transaction price allocated to remaining performance obligations, because all of the transaction price is variable and is allocated to the distinct periods to which the services relate, as discussed above. The remaining contract term is typically less than one year, due to the client's contractual termination options.

4. Fair Value Measurement

Assets and liabilities measured at fair value on a recurring basis were as follows (in thousands):

	December 31, 2017			
	Total	Level 1	Level 2	Level 3
Liabilities:				
Convertible preferred stock warrant liability	$ 1,645	$ —	$ —	$ 1,645
Total	$ 1,645	$ —	$ —	$ 1,645

	December 31, 2018			
	Total	Level 1	Level 2	Level 3
Liabilities:				
Convertible preferred stock warrant liability	$ 4,589	$ —	$ —	$ 4,589
Total	$ 4,589	$ —	$ —	$ 4,589

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

4. Fair Value Measurement (Continued)

	June 30, 2019 (unaudited)			
	Total	Level 1	Level 2	Level 3
Liabilities:				
Convertible preferred stock warrant liability	$ 5,782	$ —	$ —	$ 5,782
Total	$ 5,782	$ —	$ —	$ 5,782

The estimated fair values of the convertible preferred stock warrant liabilities (see Note 10) were determined using Level 3, or significant unobservable inputs. Changes to the estimated fair value of the warrants are recorded in other income or other expense in the statements of operations and comprehensive income (loss). The following table provides the changes in the estimated fair value of the convertible preferred stock warrants (in thousands):

	Convertible Preferred Stock Warrants
Balance as of December 31, 2017	$ 1,645
Change in estimated fair value of warrants	2,944
Balance as of December 31, 2018	4,589
Changes in estimate fair value of warrants	1,193
Balance at June 30, 2019 (unaudited)	$ 5,782

During the years ended December 31, 2017 and 2018, and the six months ended June 30, 2018 and 2019 (unaudited), there were no transfers between Level 1, Level 2, or Level 3 assets or liabilities reported at fair value on a recurring basis and the valuation techniques used to value the Level 3 liabilities did not change.

5. Property and Equipment, Net

Property and equipment consist of the following (in thousands):

	Estimated Useful Life (in years)	December 31,		June 30, 2019
		2017	2018	(unaudited)
Machinery and equipment	3 - 5	$ 9	$ 13	$ 13
Computers and software	3	373	798	1,018
Furniture and fixtures	7	50	102	103
Leasehold improvements	1	248	346	383
		680	1,259	1,517
Less: accumulated depreciation		(83)	(483)	(801)
Total property and equipment, net		$ 597	$ 776	$ 716

Depreciation expense was approximately $76,000 and $400,000 for the years ended December 31, 2017 and 2018, and $180,000 and $318,000 for the six months ended June 30, 2018 and 2019 (unaudited), respectively.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

6. Divestitures

On January 18, 2018, the Company completed the divestiture of its Eeva business, the primary operations of our previous medical device segment, to a related party, Ares Trading S.A. a subsidiary of Merck Serono, S.A. ("Merck"), a shareholder in the Company. The Eeva business was sold to Merck for $7.9 million, consisting of cash of $3.0 million and the forgiveness of the $4.9 million liability remaining from the previous license agreement for the Eeva product between the two parties. The cash consideration includes $300,000 of deferred consideration, of which the last payment was received by the Company in March 2019.

The Company determined that the Eeva business met the criteria to be classified as held for sale as of December 31, 2016, representing a strategic shift in Progyny's operations. With the amendment of the license agreement in May 2016, management committed to a plan to sell the business and move from the medical device business to the fertility benefits business which represented a strategic shift. The Board of Directors approved the ultimate sale of Eeva in December 2017.

In accordance with the applicable accounting guidance, upon the sale of the Eeva business on January 18, 2018, the Company reflected the Eeva business as discontinued operations in the consolidated financial statements.

Excluding the $200,000 of assets representing deferred consideration, there was no other assets or liabilities associated with the Eeva business as of December 31, 2018. For the year ended December 31, 2017, there were no assets or liabilities related to the Eeva business with the exception of the $4.9 million liability.

The following is a summary of the operating results of Eeva which have been reflected within income from discontinued operations, net of tax (in thousands):

	Year Ended December 31,		Six Months Ended June 30, 2018
	2017	2018	(unaudited)
Revenue	$ 328	$ —	$ —
Cost of services	59	—	—
Gross profit	269	—	—
Operating expenses:			
Research and development	241	—	—
General and administrative	21	—	—
Total operating expenses	262	—	—
Income from discontinued operations	7	—	—
Gain on sale of discontinued operations	—	7,554	7,501
Income from discontinued operations, before tax	7	7,554	7,501
Provision for income taxes	(3)	(1,777)	(1,777)
Net income from discontinued operations	$ 4	$ 5,777	$ 5,724

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

6. Divestitures (Continued)

The significant components of the consolidated statement of cash flows for Eeva are as follows (in thousands):

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
OPERATING ACTIVITIES				
Depreciation expense	$ 18	$ —	$ —	$ —
Deferred license revenue	(73)	—	—	—
INVESTING ACTIVITIES				
Deferred consideration	—	200	200	—
Proceeds from sale of business, net of costs	—	2,481	2,427	200

7. Intangible Assets, Net

Intangible assets consist of the following (in thousands):

	Estimated Useful Life (in years)	December 31, 2017	December 31, 2018	June 30, 2019 (unaudited)
Trademarks	8	$ 4,000	$ 4,000	$ 4,000
Physician network	6	3,500	3,500	3,500
Website	5	2,000	2,000	2,000
		9,500	9,500	9,500
Less: accumulated amortization		(4,158)	(5,641)	(6,383)
Total intangible assets, net		$ 5,342	$ 3,859	$ 3,117

Amortization expense was $1.5 million for the years ended December 31, 2017 and 2018. Amortization expense was $742,000 for the six months ended June 30, 2018 and 2019 (unaudited).

As of December 31, 2018, the future amortization expense of other intangible assets is as follows (in thousands):

Year ending December 31:	
2019	$ 1,483
2020	1,162
2021	614
Thereafter	600
Total	$ 3,859

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

8. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following (in thousands):

	December 31, 2017	December 31, 2018	June 30, 2019 (unaudited)
Accrued claims payable	$ 4,783	$ 6,656	$ 9,932
Accrued compensation	1,542	1,490	904
Accrued commission	610	966	1,490
Professional fees	199	274	1,036
Other	305	396	583
Total accrued expenses and other current liabilities	$ 7,439	$ 9,782	$ 13,945

9. Debt

The Company's $8.0 million Term Loan, entered into in November 2015, carried an interest rate equal to the greater of 7.5% or the LIBOR rate plus 7.3%. The terms contain a prepayment fee of 3.0% of the outstanding principal if repaid after the effective date but on or prior to the first anniversary, 2.0% if repaid after the first anniversary of the effective date but on or prior to the second anniversary, and 1.0% if repaid after the second anniversary of the effective date but prior to the maturity date. Additionally, the terms contained an additional significant final payment representing 8.0% of the original principal.

In June 2018, the Company entered into a loan agreement with Silicon Valley Bank for a revolving line of credit up to $15.0 million based upon an advance rate of 80% on "eligible" accounts receivable to fund its working capital and other general corporate needs ("SVB Line of Credit"). Eligible accounts receivable is defined in the loan agreement as accounts billed with aging 90 days or less and excludes accounts receivable due for member copayments, coinsurance, and deductibles.

Upon execution of the SVB Line of Credit, the Term Loan was paid off in full including the remaining principal balance of $2.9 million, final balloon payment of $640,000 and the 1.0% early payment penalty fee of $15,000. The repayment of the Term Loan was treated as a debt extinguishment and the Company recognized the remaining unamortized debt discount of $88,000 as a loss on debt extinguishment in Other expense, net for the year ended December 31, 2018.

The Company is required to pay a revolving line commitment fee of $225,000 in three equal annual installments of $75,000 starting on the one-year anniversary of the revolving line. The Company made the first installment payment of $75,000 in June 2019. The SVB Line of Credit matures in May 2021. When the Company holds unrestricted cash balances greater than $5.0 million interest accrues at a floating rate per annum equal to the prime rate. The principal amount outstanding will accrue at a floating per annum rate of the greater of (1) the prime rate (as defined in the agreement) or 0.5% above the prime rate depending on whether certain conditions have been met and (2) 4.75%, with interest payable monthly.

The SVB Line of Credit contains customary affirmative covenants, financial covenants, as well as negative covenants that, among other things, restrict the Company's ability to incur additional indebtedness (including guarantees of certain obligations); create liens; engage in mergers, consolidations, liquidations and dissolutions; sell assets; maintain collateral; pay dividends or make

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

9. Debt (Continued)

other payments in respect of capital stock; make acquisitions; make investments, loans and advances; enter into transactions with affiliates; make payments with respect to or modify subordinated debt instruments; and enter into agreements with negative pledge clauses or clauses restricting subsidiary distributions. The financial covenant requires the Company achieve minimum revenue targets established at 75% of the annual financial projections approved by the Board.

The Company was in compliance with all requirements and its covenant of the revolving credit facility as of December 31, 2018 and June 30, 2019 (unaudited).

During the year ended December 31, 2017, the Company recorded interest expense and accretion of the debt discount on the Term Loan of $542,000 and $200,000.

Prior to the repayment of the Term Loan, the Company recorded interest of $163,000 and $163,000 and accretion of the debt discount of $75,000 and $75,000 in Interest expense, net for the six months ended June 30, 2018 and for the year ended December 31, 2018, respectively.

As of December 31, 2018, and June 30, 2019, the Company had $253,000 and $3.1 million drawn on the SVB Line of Credit, respectively. During the year ended December 31, 2018, the Company recorded interest expense on SVB Line of Credit of $74,000. The Company recorded interest on the SVB Line of Credit of $166,000 in the six months ended June 30, 2019 (unaudited).

10. Convertible Preferred Stock Warrants

As of December 31, 2017 and 2018 and June 30, 2019 (unaudited), the Company has issued and outstanding warrants to acquire 2,019,245 shares of Series B convertible preferred stock for $1.73 per share with a fair value of $1.6 million, $4.6 million and $5.1 million, respectively that were issued in conjunction with various equity and financing transactions.

The Company recognized the warrants at fair value at the time of issuance and remeasures the warrants at their fair value on a recurring basis thereafter. Given the deemed liquidation provisions of the underlying convertible preferred stock, the convertible preferred stock warrant liabilities are recorded at fair value and are subject to remeasurement at each balance sheet date. The Company calculates the warrants' fair value as follows:

a. The Company's equity value is estimated using the market approach.

b. The Company's equity value is then allocated among classes of its capital structure, including Series B convertible preferred shares. The allocation is performed using the Option Pricing Methodology. This method treats securities as options with the Company. The allocation is used to determine the value of Series B convertible preferred shares, as well as the Series B convertible preferred stock warrants. The Company assumes that any exercise of the warrants would be to purchase Series B convertible preferred Shares, and assumes scenarios where the warrants will not be exercised.

No warrants were issued in 2017, 2018, or the six months ended June 30, 2019. The warrants outstanding at December 31, 2017, were valued at approximately $0.81 per share utilizing an option pricing model, time to liquidity of two and half years, underlying stock volatility of 40.6% and a risk-free interest rate of 2.40%. The warrants outstanding at December 31, 2018, were valued at approximately $2.27 per share utilizing an option pricing model, time to liquidity of two years, underlying stock volatility of 43% and a risk-free interest rate of 2.3%.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

10. Convertible Preferred Stock Warrants (Continued)

The warrants outstanding at June 30, 2019 (unaudited), were valued at approximately $2.86 per share utilizing an option pricing model, time to liquidity of 1.25 years, underlying stock volatility of 44% and a risk-free interest rate of 1.8%. Given the deemed liquidation provisions, described below, of the underlying convertible preferred stock, the convertible preferred stock warrant liabilities are recorded at fair value and are subject to remeasurement at each balance sheet date.

Rollforward of Warrants and Fair Value	Warrants	Liability (in thousands)
Total warrants and liability as of December 31, 2017	2,019,245	$ 1,645
Revaluation of remaining warrants	—	2,944
Total warrants and liability as of December 31, 2018	2,019,245	4,589
Revaluation of remaining warrants	—	1,193
Total warrants and liability as of June 30, 2019 (unaudited)	2,019,245	$ 5,782

11. Commitments and Contingencies

In June 2017, the Company entered into a sublease agreement for its corporate offices in New York, NY. The term is for 27 months commencing on November 1, 2017.

In August 2018, the lease in Menlo Park, California was terminated. In November 2018, the lease in San Francisco, California was also terminated.

Future minimum facility lease payments as of December 31, 2018, are as follows (in thousands):

Year Ending December 31:	Operating Lease
2019	$ 828
2020	70
2021	—
Total	$ 898

Rent expense under operating leases was approximately $650,000 and $878,000 for the years ended December 31, 2017 and 2018, and $444,000 and $401,000 for the six months ended June 30, 2018 and 2019 (unaudited), respectively. The terms of the facility lease provide for rental payments on a monthly basis and on a graduated scale. The Company recognizes rent expense on a straight-line basis over the lease period and has accrued for rent expense incurred but not paid.

Arbitration/Litigation

On January 14, 2019, a vendor filed a Demand for Arbitration and Statement of Claim against the Company ("Demand") for alleged breach of the November 10, 2017 Preferred Specialty Pharmacy Agreement ("Agreement") between the Company and the vendor. On March 13, 2019, the Company terminated the Agreement for material breach with the vendor. On April 3, 2019, the vendor filed a Second Amended Demand for Arbitration ("SAD") for breach of the Agreement. The vendor seeks

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

11. Commitments and Contingencies (Continued)

damages, fees, interest and cost. Pursuant to a schedule set forth by the Arbitration Panel, on May 3, 2019, the Company filed a Motion to Dismiss the SAD. That Motion was fully briefed on June 14, 2019 and was decided on July 31, 2019. The Arbitration Panel dismissed two of the vendor's four claims. The Company believes the vendor's claims are without merit and intends to vigorously defend against the claims in the Arbitration. Due to the inherent uncertainties of litigation, the Company cannot predict the outcome of the actions at this time and can give no assurances that the asserted claim will not have a material adverse effect on the financial position or results of operations of the Company.

The Company believes there is no other litigation pending that could have, individually or in the aggregate, a material adverse effect on the Company's financial position, results of operations, or cash flows.

Indemnifications

The Company indemnifies each of its officers and directors for certain events or occurrences, subject to certain limits, while the officer or director is or was serving at the Company's request in such capacity, as permitted under Delaware law and in accordance with its certificate of incorporation and bylaws. The term of the indemnification period lasts as long as an officer or a director may be subject to any proceeding arising out of acts or omissions of such officer or director in such capacity. The maximum amount of potential future indemnification is unlimited; however, the Company currently holds director and officer liability insurance. This insurance allows the transfer of risk associated with the Company's exposure and may enable it to recover a portion of any future amounts paid. The Company believes that the fair value of these indemnification obligations is minimal. Accordingly, it has not recognized any liabilities relating to these obligations for any period presented.

12. Convertible Preferred Stock

During March, June and November 2017, the Company raised approximately $15.0 million through the issuance of 8,691,179 shares of its Series B convertible preferred stock at $1.73 per share to new and existing investors. No convertible preferred stock was issued in 2018 or in the six months ended June 30, 2019.

In June 2018, the Company redeemed and retired 1,202,196 Series B convertible preferred stock from a former employee pursuant to our contractual right of first refusal at a purchase price of $2.5 million. The difference of $425,000 between the purchase price (at $2.04 per share) and the carrying value (at $1.73 per share) has been recorded as a dividend in accumulated deficit as of December 31, 2018.

In conjunction with the above convertible preferred stock redemption, certain shareholders purchased convertible preferred stock and common stock from the same former employee at the same price per share.

In connection with the transactions above, an outstanding severance liability was settled. As the total paid by the shareholders to the former employee was in excess of the common stock and preferred stock fair value, this premium was deemed consideration paid on behalf of the Company for the settlement of the severance liability. As such, the Company has accounted for this excess paid of $414,000 as a non-cash contribution in additional paid in capital.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

12. Convertible Preferred Stock (Continued)

The authorized, issued and outstanding shares, and liquidation preference of the Company's convertible preferred stock as of the dates indicated were as follows (in thousands, except for share and per share data):

	As of December 31, 2017		
	Authorized Shares	Issued and Outstanding Shares	Aggregate Liquidation Preference
			(in thousands)
Preferred Stock:			
Series A Preferred	69,930,070	15,384,798	$ 20,000
Series B Preferred	245,000,000	51,245,486	88,444
Total	314,930,070	66,630,284	$ 108,444

	As of December 31, 2018		
	Authorized Shares	Issued and Outstanding Shares	Aggregate Liquidation Preference
			(in thousands)
Preferred Stock:			
Series A Preferred	69,930,070	15,384,798	$ 20,000
Series B Preferred	245,000,000	50,043,290	86,369
Total	314,930,070	65,428,088	$ 106,369

	As of June 30, 2019 (unaudited)		
	Authorized Shares	Issued and Outstanding Shares	Aggregate Liquidation Preference
			(in thousands)
Preferred Stock:			
Series A Preferred	69,930,070	15,384,798	$ 20,000
Series B Preferred	245,000,000	50,043,290	86,369
Total	314,930,070	65,428,088	$ 106,369

As of December 31, 2018 and June 30, 2019, the holders of the Series A convertible preferred stock ("Series A Preferred") and Series B convertible preferred stock ("Series B Preferred" together the "Series Preferred") had the following rights and preferences:

Dividends

The holders of the Series A Preferred and the Series B Preferred shall be entitled to receive noncumulative dividends in preference to any dividend on the Company's common stock at the rate of 8% of their respective "Original Issuance Price" ($1.30 per share for the Series A Preferred and $1.73 per share for the Series B Preferred) per annum, when and as declared by the Board of

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

12. Convertible Preferred Stock (Continued)

Directors. The holders of Series Preferred also shall be entitled to participate pro rata in any dividends paid on the common stock on an as-if-converted basis.

Liquidation Preference

In the event of any liquidation or winding up of the Company, the holders of the Series Preferred shall be entitled to receive in preference to the holders of the common stock a per share amount equal to the greater of (a) their respective Original Issuance Price plus any declared but unpaid dividends or (b) the amount payable to them had they converted their Series Preferred into common stock immediately prior to the liquidation event. After the payment of the liquidation preference to the holders of the Series Preferred, the remaining assets shall be distributed ratably to the holders of the common stock.

A merger or consolidation in which the stockholders of the Company do not own a majority of the outstanding shares of the surviving corporation, a sale, lease, transfer, or other disposition of substantially all of the assets of the Company and an exclusive license of substantially all of the Company's intellectual property shall be deemed to be a liquidation unless the holders of at least 60% of the Series Preferred elect otherwise.

Due to the concentration of convertible preferred stock ownership interest and Board representation of the convertible preferred stockholder, the above liquidation preference represents a liquidation right not solely within the Company's control and as such, the Company has classified its convertible preferred stock outside of stockholders' equity. During 2017 and 2018 and the six months ended June 30, 2019, the Company did not adjust the carrying value of the convertible preferred stock to the deemed liquidation value of such shares as a qualifying liquidation event was not probable. Subsequent adjustments to increase the carrying values to the ultimate redemption values will be made only when it becomes probable that such a deemed liquidation event will occur.

Conversion

The holders of the Series Preferred shall have the right to convert each share of Series Preferred, at any time, into shares of common stock. The conversion price for each series of convertible preferred stock shall initially be the Original Issuance Price of such series of convertible preferred stock and shall be adjusted in accordance with conversion provisions contained in the Company's Amended and Restated Certificate of Incorporation. The conversion rate of the Series Preferred is 1:1 and is subject to certain anti-dilution adjustments. The Series Preferred is automatically converted into common stock, at the then-applicable conversion rate, (i) in the event that the holders of at least 75% the outstanding Series Preferred consent to such conversion voting as a single class on an as-converted basis, or (ii) upon the event of a public offering of the Company's common stock based upon a value of the Company of at least $150 million and which results in net proceeds of at least $40 million.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

12. Convertible Preferred Stock (Continued)

Voting Rights

The Series Preferred will vote together with the common stock as a single class except as specifically provided herein or as otherwise required by law. Each share of Series Preferred shall have a number of votes equal to the number of shares of common stock then issuable upon conversion of such share of Series Preferred.

Each series of convertible preferred stock is entitled to elect two directors of the Company. The common stock is entitled to elect one director. All stockholders voting together as a single class on an as-converted basis are entitled to elect the remaining directors. The directors elected by the Series A Preferred are entitled to two votes on all matters to be voted upon by the Board of Directors. The Series B Directors and all other directors are entitled to one vote on all matters to be voted upon the Board of Directors.

13. Stockholders' Deficit

Common Stock

The common stock confers upon its holders the right to receive dividends out of any assets legally available, when and as declared by the Board of Directors, but subject to the prior right of the holders of the Series Preferred as described above.

Common stock reserved for future issuance consisted of the following:

	December 31, 2018	June 30, 2019 (unaudited)
Convertible preferred stock	65,428,088	65,428,088
Warrants in Series B convertible preferred stock issued and outstanding	2,019,245	2,019,245
Common stock warrants	140,394	140,394
Shares available for grant under stock option plan	143,710	750,138
Options issued and outstanding under stock option plan	15,932,040	21,808,981
Total common stock reserved for future issuance	83,663,477	90,146,846

In September 2018, the Company repurchased 589,320 shares of common stock, held by former employees, at a price per share of $2.04, for total consideration of $1.2 million. The difference of $321,000 between the fair value on the date of repurchase (at $1.49 per share) and the cash consideration paid has been recorded as a dividend as of December 31, 2018 as there were no ongoing services being delivered by the ex-employees since the date of termination. The Company has not retired the shares repurchased and as such, have recorded the shares repurchased at cost $884,000 and treated them as treasury shares.

As of December 31, 2018 and June 30, 2019 (unaudited), the Company had 589,320 shares of treasury stock.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

13. Stockholders' Deficit (Continued)

Stock Incentive Plan

As of December 31, 2018 and June 30, 2019 (unaudited), the Company maintains two stock-based compensation plans: (i) the 2008 Stock Plan and (ii) the 2017 Stock Plan, together the Stock Plans. All awards issued in 2018 were issued pursuant to the 2017 Stock Plan.

Under the Company's 2017 Stock Plan and consistent with the 2008 Stock Plan, options and other stock awards to purchase shares of common stock may be granted to employees, directors, and consultants. Incentive stock options are granted to employees and non-statutory stock options are granted to consultants and directors at an exercise price not less than 100% of the fair value (as determined by the Board of Directors) of the Company's common stock on the date of grant. The exercise price of options granted to stockholders who hold 10% or more of the Company's common stock on the option grant date shall not be less than 110% of the fair value of the Company's common stock on the date of grant for both incentive and non-qualified stock option grants. These options generally vest over four years and expire ten years from the date of grant. Stock option grants may be exercisable upon grant, and any unvested shares purchased are subject to repurchase. There were no unvested shares subject to repurchase as of December 31, 2017, December 31, 2018 and June 30, 2019.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

13. Stockholders' Deficit (Continued)

Stock Option Activity

A summary of the Company's stock option activity is as follows:

	Shares Available for Future Grant	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (in thousands)
Balances at December 31, 2017	83,393	14,616,724	$ 0.95	9.3	$ 4,292
Additional shares authorized for grant	1,540,018	—	—		
Options granted	(1,853,594)	1,853,594	1.32		
Options exercised	—	(54,643)	1.18		
Options forfeited	396,722	(396,722)	1.00		
Options canceled	86,913	(86,913)	1.05		
Shares expired due to termination of 2008 Plan	(109,742)				
Balance at December 31, 2018	143,710	15,932,040	$ 1.00	8.5	$ 33,886
Additional shares authorized for grant	6,518,616	—	—		
Options granted	(6,170,171)	6,170,171	3.91		
Options exercised	—	(32,067)	0.91		
Options forfeited	88,470	(88,470)	1.00		
Options canceled	172,693	(172,693)	1.45		
Shares expired due to termination of 2008 Plan	(3,180)				
Balance at June 30, 2019 (unaudited)	750,138	21,808,981	$ 1.81	8.5	$ 47,467
Options exercisable at December 31, 2018		7,499,936	$ 0.95	8.2	$ 16,096
Options vested and expected to vest at December 31, 2018		15,932,040	$ 1.00	8.5	$ 33,886
Options exercisable at June 30, 2019 (unaudited)		9,204,510	$ 0.95	7.7	$ 34,188
Options vested and expected to vest at June 30, 2019 (unaudited)		21,808,981	$ 1.81	8.5	$ 63,191

The total intrinsic value of options exercised was $13,000 and $59,000 for the years ended December 31, 2017 and 2018, respectively.

The weighted average fair value of options to purchase common stock granted was $0.60 and $1.14 in the years ended December 31, 2017 and 2018, respectively. The weighted average fair value of options to purchase common stock granted was $0.46 and $2.28 in the six months ended June 30, 2018 and 2019 (unaudited), respectively.

The fair value of options to purchase common stock vested was $664,000 and $3.7 million in the years ended December 31, 2017 and 2018. The fair value of options to purchase common stock vested was $2.4 million and $1.4 million in the six months ended June 30, 2018 and 2019 (unaudited), respectively.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

13. Stockholders' Deficit (Continued)

Certain weighted-average information and assumptions used in the option-pricing model for options granted to employees, directors, and non-employees are as follows:

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Expected term (in years)	5.69 - 6.07	5.38 - 6.10	5.91 - 6.09	5.96 - 6.08
Risk-free interest rate	1.8% - 2.2%	2.6% - 3.1%	2.6% - 2.7%	1.9% - 2.5%
Expected volatility	49.3% - 50.1%	48.1% - 48.9%	48.7 - 48.9%	48.7% - 49.0%
Expected dividend rate	—	—	—	—

The following table summarizes stock-based compensation expense for employees, which was included in the statements of operations and comprehensive loss as follows (in thousands):

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Cost of services	$ 26	$ 96	$ 38	$ 125
Selling and marketing	309	366	177	261
General and administrative	1,224	2,535	1,293	1,143
Total stock-based compensation expense	$ 1,559	$ 2,997	$ 1,508	$ 1,529

At June 30, 2019 (unaudited), the total compensation cost related to unvested stock-based awards granted to employees under the Company's stock option plan but not yet recognized was approximately $18.2 million. This cost will be amortized on a straight-line basis over the remaining vesting period and will be adjusted for subsequent changes in estimated forfeitures. The weighted-average remaining recognition period is approximately 3.41 years.

In February and June of 2016, the Company issued common stock warrants to non-employees to acquire 71,280 and 69,114 shares of the Company's common stock at an exercise price of $0.86 and $1.41 per share, respectively. The common stock warrants expire on the fifth anniversary of the grant. As of December 31, 2017 and 2018 and June 30, 2019 (unaudited), all warrants remain outstanding. For the years ended December 31, 2017 and 2018, the Company recognized total compensation expense $259,000, relating to the common stock warrants. All warrants were fully vested as of January 1, 2019. As a result of the adoption of ASU No. 2018-07, mark-to-market fair value accounting is not required and as all warrants were fully vested as of January 1, 2018, the Company did not recognize compensation expense relating to the common stock warrants for the six months ended June 30, 2019.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

13. Stockholders' Deficit (Continued)

The fair value of the common stock warrants was determined using the Black-Scholes option-pricing model with the following assumptions:

	December 31,	
	2017	2018
Contractual remaining life (years)	2	1
Risk-free interest rate	1.6%	2.4%
Expected volatility	52.1%	48.6%
Expected dividend yield	—	—

14. Income Taxes

A tax benefit of $3,000 and $1.8 million was recorded for the year ended December 31, 2017 and 2018 as part of continuing operations.

For the six months ended June 30, 2018 and 2019, the Company calculates its year-to-date (provision for) income taxes by applying the estimated annual effective tax rate to the year-to-date profit from operations before income taxes and adjusts the (provision for) income taxes for discrete tax items recorded in the period. The Company updates its estimate of its annual effective tax rate at the end of each quarterly period. The estimate takes into account annual forecasted income (loss) before income taxes, the geographic mix of income (loss) before income taxes and any significant permanent tax items. During the six months ended June 30, 2018, the Company recorded tax benefit of $835 from continued operations (unaudited). The Company's calculated tax provision was $64,000 for the six months ended June 30, 2019 (unaudited).

The benefit from income taxes is composed of the following (in thousands):

	December 31,	
	2017	2018
Current		
Federal	$ (3)	$ (1,446)
State	—	(331)
Total Current	(3)	(1,777)
Deferred:		
Federal	—	—
State	—	—
Total Deferred	—	—
Total benefit from Income taxes	$ (3)	$ (1,777)

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

14. Income Taxes (Continued)

A reconciliation of the U.S. statutory income tax rate to the Company's effective tax rate is as follows:

	December 31,	
	2017	2018
Income tax provision at statutory rate	(34)%	21%
State income taxes, net of federal benefit	(4)	5
Stock compensation	1	(2)
Warrant valuation	—	(10)
Change in valuation allowance	(63)	13
Effect of tax legislation	97	—
State rate change	—	2
Other	3	(3)
Effective tax rate	—%	26%

The components of the Company's net deferred tax assets and liabilities are as follows (in thousands):

	December 31,	
	2017	2018
Deferred tax assets:		
Net operating loss carryforwards	$ 23,108	$ 22,446
Capitalized start-up costs	18	15
Research and development credits	1,059	1,059
Accruals and reserves	2,551	1,895
Property and equipment	—	37
Intangibles	120	375
Total deferred tax assets	26,856	25,827
Valuation allowance	(26,849)	(25,781)
Deferred tax assets after valuation allowance	$ 7	46
Deferred tax liabilities:		
Property and equipment	(7)	—
Deferred gain	—	(46)
Total deferred tax liabilities	(7)	(46)
Net deferred tax assets	$ —	$ —

Assessing the realizability of deferred tax assets requires the determination of whether it is more-likely-than-not that some portion or all the deferred tax assets will not be realized. In assessing the need for a valuation allowance, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, loss carryback and tax-planning strategies. Generally, more weight is given to objectively verifiable evidence, such as the cumulative loss in recent years, as a significant piece of negative evidence to overcome. The valuation allowance decreased by approximately $7.8 million and $1.1 million during the years ended December 31, 2017 and 2018, respectively. As of June 30, 2019, the Company continues to

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

14. Income Taxes (Continued)

maintain a full valuation allowance against its net deferred tax assets due to the uncertainty surrounding the realization of such assets.

As of December 31, 2018, the Company has net operating loss carryforwards for federal and state income tax purposes of approximately $86 million and $68 million, respectively, which expire beginning in the year 2030. The federal and California research and development tax credits are approximately $756,000 and $830,000 respectively. The federal research credits will begin to expire in 2030 and the California research and development credits have no expiration date. Utilization of the net operating loss carryforwards and credits may be subject to a substantial annual limitation due to ownership changes that may have occurred previously or that could occur in the future, as provided by Section 382 of the Internal Revenue Code of 1986, as well as similar state provisions. Such annual limitation could result in the expiration of net operating losses and credits before their utilization.

As of December 31, 2017 and 2018, the Company had not accrued any interest or penalties related to uncertain tax positions.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in thousands):

	December 31,	
	2017	2018
Balance at the beginning of the year	$ 397	$ 397
Additions based upon tax positions related to the current year	—	—
Balance at the end of the year	$ 397	$ 397

If the ending balance of $397,000 of unrecognized tax benefits as of December 31, 2018 were recognized, 100% of the amount would affect the income tax rate. The Company does not anticipate any material change in its unrecognized tax benefits over the next twelve months.

The Company files U.S. federal and state income tax returns with varying statutes of limitations. All tax years since inception remain open to examination due to the carryover of unused net operating losses and tax credits.

The Tax Cuts and Jobs Act (the "Tax Act") was enacted on December 22, 2017 and introduced significant changes to U.S. income tax law. Effective in 2018, The Tax Act reduced the U.S. corporate statutory tax rate from 35% to 21%, allowed for immediate expensing of certain qualified capital property, eliminated the net operating loss carryback but allowed for indefinite net operating loss carryforwards that can reduce up to 80% of taxable income and created a new limitation on the deductibility of interest expense.

Accounting for the income tax effects of the Tax Act requires significant judgments and estimates in the interpretation and calculation of the provisions of the Tax Act. Due to the timing of the enactment and the complexity involved in applying the provisions of the Tax Act, the Company made reasonable estimates of the effects of the Tax Act in the consolidated financial statements for the year ended December 31, 2017, as permitted under ASU 2018-05 Income Taxes (Topic 740), Amendments to SEC Paragraphs Pursuant to SAB 118.

The remeasurement of the Company's U.S. deferred taxes due to the reduction in the U.S. federal corporate tax rate resulted in a reduction of deferred tax assets offset by a reduction of the Company's valuation allowance, resulting in no net income impact during the year ended December 31, 2017. The accounting for these items was completed in the fourth quarter of 2018, the end of the measurement period for purposes of SAB 118, and there were no adjustments related to the provisional items.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

15. Net (Loss) Income Per Share

A reconciliation of net (loss) income available to common stockholders and the number of shares in the calculation of basic and diluted earnings (loss) per share follows (in thousands, except share and per share amounts):

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Basic (loss) income per common share:				
Numerator:				
Net (loss) income	$ (12,452)	$ 661	$ 3,322	$ 4,041
Less:				
Income from discontinued operations	(4)	(5,777)	(5,724)	—
Deemed dividends on convertible preferred stock	(1,012)	(425)	(425)	4,041
Undistributed earnings to participating securities	—	—	—	—
Net (loss) income attributable to common stockholders	$ (13,468)	$ (5,541)	$ (2,827)	$ —
Denominator:				
Weighted-average shares used in computing basic net (loss) income per share attributable to common stockholders	5,677,860	5,539,739	5,691,643	5,164,564
Basic net (loss) income per share attributable to common stockholders	$ (2.37)	$ (1.00)	$ (0.50)	$ —
Diluted (loss) income per common share:				
Numerator:				
Net (loss) income attributable to common stockholders	$ (13,468)	$ (5,541)	$ (2,827)	$ —
Adjustments to undistributed earnings of participating securities	—	—	—	—
Diluted net (loss) income per share attributable to common stockholders	$ (13,468)	$ (5,541)	$ (2,827)	$ —
Denominator:				
Weighted-average shares used in computing basic net earnings (loss) per share attributable to common stockholder	5,677,860	5,539,739	5,691,643	5,164,564
Add options to purchase common stock	—	—	—	—
Weighted-average shares used in computing basic net (loss) income per share attributable to common stockholders	5,677,860	5,539,739	5,691,643	5,164,564
Diluted net (loss) income per share attributable to common stockholders	$ (2.37)	$ (1.00)	$ (0.50)	$ —

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

15. Net (Loss) Income Per Share (Continued)

The following weighted-average outstanding shares of potentially dilutive securities were excluded from the computation of diluted net loss per share attributable to common stockholders for the period presented because including them would have been antidilutive:

	Year Ended December 31,		Six Months Ended June 30,	
	2017	2018	2018	2019
			(unaudited)	
Redeemable convertible preferred stock	62,078,914	65,960,205	66,498,714	65,428,088
Options to purchase common stock	339,452	6,025,473	2,764,003	10,969,062
Warrants to purchase common stock	14,168	60,168	32,164	100,268
Warrants to purchase convertible preferred stock	—	260,239	—	1,139,465
Total potential dilutive shares	62,432,534	72,306,085	69,294,341	77,636,883

Unaudited Pro Forma Net Loss per Share

Unaudited pro forma basic and diluted net (loss) income per share were computed to give effect to the automatic one-for-one conversion of all outstanding shares of convertible preferred stock into shares of common stock in connection with the IPO, using the as-converted method as though the conversion had occurred as of the beginning of the period presented or the date of issuance, if later.

Unaudited pro forma basic (loss) income per share is computed as follows (in thousands, except share and per share data):

	Year Ended December 31, 2018	Six Months Ended June 30, 2019
	(unaudited)	
Numerator:		
Net loss per share attributable to common stockholders	$ (5,541)	$ —
Adjust: Deemed dividends on convertible preferred stock	$ —	$ 4,041
Pro forma net (loss) income	$ (5,541)	$ 4,041
Denominator:		
Weighted-average shares used in computing net (loss) income per share attributable to common stockholders	5,539,739	5,164,564
Adjust: Conversion of redeemable convertible preferred stock	65,960,205	65,428,088
Weighted-average shares used in computing pro forma net (loss) income per share	71,499,944	70,592,652
Pro forma net (loss) income per share	$ (0.08)	$ 0.06

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

15. Net (Loss) Income Per Share (Continued)

Unaudited pro forma diluted (loss) income per share is computed as follows (in thousands, except share and per share data):

	Year Ended December 31, 2018	Six Months Ended June 30, 2019
	(unaudited)	
Numerator:		
Net loss per share attributable to common stockholders	$ (5,541)	$ —
Adjust: Deemed dividends on convertible preferred stock	$ —	$ 4,041
Pro forma net (loss) income	$ (5,541)	$ 4,041
Denominator:		
Weighted-average shares used in computing net (loss) income per share attributable to common stockholders	71,499,944	70,592,652
Adjust: Options to purchase common stock	—	10,969,062
Weighted-average shares used in computing pro forma net (loss) income per share	71,499,944	81,561,714
Pro forma net (loss) income per share	$ (0.08)	$ 0.05

16. 401(k) Plan

The Company sponsors a 401(k) defined contribution plan covering all employees. Employer contributions began in 2018 and the Company incurred expenses for the year ended December 31, 2018 of $263,000. In the six months ended June 30, 2019 (unaudited) the Company incurred expenses of $238,000 and $186,103 in the six months ended June 30, 2018 (unaudited). There were no employer contributions to the plan in the year ended December 31, 2017.

17. Related Party Transactions

In January 2018, the Company executed an agreement with a related party to sell the Eeva business, representing all of the medical device segment. Refer to Note 6.

In June 2018, the Company redeemed and retired 1,202,196 Series B convertible preferred stock from a former employee pursuant to their contractual right of first refusal at a purchase price of $2.5 million The excess of the purchase price over the carrying value $(1.73) of $425,000 has been recorded as a dividend in accumulated deficit as of December 31, 2018. Refer to Note 12 for further detail on this transaction.

18. Subsequent Event(s)

The Company has entered into a sublease agreement which will commence in September 2019. The sublease is for a 25,212 square foot office location in New York City and shall expire in May 2029.

PROGYNY, INC.

Notes to Consolidated Financial Statements (Continued)

18. Subsequent Event(s) (Continued)

Pursuant to the sublease, the Company will pay the base rent of approximately $1.3 million per annum through the end of the fifth lease year, and approximately $1.4 million per annum through the expiration date.

On July 15, 2019, the Company authorized an additional 2,500,000 shares of common stock, $0.0001 par value per share. As a result, the number of authorized shares of the Company's common stock increased from 441,000,000 to 443,500,000.

We're Expecting!

Progyny's own employees are giving birth to Progyny babies

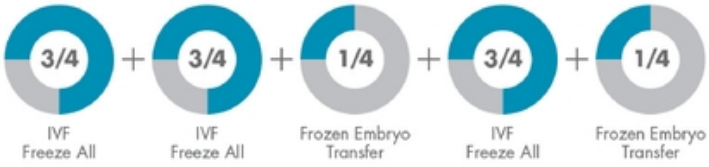
"As an HR executive, it's been rewarding to see our employees use our benefit to build their families and I'm forever thankful to also be one of them."

Cassandra Pratt

Senior Vice President, People

After 22 long months including one failed IVF cycle, two IVF Freeze All cycles with genetic testing and one devastating miscarriage, Cass is finally giving birth to her miracle Progyny baby in October 2019.

Smart Cycles Used



"I never thought I'd be able to freeze my eggs, but Progyny opened the door for me. I'm especially grateful since our Progyny baby is on the way!"

Laura Perez

Senior Director, Claims

Laura froze her eggs in 2017 to give herself peace of mind because she always knew she wanted children. After she got married, her husband discovered conceiving naturally would be a challenge since he has male-factor infertility. Laura was able to thaw her eggs, fertilize and test their embryos, and was successful after one frozen embryo transfer. She is due to give birth in December 2019.

Smart Cycles Used

10,000,000 Shares

Common Stock

J.P. Morgan	**Goldman Sachs & Co. LLC**	**BofA Merrill Lynch**

Citigroup

Piper Jaffray	**SVB Leerink**	**TPG Capital BD, LLC**

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Unless otherwise indicated, all references to "Progyny," the "company," "we," "our," "us" or similar terms refer to Progyny, Inc.

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth all expenses to be paid by us, other than underwriting discounts and commissions, in connection with this offering. All amounts shown are estimates except for the SEC registration fee, the FINRA filing fee and the exchange listing fee.

SEC registration fee	$ 23,024
FINRA filing fee	28,100
Exchange listing fee	295,000
Printing and engraving expenses	150,000
Legal fees and expenses	1,490,000
Accounting fees and expenses	1,275,000
Custodian transfer agent and registrar fees	15,500
Miscellaneous	223,376
Total	$ 3,500,000

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act. Our amended and restated certificate of incorporation that will be in effect on the completion of this offering permits indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws that will be in effect on the completion of this offering provide that we will indemnify our directors and officers and permit us to indemnify our employees and other agents, in each case to the maximum extent permitted by the Delaware General Corporation Law.

We have entered into indemnification agreements with our directors and officers, whereby we have agreed to indemnify our directors and officers to the fullest extent permitted by law, including indemnification against expenses and liabilities incurred in legal proceedings to which the director or officer was, or is threatened to be made, a party by reason of the fact that such director or officer is or was a director, officer, employee or agent of Progyny, Inc., provided that such director or officer acted in good faith and in a manner that the director or officer reasonably believed to be in, or not opposed to, the best interest of Progyny, Inc. At present, there is no pending litigation or proceeding involving a director or officer of Progyny, Inc. regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Securities Exchange Act of 1934, as amended, that might be incurred by any director or officer in his capacity as such.

The underwriters are obligated, under certain circumstances, under the underwriting agreement to be filed as Exhibit 1.1 hereto, to indemnify us and our officers and directors against liabilities under the Securities Act.

Item 15. Recent Sales of Unregistered Securities.

The following sets forth information regarding all unregistered securities sold since January 1, 2016:

(1) We have granted under our 2017 Plan options to purchase an aggregate of 21,975,983 shares of our common stock to a total of 225 employees, consultants and directors, having exercise prices ranging from $0.91 to $9.60 per share. 4,083,845 of the options granted under the 2017 Plan have been exercised at a weighted average exercise price of $0.93 per share.

(2) We have granted under our 2008 Plan options to purchase an aggregate of 4,633,262 shares of our common stock to a total of 59 employees, consultants and directors, having exercise prices ranging from $1.41 to $1.46 per share. 891,896 of the options granted under the 2008 Plan have been exercised at a weighted average exercise price of $1.46 per share.

(3) In June 2016, we issued and sold an aggregate of 8,559,733 shares of our Series B Preferred Stock to nine accredited investors at a price per share of $1.73 for an aggregate purchase price of $14,773,146.

(4) In August 2016, we issued and sold an aggregate of 710,358 shares of our Series B Preferred Stock to one accredited investor at a price per share of $1.73 for an aggregate purchase price of $1,226,000.

(5) In August 2016, we issued warrants to purchase an aggregate of 157,521 shares of our common stock, with an exercise price of $0.86 per share, to one holder.

(6) In March 2017, we issued and sold an aggregate of 2,897,059 shares of our Series B Preferred Stock to ten accredited investors at a price per share of $1.73 for an aggregate purchase price of $5,000,002.

(7) In June 2017, we issued and sold an aggregate of 2,897,059 shares of our Series B Preferred Stock to ten accredited investors at a price per share of $1.73 for an aggregate purchase price of $5,000,001.

(8) In November 2017, we issued and sold an aggregate of 2,897,058 shares of our Series B Preferred Stock to one accredited investor at a price per share of $1.73 for an aggregate purchase price of $5,000,000.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering. Unless otherwise specified above, we believe these transactions were exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act (and Regulation D or Regulation S promulgated thereunder) or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or under benefits plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits.

See the Exhibit Index on the page immediately preceding the signature page for a list of exhibits filed as part of this registration statement on Form S-1, which Exhibit Index is incorporated herein by reference.

(b) Financial Statement Schedules.

All financial statement schedules are omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or the notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant under the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the SEC 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.

The undersigned registrant hereby undertakes that:

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

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

(3) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(4) 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 undersgined 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:

(a) any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424 under the Securities Act;

(b) 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;

(c) 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

(d) any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

EXHIBIT INDEX

Exhibit Number	Description
1.1	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation of Registrant, as currently in effect.
3.2*	Form of Amended and Restated Certificate of Incorporation of Registrant, to be in effect on the completion of the offering.
3.3*	Amended and Restated Bylaws of Registrant, as currently in effect.
3.4*	Form of Amended and Restated Bylaws of Registrant, to be in effect on the completion of the offering.
4.1	Form of common stock certificate.
4.2	Form of 2013 Preferred Stock Warrant.
4.3	Form of 2014 Preferred Stock Warrant.
4.4	Form of 2015 Preferred Stock Warrant.
4.5	Warrant to Purchase Stock issued to Silicon Valley Bank dated October 9, 2013.
5.1	Opinion of Cooley LLP.
10.1*	Amended and Restated Investor Rights Agreement, dated as of March 4, 2015, by and among the Registrant and certain of its stockholders.
10.2+*	Progyny, Inc. 2008 Stock Plan, as amended, and forms of agreements thereunder.
10.3+*	Progyny, Inc. 2017 Equity Incentive Plan, as amended, and forms of agreements thereunder.
10.4+	Progyny, Inc. 2019 Equity Incentive Plan and forms of agreements thereunder.
10.5+	Progyny, Inc. 2019 Employee Stock Purchase Plan.
10.6+*	Form of Indemnity Agreement entered into by and between Registrant and each director and executive officer.
10.7+*	Amended and Restated Employment Agreement between Registrant and David Schlanger, dated September 23, 2019.
10.8+*	Amended and Restated Employment Agreement between Registrant and Peter Anevski, dated September 25, 2019.
10.9+*	Letter Agreement between Registrant and Karin Ajmani, effective June 10, 2019.
10.10*	Loan and Security Agreement, dated as of June 8, 2018, between Silicon Valley Bank and Registrant.
10.11*	Sublease Agreement, dated as of July 29, 2019 by and between IPREO Holdings, LLC and the Registrant.
23.1	Consent of Ernst & Young LLP, independent registered public accounting firm.
23.2	Consent of Cooley LLP (included in Exhibit 5.1).
24.1*	Power of Attorney (included on page II-6 of the Registration Statement filed September 27, 2019).
99.1	Consent of Kevin Gordon, as director nominee.

Exhibit Number	Description
99.2	Consent of Jeff Park, as director nominee.
99.3	Consent of Cheryl Scott, as director nominee.

* Previously filed.

\+ Indicates management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on October 15, 2019.

PROGYNY, INC.

By: /s/ DAVID SCHLANGER

Name: David Schlanger
Title: *Chief Executive Officer and Director*

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ DAVID SCHLANGER David Schlanger	Chief Executive Officer and Director *(Principal Executive Officer)*	October 15, 2019
/s/ PETER ANEVSKI Peter Anevski	President, Chief Financial & Operating Officer *(Principal Financial and Accounting Officer)*	October 15, 2019
* Beth Seidenberg, M.D.	Director	October 15, 2019
* Fred Cohen, M.D., D.Phil.	Director	October 15, 2019
* Norman Payson, M.D.	Director	October 15, 2019
* Simeon George, M.D.	Director	October 15, 2019

*By: /s/ DAVID SCHLANGER

Attorney-in-Fact

Exhibit 1.1

PROGYNY, INC.

[•] Shares of Common Stock

Underwriting Agreement

[•], 2019

J.P. Morgan Securities LLC
BofA Securities, Inc.
Goldman Sachs & Co. LLC

As Representatives of the
several Underwriters listed
in Schedule 1 hereto

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

c/o BofA Securities, Inc.
One Bryant Park
New York, New York 10036

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

Ladies and Gentlemen:

Progyny, Inc., a Delaware corporation (the "**Company**"), proposes to issue and sell to the several underwriters listed in Schedule 1 hereto (the "**Underwriters**"), for whom you are acting as representatives (the "**Representatives**"), an aggregate of [•] shares of common stock, par value $0.0001 per share, of the Company, and certain stockholders of the Company named in Schedule 2 hereto (the "**Selling Stockholders**") propose to sell to the several Underwriters an aggregate of [•] shares of common stock of the Company (collectively, the "**Underwritten Shares**"). In addition, the Selling Stockholders propose to issue and sell, at the option of the Underwriters, up to an additional [•] shares of common stock of the Company (the "**Option Shares**"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares". The shares of common stock of the Company to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock".

The Company and the Selling Stockholders hereby confirm their agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "**Securities Act**"), a registration statement (File No. 333-233965), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("**Rule 430 Information**"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "**Rule 462 Registration Statement**"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex A, the "**Pricing Disclosure Package**"): a Preliminary Prospectus dated [•], 2019 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto.

"**Applicable Time**" means [•] P.M., New York City time, on [•], 2019.

2. Purchase of the Shares. (a) The Company agrees to issue and sell, and each of the Selling Stockholders agrees, severally and not jointly, to sell, the Underwritten Shares to the several Underwriters as provided in this underwriting agreement (this "**Agreement**"), and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share of $[•] (the "**Purchase Price**") from the Company the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 1 hereto and from each of the Selling Stockholders the number of Underwritten Shares (to be adjusted by you so as to eliminate fractional shares) determined by multiplying the

aggregate number of Underwritten Shares to be sold by each of the Selling Stockholders as set forth opposite their respective names in Schedule 2 hereto by a fraction, the numerator of which is the aggregate number of Underwritten Shares to be purchased by such Underwriter as set forth opposite the name of such Underwriter in Schedule 1 hereto and the denominator of which is the aggregate number of Underwritten Shares to be purchased by all the Underwriters from all of the Selling Stockholders hereunder.

In addition, each of the Selling Stockholders agrees, severally and not jointly, as and to the extent indicated in Schedule 2 hereto, to sell the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from each such Selling Stockholder the Option Shares at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares. If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 12 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Selling Stockholders by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the Representatives in their sole discretion shall make. Any such election to purchase Option Shares shall be made in proportion to the maximum number of Option Shares to be sold by each Selling Stockholder as set forth in Schedule 2 hereto.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth day following the date of the Prospectus, by written notice from the Representatives to the Attorneys-in-Fact (as defined below). Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date nor later than the tenth full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 12 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(b) The Company and the Selling Stockholders understand that the Underwriters intend to make a public offering of the Shares, and initially to offer the Shares on the terms set forth in the Pricing Disclosure Package. The Company and the Selling Stockholders acknowledge and agree that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the accounts specified by the Company and the Attorneys-in-Fact or any of them (with regard to payment to the Selling Stockholders), to the Representatives in the case of the Underwritten Shares, at the offices of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 at 10:00 A.M., New York City time, on [•], 2019, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives, the Company and the Attorneys-in-Fact may agree upon in writing or, in the

case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date", and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date."

Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date in book-entry form registered in such names and in such denominations as the Representatives shall request in writing not later than two full business days prior to the Closing Date or the Additional Closing Date, as the case may be, with any transfer taxes payable in connection with the sale of such Shares duly paid by the Company and the Selling Stockholders, as applicable. Delivery of the Shares shall be made through the facilities of The Depository Trust Company ("**DTC**") unless the Representatives shall otherwise instruct.

(d) Each of the Company and each Selling Stockholder acknowledges and agrees that the Representatives and the other Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company and the Selling Stockholders with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company, the Selling Stockholders or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company, the Selling Stockholders or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Selling Stockholders shall consult with their own advisors concerning such matters and each shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and neither the Representatives nor any other Underwriter shall have any responsibility or liability to the Company or the Selling Stockholders with respect thereto. Any review by the Representatives and the other Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Representatives and the other Underwriters and shall not be on behalf of the Company or the Selling Stockholders.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter and the Selling Stockholders that:

(a) *Preliminary Prospectus.* No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the applicable provisions of the Securities Act, and no Preliminary Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect

to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(b) *Pricing Disclosure Package.* The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof. No statement of material fact included in the Prospectus has been omitted from the Pricing Disclosure Package and no statement of material fact included in the Pricing Disclosure Package that is required to be included in the Prospectus has been omitted therefrom.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "**Issuer Free Writing Prospectus**") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complies in all material respects with the applicable provisions of the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, and, when taken together with the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in

conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(d) *Emerging Growth Company*. From the time of initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communication) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "**Emerging Growth Company**"). "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Securities Act.

(e) *Testing-the-Waters Materials.* The Company (i) has not alone engaged in any Testing-the-Waters Communications other than Testing-the-Waters Communications with the consent of the Representatives with entities that are qualified institutional buyers within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501 under the Securities Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications by virtue of a writing substantially in the form of Exhibit A hereto. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Annex B hereto. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act. Any individual Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, complied in all material respects with the applicable provisions of the Securities Act, and when taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the knowledge of the Company, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment complied and, as of the Closing Date

or any Additional Closing Date, will comply in all material respects with the applicable provisions of the Securities Act, and, as of such dates, did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will comply in all material respects with the applicable requirements of the Securities Act and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(g) *Financial Statements.* The financial statements (including the related notes thereto) of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly in all material respects the financial position of the Company as of the dates indicated and the results of its operations and the changes in its cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles ("**GAAP**") in the United States applied on a consistent basis throughout the periods covered thereby, except in the case of unaudited interim financial statements, which are subject to normal year-end adjustments and do not contain certain footnotes as permitted by the applicable rules of the Commission, and any supporting schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the other financial information included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and presents fairly in all material respects the information shown thereby; all disclosures included in the Registration Statement, the Pricing Disclosure Package and the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of Commission) comply with Regulation G of the Securities Exchange Act of 1934, as amended and the rules and regulations of the Commission thereunder (collectively, the "**Exchange Act**"), and Item 10 of Regulation S-K of the Securities Act, to the extent applicable.

(h) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there has not been any change in the capital stock (other than the issuance of common stock of the Company upon exercise of stock options described as outstanding in, and the grant of options and other awards under existing equity compensation plans described in, the Registration Statement, the Pricing

Disclosure Package and the Prospectus), any material change in short-term debt or long-term debt of the Company, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development that would reasonably be expected to result in a prospective material adverse change, in or affecting the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company; (ii) the Company has not entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company or incurred any liability or obligation, direct or contingent, that is material to the Company; and (iii) the Company has not sustained any loss or interference with its business that is material to the Company and that is either from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, except in each case as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(i) *Organization and Good Standing.* The Company has been duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization, 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 its business requires such qualification, and have all power and authority necessary to own or hold its properties and to conduct the business in which it is engaged, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company or on the performance by the Company of its obligations under this Agreement (a "**Material Adverse Effect**"). The Company does not own or control, directly or indirectly, any corporation, association or other entity.

(j) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization"; all the outstanding shares of capital stock of the Company (including the Shares to be sold by the Selling Stockholders) have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights that have not been duly waived or satisfied; except as described in or expressly contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and all the outstanding shares of capital stock owned, directly or indirectly,

by the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party.

(k) *Stock Options.* With respect to the stock options (the "**Stock Options**") granted pursuant to the equity compensation plans of the Company (the "**Company Stock Plans**"), (i) each Stock Option intended to qualify as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "**Code**") so qualifies, (ii) each grant of a Stock Option was duly authorized no later than the date on which the grant of such Stock Option was by its terms to be effective (the "**Grant Date**") by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (iii) each such grant was made in all material respects in accordance with the terms of the Company Stock Plan, if any, under which it was granted and all other applicable laws and regulatory rules or requirements and (iv) each such grant was properly accounted for in accordance with GAAP in the financial statements (including the related notes) of the Company included in the Registration Statement.

(l) *Due Authorization.* The Company has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(m) *Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(n) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued, delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and nonassessable and will conform in all material respects to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights that have not been duly waived or satisfied.

(o) *Descriptions of the Underwriting Agreement.* This Agreement conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(p) *No Violation or Default.* The Company is not (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the

due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any property or asset of the Company is subject; or (iii) in violation of any law or statute applicable to the Company, or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate reasonably be expected to have a Material Adverse Effect.

(q) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares by the Company, the issuance by the Company of the Shares to be issued upon the exercise of the Options (as hereinafter defined) and the consummation by the Company of the transactions contemplated by this Agreement or the Pricing Disclosure Package and the Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of the Company pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any property, right or asset of the Company is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or (iii) result in the violation of any law or statute applicable to the Company or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, have a Material Adverse Effect.

(r) *No Consents Required.* No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance by the Company of the Shares to be issued upon the exercise of the Options (as defined below) and the consummation of the transactions contemplated by this Agreement, except for the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the Financial Industry Regulatory Authority, Inc. ("**FINRA**") and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(s) *Legal Proceedings.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no legal, governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings ("**Actions**") pending to which the Company is or may reasonably be expected to become a party or to which any property of the Company is or may be reasonably expected to become the subject that, individually or in the aggregate,

if determined adversely to the Company, would reasonably be expected to have a Material Adverse Effect; no such Actions are, to the knowledge of the Company, threatened or contemplated by any governmental or regulatory authority or threatened by others; and (i) there are no current or pending Actions that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no statutes, regulations, contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(t) *Independent Accountants*. Ernst & Young LLP, who have certified certain financial statements of the Company, is an independent registered public accounting firm with respect to the Company within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(u) *Title to Real and Personal Property.* The Company has good and marketable title to, or has valid rights to lease or otherwise use, all items of real and personal property that are necessary to the business of the Company, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company or (ii) would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(v) *Intellectual Property.* Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) the Company owns or has the right to use all patents, trademarks, service marks, trade names, domain names and other source indicators, copyrights and copyrightable works, know-how, trade secrets, systems, procedures, proprietary or confidential information and all other worldwide intellectual property, industrial property and proprietary rights (including all registrations and applications for registration of, and all goodwill associated with, the foregoing) (collectively, "**Intellectual Property**") used in or necessary for the conduct of its business (the "**Company Intellectual Property**"); (ii) to the Company's knowledge, the conduct of its business has not infringed, misappropriated or otherwise violated any Intellectual Property of any person; (iii) the Company has not received any written notice of any claim of infringement, misappropriation or other violation of, or conflict with, Intellectual Property of any person, no such claim, action, suit or proceeding is pending against the Company, and the Company is not otherwise aware of any claims, actions, suits or proceedings challenging the ownership, validity, enforceability or scope of any Company Intellectual Property; (iv) to the knowledge of the Company, the Company Intellectual Property is not being infringed, misappropriated or otherwise violated by any person; (v) none of the Company Intellectual Property has been adjudged invalid or

unenforceable and, to the knowledge of the Company, all Company Intellectual Property is valid and enforceable; and (vi) the Company has taken reasonable steps in accordance with normal industry practice to maintain the confidentiality of all Company Intellectual Property, the value of which to the Company is contingent upon maintaining the confidentiality thereof.

(w) *No Undisclosed Relationships.* No relationship, direct or indirect, exists between or among the Company, on the one hand, and the directors, officers, stockholders, customers, suppliers or other affiliates of the Company, on the other, that is required by the Securities Act to be described in each of the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(x) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof received by the Company as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "**Investment Company Act**").

(y) *Taxes.* The Company has paid all federal, state, local and foreign taxes except for any tax that is being contested in good faith and for which an adequate reserve or accrual has been established in accordance with GAAP, and filed all tax returns required to be paid or filed through the date hereof, except for any failure to pay or file that would not, individually or in the aggregate, reasonably be expected to have a Materially Adverse Effect; and except as otherwise disclosed in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, there is no tax deficiency that has been, or could reasonably be expected to be, asserted against the Company or any of its properties or assets, that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(z) *Licenses and Permits.* The Company possesses all licenses, sub-licenses, certificates, permits and other authorizations issued by, and has made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of its properties or the conduct of its business as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and except as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has not received notice of any revocation or modification of any such license, sub-license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit or authorization will not be renewed in the ordinary course, except where such

revocation, modification or non-renewal would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(aa) *No Labor Disputes.* No labor disturbance by or dispute with employees of the Company exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its principal suppliers, contractors or customers, except as would not reasonably be expected to have a Material Adverse Effect. The Company has not received any notice of cancellation or termination with respect to any collective bargaining agreement to which it is a party.

(bb) *Certain Environmental Matters*. (i) The Company (x) is in compliance with all, and have not violated any, applicable federal, state, local and foreign laws (including common law), rules, regulations, requirements, decisions, judgments, decrees, orders and other legally enforceable requirements relating to pollution or the protection of human health or safety, the environment, natural resources, hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "**Environmental Laws**"); (y) has received and is in compliance with all, and have not violated any, permits, licenses, certificates or other authorizations or approvals required of them under any Environmental Laws to conduct their respective businesses; and (z) has not received notice of any actual or potential liability or obligation under or relating to, or any actual or potential violation of, any Environmental Laws, including for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice, and (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company, except in the case of each of (i) and (ii) above, for any such matter as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) except as described in each of the Pricing Disclosure Package and the Prospectus, (x) there is no proceeding that is pending, or that is known to be contemplated, against the Company under any Environmental Laws in which a governmental entity is also a party, other than such proceeding regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed, (y) the Company is not aware of any facts or issues regarding compliance with Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that would reasonably be expected to have a material adverse effect on the capital expenditures, earnings or competitive position of the Company, and (z) the Company does not anticipate material capital expenditures relating to any Environmental Laws.

(cc) *Compliance with ERISA.* (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), for which the Company or any member of its "Controlled Group" (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that

would be regarded as a single employer with the Company under Section 414(b),(c),(m) or (o) of the Code) would have any liability (excluding, for the avoidance of doubt, any plan that is not maintained, sponsored, contributed to or required to be contributed to by the Company or any member of its Controlled Group and with respect to which the Company is merely a service provider or third party administrator) (each, a "**Plan**") has been maintained in compliance, in all material respects, with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (iv) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA) and no Plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA is in "endangered status" or "critical status" (within the meaning of Sections 304 and 305 of ERISA) (v) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (vi) no "reportable event" (within the meaning of Section 4043(c) of ERISA and the regulations promulgated thereunder) has occurred or is reasonably expected to occur; (vii) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification; (viii) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guarantee Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA); and (ix) none of the following events has occurred or is reasonably likely to occur: (A) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group affiliates in the current fiscal year of the Company and its Controlled Group affiliates compared to the amount of such contributions made in the Company's and its Controlled Group affiliates' most recently completed fiscal year; or (B) a material increase in the Company's "accumulated post-retirement benefit obligations" (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company's most recently completed fiscal year, except in each case with respect to the events or conditions set forth in (i) through (ix) hereof, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(dd) *Disclosure Controls*. The Company maintains an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that complies with the applicable requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in

reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

(ee) *Accounting Controls.* The Company maintains systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that are designed to comply with the applicable requirements of the Exchange Act and have been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company maintains internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (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 the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no material weaknesses in the Company's internal controls (it being understood that the Company is not required to comply with Section 404 of the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated in connection thereunder (the "**Sarbanes-Oxley Act**") as of the date hereof. The Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting that have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(ff) *Insurance.* The Company has insurance covering its properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as the Company reasonably believes are adequate to protect the Company and its business; and the Company has not (i) received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business.

(gg) *Cybersecurity; Privacy; Data Protection*. The Company's information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") are, in the Company's reasonable belief, 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, free and clear of all bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants that would reasonably be expected to have a Material Adverse Effect. The Company has implemented and maintained commercially reasonable controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data (including all personal, personally identifiable, sensitive, confidential or regulated data (collectively, "**Personal Data**")) used in connection with its business and, to the knowledge of the Company, there have been no breaches, violations, outages or unauthorized uses of or accesses to the same, except for those that (x) did not or would not reasonably be expected to result in a Material Adverse Effect and (y) have been remedied without material cost or liability or the duty to notify any governmental authority, nor any material incidents under internal review or investigations relating to the same. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus and except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, the Company is in compliance with all applicable laws, statutes or regulations relating to the privacy and security of Personal Data, including without limitation and to the extent applicable the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**") as amended by the Health Information Technology for Economic and Clinical Health Act (the "**HITECH Act**"), and all binding judgments, orders and rules of any court or arbitrator or governmental or regulatory authority (collectively, the "**Privacy Laws**") and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification. The Company has in place and takes appropriate steps reasonably designed to ensure compliance in all material respects with its written policies and procedures relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Personal Data (the "**Policies**"). To the Company's knowledge, it makes all disclosures to users or customers required by applicable Privacy Laws, and no such disclosures made or contained in any external written Policies have been materially inaccurate or in violation of any Privacy Laws. The Company: (i) has not received written notice of any actual or potential liability under or relating to, or actual or potential violation of, any of the Privacy Laws, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is not currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law; and (iii) is not a party to any governmental order, decree, or agreement that imposes any obligation or liability under any Privacy Law.

(hh) *No Unlawful Payments.* Neither the Company nor any officer of the Company nor, to the knowledge of the Company, any director, employee, agent,

affiliate or other person associated with or acting on behalf of the Company has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any unlawful rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company has instituted, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(ii) *Compliance with Anti-Money Laundering Laws*. The operations of the Company are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended by the USA PATRIOT Act of 2001, the applicable money laundering statutes of all jurisdictions where the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(jj) *No Conflicts with Sanctions Laws.* Neither the Company nor any of its officers, nor, to the knowledge of the Company, any director, employee, agent, affiliate or other person associated with or acting on behalf of the Company is currently the subject or the target of any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("**UNSC**"), the European Union, Her Majesty's Treasury ("**HMT**") or other relevant sanctions authority (collectively, "**Sanctions**"), nor is the Company located, organized or resident in a country or territory that is the subject or target of comprehensive territorial Sanctions, currently, Crimea, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any

Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past five years, the Company has not knowingly engaged in and is not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(kk) *No Broker's Fees.* The Company is not a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(ll) *No Registration Rights*. No person has the right to require the Company to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission, the issuance and sale of the Shares by the Company or, to the knowledge of the Company, the sale of the Shares to be sold by the Selling Stockholders hereunder, other than those rights that have been disclosed in the Registration Statement, Pricing Disclosure Package and Prospectus and have been waived.

(mm) *No Stabilization.* Without giving effect to any activities of the Underwriters, neither the Company nor any of its controlled affiliates has taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(nn) *Margin Rules*. Neither the issuance, sale and delivery of the Shares nor the application of the proceeds thereof by the Company as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(oo) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) included in any of the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(pp) *Statistical and Market Data*. Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(qq) *The Options*. The unissued Shares issuable upon the exercise of options (the "**Options**") to be exercised by certain of the Selling Stockholders (the "**Optionholders**") have been duly authorized by the Company and validly and reserved

for issuance, and at the time of delivery to the Underwriters with respect to such Shares, such Shares will be issued and delivered in accordance with the provisions of the Stock Option Agreements between the Company and such Selling Stockholders pursuant to which such Options were granted (the "**Option Agreements**") and will be validly issued, fully paid and non-assessable and will conform to the description thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(rr) *The Option Agreements.* The Options were duly authorized and issued pursuant to the Option Agreements and constitute valid and binding obligations of the Company and the Optionholders are entitled to the benefits provided by the Option Agreements; the Option Agreements were duly authorized, executed and delivered and constitute valid and legally binding agreements enforceable against the Company in accordance with their terms except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or by equitable principles relating to enforceability; and the Options and the Option Agreements conform to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(ss) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any applicable provision of the Sarbanes-Oxley Act, including Section 402 related to loans and Sections 302 and 906 related to certifications, to the extent compliance is required.

(tt) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act.

(uu) *No Ratings*. There are (and prior to the Closing Date, will be) no debt securities, convertible securities or preferred stock issued or guaranteed by the Company that are rated by a "nationally recognized statistical rating organization", as such term is defined in Section 3(a)(62) under the Exchange Act.

(vv) *Insurance Claims.* The Company has not received any written notice from a managed care insurer seeking, threatening, requesting or claiming recoupment against the Company, except (i) for claims rejected or payments recouped in the ordinary course of business or (ii) to the extent that such recoupment would not reasonably be expected to have a Material Adverse Effect.

(ww) *No Unlawful Reimbursements*. None of the Company nor, to the knowledge of the Company, any of its officers, directors, stockholders, employees or agents, has engaged on behalf of the Company in any of the following: (i) knowingly and willfully making or causing to be made a false statement or representation of a material

fact in any applications for any benefit or payment from any managed care insurer, (ii) knowingly and willfully making or causing to be made any false statement or representation of a material fact for use in determining rights to any benefit or payment from any managed care insurer, (iii) knowingly and willfully failing to disclose knowledge by a claimant of the occurrence of any event affecting the initial or continued right to any benefit or payment from any managed care insurer on its own behalf or on behalf of another, with intent to secure such benefit or payment fraudulently or (iv) knowingly and willfully offering, paying, soliciting or receiving any unlawful remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind (1) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by any managed care insurer or (2) in return for purchasing, leasing or ordering or arranging for or recommending the purchasing, leasing or ordering of any good, facility, service or item for which payment may be made in whole or in part by any managed care insurer.

4. Representations and Warranties of the Selling Stockholders. Each of the Selling Stockholders severally and not jointly represents and warrants to each Underwriter and the Company that:

(a) *Required Consents; Authority*. All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement and the Power of Attorney (the "**Power of Attorney**") and the Custody Agreement (the "**Custody Agreement**") hereinafter referred to, and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained, except where the failure to obtain any such consent, approval, authorization or order would not, individually or in the aggregate, reasonably be expected

to have an adverse effect on the validity of the Shares or the ability of such Selling Stockholder to consummate the transactions contemplated by this Agreement and except (i) such as have been obtained or will be obtained prior to the Closing Date or (ii) such as may be required by the Securities Act, the Exchange Act, the rules of the Exchange, FINRA, or the securities or Blue Sky laws of the various states in connection with the offer and sale of the Shares; and such Selling Stockholder has full right, power and authority to enter into this Agreement, the Power of Attorney and the Custody Agreement and to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder; this Agreement, the Power of Attorney and the Custody Agreement have each been duly authorized, executed and delivered by or on behalf of such Selling Stockholder.

(b) *No Conflicts*. The execution, delivery and performance by such Selling Stockholder of this Agreement, the Power of Attorney and the Custody Agreement, the sale of the Shares to be sold by such Selling Stockholder and the consummation by such Selling Stockholder of the transactions contemplated herein or therein will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of such Selling Stockholder pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property, right or asset of such Selling Stockholder is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of such Selling Stockholder or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory agency having jurisdiction over such Selling Shareholder, except in the cases of clauses (i) and (iii) above, for any breach, violation or default that would not, individually or in the aggregate, reasonably be expected to have an adverse effect on the validity of the Shares or the ability of such Selling Stockholder to consummate the transactions contemplated by this Agreement.

(c) *Title to Shares.* Such Selling Stockholder has good and valid title to the Shares to be sold at the Closing Date and the Additional Closing Date, as the case may be, by such Selling Stockholder hereunder (other than the Shares to be issued upon exercise of Options), free and clear of all liens, encumbrances, equities or adverse claims; such Selling Stockholder will have, immediately prior to the Closing Date and the Additional Closing Date, as the case may be, assuming due issuance of any Shares to be issued upon exercise of Options, good and valid title to the Shares to be sold at the Closing Date and the Additional Closing Date, as the case may be, by such Selling Stockholder, free and clear of all liens, encumbrances, equities or adverse claims; and, upon delivery of the certificates representing such Shares and payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all liens, encumbrances, equities or adverse claims, will pass to the several Underwriters.

(d) *No Stabilization.* Such Selling Stockholder has not taken and will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(e) *Pricing Disclosure Package.* The Pricing Disclosure Package, at the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the representations and warranties set forth in this Section 4(e) are limited in all respects to statements or omissions made in reliance upon and in conformity with information relating to each Selling Stockholder furnished to the Company in writing by such Selling Stockholder expressly for use in the Pricing Disclosure Package, and any amendment or supplement thereto; it being understood and agreed that the only such information furnished by each such Selling Stockholder consists of (A) the legal name, address and the number and type of shares of capital stock owned by such Selling Stockholder (including any information about beneficial ownership, voting power and investment control of such shares) before the offering, and (B) the other information (excluding percentages) with respect to the Selling Stockholder which appears in the table (and corresponding footnotes) under the caption "Principal and Selling Stockholders" in the Registration Statement, any Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus (the "**Selling Stockholder Information**").

(f) *Issuer Free Writing Prospectus and Written Testing-the-Waters Communication.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, such Selling Stockholder (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any Issuer Free Writing Prospectus or Written Testing-the-Waters Communication, other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A or Annex B hereto, each electronic road show and any other written communications approved in writing in advance by the Company and the Representatives.

(g) *Registration Statement and Prospectus.* As of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the representation and warranties set forth in this Section 4(g) are limited in all respects to such statements or omissions

made in reliance upon and in conformity with information relating to any such Selling Stockholder furnished to the Company in writing by such Selling Stockholder expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Selling Stockholder is the Selling Stockholder Information.

(h) *Material Information*. As of the date hereof and as of the Closing Date that the sale of the Shares by such Selling Stockholder is not and will not be prompted by any material information concerning the Company which is not set forth in the Registration Statement, the Pricing Disclosure Package or the Prospectus.

(i) *No Unlawful Payments.* Neither such Selling Stockholder nor any of its subsidiaries, nor any officer of such Selling Stockholder or any of its subsidiaries nor, to the knowledge of such Selling Stockholder, any director, employee, agent, affiliate or other person associated with or acting on behalf of such Selling Stockholder or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any unlawful rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. Such Selling Stockholder and its subsidiaries have instituted, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(j) *Compliance with Anti-Money Laundering Laws*. The operations of such Selling Stockholder and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where such Selling Stockholder or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "**Selling Stockholder Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving such Selling Stockholder or any of its subsidiaries with respect to the Selling Stockholder Anti-Money Laundering Laws is pending or, to the knowledge of such Selling Stockholder, threatened.

(k) *No Conflicts with Sanctions Laws.* Neither such Selling Stockholder nor any of its subsidiaries or officers, nor, to the knowledge of such Selling Stockholder, any director, employee, agent, affiliate or other person associated with or acting on behalf of such Selling Stockholder or any of its subsidiaries is currently the subject or the target of any Sanctions, nor is such Selling Stockholder, any of its subsidiaries located, organized or resident in a Sanctioned Country; and such Selling Stockholder will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past five years, such Selling Stockholder and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(l) *Organization and Good Standing.* Such Selling Stockholder has been duly organized and is validly existing and in good standing under the laws of its respective jurisdictions of organization.

(m) *ERISA.* Such Selling Stockholder is not (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan or account subject to Section 4975 of the Code or (iii) an entity deemed to hold "plan assets" of any such plan or account under Section 3(42) of ERISA, 29 C.F.R. 2510.3-101, or otherwise.

Each of the Selling Stockholders represents and warrants that certificates in negotiable or book-entry form representing all of the Shares to be sold by such Selling Stockholders hereunder other than any such Shares to be issued upon the exercise of Options, have been, and each of the Selling Stockholders who is selling Shares upon the exercise of Options represents and warrants that duly completed and executed irrevocable Option exercise notices, in the forms specified by the relevant Option Agreement, with respect to all of the Shares to be sold by such Selling Stockholders hereunder have been, placed in custody under a Custody Agreement relating to such Shares, in the form heretofore furnished to you, duly executed and delivered by such Selling Stockholder to Computershare, Inc., as custodian (the "**Custodian**"), and that such Selling Stockholder has duly executed and delivered Powers of Attorney, in the form heretofore furnished to you, appointing the person or persons indicated in Schedule 2 hereto, and each of them, as such Selling Stockholder's Attorneys-in-fact (the "**Attorneys-in-Fact**" or any one of them the "**Attorney-in Fact**") with authority to execute and deliver this Agreement on behalf of such Selling Stockholder, to determine the purchase price to be paid by the Underwriters to the Selling Stockholders as provided herein, to authorize the delivery of the Shares to be sold by such Selling Stockholder hereunder, to authorize (if applicable)

the exercise of the Options to be exercised with respect to the Shares to be sold by such Selling Stockholder hereunder and otherwise to act on behalf of such Selling Stockholder in connection with the transactions contemplated by this Agreement and the Custody Agreement.

Each of the Selling Stockholders specifically agrees that the Shares represented by the certificates or in book-entry form, or the irrevocable Option exercise notice, in either case held in custody for such Selling Stockholder under the Custody Agreement, are subject to the interests of the Underwriters hereunder, and that the arrangements made by such Selling Stockholder for such custody, and the appointment by such Selling Stockholder of the Attorneys-in-Fact by the Power of Attorney, are to that extent irrevocable. Each of the Selling Stockholders specifically agrees that the obligations of such Selling Stockholder hereunder shall not be terminated by operation of law, whether by the death or incapacity of any individual Selling Stockholder, or, in the case of an estate or trust, by the death or incapacity of any executor or trustee or the termination of such estate or trust, or in the case of a partnership, corporation or similar organization, by the dissolution of such partnership, corporation or organization, or by the occurrence of any other event. If any individual Selling Stockholder or any such executor or trustee should die or become incapacitated, or if any such estate or trust should be terminated, or if any such partnership, corporation or similar organization should be dissolved, or if any other such event should occur, before the delivery of the Shares hereunder, certificates or book-entry securities entitlements representing such Shares shall be delivered by or on behalf of such Selling Stockholder in accordance with the terms and conditions of this Agreement and the Custody Agreement, and actions taken by the Attorneys-in-Fact pursuant to the Powers of Attorney shall be as valid as if such death, incapacity, termination, dissolution or other event had not occurred, regardless of whether or not the Custodian, the Attorneys-in-Fact, or any of them, shall have received notice of such death, incapacity, termination, dissolution or other event.

5. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies.* The Company will deliver, if requested and without charge, (i) to the Representatives, three signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy

of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses.* Before making, preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement, the Pricing Disclosure Package or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not make, prepare, use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing (which may be via electronic mail), (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Pricing Disclosure Package, the Prospectus, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information including, but not limited to, any request for information concerning any Testing-the-Waters Communication; (v) of the issuance by the Commission or any other governmental or regulatory authority of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package, the Prospectus or any Written Testing-the-Waters Communication or the initiation or, to the knowledge of the Company, threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, any of the Pricing Disclosure Package, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package, any such Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication is delivered to a purchaser, not misleading; and (vii)

of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or, to the knowledge of the Company, threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or any Written Testing-the-Waters Communication or suspending any such qualification of the Shares and, if any such order is issued, will use its reasonable best efforts to obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event or development shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with applicable law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with applicable law and (2) if at any time prior to the Closing Date (i) any event or development shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with applicable law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with applicable law.

(f) *Blue Sky Compliance.* The Company will qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any

general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement.* The Company will make generally available to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement; provided that the Company will be deemed to have furnished such statements to its security holders and the Representatives to the extent they are filed on the Commission's Electronic Data Gathering, Analysis, and Retrieval system ("**EDGAR**") .

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus (the "**Restricted Period**") , the Company will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Commission a registration statement under the Securities Act relating to, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock, or publicly disclose the intention to undertake any of the foregoing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without the prior written consent of the Representatives, other than: (A) the Shares to be sold hereunder, (B) the issuance by the Company of shares of Stock or any securities convertible into or exercisable or exchangeable for Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of options, in each case, outstanding on the date hereof and described in the Pricing Disclosure Package, (C) grants of stock options, stock awards, restricted stock or other equity awards and the issuance of shares of Stock or any securities convertible into or exercisable or exchangeable for Stock (whether upon the exercise of stock options or otherwise) pursuant to the terms of a Company Stock Plan described in the Registration Statement, the Pricing Disclosure Package or the Prospectus, (D) the entry into an agreement providing for and the issuance of shares of Stock or any securities convertible into or exercisable or exchangeable for Stock in an aggregate amount not to exceed 5% of the aggregate Stock outstanding immediately following the issuance of the Shares to be sold hereunder in connection with mergers, acquisitions or strategic transactions with an unaffiliated third party (including, without limitation, joint ventures, marketing arrangements, collaboration agreements or other commercial relationships), provided that, in the case of any issuance pursuant to this clause (D), the Company shall cause any recipient of such securities to execute and deliver to the Representatives on or prior to the issuance of such securities, lock-up letter described in Section 8(h) hereof covering the remainder of the Restricted Period, or (E) the filing of any registration statement on Form

S-8 relating to securities granted or to be granted pursuant to any Company Stock Plan or any assumed benefit plan in connection with an acquisition contemplated by clause (D).

If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in Section 6(a) or a lock-up letter described in Section 8(h) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver substantially in the form of Exhibit B hereto at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(i) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Shares as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of proceeds".

(j) *No Stabilization.* The Company will not take, directly or indirectly, without giving effect to activities by the Underwriters, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(k) *Exchange Listing.* The Company will use its reasonable best efforts to list for quotation the Shares on the Nasdaq Global Market (the "**Nasdaq Market**").

(l) *Reports.* For a period of three years from the date of this Agreement, the Company will furnish to the Representatives, as soon as commercially reasonable after the date that they are available, copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; provided the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on EDGAR.

(m) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(n) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(o) *Emerging Growth Company*. The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of Shares within the meaning of the Securities Act and (ii) completion of the Restricted Period.

6. Further Agreements of the Selling Stockholders. Each of the Selling Stockholders severally covenants and agrees with each Underwriter that:

(a) *Clear Market*. Each Selling Stockholder has entered into a "lock-up" agreement, substantially in the form of Exhibit D hereto, with the Representatives relating to sales and other dispositions of shares of Stock or certain other securities.

(b) *No Stabilization.* Such Selling Stockholder will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(c) *Tax Form.* It will deliver to the Representatives prior to or at the Closing Date a properly completed and executed United States Treasury Department Form W-9 (or other applicable form or statement specified by the Treasury Department regulations in lieu thereof) in order to facilitate the Underwriters' documentation of their compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated.

(d) *Use of Proceeds*. It will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to a subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject of target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

7. Certain Agreements of the Underwriters. Each Underwriter hereby severally represents and agrees that:

(a) It has not and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus", as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included (including through incorporation by reference) in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex A or prepared pursuant to Section 3(c) or Section 4(c) above (including any electronic road show), or (iii) any free writing prospectus prepared by such Underwriter and approved by the Company in advance in

writing (each such free writing prospectus referred to in clauses (i) or (iii), an "**Underwriter Free Writing Prospectus**").

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission; provided that Underwriters may use a term sheet substantially in the form of Annex C hereto without the consent of the Company; provided further that any Underwriter using such term sheet shall notify the Company, and provide a copy of such term sheet to the Company, prior to, or substantially concurrently with, the first use of such term sheet.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering contemplated hereby (and will promptly notify the Company and the Selling Stockholders if any such proceeding against it is initiated during the Prospectus Delivery Period).

8. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company and each of the Selling Stockholders of their respective covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before, or to the knowledge of the Company, threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 5(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The respective representations and warranties of the Company and the Selling Stockholders contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers and of each of the Selling Stockholders and their officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Material Adverse Change.* No event or condition of a type described in Section 3(h) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it

impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(d) *Officer's Certificate.* The Representatives shall have received (x) on and as of the Closing Date or the Additional Closing Date, as the case may be a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company who is satisfactory to the Representatives (i) confirming that such officers have carefully reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations of the Company set forth in Sections 3(b) and 3(d) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in paragraphs (a), (c) and (d) above and (y) on and as of the Closing Date, a certificate of each of the Selling Stockholders, in form and substance reasonably satisfactory to the Representatives, (A) confirming that the representations of such Selling Stockholder set forth in Sections 4(e), 4(f) and 4(g) hereof is true and correct and (B) confirming that the other representations and warranties of such Selling Stockholder in this agreement are true and correct and that the such Selling Stockholder has complied with all agreements and satisfied all conditions on their part to be performed or satisfied hereunder at or prior to such Closing Date.

(e) *Comfort Letters.* (i) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, Ernst & Young LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that the letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a "cut-off" date no more than two business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(ii) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives a certificate, dated the respective dates of delivery thereof and addressed to the Underwriters, of its chief financial officer with respect to certain financial data contained in the Pricing Disclosure Package and the Prospectus, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives.

(f) *Opinion and 10b-5 Statement of Counsel for the Company.* Cooley LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(g) *Opinion of Counsel for the Selling Stockholders.* Whalen LLP, counsel for the Selling Stockholders, shall have furnished to the Representatives, at the request of the Selling Stockholders, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(h) *Opinion and 10b-5 Statement of Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement, addressed to the Underwriters, of Davis Polk & Wardwell LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(i) *No Legal Impediment to Issuance and/or Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Stockholders; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Stockholders.

(j) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company in its jurisdiction of organization and its good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(k) *Exchange Listing.* The Shares to be delivered on the Closing Date or the Additional Closing Date, as the case may be, shall have been approved for listing on the Nasdaq Market, subject to official notice of issuance.

(l) *Lock-up Agreements*. The “lock-up” agreements, each substantially in the form of Exhibit D hereto, between you and certain shareholders, officers and directors of the Company relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof,

shall be full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(m) *Additional Documents.* On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company and the Selling Stockholders shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

9. Indemnification and Contribution.

(a) *Indemnification of the Underwriters by the Company.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees and other reasonable and documented expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any Written Testing-the-Waters Communication, any road show as defined in Rule 433(h) under the Securities Act (a "road show") or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (c) below.

(b) *Indemnification of the Underwriters by the Selling Stockholders.* Each of the Selling Stockholders severally and not jointly in proportion to the number of Shares to be sold by such Selling Stockholder hereunder agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any,

who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication or the Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (c) below; provided that (i) the Selling Stockholders' agreement to indemnify and hold harmless hereunder shall only apply insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with the Selling Stockholder Information and (ii) the liability of the Selling Stockholder pursuant to this Section 9(b) shall be limited in the aggregate to an amount equal to the aggregate Purchase Price (less underwriting discounts and commissions but before payment of expenses) of Shares sold by the Selling Stockholder under this Agreement (the "**Selling Stockholder Proceeds**").

(c) *Indemnification of the Company and the Selling Stockholders.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each of the Selling Stockholders and each person, if any, who controls any Selling Stockholder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the third paragraph under the caption "Underwriting (Conflicts of Interest)" and the information concerning stabilization and the option to purchase additional shares contained in the twelfth, thirteenth and fourteenth paragraphs under the caption "Underwriting (Conflicts of Interest)."

(d) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or

asserted against any person in respect of which indemnification may be sought pursuant to the preceding paragraphs of this Section 9, such person (the "**Indemnified Person**") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under the preceding paragraphs of this Section 9. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section that the Indemnifying Person may designate in such proceeding and shall pay the reasonable and documented fees and expenses in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such reasonably incurred and documented fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company and any such separate firm for the Selling Stockholders and any control persons of the Selling Stockholder shall be designated in writing by the Attorneys-in-Fact or any one of them. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this

paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(e) *Contribution.* If the indemnification provided for in paragraphs (a), (b) or (c) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, shall be deemed to be in the same respective proportions as the net proceeds (after deducting underwriting discounts and commissions but before deducting expenses) received by the Company and the Selling Stockholders from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company and the Selling Stockholders, on the one hand, and the Underwriters on the other, shall be determined 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 and the Selling Stockholders or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Notwithstanding the foregoing provisions, the liability of the Selling Stockholder pursuant to this Section 9(e) shall be limited in the aggregate to an amount equal to the Selling Stockholder Proceeds less any amounts that the Selling Stockholder is obligated to pay under Section 9(b).

(f) *Limitation on Liability.* The Company, the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to paragraph (e) above were determined by pro rata allocation (even if the Selling Stockholders or the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (e) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (e) above shall be deemed to include, subject to the limitations set forth above, any reasonable and documented legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of paragraphs (e) and (f), (i) in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission or (ii) the aggregate liability of a Selling Stockholder under Sections 9(b) and Section 9(e) combined exceed its Selling Stockholder Proceeds. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to paragraphs (e) and (f) are several in proportion to their respective purchase obligations hereunder and not joint. The Selling Stockholder's obligations to contribute pursuant to paragraphs (e) and (f) are several and not joint.

(g) *Non-Exclusive Remedies.* The remedies provided for in this Section 9 paragraphs (a) through (f) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

10. Effectiveness of Agreement. This Agreement shall become effective as of the date first written above.

11. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company and the Selling Stockholders, if after the execution and delivery of this Agreement and on or prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date (i) trading generally shall have been suspended or materially limited on or by any of the New York Stock Exchange or The Nasdaq Stock Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

12. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company and the Selling Stockholders on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Shares, then the Company and the Selling Stockholders shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company and the Selling Stockholders may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company, counsel for the Selling Stockholders or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As

used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 12, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be purchased on such date, then the Company and the Selling Stockholders shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be purchased on such date, or if the Company and the Selling Stockholders shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, as the case may be, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 12 shall be without liability on the part of the Company, except that the Company will continue to be liable for the payment of expenses as set forth in Section 13 hereof and except that the provisions of Section 9 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company, the Selling Stockholders or any non-defaulting Underwriter for damages caused by its default.

13. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, registration, issuance, sale, preparation and delivery of the Shares and any taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and independent accountants; (iv) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the laws of such jurisdictions as the

Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters in an aggregate amount not to exceed $10,000); (v) the cost of preparing stock certificates; (vii) the costs and charges of any transfer agent and any registrar; (viii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA, provided that the aggregate amount payable by the Company pursuant to clauses (iv) and (vii) shall not exceed $40,000 (excluding filing fees); (ix) all expenses incurred by the Company in connection with any "road show" presentation to potential investors, provided that the Underwriters and the Company shall each pay 50% of the cost of chartering any aircraft to be used in connection with the "road show" and, for the avoidance of doubt, the Underwriters will pay all of the travel, lodging and other expenses of the Underwriters or any of their employees incurred by them in connection with the "road show"; and (x) all expenses and application fees related to the listing of the Shares on the Nasdaq Market.

(b) If (i) this Agreement is terminated pursuant to Section 11, (ii) the Company or the Selling Stockholders for any reason fail to tender the Shares for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all reasonable and documented out-of-pocket costs and expenses (including the reasonable fees and expenses of their counsel) incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby. For the avoidance of doubt, it is understood that the Company shall not pay or reimburse any costs, fees or expenses incurred by any Underwriter that defaults on its obligations to purchase the Shares.

14. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein and the affiliates of each Underwriter referred to in Section 9 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

15. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Selling Stockholders and the Underwriters contained in this Agreement or made by or on behalf of the Company, the Selling Stockholders or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company, the Selling Stockholders or the Underwriters or the directors, officers, controlling persons or affiliates referred to in Section 9 hereof.

16. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; and (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act.

17. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. Miscellaneous.

(a) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358); Attention: Equity Syndicate Desk; c/o BofA Securities, Inc., One Bryant Park, New York, New York 10036, (fax: (646) 855-3073), Attention: Syndicate Department with a copy to ECM Legal (fax: (212) 230-8730); and c/o Goldman Sachs & Co. LLC at 200 West Street, New York, New York 10282, Attention: Registration Department. Notices to the Company shall be given to it at Progyny, Inc., 245 5th Avenue, New York, New York 10016, Attention: General Counsel, with a copy (which shall not constitute notice) to Cooley LLP, 101 California Street, 5th Floor, San Francisco, California 94111; Attention: Mark Weeks. Notices to the Selling Stockholders shall be given to the Attorneys-in-Fact, c/o the Company at Progyny, Inc., 245 5th Avenue, New York, New York 10016, Attention: General Counsel.

(b) *Governing Law.* This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(c) *Waiver of Jury Trial.* Each of the parties hereto hereby waives any right to trial by jury in any suit or proceeding arising out of or relating to this Agreement.

(d) *Recognition of the U.S. Special Resolution Regimes.*

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement,

and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 18(g):

"**BHC Act Affiliate**" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"**Covered Entity**" means any of the following:

(i) a "**covered entity**" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "**covered bank**" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "**covered FSI**" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**U.S. Special Resolution Regime**" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

(e) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(f) *Amendments or Waivers.* No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(g) *Headings.* The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

PROGYNY, INC.

By: _____
Name:
Title:

[SELLING STOCKHOLDERS]

By: _____
Name:
Title:

By: _____
Name:
Title:

As Attorneys-in-Fact acting on behalf of each of the Selling Stockholders named in Schedule 2 to this Agreement.

Accepted: As of the date first written above

For themselves and on behalf of the
several Underwriters listed
in Schedule 1 hereto.

J.P. MORGAN SECURITIES LLC

By: _____
Authorized Signatory

BOFA SECURITIES, INC.

By: _____
Authorized Signatory

GOLDMAN SACHS & CO. LLC

By: _____
Authorized Signatory

Underwriter	Number of Shares
J.P. Morgan Securities LLC	
BofA Securities, Inc.	
Goldman Sachs & Co. LLC	
Citigroup Global Markets Inc.	
Piper Jaffray & Co.	
SVB Leerink LLC	
TPG Capital BD, LLC	
Total	

Selling Stockholders:	Number of Underwritten Shares:	Number of Option Shares:

a. **Pricing Disclosure Package**

[·]

b. **Pricing Information Provided Orally by Underwriters**

[·]

Written Testing-the-Waters Communications

Annex B-1

Testing the Waters Authorization

EGC — Testing the waters authorization (to be delivered by the issuer to J.P. Morgan, BofA Securities, Inc. and Goldman Sachs & Co. LLC in email or letter form)

In reliance on Section 5(d) of the Securities Act of 1933, as amended (the "**Act**"), Progyny, Inc. (the "**Issuer**") hereby authorizes J.P. Morgan Securities LLC ("J.P. Morgan") and its affiliates and their respective employees, BofA Securities, Inc. ("**BofAS**") and its affiliates and their respective employees and Goldman Sachs & Co. LLC ("Goldman") and its affiliates and their respective employees, to engage on behalf of the Issuer in oral and written communications with potential investors that are "qualified institutional buyers", as defined in Rule 144A under the Act, or institutions that are "accredited investors", as defined in Regulation D under the Act, to determine whether such investors might have an interest in the Issuer's contemplated initial public offering ("**Testing-the-Waters Communications**"). A "Written Testing-the Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act.

The Issuer represents that it is an "emerging growth company" as defined in Section 2(a)(19) of the Act ("**Emerging Growth Company**") and agrees to promptly notify J.P. Morgan, BofAS and Goldman in writing if the Issuer hereafter ceases to be an Emerging Growth Company while this authorization is in effect. If at any time following the distribution of any Written Testing-the-Waters Communication there occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Issuer will promptly notify J.P. Morgan, BofAS and Goldman and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

Nothing in this authorization is intended to limit or otherwise affect the ability of J.P. Morgan and its affiliates and their respective employees, BofAS and its affiliates and their respective employees and Goldman and its affiliates and their respective employees, to engage in communications in which they could otherwise lawfully engage in the absence of this authorization, including, without limitation, any written communication containing only one or more of the statements specified under Rule 134(a) under the Act. This authorization shall remain in effect until the Issuer has provided to J.P. Morgan, BofAS and Goldman a written notice revoking this authorization. All notices as described herein shall be sent by email to the attention of Lauren Ruanne at lauren.e.ruanne@jpmorgan.com, with copies to Shu Mukherjee at smukherjee@baml.com and Lyla Bibi at lyla.bibi@gs.com.

Form of Waiver of Lock-up

Progyny, Inc.
Public Offering of Common Stock

, 2019

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by Progyny, Inc. (the "**Company**") of [·] shares of common stock, $[·] par value (the "**Common Stock**"), of the Company and the lock-up letter dated [·], 2019 (the "**Lock-up Letter**"), executed by you in connection with such offering, and your request for a [waiver] [release] dated , 20[·], with respect to [·] shares of Common Stock (the "**Shares**").

J.P. Morgan Securities LLC, BofA Securities, Inc. and Goldman Sachs & Co. LLC hereby agree to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective [·], 20[·]; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

Yours very truly,

[Signature of J.P. Morgan Securities LLC, BofA Securities, Inc., and Goldman Sachs & Co. LLC Representatives]

[Name of J.P. Morgan Securities LLL, BofA Securities, Inc., and Goldman Sachs & Co. LLC Representatives]

cc: Company

Exhibit C

Form of Press Release

Progyny, Inc.
[Date]

Progyny, Inc. ("Progyny") announced today that J.P. Morgan Securities LLC, BofA Securities, Inc. and Goldman Sachs & Co. LLC, the lead book-running managers in the Company's recent public sale of [·] shares of common stock, is [waiving] [releasing] a lock-up restriction with respect to [·] shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 20 , and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit C-1

Exhibit D

FORM OF LOCK-UP AGREEMENT

J.P. MORGAN SECURITIES LLC
BOFA SECURITIES, INC.
GOLDMAN SACHS & CO. LLC

As Representatives of
the several Underwriters listed in
Schedule 1 to the Underwriting

Agreement referred to below

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

c/o BofA Securities, Inc.
One Bryant Park
New York, New York 10036

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

Re: Progyny, Inc. — Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as representatives (the "Representatives") of the several Underwriters, propose to enter into an underwriting agreement (the "Underwriting Agreement") with Progyny, Inc., a Delaware corporation (the "Company") and the Selling Stockholders listed on Schedule 2 to the Underwriting Agreement, providing for the public offering (the "Public Offering") by the several Underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of common stock, par value $0.0001 per share, of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of the Representatives on behalf of the Underwriters, the undersigned will not, during the period beginning on the date of this letter agreement (this "Letter Agreement") and ending 180 days after the date of the final prospectus relating to the Public Offering (the "Prospectus") (such period, the "Restricted Period"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to

purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock, par value $0.0001 per share, of the Company (the "Common Stock") or any securities convertible into or exercisable or exchangeable for Common Stock (including without limitation, Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and securities which may be issued upon exercise of a stock option or warrant), or publicly disclose the intention to undertake any of the foregoing, (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Stock or such other securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise or (3) make any demand for or exercise any right with respect to the registration of any shares of Common Stock or any security convertible into or exercisable or exchangeable for Common Stock. The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition of any shares of Common Stock, or securities convertible into or exercisable or exchangeable for Common Stock, even if any such sale or disposition transaction or transactions would be made or executed by or on behalf of someone other than the undersigned. Notwithstanding the foregoing, the terms of this Letter Agreement shall not apply to or prohibit:

(A) sales of Securities to be sold by the undersigned pursuant to the Underwriting Agreement;

(B) transfers or dispositions of shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock (1) as a bona fide gift or gifts; (2) to an immediate family member (as defined below) or to any trust for the direct or indirect benefit of the undersigned or an immediate family member of the undersigned or, if the undersigned is a trust, to the trustee or beneficiary of such trust or to the estate of a beneficiary of such trust, (3) to any corporation, partnership, limited liability company, investment fund or other entity controlled or managed, or under common control or management by, the undersigned, (4) by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or an immediate family member of the undersigned, or (5) to a nominee or custodian of a person or entity set forth in this clause (B);

(C) transfers or distributions of shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock to general or limited partners, managers or members, stockholders, other equityholders or direct or indirect affiliates (within the meaning of Rule 405 under the Securities Act of 1933, as amended) of the undersigned or to the estates of any of the foregoing;

(D) transfers of shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock by operation of law pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement or other

final court order; provided that any filing required under the Securities and Exchange Act of 1934, as amended (the "Exchange Act") shall clearly indicate in the footnotes thereto that the filing relates to the circumstances described in this clause (D);

(E) transactions relating to Securities acquired in the Public Offering or in open market transactions after the completion of the Public Offering (other than any Company directed Securities purchased in the Public Offering by an officer or director of the Company);

(F) transfers of shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock to the Company in connection with (i) the repurchase of such securities by the Company upon the termination of the undersigned's employment or other service with the Company or (ii) the vesting event or settlement of the Company's securities or upon the "net" or "cashless" exercise of options or other rights to purchase shares of Common Stock for purposes of exercising such options or rights, including any transfer to the Company for the payment of tax withholdings or remittance payments due as a result of the vesting, settlement or exercise of such rights, in all such cases, pursuant to the outstanding equity awards or employee benefit plans disclosed in the Prospectus; provided that no filing under Section 16(a) of the Exchange Act reporting a reduction in beneficial ownership of shares of Common Stock and no other public announcement shall be required or shall be voluntarily made during the Restricted Period in connection with any such transfers (other than, after the date that is 90 days after the date of the Prospectus, any filing required under the Exchange Act, which shall clearly indicate by footnote thereto that the filing relates to the circumstances described in this clause (F));

(G) in connection with the conversion of the outstanding preferred stock, par value $0.0001 per share, of the Company into shares of Common Stock; provided that any such shares of Common Stock received upon such conversion shall be subject to the terms of this Letter Agreement;

(H) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Common Stock, provided that such plan does not provide for the transfer of Common Stock during the Restricted Period; or

(I) the transfer of shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company, made to all holders of Common Stock involving a change of control (as defined below), provided that, in the event that the tender offer, merger, consolidation or other such transaction is not completed, the Common Stock owned by the undersigned shall remain subject to the restrictions contained in this Letter Agreement;

provided that, in the case of any transfer or distribution pursuant to clause (B), (C) or (D), each transferee, donee or distributee shall execute and deliver to the Representatives a lock-up letter substantially in the form of this Letter Agreement; and provided, further that, in the case of any transfer or distribution pursuant to clause (B), (C), (E) or (H), no filing under the Exchange Act or other public announcement shall be required or shall be made voluntarily during the Restricted Period in connection with such transfer or distribution.

As used herein, (i) "immediate family member" means the spouse, domestic partner, lineal descendant, father, mother, brother, sister, or any other person with whom the undersigned has a relationship by blood, marriage or adoption not more remote than first cousin and (ii) "change of control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons (other than an Underwriter pursuant to the Public Offering), of the Company's voting securities if, after such transfer, such person or group of affiliated persons would hold more than 65% of the number of outstanding voting securities of the Company (or the surviving entity) and 65% of the voting control of the outstanding voting securities of the Company (or the surviving entity).

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company-directed Securities the undersigned may purchase in the Public Offering.

If the undersigned is an officer or director of the Company, (i) the Representatives, on behalf of the Underwriters, agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Common Stock, the Representatives, on behalf of the Underwriters, will notify the Company of the impending release or waiver, and (ii) the Company has agreed or will agree in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the Representatives, on behalf of the Underwriters, hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this Letter Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed

to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

This Letter Agreement will terminate and the undersigned shall be released from all obligations hereunder on the earliest to occur, if any, of: (a) the Company, on the one hand, or the Representatives, on the other hand, advising the other in writing that it has determined not to proceed with the Public Offering prior to the execution of the Underwriting Agreement; (b) the date the Registration Statement relating to the Public Offering is withdrawn, if prior to the closing of the Public Offering; (c) the date the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder; and (d) December 31, 2019, if the Underwriting Agreement does not become effective by such date. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

By: _____
Name:
Title:

Exhibit 3.1

PROGYNY, INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

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

Progyny, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "***General Corporation Law***"), does hereby certify as follows.

1. The name of this corporation is Progyny, Inc. This corporation was originally incorporated pursuant to the General Corporation Law on April 3, 2008 under the name Auxogen Bioscience, Inc.

2. The Board of Directors of this corporation duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows.

RESOLVED, that the Restated Certificate of Incorporation of this corporation be amended and restated in its entirety to read as set forth on Exhibit A attached hereto and incorporated herein by this reference.

Exhibit A referred to in the resolution above is attached hereto as Exhibit A and is hereby incorporated herein by this reference.

3. This Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

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

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on October 14, 2019.

By: /s/ David Schlanger
David Schlanger, Chief Executive Officer

Exhibit A

PROGYNY, INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

ARTICLE I: NAME.

The name of this corporation is Progyny, Inc. (the "***Corporation***").

ARTICLE II: REGISTERED OFFICE.

The address of the registered office of the Corporation in the State of Delaware is 160 Greentree Drive, Suite 101, in the City of Dover, County of Kent, Delaware 19904. The name of its registered agent at such address is National Registered Agents, Inc.

ARTICLE III: PURPOSE.

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

ARTICLE IV: AUTHORIZED SHARES.

The total number of shares of all classes of stock which the Corporation shall have authority to issue is (a) 1,000,000,000 shares of Common Stock, $0.0001 par value per share ("***Common Stock***"), and (b) 314,930,070 shares of Preferred Stock, $0.0001 par value per share ("***Preferred Stock***"), of which 69,930,070 shares are hereby designated "***Series A Preferred Stock***" and 245,000,000 are hereby designated "***Series B Preferred Stock***." References in this Amended and Restated Certificate of Incorporation (the "***Restated Certificate***") to "Preferred Stock" shall mean the Series A Preferred Stock and/or Series B Preferred Stock, as required by the context.

Effective immediately upon the effectiveness of the filing with the Secretary of State of the State of Delaware of this Restated Certificate (the "***Effective Time***"), the outstanding shares of the Corporation's capital stock shall, automatically and without any action on the part of the respective holders thereof, be reverse split such that (a) each one (1) share of Common Stock outstanding immediately prior to the Effective Time is reverse split into 1/4.5454 of a share of validly issued, fully paid and non-assessable Common Stock with a par value of $0.0001 per share, and (b) each one (1) share of each series of Preferred Stock outstanding immediately prior to the Effective Time is reverse split into 1/4.5454 of a share of validly issued, fully paid and non-assessable Preferred Stock of the relevant series,with a par value of $0.0001 per share (the "***Reverse Stock Split***"). Unless otherwise specifically set forth herein, all share and per share numbers set forth in this Restated Certificate are on a post-Reverse Stock Split basis. All shares of each class or series of capital stock held by a stockholder of the Corporation shall be aggregated for purposes of determining whether the Reverse Split would result (absent provision in this Restated Certificate to the contrary) in the issuance of any fractional share; if after the aforementioned aggregation the Reverse Split would result in the issuance of any

fractional share, the Corporation shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the fair market value of one share of Common Stock or Preferred Stock, as applicable, (as determined by the Board) on the date of the Reverse Stock Split. For the avoidance of doubt, there shall be no fractional shares issued as a result of the Reverse Stock Split, but the Corporation shall instead pay to any stockholder who would be entitled to receive a fractional share any amounts owing in respect thereof as provided in the preceding sentence. The Reverse Stock Split shall occur whether or not the certificates representing such holders' shares of Common Stock or Preferred Stock held prior to the Effective Time are surrendered to the Corporation or its transfer agent; *provided*, *however*, that the Corporation shall not be obligated to issue certificates evidencing the shares held by any holder resulting from the Reverse Stock Split unless either the certificates evidencing such shares of Common Stock or Preferred Stock are delivered to the Corporation or its transfer agent, or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates. At and after the Effective Time, any outstanding stock certificate that immediately prior to the Effective Time evidenced ownership of and represented shares of capital stock of the Corporation shall from and after the Effective Time, automatically and without the necessity of presenting the same for exchange be deemed for all purposes to evidence ownership of and to represent that number of whole shares of Common Stock or Preferred Stock into which the shares of Common Stock or Preferred Stock held immediately prior to the Effective Time shall have been reclassified pursuant to this Restated Certificate and, from and after the Effective Time, the registered owner thereof on the books and records of the Corporation shall have and be entitled to exercise any voting and other rights with respect to, and to receive any dividend and other distributions upon, all such shares of capital stock. Notwithstanding anything herein to the contrary, the par value of each share of the Corporation's outstanding Common Stock and Preferred Stock will not be adjusted in connection with the Reverse Stock Split.

The following is a statement of the designations and the rights, powers and preferences, and the qualifications, limitations or restrictions thereof, in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). Unless required by law, there shall be no cumulative voting. Subject only to such other votes as may be required by Section 3 of Article IV.B below, the number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of the Restated Certificate) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, as permitted by the provisions of Section 242(b)(2) of the General Corporation Law and without a separate class vote of the holders of the Common Stock.

B. PREFERRED STOCK

The following rights, powers and preferences, and restrictions, qualifications and limitations, shall apply to the Preferred Stock. Unless otherwise indicated, references to "Sections" in this Part B of this Article IV refer to sections of this Part B.

1. Dividends.

1.1 Non-Cumulative Preferred Stock Dividend Preference. The Corporation shall not pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) in any calendar year unless (in addition to the obtaining of any consents required elsewhere in this Restated Certificate) the holders of the Preferred Stock then outstanding shall first receive, or simultaneously receive, on a *pari passu* basis among each other, out of funds legally available therefor, a dividend on each outstanding share of Preferred Stock in an amount equal to 8% of the Original Issue Price (as defined below) per share of such Preferred Stock. The foregoing dividends shall not be cumulative and shall be paid when, as and if declared by the Board of Directors of the Corporation (the "***Board***"). In the case of the Series A Preferred Stock, the "***Original Issue Price***" shall mean $1.2999844 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series A Preferred Stock in shares of such stock, and in the case of the Series B Preferred Stock, the "***Original Issue Price***" shall mean $1.72588838 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series B Preferred Stock in shares of such stock.

1.2 Participation. If, after dividends in the full preferential amount specified in Section 1.1 for the Preferred Stock have been paid or set apart for payment in any calendar year of the Corporation, the Board shall declare additional dividends out of funds legally available therefor in that calendar year, then such additional dividends shall be declared pro rata on the Common Stock and the Preferred Stock on a pari passu basis according to the number of shares of Common Stock held by such holders. For this purpose each holder of shares of Preferred Stock is to be treated as holding the greatest whole number of shares of Common Stock then issuable upon conversion of all shares of Preferred Stock held by such holder pursuant to Sections 4 and 5.

1.3 Non-Cash Dividends. Whenever a dividend provided for in this Section 1 shall be payable in property other than cash, the value of such dividend shall be deemed to be the fair market value of such property as determined in good faith by the Board.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Payments to Holders of Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or any Deemed Liquidation Event (as defined below), before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, the holders of shares of each series of Preferred Stock then outstanding shall be entitled to be paid, on a *pari passu* basis among each other, out of the funds

and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the Original Issue Price for such series of Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of such series of Preferred Stock been converted into Common Stock pursuant to Sections 4 and 5 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event. If upon any such liquidation, dissolution, winding up or Deemed Liquidation Event of the Corporation, the funds and assets available for distribution to the stockholders of the Corporation shall be insufficient to pay the holders of shares of Preferred Stock the full amounts to which they are entitled under this Section 2.1, the holders of shares of Preferred Stock shall share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable pursuant to this Section 2.1 in respect of the shares of Preferred Stock held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution, winding up or Deemed Liquidation Event of the Corporation, after the payment of all preferential amounts required to be paid to the holders of shares of Preferred Stock as provided in Section 2.1, the remaining funds and assets available for distribution to the stockholders of the Corporation shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares of Common Stock held by each such holder.

2.3 Deemed Liquidation Events.

2.3.1 Definition. Each of the following events shall be considered a "***Deemed Liquidation Event***" unless the holders of at least sixty percent (60%) of the outstanding shares of Preferred Stock (voting together as a single class on an as-converted basis) elect otherwise by written notice sent to the Corporation at least five days prior to the effective date of any such event:

(a) a merger or consolidation (each a "***Combination***") in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such Combination, except any such Combination involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such Combination continue to represent, or are converted into or exchanged for equity securities that represent, immediately following such Combination, at least a majority, by voting power, of the equity securities of (1) the surviving or resulting party or (2) if the surviving or resulting party is a wholly owned subsidiary of another party immediately following such Combination, the parent of such surviving or resulting party; *provided* that, for the purpose of this Section 2.3.1, all shares of Common Stock issuable upon exercise of Options (as defined in Section 5 below) outstanding immediately prior to such Combination or upon conversion of Convertible Securities (as defined in Section 5 below) outstanding immediately prior to such Combination shall be deemed to be outstanding immediately prior to such Combination and, if applicable, deemed to be converted or exchanged in such Combination on the same terms as the actual outstanding shares of Common Stock are converted or exchanged; or

(b) (i) the sale, lease, transfer or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary or subsidiaries of the Corporation, of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, (or, if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by one or more subsidiaries, the sale or disposition (whether by consolidation, merger, conversion or otherwise) of such subsidiaries of the Corporation), except where such sale, lease, transfer or other disposition is made to the Corporation or one or more wholly owned subsidiaries of the Corporation, or (ii) the exclusive, worldwide and irrevocable licensing of all or substantially all of the Corporation's (or any subsidiary of the Corporation's) intellectual property (together an "***Asset Disposition***").

2.3.2 Allocation of Escrow. In the event of a Deemed Liquidation Event, if any portion of the consideration payable to the stockholders of the Corporation is placed into escrow and/or is payable to the stockholders of the Corporation subject to contingencies, the transaction documents shall provide that (i) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the "***Initial Consideration***") shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event and (ii) any additional consideration which becomes payable to the stockholders of the Corporation upon release from escrow or satisfaction of contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction.

2.3.3 Amount Deemed Paid or Distributed. The funds and assets deemed paid or distributed to the holders of capital stock of the Corporation upon any such Combination or Asset Distribution shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. If the amount deemed paid or distributed under this Section 2.3.3 is made in property other than in cash, the value of such distribution shall be the fair market value of such property, as determined in good faith by the Board; *provided*, *however*, that the following shall apply for securities not subject to investment letters or other similar restrictions on free marketability, unless otherwise provided for in the definitive documents governing such Combination or Asset Distribution:

(i) if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange or market over the 30-period ending three days prior to the closing of such transaction;

(ii) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the 30-day period ending three days prior to the closing of such transaction; or

(iii) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board.

The method of valuation of securities subject to investment letters or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall take into account an appropriate discount (as determined in

good faith by the Board) from the market value as determined pursuant to clause (a) above so as to reflect the approximate fair market value thereof.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Fractional votes shall not be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law or by the other provisions of this Restated Certificate, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class on an as-converted basis, shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation.

3.2 Election of Directors.

3.2.1 Election. For so long as at least 2,307,720 shares of Series A Preferred Stock remain outstanding (as such number is adjusted for stock splits and combinations of shares and for dividends paid on the Preferred Stock in shares of such stock), the holders of record of the shares of Series A Preferred Stock, exclusively and as a separate class, shall be entitled to elect two (2) directors of the Corporation (the "***Series A Directors***"). For so long as at least 2,307,720 shares of Series B Preferred Stock remain outstanding (as such number is adjusted for stock splits and combinations of shares and for dividends paid on the Preferred Stock in shares of such stock), the holders of record of the shares of Series B Preferred Stock, exclusively and as a separate class, shall be entitled to elect two (2) directors of the Corporation (the "***Series B Directors***," and together with the Series A Directors, the "***Preferred Directors***"). The holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect one (1) director of the Corporation (the "***Common Director***"). The holders of record of the shares of Common Stock and of every other class or series of voting stock (including the Preferred Stock), voting together as a single class on an as-converted basis, shall be entitled to elect the remaining number of directors of the Corporation (the "***Remaining Directors***").

3.2.2 Voting by Directors.

(a) Each of the Series A Directors (the "***Super-Voting Directors***") shall have two (2) votes on all matters to be voted upon by the Board. The Series B Directors, the Common Director and the Remaining Directors shall each have one (1) vote on all matters to be voted upon by the Board.

(b) In addition to any vote of the stockholders required by law or this Restated Certificate, the following actions shall require the vote of directors representing (i) at least two-thirds (2/3rd) of the total votes represented by all then-serving members of the Board, and (ii) at least three (3) of the Preferred Directors (collectively, the "***Supermajority Board Vote***"):

(i) Incurrence of indebtedness for money borrowed in excess, in the aggregate, of $500,000 (unless included in a budget approved by Supermajority Board Vote);

(ii) Any voluntary filing for bankruptcy or assignment for the benefit of creditors;

(iii) Any change to the terms of employment of, or the individual serving as, the Corporation's Chief Executive Officer;

(iv) The making of any loan by the Corporation;

(v) Consummating an initial public offering of the Corporation's common stock;

(vi) Any increase in the number of shares reserved for issuance pursuant to equity incentive plans; and

(vii) Any grant of or change to options or other equity incentives, bonuses or other compensatory arrangements for any executive officer.

3.2.3 Vacancies. Notwithstanding the provisions of Section 223(a)(1) and 223(a)(2) of the General Corporation Law, any vacancy, including newly created directorships resulting from any increase in the authorized number of directors or amendment of this Restated Certificate of Incorporation, and vacancies created by removal or resignation of a director, may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced; *provided*, however, that where such vacancy occurs among the directors elected by the holders of a class or series of stock, the holders of shares of such class or series may override the Board's action to fill such vacancy by (i) voting for their own designee to fill such vacancy at a meeting of the Corporation's stockholders or (ii) written consent, if the consenting stockholders hold a sufficient number of shares to elect their designee at a meeting of the stockholders. Any director may be removed during his or her term of office, either with or without cause, by, and only by, the affirmative vote of the holders of the shares of the class or series of stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders, and any vacancy thereby created may be filled by the holders of that class or series of stock represented at the meeting or pursuant to written consent.

3.3 Preferred Stock Protective Provisions. At any time when at least 2,307,720 shares of Preferred Stock remain outstanding (as such number is adjusted for stock splits and

combinations of shares and for dividends paid on the Preferred Stock in shares of such stock), the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Restated Certificate) the written consent, or affirmative vote at a meeting and evidenced in writing, of the holders of at least sixty percent (60%) of the then outstanding shares of Preferred Stock, consenting or voting together as a single class on an as-converted basis:

(a) alter or change the rights, powers or preferences of the Preferred Stock set forth in the Restated Certificate of the Corporation, as then in effect, in a way that adversely affects the Preferred Stock;

(b) increase or decrease the authorized number of shares of Common Stock or Preferred Stock (or any series thereof);

(c) authorize or create (by reclassification or otherwise) any new class or series of capital stock having rights, powers or preferences set forth in the Restated Certificate, as then in effect, that are senior to or on a parity with any Preferred Stock or modify any existing class or series of capital stock such that it be senior to or on a parity with any Preferred Stock or authorize or create (by reclassification or otherwise) any security convertible into or exercisable for any such new class or series of capital stock;

(d) redeem or repurchase any shares of Common Stock or Preferred Stock, other than (i) pursuant to an agreement with an employee, consultant, director or other service provider to the Corporation or any of its wholly owned subsidiaries (collectively, "***Service Providers***") approved by the Board giving the Corporation the right to repurchase shares at the original cost thereof upon the termination of services, or (ii) an exercise of a right of first refusal in favor of the Corporation pursuant to an agreement with any Service Provider, which exercise has been approved by the Board;

(e) declare or pay any dividend or otherwise make a distribution to holders of Preferred Stock or Common Stock, other than a dividend on the Common Stock payable in shares of Common Stock;

(f) liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any Deemed Liquidation Event, or consent, agree or commit to any of the foregoing without conditioning such consent, agreement or commitment upon obtaining the approval required by this Section 3.3;

(g) increase or decrease the authorized number of directors constituting the Board;

(h) incur indebtedness for borrowed money in excess of $500,000 in the aggregate (unless approved by the Supermajority Board Vote pursuant to Section 3.2.2);

(i) otherwise amend, alter, restate, or repeal any provision of the Restated Certificate or the bylaws of the Corporation in a manner that adversely affects the Preferred Stock; or

(j) take any of the above actions 3.3(a) — (i) with respect to a direct or indirect subsidiary of the Corporation (including, without limitation, (x) for purposes of Section 3.3(f) any transaction or series of related transactions that results in the sale of any subsidiary (by equity, assets, or otherwise), and (y) for purposes of Section 3.3(i) any change to any organizational or governing charter documents of any subsidiary organized as business form other than a corporation, such as a limited liability company).

4. Conversion Rights. The holders of the Preferred Stock shall have conversion rights as follows (the "***Conversion Rights***"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of a series of Preferred Stock shall be convertible, at the option of the holder thereof, at any time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the Original Issue Price for such series of Preferred Stock by the Conversion Price (as defined below) for such series of Preferred Stock in effect at the time of conversion. The "***Conversion Price***" for each series of Preferred Stock shall initially mean the Original Issue Price for such series of Preferred Stock. Such initial Conversion Price, and the rate at which shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided in Section 5.

4.1.2 Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that any such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Preferred Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent (a "***Contingency Event***"). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or such holder's attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice (or, if later, the date on which all Contingency Events have occurred) shall be the time of conversion (the "***Conversion Time***"), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such time. The Corporation shall, as soon as practicable after the Conversion Time, (a) issue and deliver to such holder of Preferred Stock, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of

Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (b) pay in cash such amount as provided in Section 5.7.3 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (c) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

4.1.3 Effect of Voluntary Conversion. All shares of Preferred Stock that shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Section 5.7.3 and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued.

4.2 Mandatory Conversion.

4.2.1 Automatic Conversion. Immediately prior to the earlier of (a) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act based on a valuation of the Corporation of at least $150,000,000 and resulting in at least $40,000,000 of proceeds (net of underwriting discounts and commissions) to the Corporation and (b) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least sixty percent (60%) of the outstanding shares of Preferred Stock at the time of such vote or consent, voting together as a single class on an as-converted basis (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "***Mandatory Conversion Time***"), (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with this Section 4 and (ii) such shares may not be reissued by the Corporation.

4.2.2 Mandatory Conversion Procedural Requirements.

(a) All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to Sections 4.2.1. Unless otherwise provided in this Restated Certificate, such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock shall surrender such holder's certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice, and shall thereafter receive certificates for the number of shares of Common Stock to which such holder is entitled pursuant to this Section 4.2.

(b) If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of

transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or by such holder's attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to this Section 4.2, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 4.2.2(b). As soon as practicable after the Mandatory Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall issue and deliver to such holder, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Section 5.7.3 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock (and the applicable series thereof) accordingly.

4.3 Termination of Conversion Rights. Subject to Section 4.1.2 in the case of a Contingency Event, in the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the third day preceding the date fixed for the first payment of any funds and assets distributable on such event to the holders of Preferred Stock.

5. Adjustments to Conversion Price.

5.1 Adjustments for Diluting Issuances.

5.1.1 Special Definitions. For purposes of this Article IV, the following definitions shall apply:

(a) "***Option***" shall mean any right, option or warrant to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities from the Corporation.

(b) "***Convertible Securities***" shall mean any evidences of indebtedness, shares or other securities issued by the Corporation that are directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(c) "***Additional Shares of Common Stock***" with respect to a series of Preferred Stock shall mean all shares of Common Stock issued (or, pursuant to Section 5.1.2 below, deemed to be issued) by the Corporation after the Effective Time for such series of Preferred Stock, other than the following shares of Common Stock and shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (collectively as to all such shares and shares deemed issued, "***Exempted Securities***"):

(i) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on such series of Preferred Stock;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on or subdivision of shares of Common Stock that is covered by Section 5.2, 5.3, 5.4, 5.5 or 5.6 (including, for the avoidance of doubt, pursuant to the Reverse Stock Split);

(iii) shares of Common Stock or Options to acquire shares of Common Stock, including but not limited to stock appreciation rights payable in shares of Common Stock or in Options or Convertible Securities, issued to Service Providers pursuant to a plan, agreement or arrangement approved by the Board;

(iv) shares of Common Stock issued pursuant to the conversion or exercise of convertible or exercisable securities outstanding on the Effective Time;

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other lenders pursuant to a debt financing or equipment leasing transaction that is for primarily non-equity financing purposes and has been approved by the Board;

(vi) shares of Common Stock, Options or Convertible Securities issued pursuant to a bona fide acquisition of another entity by the Corporation by merger or consolidation with, purchase of substantially all of the assets of, or purchase of more than fifty percent of the outstanding equity securities of, the other entity, or issued pursuant to an agreement, that is approved by the Board;

(vii) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or similar agreements or strategic partnerships, which issuances are approved by the Board and are for primarily non-equity financing purposes;

(viii) shares of Common Stock, Options or Convertible Securities issued as a result of a decrease in the Conversion Price of any series of Preferred Stock resulting from the operation of Section 5.1.3;

(ix) shares of Common Stock issued in an offering to the public pursuant to a registration statement filed under the Securities Act of 1933, as amended (the "***Securities Act***") with, and declared effective by, the Securities and Exchange Commission; or

(x) as to any particular series of Preferred Stock the issuance or deemed issuance of Common Stock if the Corporation receives written notice from the holders of at least a majority of the then outstanding shares of such series of Preferred Stock agreeing that no adjustment shall be made to the Conversion Price of such series as a result of the issuance or deemed issuance.

5.1.2 Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Effective Time for a series of Preferred Stock shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability (including the passage of time) but without regard to any provision contained therein for a subsequent adjustment of such number including by way of anti-dilution adjustment) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (ii) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Conversion Price of such series of Preferred Stock computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Conversion Price of such series of Preferred Stock as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this Section 5.1.2(b) shall have the effect of increasing the Conversion Price of a series of Preferred Stock to an amount which exceeds the lower of (1) the Conversion Price for such series of Preferred Stock in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (2) the Conversion Price for such series of Preferred Stock that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities that are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3 (either because the consideration per share (determined pursuant to Section 5.1.4) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Price of such series of Preferred Stock then in effect, or because such Option or Convertible Security was issued before the Effective Time), are revised after the Effective Time as a result of an amendment to such terms or any other adjustment

pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (ii) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Section 5.1.2(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) that resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3, the Conversion Price of such series of Preferred Stock shall be readjusted to such Conversion Price of such series of Preferred Stock as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Conversion Price of a series of Preferred Stock provided for in this Section 5.1.2 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in Sections 5.1.2(b) and 5.1.2(c)). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to such Conversion Price that would result under the terms of this Section 5.1.2 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to such Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

5.1.3 Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Effective Time issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 5.1.2), without consideration or for a consideration per share less than the Conversion Price for such series of Preferred Stock in effect immediately prior to such issue, then such Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-thousandth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

"CP_2" shall mean the applicable Conversion Price in effect immediately after such issue or deemed issue of Additional Shares of Common Stock;

"CP_1" shall mean the applicable Conversion Price in effect immediately prior to such issue or deemed issue of Additional Shares of Common Stock;

"A" shall mean the number of shares of Common Stock outstanding immediately prior to such issue or deemed issue of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities (including the Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

"B" shall mean the number of shares of Common Stock that would have been issued or deemed issued if such Additional Shares of Common Stock had been issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

"C" shall mean the number of such Additional Shares of Common Stock actually issued or deemed issued in such transaction.

5.1.4 Determination of Consideration. For purposes of this Section 5.1, the consideration received by the Corporation for the issue or deemed issue of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board.

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 5.1.2, relating to Options and Convertible Securities, shall be determined by dividing

(i) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating

thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

5.1.5 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.2, then, upon the final such issuance, the Conversion Price of such series of Preferred Stock shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period that are a part of such transaction or series of related transactions).

5.2 Adjustment for Stock Splits and Combinations. If at any time or from time to time after the Effective Time the Corporation shall effect a subdivision of the outstanding Common Stock, the Conversion Price for each series of Preferred Stock in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If at any time or from time to time after the Effective Time the Corporation shall combine the outstanding shares of Common Stock, the Conversion Price for each series of Preferred Stock in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this section shall become effective at the close of business on the date the subdivision or combination becomes effective. For the avoidance of doubt, no adjustment shall be made pursuant to this Section 5.2 in respect of the Reverse Stock Split.

5.3 Adjustment for Certain Dividends and Distributions. In the event that at any time or from time to time after the Effective Time the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Conversion Price for each series of Preferred Stock in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying such Conversion Price then in effect by a fraction:

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, such Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter such Conversion Price shall be adjusted pursuant to this section as of the time of actual payment of such dividends or distributions; and (ii) no such adjustment shall be made if the holders of such series of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

5.4 Adjustments for Other Dividends and Distributions. In the event that at any time or from time to time after the Effective Time the Corporation shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock), then and in each such event the holders of each series of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities in an amount equal to the amount of such securities as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

5.5 Adjustment for Reclassification, Exchange and Substitution. If, at any time or from time to time after the Effective Time, the Common Stock issuable upon the conversion of a series of Preferred Stock is changed into the same or a different number of shares of any class or classes of stock of the Corporation, whether by recapitalization, reclassification or otherwise (other than by a stock split or combination, dividend, distribution, merger or consolidation covered by Sections 5.2, 5.3, 5.4 or 5.6 or by Section 2.3 regarding a Deemed Liquidation Event), then in any such event each holder of such series of Preferred Stock shall have the right thereafter to convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the number of shares of Common Stock into which such shares of Preferred Stock could have been converted immediately prior to such recapitalization, reclassification or change.

5.6 Adjustment for Merger or Consolidation. Subject to the provisions of Section 2.3, if, at any time or from time to time after the Effective Time, there shall occur any consolidation or merger involving the Corporation in which the Common Stock (but not a series of Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 5.1, 5.3, 5.4 or 5.5), then, following any such consolidation or merger, provision shall be made that each share of each series of Preferred

Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of such series of Preferred Stock immediately prior to such consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board) shall be made in the application of the provisions in Section 4 and this Section 5 with respect to the rights and interests thereafter of the holders of such series of Preferred Stock, to the end that the provisions set forth in Section 4 and this Section 5 shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of such series of Preferred Stock.

5.7 General Conversion Provisions.

5.7.1 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price of a series of Preferred Stock pursuant to this Section 5, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 15 days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of such series of Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which such series of Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of any series of Preferred Stock (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (a) the Conversion Price of such series of Preferred Stock then in effect and (b) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of such series of Preferred Stock.

5.7.2 Reservation of Shares. The Corporation shall at all times while any share of Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate. Before taking any action that would cause an adjustment reducing the Conversion Price of a series of Preferred Stock below the then par value of the shares of Common Stock issuable upon conversion of such series of Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Conversion Price.

5.7.3 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair value of a share of Common Stock as determined in good faith by the Board. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

5.7.4 No Further Adjustment after Conversion. Upon any conversion of shares of Preferred Stock into Common Stock, no adjustment to the Conversion Price of the applicable series of Preferred Stock shall be made with respect to the converted shares for any declared but unpaid dividends on such series of Preferred Stock or on the Common Stock delivered upon conversion.

6. Redemption. The Preferred Stock shall not be redeemable at the option of the holder thereof.

7. Waiver. Any of the rights, powers, preferences and other terms of a series of the Preferred Stock or the Preferred Stock as a class that are set forth herein may be waived on behalf of all holders of such series of Preferred Stock or the Preferred Stock as a class by the affirmative written consent or vote of the holders of at least sixty percent (60%) of the shares of such series of Preferred Stock or such Preferred Stock as a class that are then outstanding, treating any convertible Preferred Stock as-if converted to Common Stock.

8. Notice of Record Date. In the event:

(a) the Corporation shall set a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or subscription right, and the amount and character of such dividend, distribution or subscription right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification,

consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent (A) at least 20 days prior to the earlier of the record date or effective date for the event specified in such notice or (B) such fewer number of days as may be approved the holders of at least sixty percent (60%) of the outstanding shares of Preferred Stock acting as a single class on an as-converted basis.

9. **Notices.** Except as otherwise provided herein, any notice required or permitted by the provisions of this Article IV to be given to a holder of shares of Preferred Stock shall be mailed, or delivered by a nationally recognized express carrier service, postage or delivery charges prepaid, to the address last shown on the records of the Corporation for such holder, given by the holder to the Corporation for the purpose of notice or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission. If no such address appears or is given, notice shall be deemed given at the place where the principal executive office of the Corporation is located.

ARTICLE V: PREEMPTIVE RIGHTS.

No stockholder of the Corporation shall have a right to purchase shares of capital stock of the Corporation sold or issued by the Corporation except to the extent that such a right may from time to time be set forth in a written agreement between the Corporation and any stockholder.

ARTICLE VI: BYLAW PROVISIONS.

A. **AMENDMENT OF BYLAWS.** Subject to any additional vote required by the Restated Certificate or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

B. **NUMBER OF DIRECTORS.** Subject to any additional vote required by the Restated Certificate, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation.

C. **BALLOT.** Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

D. **MEETINGS AND BOOKS.** Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board or in the Bylaws of the Corporation.

ARTICLE VII: DIRECTOR LIABILITY.

A. **LIMITATION.** To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article VII to authorize corporate

action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended. Any repeal or modification of the foregoing provisions of this Article VII by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

B. INDEMNIFICATION. To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

C. MODIFICATION. Any amendment, repeal or modification of the foregoing provisions of this Article VII shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

ARTICLE VIII: CORPORATE OPPORTUNITIES.

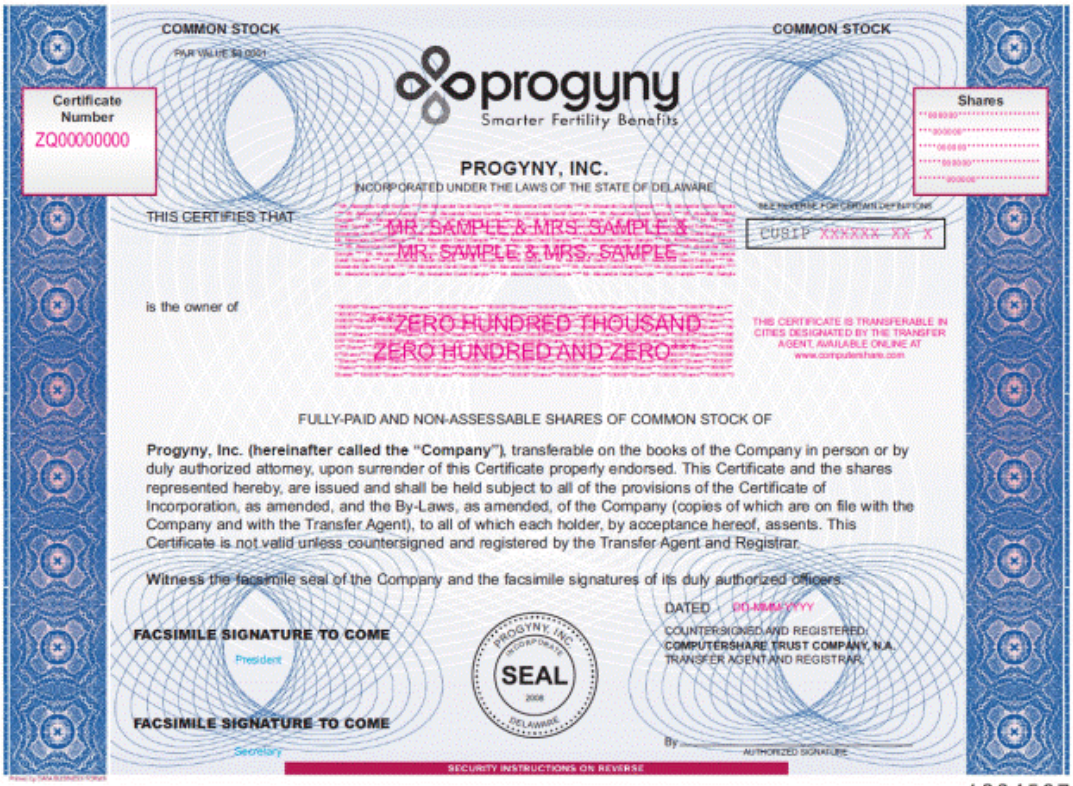
In the event that a director of the Corporation who is also a partner or employee of an entity that is a holder of Preferred Stock or any of its affiliates and that is in the business of investing and reinvesting in other entities (each, a "***Fund***"), acquires knowledge of a potential transaction or matter in such person's capacity as a partner or employee of the Fund and that may be a corporate opportunity for both the Corporation and such Fund, such director shall to the fullest extent permitted by law have fully satisfied and fulfilled such director's fiduciary duty to the Corporation and its stockholders with respect to such corporate opportunity, and the Corporation to the fullest extent permitted by law waives any claim that such business opportunity constituted a corporate opportunity that should have been presented to the Corporation or any of its affiliates, if such director acts in good faith in a manner consistent with the following policy: a corporate opportunity offered to any person who is a director of the Corporation, and who is also a partner or employee of a Fund shall belong to such Fund, unless such opportunity was expressly offered to such person solely in his or her capacity as a director of the Corporation.

ARTICLE IX: CREDITOR AND STOCKHOLDER COMPROMISES.

Whenever a compromise or arrangement is proposed between the Corporation and its creditors or any class of them and/or between the Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of the Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for the Corporation under the provisions of §291 of Title 8 of the General Corporation Law or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under §279 of Title 8 of the General Corporation Law order a meeting of the creditors or class of creditors, and/or of the stockholders or class of

stockholders of the Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of the Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of the Corporation, as the case may be, and also on the Corporation.

ZQ|CERT#|COY|CLS|RGSTRY|ACCT#|TRANSTYPE|RUN#|TRANS#



1234567

MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4

PO BOX 505000, Louisville, KY 40233-5000

progyny
Smarter Fertility Benefits

CUSIP/IDENTIFIER
Holder ID
Insurance Value
Number of Shares
DTC

12345678 123456789012345
XXXXXX XX X
XXXXXXXXXX
1,000,000.00
12345

Certificate Numbers	Num/No.	Denom.	Total
12345678901234567890	1	1	1
12345678901234567890	2	2	2
12345678901234567890	3	3	3
12345678901234567890	4	4	4
12345678901234567890	5	5	5
12345678901234567890	6	6	6
Total Transaction			7

PROGYNY, INC.

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS, A SUMMARY OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE COMPANY AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND RIGHTS, AND THE VARIATIONS IN RIGHTS, PREFERENCES AND LIMITATIONS DETERMINED FOR EACH SERIES, WHICH ARE FIXED BY THE CERTIFICATE OF INCORPORATIONOF THE COMPANY, AS AMENDED, AND THE RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY, AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES. SUCH REQUEST MAY BE MADE TO THE OFFICE OF THE SECRETARY OF THE COMPANY OR TO THE TRANSFER AGENT. THE BOARD OF DIRECTORS MAY REQUIRE THE OWNER OF A LOST OR DESTROYED STOCK CERTIFICATE, OR HIS LEGAL REPRESENTATIVES, TO GIVE THE COMPANY A BOND TO INDEMNIFY IT AND ITS TRANSFER AGENTS AND REGISTRARS AGAINST ANY CLAIM THAT MAY BE MADE AGAINST THEM ON ACCOUNT OF THE ALLEGED LOSS OR DESTRUCTION OF ANY SUCH CERTIFICATE.

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	UNIF GIFT MIN ACT	-.....(Cust).....Custodian.....(Minor)..... under Uniform Gifts to Minors Act.....(State).....
TEN ENT	- as tenants by the entireties		
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT	-.....(Cust).....Custodian (until age.....)..... (Minor)..... under Uniform Transfers 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 TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE)

_____ Shares

of the Common 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 Company with full power of substitution in the premises.

Dated: _____ 20_____

Signature:_____

Signature:_____

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 whatever.

Signature(s) Guaranteed: Medallion Guarantee Stamp

THE SIGNATURE(S) SHOULD 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 S.E.C. RULE 17Ad-15.

SECURITY INSTRUCTIONS

THIS IS WATERMARKED PAPER. DO NOT ACCEPT WITHOUT NOTING WATERMARK. HOLD TO LIGHT TO VERIFY WATERMARK.

The IRS requires that the named transfer agent ("we") report the cost basis of certain shares or units acquired after January 1, 2011. If your shares or units are covered by the legislation, and you requested to sell or transfer the shares or units using a specific cost basis calculation method, then we have processed as you requested. If you did not specify a cost basis calculation method, then we have defaulted to the first in, first out (FIFO) method. Please consult your tax advisor if you need additional information about cost basis.

If you do not keep in contact with the issuer or do not have any activity in your account for the time period specified by state law, your property may become subject to state unclaimed property laws and transferred to the appropriate state.

1534241

Exhibit 4.2

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO SUCH SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

AUXOGYN, INC.

WARRANT TO PURCHASE PREFERRED STOCK

No. **Issue Date:**

Void After

THIS CERTIFIES THAT, for value received, , with its principal office at or assigns (the "***Holder***"), is entitled to subscribe for and purchase at the Exercise Price (defined below) from **AUXOGYN, INC.**, a Delaware corporation, with its principal office at 1490 O'Brien Drive, Suite A, Menlo Park, California 94025, U.S.A. (the "***Company***") up to an aggregate of (x) shares (subject to adjustment pursuant to Section 5 below (the "***Initial Shares***") of the Series B Preferred Stock of the Company (the "***Series B Preferred***") plus, if applicable as set forth below, (y) the Additional Shares (as defined below) (subject to adjustment pursuant to Section 5 below).

This Warrant is being issued pursuant to the terms of the Series B Preferred Stock, Warrant and Convertible Note Purchase Agreement, dated September 6, 2013, by and among the Company, the Holder, and certain other Investors set forth on Exhibit A therein (as the same may be amended from time to time, the "***Purchase Agreement***"). Capitalized terms used but not defined or otherwise provided for in this Warrant shall have the meanings ascribed to them in the Purchase Agreement.

1. DEFINITIONS. As used herein, the following terms shall have the following respective meanings:

(a) "***Additional Shares***" shall mean the number of shares of Specified Preferred equal to the sum of (i) thirty percent (30%) of the quotient of (A) the principal amount of any Note actually purchased by such Holder pursuant to the Purchase Agreement, divided by (B) the Exercise Price, *plus* (ii) twenty-five percent (25%) of the quotient of (A) the difference between (x) the principal amount of any Note actually purchased by such Investor pursuant to the Purchase Agreement, minus (y) such Holder's Pro Rata Note Amount, divided by (B) the Exercise Price.

(b) "***Exercise Period***" shall mean the period commencing with the Issue Date and ending September 6, 2023, unless sooner terminated as provided elsewhere in this Warrant.

(c) "***Exercise Price***" shall mean (i) as to the Initial Shares, $0.3797 per Exercise Share, subject to adjustment pursuant to Section 5 below, and (ii) as to the Additional

Shares, either (x) $0.3797 per Exercise Share, subject to adjustment pursuant to Section 5, below if the Specified Preferred is Series B Preferred, or (y) the Conversion Price (as defined in the Note actually purchased by the Holder), if the Specified Preferred is any other series of preferred stock of the Company.

(d) "***Exercise Shares***" shall mean the shares of the Company's Preferred Stock issuable upon exercise of this Warrant, subject to adjustment pursuant to the terms herein, including but not limited to adjustment pursuant to Section 5 below.

(e) "***Preferred Stock***" shall mean the Series B Preferred and/or the Specified Preferred, as applicable.

(f) "***Specified Preferred***" shall mean (i) the series of the Company's preferred stock (if any) issued upon conversion of any Note actually purchased by the Holder, or (ii) the Series B Preferred if the Note is never converted into shares of the Company's preferred stock.

2. EXERCISE OF WARRANT.

2.1 The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following to the Company at its address set forth above (or at such other address as it may designate by notice in writing to the Holder):

(a) An executed Notice of Exercise in the form attached hereto;

(b) Payment of the Exercise Price either (i) in cash or by check, (ii) by cancellation of indebtedness, (iii) evidence satisfactory to the Company in its sole discretion of Holder's ability to utilize any or all of the Credits (which evidence shall detail which Credit is being used, and for what U.S. dollar amount, not to exceed the maximum amount of the Credit earned as of the date of exercise); and

(c) This Warrant.

Upon the exercise of the rights represented by this Warrant (whether pursuant to Section 2.1 or Section 2.2), a certificate or certificates for the Exercise Shares so purchased, registered in the name of the Holder shall be issued and delivered to the Holder within a reasonable time after the rights represented by this Warrant shall have been so exercised.

The Holder shall be deemed to have become the holder of record of the Exercise Shares as to which this Warrant has been exercised (whether pursuant to Section 2.1 or Section 2.2) on the date on which this Warrant was surrendered and payment of the Exercise Price was made, regardless of the date of delivery of such certificate or certificates, except that, if the date of such surrender and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

2.2 Net Exercise. Notwithstanding any provisions herein to the contrary, if the fair market value of one share of the Company's Preferred Stock is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of shares of Preferred Stock computed using the following formula:

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

Where X = the number of shares of Preferred Stock to be issued to the Holder (rounded down to the nearest whole share)

Y = the number of shares of Preferred Stock purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = the fair market value of one share of the Company's Preferred Stock (at the date of such calculation)

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

For purposes of the above calculation, the fair market value of one share of Preferred Stock shall be determined by the Company's Board of Directors in good faith; *provided*, *however*, that in the event that this Warrant is exercised pursuant to this Section 2.2 in connection with the Company's initial public offering of its Common Stock, the fair market value per share shall be the product of (i) the per share offering price to the public of the Company's initial public offering, and (ii) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise.

2.3 Conditional Exercise. The Holder may exercise this Warrant conditioned upon (and effective immediately prior to) consummation of any Early Termination Event that would cause the expiration of this Warrant pursuant to Section 7 by so indicating in the notice of exercise.

2.4 Automatic Exercise. If the Holder of this Warrant has not elected to exercise this Warrant prior to expiration of this Warrant pursuant to Section 7, then this Warrant shall automatically (without any act on the part of the Holder) be exercised pursuant to Section 2.2 effective immediately prior to the expiration of the Warrant to the extent such net issue exercise would result in the issuance of Exercise Shares, unless Holder shall earlier provide written notice to the Company that the Holder desires that this Warrant expire unexercised. If this Warrant is automatically exercised, the Company shall notify the Holder of the automatic exercise as soon as reasonably practicable, and the Holder shall surrender the Warrant to the Company in accordance with the terms hereof.

3. COVENANTS OF THE COMPANY.

3.1 Covenants as to Exercise Shares. The Company covenants and agrees that all Exercise Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the Exercise Period, have authorized and reserved, free from preemptive rights, a sufficient number of shares of its Preferred Stock to provide for the exercise of the rights represented by this Warrant. If at any time during the Exercise Period the number of authorized but unissued shares of Preferred Stock shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Preferred Stock to such number of shares as shall be sufficient for such purposes.

3.2 Notices of Record Date. In the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend which is the same as cash dividends paid in previous quarters) or other distribution, the Company shall mail to the Holder, at least ten (10) days prior to the date specified herein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution.

4. REPRESENTATIONS OF HOLDER.

4.1 Acquisition of Warrant for Personal Account. The Holder represents and warrants that it is acquiring the Warrant and the Exercise Shares solely for its account for investment and not with a view to or for sale or distribution of said Warrant or Exercise Shares or any part thereof. The Holder also represents that the entire legal and beneficial interests of the Warrant and Exercise Shares the Holder is acquiring is being acquired for, and will be held for, its account only.

4.2 Securities Are Not Registered.

(a) The Holder understands that the Warrant and the Exercise Shares have not been registered under the Securities Act of 1933, as amended (the "***Act***") on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention.

(b) The Holder recognizes that the Warrant and the Exercise Shares must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available. The Holder recognizes that the Company has no obligation to register the Warrant or the Exercise Shares of the Company, or to comply with any exemption from such registration, except as set forth in the Investors' Rights Agreement, as the same may be amended and/or restated in accordance with its terms from time to time.

(c) The Holder is aware that neither the Warrant nor the Exercise Shares may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

4.3 Disposition of Warrant and Exercise Shares.

(a) In addition to any other limitations on the transfer of this Warrant set forth in this Warrant, the Purchase Agreement, the Related Agreements, the Company's Bylaws, or otherwise, the Holder further agrees not to make any disposition of all or any part of the Warrant or Exercise Shares in any event unless and until:

(i) The Company shall have received a letter secured by the Holder from the Securities and Exchange Commission stating that no action will be recommended to the Commission with respect to the proposed disposition;

(ii) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with said registration statement; or

(iii) The Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Company, the Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, for the Holder to the effect that such disposition will not require registration of such Warrant or Exercise Shares under the Act or any applicable foreign and/or state securities laws.

(b) The Holder understands and agrees that all certificates evidencing the shares to be issued to the Holder may bear the following legend (in addition to any legend required by the Bylaws, the Purchase Agreement, the Related Agreements or applicable law):

> THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

5. ADJUSTMENTS.

5.1 In the event of changes in the outstanding Preferred Stock of the Company by reason of stock dividends, split-ups, recapitalizations, reclassifications, combinations or

exchanges of shares, separations, reorganizations, liquidations, or the like, the number and class of shares available under the Warrant in the aggregate and the Exercise Price shall be correspondingly adjusted to give the Holder of the Warrant, on exercise for the same aggregate Exercise Price, the total number, class, and kind of shares as the Holder would have owned had the Warrant been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment; provided, however, that such adjustment shall not be made with respect to, and this Warrant shall terminate if not exercised prior to, the events set forth in Section 7 below.

5.2 Immediately prior to the closing of the Company's initial public offering, this Warrant shall become exercisable for that number of shares of Common Stock of the Company into which the shares of Preferred Stock issuable under this Warrant would then be convertible, so long as such shares, if this warrant has been exercised prior to such offering, would have been converted into shares of the Company's Common Stock pursuant to the automatic conversion provisions (or otherwise) of the Company's Amended and Restated Certificate of Incorporation as in effect on such date.

5.3 No new replacement Warrant need be issued as a result of any adjustment pursuant to this Section 5.

6. FRACTIONAL SHARES. No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Exercise Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then current fair market value of an Exercise Share by such fraction.

7. EARLY TERMINATION. In the event of, at any time during the Exercise Period, any Deemed Liquidation Event (as defined in the Restated Charter, as the same may be amended and/or restated from time to time), the Company shall provide to the Holder ten (10) days' advance written notice of such Deemed Liquidation Event (each, an "***Early Termination Event***"), and this Warrant shall terminate upon the consummation of such Early Termination Event unless this Warrant is properly exercised prior to the date the Company consummates such Early Termination Event.

8. MARKET STAND-OFF AGREEMENT. Holder hereby agrees that this Warrant and the Exercise Shares (together with any Common Stock issued or issuable upon conversion of the Exercise Shares or any other securities issued in respect thereof) are subject to Section 3.11 of the Investors' Rights Agreement, as the same may be amended and/or restated in accordance with its terms from time to time.

9. NO STOCKHOLDER RIGHTS. This Warrant in and of itself shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company.

10. TRANSFER OF WARRANT. Subject to applicable laws, the restriction on transfer set forth on the first page of this Warrant, and any restrictions applicable to the transfer of shares set forth in the Company's Bylaws, the Purchase Agreement, the Related Agreements or any other agreement between the Company and the Holder, this Warrant and all rights hereunder are transferable, by the Holder in person or by duly authorized attorney, upon delivery of this Warrant and the form of assignment attached hereto to any transferee designated by Holder and the transferee's execution and delivery to the Company of an investment letter in form and substance satisfactory to the Company.

11. LOST, STOLEN, MUTILATED OR DESTROYED WARRANT. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

12. NOTICES, ETC. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the applicable address set forth in the introductory paragraph of this Warrant, or at such other address as the Company or Holder may designate by ten (10) days advance written notice to the other parties hereto.

13. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

14. GOVERNING LAW. This Warrant and all rights, obligations and liabilities hereunder shall be governed by the laws of the State of California.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of the Issue Date set forth on the first page of this Warrant.

COMPANY:

AUXOGYN, INC.

By: _____

ACCEPTED AND AGREED:

HOLDER:

By: _____

Name: _____

Title: _____

Date: _____

[WARRANT SIGNATURE PAGE]

NOTICE OF EXERCISE

TO: AUXOGYN, INC. (THE "*COMPANY*"):

(1) ☐ The undersigned hereby elects to purchase shares of the Series B Preferred Stock of the Company pursuant to the terms of the attached Warrant, and tenders herewith payment of the Exercise Price in full, together with all applicable transfer taxes, if any.

☐ The undersigned hereby elects to purchase shares of the Series B Preferred Stock of the Company pursuant to the terms of the net exercise provisions set forth in Section 2.2 of the attached Warrant, and shall tender payment of all applicable transfer taxes, if any.

(2) Is this a conditional exercise pursuant to Section 2.3: ☐ Yes ☐ No

If "Yes," indicate the applicable condition:

(3) The undersigned represents that (i) the aforesaid shares of Preferred Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares; (ii) the undersigned is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned's own interests; (iv) the undersigned understands that the shares of Preferred Stock issuable upon exercise of this Warrant have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Preferred Stock may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the number of years prescribed by Rule 144, that among the conditions for use of the Rule is the availability of current information to the public about the Company and the Company has not made such information available and has no present plans to do so; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Preferred Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or the undersigned has provided the Company with an opinion of counsel satisfactory to the Company, stating that such registration is not required.

_____ **[Investor Signature Block]**

(Date)

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares. **NOTE: Assignment is subject to limitations as set forth in the Warrant; do not provide the Assignment Form prior to complying with the terms of the Warrant related to transfers of the Warrant.**)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Dated: , 20

Holder's Signature: _____

Holder's Address: _____

NOTE: The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

Exhibit 4.3

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO SUCH SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

AUXOGYN, INC.

WARRANT TO PURCHASE PREFERRED STOCK

No. **Issue Date:**

Void After

THIS CERTIFIES THAT, for value received, , with its principal office at or assigns (the "***Holder***"), is entitled to subscribe for and purchase at the Exercise Price (defined below) from **AUXOGYN, INC.**, a Delaware corporation, with its principal office at 1490 O'Brien Drive, Suite A, Menlo Park, California 94025, U.S.A. (the "***Company***") up to an aggregate of all of the Covered Shares (as defined below) (subject to adjustment pursuant to Section 5 below).

This Warrant is being issued pursuant to the terms of the Note and Warrant Purchase Agreement, dated December 19, 2014, by and among the Company, the Holder, and certain other Investors set forth on Exhibit A therein (as the same may be amended from time to time, the "***Purchase Agreement***"). Capitalized terms used but not defined or otherwise provided for in this Warrant shall have the meanings ascribed to them in the Purchase Agreement.

1. DEFINITIONS. As used herein, the following terms shall have the following respective meanings:

(a) "***Covered Shares***" shall mean the number of shares of Specified Preferred equal to thirty percent (30%) of the quotient of (A) the principal amount of each Note actually purchased by such Holder pursuant to the Purchase Agreement, divided by (B) the Exercise Price.

(b) "***Exercise Period***" shall mean the period commencing with the Issue Date and ending at 5:00 p.m. Pacific time on December 18, 2024, unless sooner terminated as provided elsewhere in this Warrant.

(c) "***Exercise Price***" shall mean either (x) $0.3797 per Exercise Share, subject to adjustment pursuant to Section 5 below, if the Specified Preferred is Series B Preferred, or (y) the Conversion Price (as defined in the Note actually purchased by the Holder), if the Specified Preferred is any other series of preferred stock of the Company.

(d) "***Exercise Shares***" shall mean the shares of the Company's Preferred Stock issuable upon exercise of this Warrant, subject to adjustment pursuant to the terms herein, including but not limited to adjustment pursuant to Section 5 below.

(e) "***Preferred Stock***" shall mean the Series B Preferred and/or the Specified Preferred, as applicable.

(f) "***Related Agreements***" shall mean the Company's Amended and Restated Investors' Rights Agreement dated July 22, 2013, as amended from time to time (the "***Investors Rights Agreement***"), the Company's Amended and Restated Voting Agreement dated May 31, 2012, as amended from time to time, and the Company's Amended and Restated Right of First Refusal and Co-Sale Agreement dated July 22, 2013, as amended from time to time.

(g) "***Specified Preferred***" shall mean (i) the series of the Company's preferred stock (if any) issued upon conversion of any Note actually purchased by the Holder, or (ii) the Series B Preferred if the Note is never converted into shares of the Company's preferred stock.

2. EXERCISE OF WARRANT.

2.1 The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following to the Company at its address set forth above (or at such other address as it may designate by notice in writing to the Holder):

(a) An executed Notice of Exercise in the form attached hereto;

(b) Payment of the Exercise Price either (i) in cash or by check, or (ii) by cancellation of indebtedness; and

(c) This Warrant.

Upon the exercise of the rights represented by this Warrant (whether pursuant to Section 2.1 or Section 2.2), a certificate or certificates for the Exercise Shares so purchased, registered in the name of the Holder shall be issued and delivered to the Holder within a reasonable time after the rights represented by this Warrant shall have been so exercised.

The Holder shall be deemed to have become the holder of record of the Exercise Shares as to which this Warrant has been exercised (whether pursuant to Section 2.1 or Section 2.2) on the date on which this Warrant was surrendered and payment of the Exercise Price was made, regardless of the date of delivery of such certificate or certificates, except that, if the date of such surrender and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

2.2 **Net Exercise**. Notwithstanding any provisions herein to the contrary, if the fair market value of one share of the Company's Preferred Stock is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of shares of Preferred Stock computed using the following formula:

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

Where X = the number of shares of Preferred Stock to be issued to the Holder (rounded down to the nearest whole share)

Y = the number of shares of Preferred Stock purchasable under the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being canceled (at the date of such calculation)

A = the fair market value of one share of the Company's Preferred Stock (at the date of such calculation)

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

For purposes of the above calculation, the fair market value of one share of Preferred Stock shall be determined by the Company's Board of Directors in good faith; *provided*, *however*, that in the event that this Warrant is exercised pursuant to this Section 2.2 in connection with the Company's initial public offering of its Common Stock, the fair market value per share shall be the product of (i) the per share offering price to the public of the Company's initial public offering, and (ii) the number of shares of Common Stock into which each share of Preferred Stock is convertible at the time of such exercise.

2.3 Conditional Exercise. The Holder may exercise this Warrant conditioned upon (and effective immediately prior to) consummation of any Early Termination Event that would cause the expiration of this Warrant pursuant to Section 7 by so indicating in the notice of exercise.

2.4 Automatic Exercise. If the Holder of this Warrant has not elected to exercise this Warrant prior to expiration of this Warrant pursuant to Section 7, then this Warrant shall automatically (without any act on the part of the Holder) be exercised pursuant to Section 2.2 effective immediately prior to the expiration of the Warrant to the extent such net issue exercise would result in the issuance of Exercise Shares, unless Holder shall earlier provide written notice to the Company that the Holder desires that this Warrant expire unexercised. If this Warrant is automatically exercised, the Company shall notify the Holder of the automatic exercise as soon as reasonably practicable, and the Holder shall surrender the Warrant to the Company in accordance with the terms hereof.

3. COVENANTS OF THE COMPANY.

3.1 Covenants as to Exercise Shares. The Company covenants and agrees that all Exercise Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the Exercise Period, have authorized and reserved, free from preemptive rights, a sufficient number of shares of its Preferred Stock to provide for the exercise of the rights represented by this Warrant. If at any time during the Exercise Period the number of authorized but unissued shares of Preferred Stock

shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Preferred Stock to such number of shares as shall be sufficient for such purposes.

3.2 Notices of Record Date. In the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend which is the same as cash dividends paid in previous quarters) or other distribution, the Company shall mail to the Holder, at least ten (10) days prior to the date specified herein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution.

4. REPRESENTATIONS OF HOLDER.

4.1 Acquisition of Warrant for Personal Account. The Holder represents and warrants that it is acquiring the Warrant and the Exercise Shares solely for its account for investment and not with a view to or for sale or distribution of said Warrant or Exercise Shares or any part thereof. The Holder also represents that the entire legal and beneficial interests of the Warrant and Exercise Shares the Holder is acquiring is being acquired for, and will be held for, its account only.

4.2 Securities Are Not Registered.

(a) The Holder understands that the Warrant and the Exercise Shares have not been registered under the Securities Act of 1933, as amended (the "***Act***") on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention.

(b) The Holder recognizes that the Warrant and the Exercise Shares must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available. The Holder recognizes that the Company has no obligation to register the Warrant or the Exercise Shares of the Company, or to comply with any exemption from such registration, except as set forth in the Investors' Rights Agreement, as the same may be amended and/or restated in accordance with its terms from time to time.

(c) The Holder is aware that neither the Warrant nor the Exercise Shares may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

4.3 Disposition of Warrant and Exercise Shares.

(a) In addition to any other limitations on the transfer of this Warrant set forth in this Warrant, the Purchase Agreement, the Related Agreements, the Company's Bylaws, or otherwise, the Holder further agrees not to make any disposition of all or any part of the Warrant or Exercise Shares in any event unless and until:

(i) The Company shall have received a letter secured by the Holder from the Securities and Exchange Commission stating that no action will be recommended to the Commission with respect to the proposed disposition;

(ii) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with said registration statement; or

(iii) The Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Company, the Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, for the Holder to the effect that such disposition will not require registration of such Warrant or Exercise Shares under the Act or any applicable foreign and/or state securities laws.

(b) The Holder understands and agrees that all certificates evidencing the shares to be issued to the Holder may bear the following legend (in addition to any legend required by the Bylaws, the Purchase Agreement, the Related Agreements or applicable law):

> THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

5. ADJUSTMENTS.

5.1 In the event of changes in the outstanding Preferred Stock of the Company by reason of stock dividends, split-ups, recapitalizations, reclassifications, combinations or exchanges of shares, separations, reorganizations, liquidations, or the like, the number and class of shares available under the Warrant in the aggregate and the Exercise Price shall be correspondingly adjusted to give the Holder of the Warrant, on exercise for the same aggregate Exercise Price, the total number, class, and kind of shares as the Holder would have owned had the Warrant been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment; provided, however, that such adjustment shall not be made with respect to, and this Warrant shall terminate if not exercised prior to, the events set forth in Section 7 below.

5.2 Immediately prior to the closing of the Company's initial public offering, this Warrant shall become exercisable for that number of shares of Common Stock of the

Company into which the shares of Preferred Stock issuable under this Warrant would then be convertible, so long as such shares, if this warrant has been exercised prior to such offering, would have been converted into shares of the Company's Common Stock pursuant to the automatic conversion provisions (or otherwise) of the Company's Amended and Restated Certificate of Incorporation as in effect on such date.

5.3 No new replacement Warrant need be issued as a result of any adjustment pursuant to this Section 5.

6. FRACTIONAL SHARES. No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Exercise Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then current fair market value of an Exercise Share by such fraction.

7. EARLY TERMINATION. In the event of, at any time during the Exercise Period, any Deemed Liquidation Event (as defined in the Restated Charter, as the same may be amended and/or restated from time to time), the Company shall provide to the Holder ten (10) days' advance written notice of such Deemed Liquidation Event (each, an "***Early Termination Event***"), and this Warrant shall terminate upon the consummation of such Early Termination Event unless this Warrant is properly exercised (or automatically exercised pursuant to Section 2.4) prior to the date the Company consummates such Early Termination Event.

8. MARKET STAND-OFF AGREEMENT. Holder hereby agrees that this Warrant and the Exercise Shares (together with any Common Stock issued or issuable upon conversion of the Exercise Shares or any other securities issued in respect thereof) are subject to Section 3.11 of the Investors' Rights Agreement, as the same may be amended and/or restated in accordance with its terms from time to time.

9. NO STOCKHOLDER RIGHTS. This Warrant in and of itself shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company.

10. TRANSFER OF WARRANT. Subject to applicable laws, the restriction on transfer set forth on the first page of this Warrant, and any restrictions applicable to the transfer of shares set forth in the Company's Bylaws, the Purchase Agreement, the Related Agreements or any other agreement between the Company and the Holder, this Warrant and all rights hereunder are transferable, by the Holder in person or by duly authorized attorney, upon delivery of this Warrant and the form of assignment attached hereto to any transferee designated by Holder and the transferee's execution and delivery to the Company of an investment letter in form and substance satisfactory to the Company.

11. LOST, STOLEN, MUTILATED OR DESTROYED WARRANT. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender

thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

12. NOTICES, ETC. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the applicable address set forth in the introductory paragraph of this Warrant, or at such other address as the Company or Holder may designate by ten (10) days advance written notice to the other parties hereto.

13. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

14. GOVERNING LAW. This Warrant and all rights, obligations and liabilities hereunder shall be governed by the laws of the State of California.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of the Issue Date set forth on the first page of this Warrant.

COMPANY:

AUXOGYN, INC.

By: _____

ACCEPTED AND AGREED:

HOLDER:

By: _____

Name: _____

Title: _____

Date: _____

[WARRANT SIGNATURE PAGE]

NOTICE OF EXERCISE

TO: AUXOGYN, INC. (THE "*COMPANY*"):

(1) ☐ The undersigned hereby elects to purchase shares of the [Series B] Preferred Stock of the Company pursuant to the terms of the attached Warrant, and tenders herewith payment of the Exercise Price in full, together with all applicable transfer taxes, if any.

☐ The undersigned hereby elects to purchase shares of the [Series B] Preferred Stock of the Company pursuant to the terms of the net exercise provisions set forth in Section 2.2 of the attached Warrant, and shall tender payment of all applicable transfer taxes, if any.

(2) Is this a conditional exercise pursuant to Section 2.3: ☐ Yes ☐ No

If "Yes," indicate the applicable condition:

(3) The undersigned represents that (i) the aforesaid shares of Preferred Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares; (ii) the undersigned is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned's own interests; (iv) the undersigned understands that the shares of Preferred Stock issuable upon exercise of this Warrant have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid shares of Preferred Stock may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the number of years prescribed by Rule 144, that among the conditions for use of the Rule is the availability of current information to the public about the Company and the Company has not made such information available and has no present plans to do so; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Preferred Stock unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or the undersigned has provided the Company with an opinion of counsel satisfactory to the Company, stating that such registration is not required.

_____ **[Investor Signature Block]**

(Date)

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares. **NOTE: Assignment is subject to limitations as set forth in the Warrant; do not provide the Assignment Form prior to complying with the terms of the Warrant related to transfers of the Warrant.**)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Dated: , 20

Holder's Signature: _____

Holder's Address: _____

NOTE: The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN SECTIONS 5.3 AND 5.4 BELOW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS, IN THE OPINION OF LEGAL COUNSEL, OR IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

WARRANT TO PURCHASE STOCK

Company: PROGYNY, INC.
Number of Shares: See Section 1.7
Type/Series of Stock: Series B Preferred Stock
Warrant Price: $0.3797 per share
Issue Date: November 9, 2015
Expiration Date: November 9, 2025 See also Section 5.1(b).
Credit Facility: This Warrant to Purchase Stock ("**Warrant**") is issued in connection with that certain Amended and Restated Loan and Security Agreement of even date herewith between Silicon Valley Bank, the Company and FERTILITYAUTHORITY.COM, LLC (the "**Loan Agreement**").

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, (together with any successor or permitted assignee or transferee of this Warrant or of any shares issued upon exercise hereof, "**Holder**") is entitled to purchase the number of fully paid and non-assessable shares (the "**Shares**") of the above-stated Type/Series of Stock (the "**Class**") of the above-named company (the "**Company**") at the above-stated Warrant Price, all as set forth above and as adjusted pursuant to Section 2 of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. [Reference is made to Section 5.4 of this Warrant whereby Silicon Valley Bank shall transfer this Warrant to its parent company, SVB Financial Group.]

SECTION 1. EXERCISE.

1.1 Method of Exercise. Holder may at any time and from time to time exercise this Warrant, in whole or in part, by delivering to the Company the original of this Warrant together with a duly executed Notice of Exercise in substantially the form attached hereto as Appendix 1 and, unless Holder is exercising this Warrant pursuant to a cashless exercise set forth in Section 1.2, a check, wire transfer of same-day funds (to an account designated by the Company), or other form of payment acceptable to the Company for the aggregate Warrant Price for the Shares being purchased.

1.2 Cashless Exercise. On any exercise of this Warrant, in lieu of payment of the aggregate Warrant Price in the manner as specified in Section 1.1 above, but otherwise in accordance with the requirements of Section 1.1, Holder may elect to receive Shares equal to the value of this Warrant, or portion hereof as to which this Warrant is being exercised. Thereupon,

the Company shall issue to the Holder such number of fully paid and non-assessable Shares as are computed using the following formula:

X = Y(A-B)/A

where:

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

Y = the number of Shares with respect to which this Warrant is being exercised (inclusive of the Shares surrendered to the Company in payment of the aggregate Warrant Price);

A = the Fair Market Value (as determined pursuant to Section 1.3 below) of one Share; and

B = the Warrant Price.

1.3 Fair Market Value. If the Company's common stock is then traded or quoted on a nationally recognized securities exchange, inter-dealer quotation system or over-the-counter market (a "**Trading Market**") and the Class is common stock, the fair market value of a Share shall be the closing price or last sale price of a share of common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company. If the Company's common stock is then traded in a Trading Market and the Class is a series of the Company's convertible preferred stock, the fair market value of a Share shall be the closing price or last sale price of a share of the Company's common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company multiplied by the number of shares of the Company's common stock into which a Share is then convertible. If the Company's common stock is not traded in a Trading Market, the Board of Directors of the Company shall determine the fair market value of a Share in its reasonable good faith judgment.

1.4 Delivery of Certificate and New Warrant. Within a reasonable time after Holder exercises this Warrant in the manner set forth in Section 1.1 or 1.2 above, the Company shall deliver to Holder a certificate representing the Shares issued to Holder upon such exercise and, if this Warrant has not been fully exercised and has not expired, a new warrant of like tenor representing the Shares not yet exercised.

1.5 Replacement of Warrant. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, on surrender of this Warrant to the Company for cancellation, the Company shall, within a reasonable time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

1.6 Treatment of Warrant Upon Acquisition of Company.

(a) Acquisition. For the purpose of this Warrant, "**Acquisition**" means any transaction or series of related transactions involving: (i) the sale, lease, exclusive license, or other disposition of all or substantially all of the assets of the Company (ii) any merger or consolidation of the Company into or with another person or entity (other than a merger or consolidation effected exclusively to change the Company's domicile), or any other corporate reorganization, in which the stockholders of the Company in their capacity as such immediately prior to such merger, consolidation or reorganization, own less than a majority of the Company's (or the surviving or successor entity's) outstanding voting power immediately after such merger, consolidation or reorganization; or (iii) any sale or other transfer by the stockholders of the Company of shares representing at least a majority of the Company's then-total outstanding combined voting power.

(b) Treatment of Warrant at Acquisition. In the event of an Acquisition in which the consideration to be received by the Company's stockholders consists solely of cash, solely of Marketable Securities or a combination of cash and Marketable Securities (a "**Cash/Public Acquisition**"), either (i) Holder shall exercise this Warrant pursuant to Section 1.1 and/or 1.2 and such exercise will be deemed effective immediately prior to and contingent upon the consummation of such Acquisition or (ii) if Holder elects not to exercise the Warrant, this Warrant will expire immediately prior to the consummation of such Acquisition.

(c) The Company shall provide Holder with written notice of its request relating to the Cash/Public Acquisition (together with such reasonable information as Holder may reasonably require regarding the treatment of this Warrant in connection with such contemplated Cash/Public Acquisition giving rise to such notice), which is to be delivered to Holder not less than seven (7) Business Days prior to the closing of the proposed Cash/Public Acquisition. In the event the Company does not provide such notice, then if, immediately prior to the Cash/Public Acquisition, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above would be greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall promptly notify the Holder of the number of Shares (or such other securities) issued upon such exercise to the Holder and Holder shall be deemed to have restated each of the representations and warranties in Section 4 of the Warrant as the date thereof.

(d) Upon the closing of any Acquisition other than a Cash/Public Acquisition defined above, the acquiring, surviving or successor entity shall assume the obligations of this Warrant, and this Warrant shall thereafter be exercisable for the same securities and/or other property as would have been paid for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding on and as of the closing of such Acquisition, subject to further adjustment from time to time in accordance with the provisions of this Warrant.

(e) As used in this Warrant, "**Marketable Securities**" means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting

requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by Holder in connection with the Acquisition were Holder to exercise this Warrant on or prior to the closing thereof is then traded in Trading Market, and (iii) following the closing of such Acquisition, Holder would not be restricted from publicly re-selling all of the issuer's shares and/or other securities that would be received by Holder in such Acquisition were Holder to exercise or convert this Warrant in full on or prior to the closing of such Acquisition, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Acquisition.

1.7 Number of Shares. The Number of Shares for which this Warrant shall be exercisable shall be equal to (i) 711,088 plus (B) if Silicon Valley Bank makes the Tranche B Advance (as defined in the Loan Agreement as of the date hereof) to the Company pursuant to the terms of the Loan Agreement, 177,772, subject to adjustment as set forth in Section 2.

SECTION 2. ADJUSTMENTS TO THE SHARES AND WARRANT PRICE.

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend or distribution on the outstanding shares of the Class payable in common stock or other securities or property (other than cash), then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without additional cost to Holder, the total number and kind of securities and property which Holder would have received had Holder owned the Shares of record as of the date the dividend or distribution occurred. If the Company subdivides the outstanding shares of the Class by reclassification or otherwise into a greater number of shares, the number of Shares purchasable hereunder shall be proportionately increased and the Warrant Price shall be proportionately decreased. If the outstanding shares of the Class are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Warrant Price shall be proportionately increased and the number of Shares shall be proportionately decreased.

2.2 Reclassification, Exchange, Combinations or Substitution. Upon any event whereby all of the outstanding shares of the Class are reclassified, exchanged, combined, substituted, or replaced for, into, with or by Company securities of a different class and/or series, then from and after the consummation of such event, this Warrant will be exercisable for the number, class and series of Company securities that Holder would have received had the Shares been outstanding on and as of the consummation of such event, and subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, combinations substitutions, replacements or other similar events.

2.3 Conversion of Preferred Stock. If the Class is a class and series of the Company's convertible preferred stock, in the event that all outstanding shares of the Class are converted, automatically or by action of the holders thereof, into common stock pursuant to the provisions of the Company's Certificate of Incorporation, including, without limitation, in connection with the Company's initial, underwritten public offering and sale of its common stock pursuant to an effective registration statement under the Act (the "**IPO**"), then from and

after the date on which all outstanding shares of the Class have been so converted, this Warrant shall be exercisable for such number of shares of common stock into which the Shares would have been converted had the Shares been outstanding on the date of such conversion, and the Warrant Price shall equal the Warrant Price in effect as of immediately prior to such conversion divided by the number of shares of common stock into which one Share would have been converted, all subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant.

2.4 Adjustments for Diluting Issuances. Without duplication of any adjustment otherwise provided for in this Section 2, the number of shares of common stock issuable upon conversion of the Shares shall be subject to anti-dilution adjustment from time to time in the manner set forth in the Company's Articles or Certificate of Incorporation as if the Shares were issued and outstanding on and as of the date of any such required adjustment.

2.5 No Fractional Share. No fractional Share shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional Share interest arises upon any exercise of the Warrant, the Company shall eliminate such fractional Share interest by paying Holder in cash the amount computed by multiplying the fractional interest by (i) the fair market value (as determined in accordance with Section 1.3 above) of a full Share, less (ii) the then-effective Warrant Price.

2.6 Notice/Certificate as to Adjustments. Upon each adjustment of the Warrant Price, Class and/or number of Shares, the Company, at the Company's expense, shall notify Holder in writing within a reasonable time setting forth the adjustments to the Warrant Price, Class and/or number of Shares and facts upon which such adjustment is based. The Company shall, upon written request from Holder, furnish Holder with a certificate of its Chief Financial Officer, including computations of such adjustment and the Warrant Price, Class and number of Shares in effect upon the date of such adjustment.

SECTION 3. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

3.1 Representations and Warranties. The Company represents and warrants to, and agrees with, the Holder as follows:

(a) The initial Warrant Price referenced on the first page of this Warrant is not greater than the price per share at which shares of the Class were last sold and issued prior to the Issue Date hereof in an arms-length transaction in which at least $500,000 of such shares were sold.

(b) All Shares which may be issued upon the exercise of this Warrant, and all securities, if any, issuable upon conversion of the Shares, shall, upon issuance, be duly authorized, validly issued, fully paid and non-assessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws. The Company covenants that, during the period within which the rights represented by the Warrant may be exercised, it shall at all times cause to be reserved and kept available out of its authorized and unissued capital stock such number of shares of the Class,

common stock and other securities as will be sufficient to permit the exercise in full of this Warrant and the conversion of the Shares into common stock or such other securities.

(c) The Company's capitalization table attached hereto as Schedule 1 is true and complete, in all material respects, as of the Issue Date.

3.2 Notice of Certain Events. If the Company proposes at any time to:

(a) declare any dividend or distribution upon the outstanding shares of the Class or common stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend;

(b) offer for subscription or sale pro rata to the holders of the outstanding shares of the Class any additional shares of any class or series of the Company's stock (other than pursuant to contractual pre-emptive rights);

(c) effect any reclassification, exchange, combination, substitution, reorganization or recapitalization of the outstanding shares of the Class;

(d) effect an Acquisition or to liquidate, dissolve or wind up; or

(e) effect an IPO;

then, in connection with each such event, the Company shall give Holder:

(1) at least seven (7) Business Days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of outstanding shares of the Class will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above;

(2) in the case of the matters referred to in (c) and (d) above at least seven (7) Business Days prior written notice of the date when the same will take place (and specifying the date on which the holders of outstanding shares of the Class will be entitled to exchange their shares for the securities or other property deliverable upon the occurrence of such event; and

(3) with respect to the IPO, at least seven (7) Business Days prior written notice of the date on which the Company proposes to file its public registration statement in connection therewith.

Reference is made to Section 1.6(c) whereby this Warrant will be deemed to be exercised pursuant to Section 1.2 hereof if the Company does not give written notice to Holder of a Cash/Public Acquisition as required by the terms hereof, Company will also provide information requested by Holder that is reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements.

SECTION 4. REPRESENTATIONS, WARRANTIES OF THE HOLDER.

The Holder represents and warrants to the Company as follows:

4.1 Purchase for Own Account. This Warrant, the Shares to be acquired upon exercise of this Warrant by Holder and the securities issuable directly or indirectly upon the conversion of the Shares (if any) (collectively, the "**Securities**") are being acquired for investment for Holder's account, not as a nominee or agent, and not with a view to the public resale or distribution within the meaning of the Act. Holder also represents that it has not been formed for the specific purpose of acquiring this Warrant or the Securities.

4.2 Disclosure of Information. Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of the Securities. Holder further has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to Holder or to which Holder has access.

4.3 Investment Experience. Holder understands that the purchase of the Securities involves substantial risk. Holder has experience as an investor in securities of companies in the development stage and acknowledges that Holder can bear the economic risk of such Holder's investment in the Securities and has such knowledge and experience in financial or business matters that Holder is capable of evaluating the merits and risks of its investment in the Securities and/or has a preexisting personal or business relationship with the Company and certain of its officers, directors or controlling persons of a nature and duration that enables Holder to be aware of the character, business acumen and financial circumstances of such persons.

4.4 Accredited Investor Status. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

4.5 The Act. Holder understands that the Securities have not been registered under the Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Holder's investment intent as expressed herein. Holder understands that the Securities must be held indefinitely unless subsequently registered under the Act and qualified under applicable state securities laws, or unless exemption from such registration and qualification are otherwise available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

4.6 Market Stand-off Agreement. The Holder agrees that the Shares shall be subject to the Market Standoff provisions in Section 3.11 of the Investor Rights Agreement dated July 24, 2013 (as the same may be amended, modified, supplemented or restated from time to time).

4.7 No Voting Rights. Holder, as a Holder of this Warrant, will not have any voting rights until the exercise of this Warrant.

4.8 No Public Market. Holder understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for the Securities.

SECTION 5. MISCELLANEOUS.

5.1 Term and Automatic Conversion Upon Expiration.

(a) Term. Subject to the provisions of Section 1.6 above, this Warrant is exercisable in whole or in part at any time and from time to time on or before 6:00 PM, Pacific time, on the Expiration Date and shall be void thereafter.

(b) Automatic Cashless Exercise upon Expiration. In the event that, upon the Expiration Date, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above is greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall, within a reasonable time, deliver a certificate representing the Shares (or such other securities) issued upon such exercise to Holder.

5.2 Legends. The Shares (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) shall be imprinted with a legend in substantially the following form:

> THE SHARES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN THAT CERTAIN WARRANT TO PURCHASE STOCK ISSUED BY THE ISSUER TO DATED NOVEMBER , 2015, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR, IN THE OPINION OF LEGAL COUNSEL, IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

5.3 Compliance with Securities Laws on Transfer. The Securities may not be transferred or assigned in whole or in part except in compliance with applicable federal and state securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company). The Company shall not require Holder to provide an opinion of counsel if the transfer is to SVB Financial Group (Silicon Valley Bank's parent company) or any other affiliate of Holder, provided that any such transferee is an "accredited investor" as defined in Regulation D promulgated under the Act. Additionally, the Company

shall also not require an opinion of counsel if there is no material question as to the availability of Rule 144 promulgated under the Act.

5.4 [Transfer Procedure. After receipt by Silicon Valley Bank of the executed Warrant, Silicon Valley Bank will transfer all of this Warrant to its parent company, SVB Financial Group. By its acceptance of this Warrant, SVB Financial Group hereby makes to the Company each of the representations and warranties set forth in Section 4 hereof and agrees to be bound by all of the terms and conditions of this Warrant as if the original Holder hereof. Subject to the provisions of Section 5.3 and upon providing the Company with written notice, SVB Financial Group and any subsequent Holder may transfer all or part of this Warrant or the Shares issuable upon exercise of this Warrant (or the securities issuable directly or indirectly, upon conversion of the Shares, if any) to any transferee, provided, however, in connection with any such transfer, SVB Financial Group or any subsequent Holder will give the Company notice of the portion of the Warrant being transferred with the name, address and taxpayer identification number of the transferee and Holder will surrender this Warrant to the Company for reissuance to the transferee(s) (and Holder if applicable); and provided further, that any subsequent transferee other than SVB Financial Group shall agree in writing with the Company to be bound by all of the terms and conditions of this Warrant, including but not limited to the Market Stand-Off Agreement set forth in Section 4.6 hereof. Notwithstanding any contrary provision herein, at all times prior to the IPO, Holder may not, without the Company's prior written consent, transfer this Warrant or any portion hereof, or any Shares issued upon any exercise hereof, or any shares or other securities issued upon any conversion of any Shares issued upon any exercise hereof, to any person or entity who directly competes with the Company, except in connection with an Acquisition of the Company by such a direct competitor.]

5.5 Notices. All notices and other communications hereunder from the Company to the Holder, or vice versa, shall be deemed delivered and effective (i) when given personally, (ii) on the third (3rd) Business Day after being mailed by first-class registered or certified mail, postage prepaid, (iii) upon actual receipt if given by facsimile or electronic mail and such receipt is confirmed in writing by the recipient, or (iv) on the first Business Day following delivery to a reliable overnight courier service, courier fee prepaid, in any case at such address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time in accordance with the provisions of this Section 5.5. All notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

Attn:
Telephone:
Facsimile:
Email address:

Notice to the Company shall be addressed as follows until Holder receives notice of a change in address:

PROGYNY, INC.
Attn: Chief Executive Officer
One Liberty Plaza
165 Broadway, 47th Floor
New York, NY 10006
Telephone:
Facsimile:
Email:

5.6 Waiver. This Warrant and any term hereof may be changed, waived, discharged or terminated (either generally or in a particular instance and either retroactively or prospectively) only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

5.7 Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

5.8 Counterparts; Facsimile/Electronic Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

5.9 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.10 Headings. The headings in this Warrant are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Warrant.

5.11 Business Days. "**Business Day**" is any day that is not a Saturday, Sunday or a day on which Silicon Valley Bank is closed.

[Remainder of page left blank intentionally]
[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Warrant to Purchase Stock to be executed by their duly authorized representatives effective as of the Issue Date written above.

"COMPANY"

PROGYNY, INC.

By: _____

Name: _____
(Print)

Title: _____

"HOLDER"

HOLDER

By: _____

Name: _____
(Print)

Title: _____

[*Signature Page to Warrant to Purchase Stock*]

APPENDIX 1

NOTICE OF EXERCISE

1. The undersigned Holder hereby exercises its right purchase shares of the Common/Series Preferred [circle one] Stock of PROGYNY, INC. (the "Company") in accordance with the attached Warrant To Purchase Stock, and tenders payment of the aggregate Warrant Price for such shares as follows:

o check in the amount of $ payable to order of the Company enclosed herewith

o Wire transfer of immediately available funds to the Company's account

o Cashless Exercise pursuant to Section 1.2 of the Warrant

o Other [Describe]

2. Please issue a certificate or certificates representing the Shares in the name specified below:

_____

Holder's Name

(Address)

3. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Section 4 of the Warrant to Purchase Stock as of the date hereof.

HOLDER:

_____

By: _____

Name: _____

Title: _____

(Date): _____

SCHEDULE 1

Company Capitalization Table

See attached

Exhibit 4.5

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN SECTIONS 5.3 AND 5.4 BELOW, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR, IN THE OPINION OF LEGAL COUNSEL, IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

WARRANT TO PURCHASE STOCK

Company:	AUXOGYN, INC., a Delaware corporation
Number of Shares:	That number of Shares (rounded down to the nearest whole number) which could be purchased by taking $170,000, divided by the Warrant Price
Type/Series of Stock:	Series B Preferred
Warrant Price:	$0.3797 per share
Issue Date:	October 9, 2013
Expiration Date:	October 9, 2013 **See also Section 5.1(b)**
Credit Facility:	This Warrant to Purchase Stock ("**Warrant**") is issued in connection with that certain Loan and Security Agreement of even date herewith between Silicon Valley Bank and the Company (as the same may from time to time be amended, modified, supplemented or restated, the "**Loan Agreement**").

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, SILICON VALLEY BANK (together with any successor or permitted assignee or transferee of this Warrant or of any shares issued upon exercise hereof, "**Holder**") is entitled to purchase the number of fully paid and non-assessable shares (the "**Shares**") of the above-stated Type/Series of Stock (the "**Class**") of the above-named company (the "**Company**") at the above-stated Warrant Price, all as set forth above and as adjusted pursuant to Section 2 of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant. Reference is made to Section 5.4 of this Warrant whereby Silicon Valley Bank shall transfer this Warrant to its parent company, SVB Financial Group.

SECTION 1. EXERCISE.

1.1 Method of Exercise. Holder may at any time and from time to time exercise this Warrant, in whole or in part, by delivering to the Company the original of this Warrant together with a duly executed Notice of Exercise in substantially the form attached hereto as Appendix 1 and, unless Holder is exercising this Warrant pursuant to a cashless exercise set forth in Section 1.2, a check, wire transfer of same-day funds (to an account designated by the Company), or other form of payment acceptable to the Company for the aggregate Warrant Price for the Shares being purchased.

1.2 Cashless Exercise. On any exercise of this Warrant, in lieu of payment of the aggregate Warrant Price in the manner as specified in Section 1.1 above, but otherwise in accordance with the requirements of Section 1.1, Holder may elect to receive Shares equal to the value of this Warrant, or portion hereof as to which this Warrant is being exercised. Thereupon, the Company shall issue to the Holder such number of fully paid and non-assessable Shares as are computed using the following formula:

$$X = Y(A-B)/A$$

where:

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

Y the number of Shares with respect to which this Warrant is being exercised (inclusive of the Shares surrendered to the Company in payment of the aggregate Warrant Price);

A = the Fair Market Value (as determined pursuant to Section 1.3 below) of one Share; and

B = the Warrant Price.

1.3 Fair Market Value. If the Company's common stock is then traded or quoted on a nationally recognized securities exchange, inter-dealer quotation system or over-the-counter market (a "**Trading Market**") and the Class is common stock, the fair market value of a Share shall be the closing price or last sale price of a share of common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company. If the Company's common stock is then traded in a Trading Market and the Class is a series of the Company's convertible preferred stock, the fair market value of a Share shall be the closing price or last sale price of a share of the Company's common stock reported for the Business Day immediately before the date on which Holder delivers this Warrant together with its Notice of Exercise to the Company multiplied by the number of shares of the Company's common stock into which a Share is then convertible. If the Company's common stock is not traded in a Trading Market, the Board of Directors of the Company shall determine the fair market value of a Share in its reasonable good faith judgment.

1.4 Delivery of Certificate and New Warrant. Within a reasonable time after Holder exercises this Warrant in the manner set forth in Section 1.1 or 1.2 above, the Company shall deliver to Holder a certificate representing the Shares issued to Holder upon such exercise and, if this Warrant has not been fully exercised and has not expired, a new warrant of like tenor representing the Shares not yet exercised.

1.5 Replacement of Warrant. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form, substance and amount to the Company or, in the case of mutilation, on surrender of this Warrant to the Company for cancellation, the Company shall, within a reasonable time, execute and deliver to Holder, in lieu of this Warrant, a new warrant of like tenor and amount.

1.6 Treatment of Warrant Upon Acquisition of Company.

(a) Acquisition. For the purpose of this Warrant, "**Acquisition**" means any transaction or series of related transactions involving: (i) the sale, lease, exclusive license, or other disposition of all or substantially all of the assets of the Company (ii) any merger or consolidation of the Company into or with another person or entity (other than a merger or consolidation effected exclusively to change the Company's domicile), or any other corporate reorganization, in which the stockholders of the Company in their capacity as such immediately prior to such merger, consolidation or reorganization, own less than a majority of the Company's (or the surviving or successor entity's) outstanding voting power immediately after such merger, consolidation or reorganization; or (iii) any sale or other transfer by the stockholders of the Company of shares representing at least a majority of the Company's then-total outstanding combined voting power.

(b) Treatment of Warrant at Acquisition. In the event of an Acquisition in which the consideration to be received by the Company's stockholders consists solely of cash, solely of Marketable Securities or a combination of cash and Marketable Securities (a "**Cash/Public Acquisition**"), either (i) Holder shall exercise this Warrant pursuant to Section 1.1 and/or 1.2 and such exercise will be deemed effective immediately prior to and contingent upon the consummation of such Acquisition or (ii) if Holder elects not to exercise the Warrant, this Warrant will expire immediately prior to the consummation of such Acquisition.

(c) The Company shall provide Holder with written notice of its request relating to the Cash/Public Acquisition (together with such reasonable information as Holder may reasonably require regarding the treatment of this Warrant in connection with such contemplated Cash/Public Acquisition giving rise to such notice), which is to be delivered to Holder not less than seven (7) Business Days prior to the closing of the proposed Cash/Public Acquisition. In the event the Company does not provide such notice, then if, immediately prior to the Cash/Public Acquisition, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above would be greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall promptly notify the Holder of the number of Shares (or such other securities) issued upon such exercise to the Holder and Holder shall be deemed to have restated each of the representations and warranties in Section 4 of the Warrant as the date thereof.

(d) Upon the closing of any Acquisition other than a Cash/Public Acquisition defined above, the acquiring, surviving or successor entity shall assume the obligations of this Warrant, and this Warrant shall thereafter be exercisable for the same securities and/or other property as would have been paid for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding on and as of the closing of such Acquisition, subject to further adjustment from time to time in accordance with the provisions of this Warrant.

(e) As used in this Warrant, "**Marketable Securities**" means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and is then current in its filing of all required reports and other information under the Act

and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by Holder in connection with the Acquisition were Holder to exercise this Warrant on or prior to the closing thereof is then traded in Trading Market, and (iii) following the closing of such Acquisition, Holder would not be restricted from publicly re-selling all of the issuer's shares and/or other securities that would be received by Holder in such Acquisition were Holder to exercise or convert this Warrant in full on or prior to the closing of such Acquisition, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Acquisition.

SECTION 2. ADJUSTMENTS TO THE SHARES AND WARRANT PRICE.

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend or distribution on the outstanding shares of the Class payable in common stock or other securities or property (other than cash), then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without additional cost to Holder, the total number and kind of securities and property which Holder would have received had Holder owned the Shares of record as of the date the dividend or distribution occurred. If the Company subdivides the outstanding shares of the Class by reclassification or otherwise into a greater number of shares, the number of Shares purchasable hereunder shall be proportionately increased and the Warrant Price shall be proportionately decreased. If the outstanding shares of the Class are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Warrant Price shall be proportionately increased and the number of Shares shall be proportionately decreased.

2.2 Reclassification, Exchange, Combinations or Substitution. Upon any event whereby all of the outstanding shares of the Class are reclassified, exchanged, combined, substituted, or replaced for, into, with or by Company securities of a different class and/or series, then from and after the consummation of such event, this Warrant will be exercisable for the number, class and series of Company securities that Holder would have received had the Shares been outstanding on and as of the consummation of such event, and subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, combinations substitutions, replacements or other similar events.

2.3 Conversion of Preferred Stock. If the Class is a class and series of the Company's convertible preferred stock, in the event that all outstanding shares of the Class are converted, automatically or by action of the holders thereof, into common stock pursuant to the provisions of the Company's Certificate of Incorporation, including, without limitation, in connection with the Company's initial, underwritten public offering and sale of its common stock pursuant to an effective registration statement under the Act (the "**IPO**"), then from and after the date on which all outstanding shares of the Class have been so converted, this Warrant shall be exercisable for such number of shares of common stock into which the Shares would have been converted had the Shares been outstanding on the date of such conversion, and the Warrant Price shall equal the Warrant Price in effect as of immediately prior to such conversion divided by the number of shares of common stock into which one Share would have been converted, all subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant.

2.4 Adjustments for Diluting Issuances. Without duplication of any adjustment otherwise provided for in this Section 2, the number of shares of common stock issuable upon conversion of the Shares shall be subject to anti-dilution adjustment from time to time in the manner set forth in the Company's Certificate of Incorporation as if the Shares were issued and outstanding on and as of the date of any such required adjustment.

2.5 No Fractional Share. No fractional Share shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional Share interest arises upon any exercise of the Warrant, the Company shall eliminate such fractional Share interest by paying Holder in cash the amount computed by multiplying the fractional interest by (i) the fair market value (as determined in accordance with Section 1.3 above) of a full Share, less (ii) the then-effective Warrant Price.

2.6 Notice/Certificate as to Adjustments. Upon each adjustment of the Warrant Price, Class and/or number of Shares, the Company, at the Company's expense, shall notify Holder in writing within a reasonable time setting forth the adjustments to the Warrant Price, Class and/or number of Shares and facts upon which such adjustment is based. The Company shall, upon written request from Holder, furnish Holder with a certificate of its Chief Financial Officer, including computations of such adjustment and the Warrant Price, Class and number of Shares in effect upon the date of such adjustment.

SECTION 3. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

3.1 Representations and Warranties. The Company represents and warrants to, and agrees with, the Holder as follows:

(a) The initial Warrant Price referenced on the first page of this Warrant is not greater than the price per share at which shares of the Class were last sold and issued prior to the Issue Date hereof in an arms-length transaction in which at least $500,000 of such shares were sold.

(b) All Shares which may be issued upon the exercise of this Warrant, and all securities, if any, issuable upon conversion of the Shares, shall, upon issuance, be duly authorized, validly issued, fully paid and non-assessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws. The Company covenants that, during the period within which the rights represented by the Warrant may be exercised, it shall at all times cause to be reserved and kept available out of its authorized and unissued capital stock such number of shares of the Class, common stock and other securities as will be sufficient to permit the exercise in full of this Warrant and the conversion of the Shares into common stock or such other securities.

(c) The Company's capitalization table attached hereto as Schedule 1 is true and complete, in all material respects, as of the Issue Date.

3.2 Notice of Certain Events. If the Company proposes at any time to:

(a) declare any dividend or distribution upon the outstanding shares of the Class or common stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend;

(b) offer for subscription or sale pro rata to the holders of the outstanding shares of the Class any additional shares of any class or series of the Company's stock (other than pursuant to contractual pre-emptive rights);

(c) effect any reclassification, exchange, combination, substitution, reorganization or recapitalization of the outstanding shares of the Class;

(d) effect an Acquisition or to liquidate, dissolve or wind up; or

(e) effect an IPO;

then, in connection with each such event, the Company shall give Holder:

(1) at least seven (7) Business Days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of outstanding shares of the Class will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a) and (b) above;

(2) in the case of the matters referred to in (c) and (d) above at least seven (7) Business Days prior written notice of the date when the same will take place (and specifying the date on which the holders of outstanding shares of the Class will be entitled to exchange their shares for the securities or other property deliverable upon the occurrence of such event); and

(3) with respect to the IPO, at least seven (7) Business Days prior written notice of the date on which the Company proposes to file its public registration statement in connection therewith.

Reference is made to Section 1.6(c) whereby this Warrant will be deemed to be exercised pursuant to Section 1.2 hereof if the Company does not give written notice to Holder of a Cash/Public Acquisition as required by the terms hereof. Company will also provide information requested by Holder that is reasonably necessary to enable Holder to comply with Holder's accounting or reporting requirements.

SECTION 4. REPRESENTATIONS, WARRANTIES OF THE HOLDER.

The Holder represents and warrants to the Company as follows:

4.1 Purchase for Own Account. This Warrant, the Shares to be acquired upon exercise of this Warrant by Holder and the securities issuable directly or indirectly upon the conversion of the Shares (if any) (collectively, the "**Securities**") are being acquired for investment for Holder's account, not as a nominee or agent, and not with a view to the public resale or distribution within the meaning of the Act. Holder also represents that it has not been formed for the specific purpose of acquiring this Warrant or the Securities.

4.2 Disclosure of Information. Holder is aware of the Company's business affairs and financial condition and has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of the Securities. Holder further has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to Holder or to which Holder has access.

4.3 Investment Experience. Holder understands that the purchase of the Securities involves substantial risk. Holder has experience as an investor in securities of companies in the development stage and acknowledges that Holder can bear the economic risk of such Holder's investment in the Securities and has such knowledge and experience in financial or business matters that Holder is capable of evaluating the merits and risks of its investment in the Securities and/or has a preexisting personal or business relationship with the Company and certain of its officers, directors or controlling persons of a nature and duration that enables Holder to be aware of the character, business acumen and financial circumstances of such persons.

4.4 Accredited Investor Status. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

4.5 The Act. Holder understands that the Securities have not been registered under the Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Holder's investment intent as expressed herein. Holder understands that the Securities must be held indefinitely unless subsequently registered under the Act and qualified under applicable state securities laws, or unless exemption from such registration and qualification are otherwise available. Holder is aware of the provisions of Rule 144 promulgated under the Act.

4.6 Market Stand-off Agreement. The Holder agrees that the Shares shall be subject to the Market Standoff provisions in Section 3.11 of the Investor Rights Agreement dated July 24, 2013 (as the same may be amended, modified, supplemented or restated from time to time).

4.7 No Voting Rights. Holder, as a Holder of this Warrant, will not have any voting rights until the exercise of this Warrant.

4.8 No Public Market. Holder understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for the Securities.

SECTION 5. MISCELLANEOUS.

5.1 Term and Automatic Conversion Upon Expiration.

(a) Term. Subject to the provisions of Section 1.6 above, this Warrant is exercisable in whole or in part at any time and from time to time on or before 6:00 PM, Pacific time, on the Expiration Date and shall be void thereafter.

(b) Automatic Cashless Exercise upon Expiration. In the event that, upon the Expiration Date, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above is greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be exercised pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised, and the Company shall, within a reasonable time, deliver a certificate representing the Shares (or such other securities) issued upon such exercise to Holder.

5.2 Legends. The Shares (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) shall be imprinted with a legend in substantially the following form:

THE SHARES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AS SET FORTH IN THAT CERTAIN WARRANT TO PURCHASE STOCK ISSUED BY THE ISSUER TO SILICON VALLEY BANK DATED OCTOBER , 2013, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND LAWS OR, IN THE OPINION OF LEGAL COUNSEL, IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS EXEMPT FROM SUCH REGISTRATION.

5.3 Compliance with Securities Laws on Transfer. The Securities may not be transferred or assigned in whole or in part except in compliance with applicable federal and state securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company). The Company shall not require Holder to provide an opinion of counsel if the transfer is to SVB Financial Group (Silicon Valley Bank's parent company) or any other affiliate of Holder, provided that any such transferee is an "accredited investor" as defined in Regulation D promulgated under the Act. Additionally, the Company shall also not require an opinion of counsel if there is no material question as to the availability of Rule 144 promulgated under the Act.

5.4 Transfer Procedure. After receipt by Silicon Valley Bank of the executed Warrant, Silicon Valley Bank will transfer all of this Warrant to its parent company, SVB Financial Group. By its acceptance of this Warrant, SVB Financial Group hereby makes to the Company each of the representations and warranties set forth in Section 4 hereof and agrees to be bound by all of the terms and conditions of this Warrant as if the original Holder hereof. Subject to the provisions of Section 5.3 and upon providing the Company with written notice, SVB Financial Group and any subsequent Holder may transfer all or part of this Warrant or the Shares issuable upon exercise of this Warrant (or the securities issuable directly or indirectly, upon conversion of the Shares, if any) to any transferee, provided, however, in connection with any such transfer, SVB Financial Group or any subsequent Holder will give the Company notice of the portion of the Warrant being transferred with the name, address and taxpayer identification number of the transferee and Holder

will surrender this Warrant to the Company for reissuance to the transferee(s) (and Holder if applicable); and provided further, that any subsequent transferee other than SVB Financial Group shall agree in writing with the Company to be bound by all of the terms and conditions of this Warrant. Notwithstanding any contrary provision herein, at all times prior to the IPO, Holder may not, without the Company's prior written consent, transfer this Warrant or any portion hereof, or any Shares issued upon any exercise hereof, or any shares or other securities issued upon any conversion of any Shares issued upon any exercise hereof, to any person or entity who directly competes with the Company, except in connection with an Acquisition of the Company by such a direct competitor.

5.5 Notices. All notices and other communications hereunder from the Company to the Holder, or vice versa, shall be deemed delivered and effective (i) when given personally, (ii) on the third (3rd) Business Day after being mailed by first-class registered or certified mail, postage prepaid, (iii) upon actual receipt if given by facsimile or electronic mail and such receipt is confirmed in writing by the recipient, or (iv) on the first Business Day following delivery to a reliable overnight courier service, courier fee prepaid, in any case at such address as may have been furnished to the Company or Holder, as the case may be, in writing by the Company or such Holder from time to time in accordance with the provisions of this Section 5.5. All notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

SVB Financial Group
Attn: Treasury Department
3003 Tasman Drive, HA 200
Santa Clara, California 95054

Notice to the Company shall be addressed as follows until Holder receives notice of a change in address:

Auxogyn, Inc.
Attn: Laura Francis, Chief Financial Officer
1490 O'Brien Drive, Suite A
Menlo Park, California 94025

5.6 Waiver. This Warrant and any term hereof may be changed, waived, discharged or terminated (either generally or in a particular instance and either retroactively or prospectively) only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

5.7 Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

5.8 Counterparts; Facsimile/Electronic Signatures. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically or by facsimile shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

5.9 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

5.10 Headings. The headings in this Warrant are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Warrant.

5.11 Business Days. "**Business Day**" is any day that is not a Saturday, Sunday or a day on which Silicon Valley Bank is closed.

[Remainder of page left blank intentionally]
[Signature page follows

IN WITNESS WHEREOF, the parties have caused this Warrant to Purchase Stock to be executed by their duly authorized representatives effective as of the Issue Date written above.

"COMPANY"

AUXOGYN, INC.

By: */s/ Lissa Goldenstein*

Name: Lissa Goldenstein
(Print)

Title: President and CEO

"HOLDER"

SILICON VALLEY BANK

By: */s/ Damian A. Augustyn*

Name: Damian A. Augustyn
(Print)

Title: VP

[Signature Page to Warrant to Purchase Stock]

APPENDIX 1

NOTICE OF EXERCISE

1. The undersigned Holder hereby exercises its right purchase shares of the Common/Series B Preferred [circle one] Stock of Auxogyn, Inc. (the "**Company**") in accordance with the attached Warrant To Purchase Stock, and tenders payment of the aggregate Warrant Price for such shares as follows:

o check in the amount of $ payable to order of the Company enclosed herewith

o Wire transfer of immediately available funds to the Company's account

o Cashless Exercise pursuant to Section 1.2 of the Warrant

o Other [Describe]

2. Please issue a certificate or certificates representing the Shares in the name specified below:

_____

Holder's Name

(Address)

3. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Section 4 of the Warrant to Purchase Stock as of the date hereof.

HOLDER:

_____

By: _____

Name: _____

Title: _____

(Date): _____

SCHEDULE 1

Company Capitalization Table See attached

See attached

Exhibit 5.1

Cooley

Nicole C. Brookshire
+1 617 937 2357
nbrookshire@cooley.com

October 15, 2019

Progyny, Inc.
245 5th Avenue
New York, New York 10016

Ladies and Gentlemen:

We have acted as counsel to Progyny, Inc., a Delaware corporation (the "***Company***"), in connection with the filing by the Company of a Registration Statement (No. 333-233965) on Form S-1 (the "***Registration Statement***") with the Securities and Exchange Commission, including a related prospectus filed with the Registration Statement (the "***Prospectus***"), covering an underwritten public offering of up to 11,500,000 shares of the Company's common stock, par value $0.0001 per share ("***Shares***"), which includes (i) up to 6,700,000 Shares to be sold by the Company (the "***Company Shares***") and (ii) up to 4,800,000 to be sold by the selling stockholders identified in such Registration Statement (including up to 1,500,000 Shares that may be sold by certain selling stockholders upon exercise of an option to purchase additional shares to be granted to the underwriters) (collectively, the "***Stockholder Shares***").

In connection with this opinion, we have (i) examined and relied upon (a) the Registration Statement and the Prospectus, (b) the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, each as currently in effect, (c) the forms of the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, filed as Exhibits 3.2 and 3.4, to the Registration Statement, respectively, each of which is to be in effect immediately prior to the closing of the offering contemplated by the Registration Statement and (d) originals or copies certified to our satisfaction of such records, documents, certificates, memoranda and other instruments as in our judgment are necessary or appropriate to enable us to render the opinion expressed below and (ii) assumed that the Shares will be sold at a price established by the Board of Directors of the Company or a duly authorized committee thereof.

We have assumed the genuineness and authenticity of all documents submitted to us as originals, and the conformity to originals of all documents submitted to us as copies and the due execution and delivery by all persons other than by the Company of all documents where due execution and delivery are a prerequisite to the effectiveness thereof. As to certain factual matters, we have relied upon a certificate of an officer of the Company and have not sought independently to verify such matters.

Our opinion is expressed only with respect to the General Corporation Law of the State of Delaware. We express no opinion to the extent that any other laws are applicable to the subject matter hereof and express no opinion and provide no assurance as to compliance with any federal or state securities law, rule or regulation.

On the basis of the foregoing, and in reliance thereon, we are of the opinion that (i) the Company Shares, when sold and issued against payment therefor as described in the Registration Statement and the Prospectus, will be validly issued, fully paid and non-assessable and (ii) the Stockholder Shares are validly issued, fully paid and non-assessable, except for Stockholder Shares that are to be sold by certain selling stockholders (a) upon the exercise of vested options, which will be validly issued, fully paid and non-assessable upon exercise and payment in accordance with the terms of the options pursuant to which such shares are to be issued and (b) upon the conversion of outstanding preferred stock issued by the Company in accordance with the terms of the preferred stock, which will be validly issued, fully paid and non-assessable upon the conversion of such preferred stock.

We consent to the reference to our firm under the caption “Legal Matters” in the Prospectus included in the Registration Statement and to the filing of this opinion as an exhibit to the Registration Statement.

Sincerely,

Cooley LLP

By: /s/ Nicole C. Brookshire
Nicole C. Brookshire

PROGYNY, INC.
2019 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: OCTOBER 12, 2019
APPROVED BY THE STOCKHOLDERS: OCTOBER 12, 2019

1. GENERAL.

(a) Successor to and Continuation of Prior Plan. The Plan is the successor to and continuation of the Prior Plan. As of the Effective Date, (i) no additional awards may be granted under the Prior Plan; (ii) the Prior Plan Available Reserve will become available for issuance pursuant to Awards granted under this Plan; and (iii) all outstanding awards granted under the Prior Plan will remain subject to the terms of the Prior Plan; *provided, however*, that any Returning Shares will become available for grant under this Plan. All Awards granted under this Plan will be subject to the terms of this Plan.

(b) Plan Purpose. The Company, by means of the Plan, seeks to secure and retain the services of Employees, Directors and Consultants, to provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and to provide a means by which such persons may be given an opportunity to benefit from increases in value of the Common Stock through the granting of Awards.

(c) Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options; (ii) Nonstatutory Stock Options; (iii) SARs; (iv) Restricted Stock Awards; (v) RSU Awards; (vi) Performance Awards; and (vii) Other Awards.

(d) Adoption Date; Effective Date. The Plan will come into existence on the Adoption Date, but no Award may be granted prior to the Effective Date.

2. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve. Subject to adjustment in accordance with Section 2(c) and any adjustments as necessary to implement any Capitalization Adjustments, the aggregate number of shares of Common Stock that may be subject to Awards will not exceed 19,198,875 shares, which number is the sum of: (i) 2,640,031 new shares, plus (ii) the Prior Plan Available Reserve, plus (iii) the number of Returning Shares, if any, as such shares become available from time to time. In addition, subject to any adjustments as necessary to implement any Capitalization Adjustments, such aggregate number of shares of Common Stock will automatically increase on January 1 of each year for a period of ten years commencing on January 1, 2020 and ending on (and including) January 1, 2029, in an amount equal to 4% of the total number of shares of Common Stock outstanding on December 31 of the preceding year; provided, however that the Board may act prior to January 1st of a given year to provide that the increase for such year will be a lesser number of shares of Common Stock.

(b) Aggregate Incentive Stock Option Limit. Notwithstanding anything to the contrary in Section 2(a) and subject to any adjustments as necessary to implement any Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options is 40,000,000.

(c) Share Reserve Operation.

(i) Share Reserve. The Company, during the term of the Plan, will at all times reserve and keep available such number of shares of Common Stock as will be sufficient to satisfy the requirements of the Plan. Shares may be issued in connection with a merger or acquisition as permitted by, as applicable, NASDAQ Listing Rule 5635(c), NYSE Listed Company Manual Section 303A.08, NYSE American Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares available for grant under the Plan.

(ii) Reversion of Previously Granted Awards to Share Reserve. If any Option or Stock Appreciation Right granted under the Plan or any stock option or stock appreciation right granted under a Prior Plan expires, terminates or is canceled for any reason without having been exercised in full, the number of shares of Common Stock underlying such unexercised Award or Prior Plan option or stock appreciation right shall again be available for grant under the Plan. If any Restricted Stock Awards, RSU Awards, Performance Awards, or Other Awards denominated in shares of Common Stock awarded under the Plan or a Prior Plan are forfeited, such shares of Common Stock shall again be available for the purposes of Awards under the Plan. If a Stock Appreciation Right is granted in tandem with an Option, such grant shall apply only once against the maximum number of shares of Common Stock that may be issued under the Plan. Shares of Common Stock underlying Awards (or Prior Plan options or stock appreciation rights) that may be settled solely in cash shall not be deemed to use shares that may be issued under the Plan.

(iii) If Common Stock has been withheld, delivered or exchanged as full or partial payment to the Company for payment of purchase price of an Award under the Plan, or for payment of withholding taxes with respect to an Award under the Plan, the number of shares of Common Stock withheld, delivered or exchanged as payment of purchase price or for withholding shall again be available for the purposes of Awards under the Plan. Notwithstanding the foregoing, the number of shares of Common Stock available for grant of Awards under this Plan shall be reduced by the total number of Options or Stock Appreciation Rights exercised, regardless of whether any of the shares of Common Stock underlying such Awards are not actually issued to the Participant as the result of a net settlement. In addition, the Company may not use the cash proceeds it receives from Option exercises to repurchase shares of Common Stock on the open market for reuse under this Plan.

3. ELIGIBILITY AND LIMITATIONS.

(a) Eligible Award Recipients. Subject to the terms of the Plan, Employees, Directors and Consultants are eligible to receive Awards.

(b) Specific Award Limitations.

(i) Limitations on Incentive Stock Option Recipients. Incentive Stock Options may be granted only to Employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and (f) of the Code).

(ii) Incentive Stock Option $100,000 Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(iii) Limitations on Incentive Stock Options Granted to Ten Percent Stockholders. A Ten Percent Stockholder may not be granted an Incentive Stock Option unless (i) the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant of such Option and (ii) the Option is not exercisable after the expiration of five years from the date of grant of such Option.

(iv) Limitations on Nonstatutory Stock Options and SARs. Nonstatutory Stock Options and SARs may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company (as such term is defined in Rule 405) unless the stock underlying such Awards is treated as "service recipient stock" under Section 409A because the Awards are granted pursuant to a corporate transaction (such as a spin off transaction) or unless such Awards otherwise comply with the distribution requirements of Section 409A.

(c) Aggregate Incentive Stock Option Limit. The aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options is the number of shares specified in Section 2(b).

(d) Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid, as applicable, to any individual for service as a Non-Employee Director with respect to any calendar year, including Awards granted and cash fees paid by the Company to such Non-Employee Director, will not exceed (i) $750,000 in total value or (ii) in the event such Non-Employee Director is first appointed or elected to the Board during such calendar year, $1,000,000 in total value, in each case calculating the value of any equity awards based on the grant date fair value of such equity awards for financial reporting purposes.

4. OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option and SAR will have such terms and conditions as determined by the Board. Each Option will be designated in writing as an Incentive Stock Option or Nonstatutory Stock Option at the time of grant; *provided, however*, that if an Option is not so designated, then such Option will be a Nonstatutory Stock Option, and the shares purchased upon exercise of each type of Option will be separately accounted for. Each SAR will be denominated in shares of Common Stock equivalents. The terms and conditions of separate Options and SARs need not be identical; *provided, however*, that each Option Agreement and SAR Agreement will conform (through incorporation of provisions hereof by reference in the Award Agreement or otherwise) to the substance of each of the following provisions:

(a) Term. Subject to Section 3(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten years from the date of grant of such Award or such shorter period specified in the Award Agreement.

(b) Exercise or Strike Price. Subject to Section 3(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will not be less than 100% of the Fair Market Value on the date of grant of such Award. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value on the date of grant of such Award if such Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Sections 409A and, if applicable, 424(a) of the Code.

(c) Exercise Procedure and Payment of Exercise Price for Options. In order to exercise an Option, the Participant must provide notice of exercise to the Plan Administrator in accordance with the procedures specified in the Option Agreement or otherwise provided by the Company. The Board has the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to utilize a particular method of payment. The exercise price of an Option may be paid, to the extent permitted by Applicable Law and as permitted by the Board or the Compensation Committee, by one or more of the following methods of payment to the extent set forth in the Option Agreement:

(i) by cash or check, bank draft or money order payable to the Company;

(ii) pursuant to a "cashless exercise" program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the Common Stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock that are already owned by the Participant free and clear of any liens, claims, encumbrances or security interests, with a Fair Market Value on the date of exercise that does not exceed the exercise price, provided that (A) at the time of exercise the Common Stock

is publicly traded, (B) any remaining balance of the exercise price not satisfied by such delivery is paid by the Participant in cash or other permitted form of payment, (C) such delivery would not violate any Applicable Law or agreement restricting the redemption of the Common Stock, (D) any certificated shares are endorsed or accompanied by an executed assignment separate from certificate, and (E) such shares have been held by the Participant for any minimum period necessary to avoid adverse accounting treatment as a result of such delivery;

(iv) if the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value on the date of exercise that does not exceed the exercise price, provided that (A) such shares used to pay the exercise price will not be exercisable thereafter and (B) any remaining balance of the exercise price not satisfied by such net exercise is paid by the Participant in cash or other permitted form of payment; or

(v) in any other form of consideration that may be acceptable to the Board and permissible under Applicable Law.

(d) Exercise Procedure and Payment of Appreciation Distribution for SARs. In order to exercise any SAR, the Participant must provide notice of exercise to the Plan Administrator in accordance with the SAR Agreement. The appreciation distribution payable to a Participant upon the exercise of a SAR will not be greater than an amount equal to the excess of (i) the aggregate Fair Market Value on the date of exercise of a number of shares of Common Stock equal to the number of Common Stock equivalents that are vested and being exercised under such SAR, over (ii) the strike price of such SAR. Such appreciation distribution may be paid to the Participant in the form of Common Stock or cash (or any combination of Common Stock and cash) or in any other form of payment, as determined by the Board and specified in the SAR Agreement.

(e) Transferability. Options and SARs may not be transferred to third party financial institutions for value. The Board may impose such additional limitations on the transferability of an Option or SAR as it determines. In the absence of any such determination by the Board, the following restrictions on the transferability of Options and SARs will apply, provided that except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration and *provided, further*, that if an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer:

(i) Restrictions on Transfer. An Option or SAR will not be transferable, except by will or by the laws of descent and distribution, and will be exercisable during the lifetime of the Participant only by the Participant; *provided*, *however*, that the Board may permit transfer of an Option or SAR in a manner that is not prohibited by applicable tax and securities laws upon the Participant's request, including to a trust if the Participant is considered to be the sole beneficial owner of such trust (as determined under Section 671 of the Code and applicable state law) while such Option or SAR is held in such trust, provided that the Participant and the trustee enter into a transfer and other agreements required by the Company.

(ii) **Domestic Relations Orders.** Notwithstanding the foregoing, subject to the execution of transfer documentation in a format acceptable to the Company and subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to a domestic relations order.

(f) **Vesting.** The Board may impose such restrictions on or conditions to the vesting and/or exercisability of an Option or SAR as determined by the Board and which may vary. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate approved by the Board or the Committee, vesting of Options and SARs will cease upon termination of the Participant's Continuous Service.

(g) **Termination of Continuous Service for Cause.** Except as explicitly otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate approved by the Board or the Committee, if a Participant's Continuous Service is terminated for Cause, the Participant's Options and SARs will terminate and be forfeited immediately upon such termination of Continuous Service, and the Company may recoup any income realized by the Participant with respect to any Awards that vested within two years of the event that constituted Cause, and the Participant will be prohibited from exercising any portion (including any vested portion) of such Awards on and after the date of such termination of Continuous Service and the Participant will have no further right, title or interest in such forfeited Award, the shares of Common Stock subject to the forfeited Award, or any consideration in respect of the forfeited Award; in each case, to the extent permitted by Applicable Law. In addition, if it is reasonably determined by the Company that a Participant could have been terminated for Cause or breached his or her post employment obligations owed to the Company, in addition to any other remedy available to the Company, (i) any vested but not yet exercised Options and SARs shall be forfeited and (ii) the Company may recoup any income realized by the Participant with respect to any Awards that vested within two years of the event that constituted Cause or the breach of such obligation; in each case, to the extent permitted by Applicable Law.

(h) **Post-Termination Exercise Period Following Termination of Continuous Service For Reasons Other than Cause.** Subject to Section 4(i), if a Participant's Continuous Service terminates for any reason other than for Cause, the Participant may exercise his or her Option or SAR to the extent vested, but only within the following period of time or, if applicable, such other period of time provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate approved by the Board or the Committee; *provided*, *however*, that in no event may such Award be exercised after the expiration of its maximum term (as set forth in Section 4(a)):

(i) three months following the date of such termination if such termination is a termination by the Company without Cause or a resignation by the Participant (unless at the time of such resignation circumstances exist that constitute Cause);

(ii) 12 months following the date of such termination if such termination is due to the Participant's Disability;

(iii) 18 months following the date of such termination if such termination is due to the Participant's death; or

(iv) 18 months following the date of the Participant's death if such death occurs following the date of such termination but during the period such Award is otherwise exercisable (as provided in (i) or (ii) above).

Following the date of such termination, to the extent the Participant does not exercise such Award within the applicable Post-Termination Exercise Period (or, if earlier, prior to the expiration of the maximum term of such Award), such unexercised portion of the Award will terminate, and the Participant will have no further right, title or interest in terminated Award, the shares of Common Stock subject to the terminated Award, or any consideration in respect of the terminated Award.

(i) Restrictions on Exercise; Extension of Exercisability. A Participant may not exercise an Option or SAR at any time that the issuance of shares of Common Stock upon such exercise would violate Applicable Law. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate approved by the Board or the Committee, if a Participant's Continuous Service terminates for any reason other than for Cause and, at any time during the last thirty days of the applicable Post-Termination Exercise Period: (i) the exercise of the Participant's Option or SAR would be prohibited solely because the issuance of shares of Common Stock upon such exercise would violate Applicable Law, or (ii) the immediate sale of any shares of Common Stock issued upon such exercise would violate the Company's Trading Policy, then the applicable Post-Termination Exercise Period will be extended to the last day of the calendar month that commences following the date the Award would otherwise expire, with an additional extension of the exercise period to the last day of the next calendar month to apply if any of the foregoing restrictions apply at any time during such extended exercise period, generally without limitation as to the maximum permitted number of extensions); *provided*, *however*, that in no event may such Award be exercised after the expiration of its maximum term (as set forth in Section 4(a)).

(j) Non-Exempt Employees. No Option or SAR, whether or not vested, granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six months following the date of grant of such Award. Notwithstanding the foregoing, in accordance with the provisions of the Worker Economic Opportunity Act, any vested portion of such Award may be exercised earlier than six months following the date of grant of such Award in the event of (i) such Participant's death or Disability, (ii) a Corporate Transaction in which such Award is not assumed, continued or substituted, (iii) a Change in Control, or (iv) such Participant's retirement (as such term may be defined in the Award Agreement or another applicable agreement or, in the absence of any such definition, in accordance with the Company's then current employment policies and guidelines). This Section 4(j) is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay.

(k) Whole Shares. Options and SARs may be exercised only with respect to whole shares of Common Stock or their equivalents.

5. AWARDS OTHER THAN OPTIONS AND STOCK APPRECIATION RIGHTS.

(a) Restricted Stock Awards and RSU Awards. Each Restricted Stock Award and RSU Award will have such terms and conditions as determined by the Board which need not be identical; *provided*, *however*, that each Restricted Stock Award Agreement and RSU Award Agreement will conform (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) to the substance of each of the following provisions:

(i) Form of Award.

(1) RSAs: To the extent consistent with the Company's Bylaws, at the Board's election, shares of Common Stock subject to a Restricted Stock Award may be (i) held in book entry form subject to the Company's instructions until such shares become vested or any other restrictions lapse, or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. Unless otherwise determined by the Board, a Participant will have voting and other rights as a stockholder of the Company with respect to any shares subject to a Restricted Stock Award.

(2) RSUs: A RSU Award represents a Participant's right to be issued on a future date the number of shares of Common Stock that is equal to the number of restricted stock units subject to the RSU Award. As a holder of a RSU Award, a Participant is an unsecured creditor of the Company with respect to the Company's unfunded obligation, if any, to issue shares of Common Stock in settlement of such Award and nothing contained in the Plan or any RSU Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between a Participant and the Company or an Affiliate or any other person. A Participant will not have voting or any other rights as a stockholder of the Company with respect to any RSU Award (unless and until shares are actually issued in settlement of a vested RSU Award).

(ii) Consideration.

(1) RSA: A Restricted Stock Award may be granted in consideration for (A) cash or check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of consideration as the Board may determine and permissible under Applicable Law.

(2) RSU: Unless otherwise determined by the Board at the time of grant, a RSU Award will be granted in consideration for the Participant's services to the Company or an Affiliate, such that the Participant will not be required to make any payment to the Company (other than such services) with respect to the grant or vesting of the RSU Award, or the issuance of any shares of Common Stock pursuant to the RSU Award. If, at the time of grant, the Board determines that any consideration must be paid by the Participant (in a form other than the Participant's services to the Company or an Affiliate) upon the issuance of any shares of Common Stock in settlement of the RSU Award, such consideration may be paid in any form of consideration as the Board may determine and permissible under Applicable Law.

(iii) Vesting. The Board may impose such restrictions on or conditions to the vesting of a Restricted Stock Award or RSU Award as determined by the Board and which may

vary. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, vesting of Restricted Stock Awards and RSU Awards will cease upon termination of the Participant's Continuous Service.

(b) Termination of Continuous Service. Except as explicitly otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate approved by the Board or the Committee, if a Participant's Continuous Service terminates for any reason, (i) the Company may receive through a forfeiture condition or a repurchase right any or all of the shares of Common Stock held by the Participant under his or her Restricted Stock Award that have not vested as of the date of such termination as set forth in the Restricted Stock Award Agreement and (ii) any portion of his or her RSU Award that has not vested will be forfeited upon such termination and the Participant will have no further right, title or interest in the RSU Award, the shares of Common Stock issuable pursuant to the RSU Award, or any consideration in respect of the RSU Award. In addition, except as explicitly otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate approved by the Board or the Committee, if a Participant's Continuous Service is terminated for Cause, the Company may recoup any income realized by the Participant with respect to any such Awards that vested within two years of the event that constituted Cause, and the Participant will have no further right, title or interest in such forfeited Award, the shares of Common Stock subject to the forfeited Award, or any consideration in respect of the forfeited Award; in each case, to the extent permitted by Applicable Law. In addition, if it is reasonably determined by the Company that a Participant could have been terminated for Cause or breached his or her post employment obligations owed to the Company, in addition to any other remedy available to the Company, the Company may recoup any income realized by the Participant with respect to any Awards that vested within two years of the event that constituted Cause or the breach of such obligation, to the extent permitted by Applicable Law.

(i) Dividends and Dividend Equivalents. Dividends or dividend equivalents may be paid or credited, as applicable, with respect to any shares of Common Stock subject to a Restricted Stock Award or RSU Award, as determined by the Board and specified in the Award Agreement).

(ii) Settlement of RSU Awards. A RSU Award may be settled by the issuance of shares of Common Stock or cash (or any combination thereof) or in any other form of payment, as determined by the Board and specified in the RSU Award Agreement. At the time of grant, the Board may determine to impose such restrictions or conditions that delay such delivery to a date following the vesting of the RSU Award.

(c) Performance Awards. With respect to any Performance Award, the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, the other terms and conditions of such Award, and the measure of whether and to what degree such Performance Goals have been attained will be determined by the Board.

(d) Other Awards. Other forms of Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value at the time of grant) may be granted either alone or in addition to Awards provided for

under Section 4 and the preceding provisions of this Section 5. Subject to the provisions of the Plan, the Board will have sole and complete discretion to determine the persons to whom and the time or times at which such Other Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Awards and all other terms and conditions of such Other Awards.

6. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board shall appropriately and proportionately adjust: (i) the class(es) and maximum number of shares of Common Stock subject to the Plan, (ii) the class(es) and maximum number of shares that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 2(a), and (iii) the class(es) and number of securities and exercise price, strike price or purchase price of Common Stock subject to outstanding Awards. The Board shall make such adjustments, and its determination shall be final, binding and conclusive. Notwithstanding the foregoing, no fractional shares or rights for fractional shares of Common Stock shall be created in order to implement any Capitalization Adjustment. The Board shall determine an equivalent benefit for any fractional shares or fractional shares that might be created by the adjustments referred to in the preceding provisions of this Section.

(b) Dissolution or Liquidation. Except as otherwise provided in the Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Awards (other than Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Award is providing Continuous Service, *provided, however*, that the Board may determine to cause some or all Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Awards in the event of a Corporate Transaction except as set forth in Section 11, and unless otherwise provided in the instrument evidencing the Award or any other written agreement between the Company or any Affiliate and the Participant approved by the Board or the Committee or unless otherwise expressly provided by the Board at the time of grant of an Award.

(i) Awards May Be Assumed. In the event of a Corporate Transaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue any or all Awards outstanding under the Plan or may substitute similar awards for Awards outstanding under the Plan (including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Awards may be assigned by the Company to the successor of the Company (or the successor's parent company, if any), in connection with such

Corporate Transaction. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of an Award or substitute a similar award for only a portion of an Award, or may choose to assume or continue the Awards held by some, but not all Participants. The terms of any assumption, continuation or substitution will be set by the Board.

(ii) Awards Held by Current Participants. In the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent company) does not assume or continue such outstanding Awards or substitute similar awards for such outstanding Awards, then with respect to Awards that have not been assumed, continued or substituted and that are held by Participants whose Continuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the "***Current Participants***"), the vesting of such Awards (and, with respect to Options and Stock Appreciation Rights, the time when such Awards may be exercised) will be accelerated in full to a date prior to the effective time of such Corporate Transaction (contingent upon the effectiveness of the Corporate Transaction) as the Board determines (or, if the Board does not determine such a date, to the date that is five (5) days prior to the effective time of the Corporate Transaction), and such Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or repurchase rights held by the Company with respect to such Awards will lapse (contingent upon the effectiveness of the Corporate Transaction). With respect to Performance Awards which will accelerate vesting in connection with a Corporate Transaction pursuant to this subsection (ii) and which Awards have multiple vesting levels depending on the level of performance, unless otherwise provided in the Award Agreement, such Performance Awards will accelerate vesting at 100% of the target level. With respect to Awards which will accelerate vesting in connection with a Corporate Transaction pursuant to this subsection (ii) and which Awards are settled in the form of a cash payment, such cash payment will be made no later than thirty (30) days following the effectiveness of the Corporate Transaction.

(iii) Awards Held by Persons other than Current Participants. In the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent company) does not assume or continue such outstanding Awards or substitute similar awards for such outstanding Awards, then with respect to Awards that have not been assumed, continued or substituted and that are held by persons other than Current Participants, such Awards will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; *provided*, *however*, that any reacquisition or repurchase rights held by the Company with respect to such Awards will not terminate and may continue to be exercised notwithstanding the Corporate Transaction.

(iv) Payment for Awards in Lieu of Exercise. Notwithstanding the foregoing, in the event an Award will terminate if not exercised prior to the effective time of a Corporate Transaction, the Board may provide, in its sole discretion, that the holder of such Award may not exercise such Award but will receive a payment, in such form as may be determined by the Board, equal in value, at the effective time, to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Award (including, at the discretion of the Board, any unvested portion of such Award), over (B) any exercise price payable by such holder in connection with such exercise.

(d) Appointment of Stockholder Representative. As a condition to the receipt of an Award under this Plan, a Participant will be deemed to have agreed that the Award will be subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on the Participant's behalf with respect to any escrow, indemnities and any contingent consideration.

(e) No Restriction on Right to Undertake Transactions. The grant of any Award under the Plan and the issuance of shares pursuant to any Award does not affect or restrict in any way the right or power of the Company or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of stock or of options, rights or options to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Common Stock or the rights thereof or which are convertible into or exchangeable for Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

7. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in subsection (c) below.

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each Award will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not be identical), including the time or times when a person will be permitted to receive an issuance of Common Stock or other payment pursuant to an Award; (E) the number of shares of Common Stock or cash equivalent with respect to which an Award will be granted to each such person; (F) the Fair Market Value applicable to an Award; and (G) the terms of any Performance Award that is not valued in whole or in part by reference to, or otherwise based on, the Common Stock, including the amount of cash payment or other property that may be earned and the timing of payment.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement in a manner and to the extent it deems necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate the time at which an Award may first be exercised or the time during which an Award or any part thereof will vest, notwithstanding the provisions in the Award Agreement stating the time at which it may first be exercised or the time during which it will vest.

(v) To prohibit the exercise of any Option, SAR or other exercisable Award during a period of up to thirty days prior to the consummation of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the shares of Common Stock or the share price of the Common Stock including any Corporate Transaction, for reasons of administrative convenience.

(vi) To suspend or terminate the Plan at any time. Suspension or termination of the Plan will not Materially Impair rights and obligations under any Award granted while the Plan is in effect except with the written consent of the affected Participant.

(vii) To amend the Plan in any respect the Board deems necessary or advisable; *provided*, *however,* that stockholder approval will be required for any amendment to the extent required by Applicable Law. Except as provided above, rights under any Award granted before amendment of the Plan will not be Materially Impaired by any amendment of the Plan unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(viii) To submit any amendment to the Plan for stockholder approval.

(ix) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however*, that, a Participant's rights under any Award will not be Materially Impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing.

(x) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(xi) To adopt such procedures and sub-plans as are necessary or appropriate to permit and facilitate participation in the Plan by, or take advantage of specific tax treatment for Awards granted to, Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Award Agreement to ensure or facilitate compliance with the laws of the relevant foreign jurisdiction).

(xii) To effect, at any time and from time to time, subject to the consent of any Participant whose Award is Materially Impaired by such action, the cancellation of any outstanding Option or SAR under the Plan and the grant in substitution therefor of (1) a new Option or SAR under the Plan or another equity plan of the Company covering the same or a

different number of shares of Common Stock, (2) a Restricted Stock Award, (3) a RSU Award, (4) an Other Award, (5) cash and/or (6) other valuable consideration (as determined by the Board).

(c) Limitations.

(i) Prohibition Against Repricing. Notwithstanding Section 7(b)(xii), the Board may not modify or amend an Option or SAR to reduce the exercise price of such Option or SAR after it has been granted (except for adjustments made pursuant to Section 6), and neither may the Board cancel any outstanding Option or SAR in exchange for cash or any other Award with a lower price, unless such action is approved by stockholders prior to such action being taken. Subject to Section 6, the Board shall have the authority, without the approval of the stockholders of the Company, to amend any outstanding Award to increase the price per share or to cancel and replace and Award with the grant of an Award having a price per share that is greater than or equal to the price per share on the date of grant.

(ii) Buyout Provisions. The Board may at any time offer to buy out for a payment in cash an Option previously granted based on such terms and conditions as the Board will establish and communicate to the Participant at the time that such offer is made. Notwithstanding anything contained in this Section 7c(ii) to the contrary, the Board shall not be allowed to authorize the buyout of underwater Options or SARs without the prior consent of the Company's stockholders.

(d) Delegation to Committee.

(i) General. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Committee may, at any time, abolish the subcommittee and/or revest in the Committee any powers delegated to the subcommittee. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(ii) Rule 16b-3 Compliance. To the extent an Award is intended to qualify for the exemption from Section 16(b) of the Exchange Act that is available under Rule 16b-3 of the Exchange Act, the Award will be granted by the full Board or a Committee that consists solely of two or more Non-Employee Directors, as determined under Rule 16b-3(b)(3) of the Exchange Act and thereafter any action establishing or modifying the terms of the Award will be approved by the full Board or a Committee meeting such requirements to the extent necessary for such exemption to remain available.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board or any Committee in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

(f) Delegation to an Officer. The Board or any Committee may delegate to one or more Officers the authority to do one or both of the following (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by Applicable Law, other Awards) and, to the extent permitted by Applicable Law, the terms thereof, and (ii) determine the number of shares of Common Stock to be subject to such Awards granted to such Employees; *provided*, *however*, that the resolutions evidencing such delegation will specify the total number of shares of Common Stock that may be subject to the Awards granted by such Officer and that such Officer may not grant an Award to himself or herself. Any such Awards will be granted on the form of Award Agreement most recently approved for use by the Board or the Committee, unless otherwise provided in the resolutions approving the delegation authority. Notwithstanding anything to the contrary herein, neither the Board nor any Committee may delegate to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) the authority to determine the Fair Market Value.

8. TAX WITHHOLDING

(a) Withholding Authorization. As a condition to acceptance of any Award under the Plan, a Participant authorizes withholding from payroll and any other amounts payable to such Participant, and otherwise agree to make adequate provision for (including), any sums required to satisfy any U.S. federal, state, local and/or foreign tax or social insurance contribution withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise, vesting or settlement of such Award, as applicable. Accordingly, a Participant may not be able to exercise an Award even though the Award is vested, and the Company shall have no obligation to issue shares of Common Stock subject to an Award, unless and until such obligations are satisfied.

(b) Satisfaction of Withholding Obligation. To the extent permitted by the terms of an Award Agreement, the Company may, in its sole discretion, satisfy any U.S. federal, state, local and/or foreign tax or social insurance withholding obligation relating to an Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Award; (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; (v) by allowing a Participant to effectuate a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board, or (vi) by such other method as may be set forth in the Award Agreement.

(c) No Obligation to Notify or Minimize Taxes; No Liability to Claims. Except as required by Applicable Law the Company has no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Award. Furthermore, the Company has no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder

of such Award and will not be liable to any holder of an Award for any adverse tax consequences to such holder in connection with an Award. As a condition to accepting an Award under the Plan, each Participant (i) agrees to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from such Award or other Company compensation and (ii) acknowledges that such Participant was advised to consult with his or her own personal tax, financial and other legal advisors regarding the tax consequences of the Award and has either done so or knowingly and voluntarily declined to do so. Additionally, each Participant acknowledges any Option or SAR granted under the Plan is exempt from Section 409A only if the exercise or strike price is at least equal to the "fair market value" of the Common Stock on the date of grant as determined by the Internal Revenue Service and there is no other impermissible deferral of compensation associated with the Award. Additionally, as a condition to accepting an Option or SAR granted under the Plan, each Participant agrees not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that such exercise price or strike price is less than the "fair market value" of the Common Stock on the date of grant as subsequently determined by the Internal Revenue Service.

(d) Withholding Indemnification. As a condition to accepting an Award under the Plan, in the event that the amount of the Company's and/or its Affiliate's withholding obligation in connection with such Award was greater than the amount actually withheld by the Company and/or its Affiliates, each Participant agrees to indemnify and hold the Company and/or its Affiliates harmless from any failure by the Company and/or its Affiliates to withhold the proper amount.

9. MISCELLANEOUS.

(a) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

(b) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Awards will constitute general funds of the Company.

(c) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action approving the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(d) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to such

Award unless and until (i) such Participant has satisfied all requirements for exercise of the Award pursuant to its terms, if applicable, and (ii) the issuance of the Common Stock subject to such Award is reflected in the records of the Company.

(e) No Employment or Other Service Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or affect the right of the Company or an Affiliate to terminate at will and without regard to any future vesting opportunity that a Participant may have with respect to any Award (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state or foreign jurisdiction in which the Company or the Affiliate is incorporated, as the case may be. Further, nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award will constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or service or confer any right or benefit under the Award or the Plan unless such right or benefit has specifically accrued under the terms of the Award Agreement and/or Plan.

(f) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board may determine, to the extent permitted by Applicable Law, to (i) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(g) Execution of Additional Documents. As a condition to accepting an Award under the Plan, the Participant agrees to execute any additional documents or instruments necessary or desirable, as determined in the Plan Administrator's sole discretion, to carry out the purposes or intent of the Award, or facilitate compliance with securities and/or other regulatory requirements, in each case at the Plan Administrator's request.

(h) Electronic Delivery and Participation. Any reference herein or in an Award Agreement to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access). By accepting any Award the Participant consents to receive documents by electronic delivery and to participate in the Plan through any on-line electronic system established and maintained by the Plan Administrator or another third party selected by

the Plan Administrator. The form of delivery of any Common Stock (*e.g.*, a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

(i) Clawback/Recovery. All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Law and any clawback policy that the Company otherwise adopts, to the extent applicable and permissible under Applicable Law. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of Cause (or an event that the Company reasonably determines could have constituted Cause) or breach of a Participant's post employment obligations to the Company. No recovery of compensation under such a clawback policy will be an event giving rise to a Participant's right to voluntary terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

(j) Securities Law Compliance. A Participant will not be issued any shares in respect of an Award unless either (i) the shares are registered under the Securities Act; or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Each Award also must comply with other Applicable Law governing the Award, and a Participant will not receive such shares if the Company determines that such receipt would not be in material compliance with Applicable Law.

(k) Transfer or Assignment of Awards; Issued Shares. Except as expressly provided in the Plan or the form of Award Agreement, Awards granted under the Plan may not be transferred or assigned by the Participant. After the vested shares subject to an Award have been issued, or in the case of Restricted Stock and similar awards, after the issued shares have vested, the holder of such shares is free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such shares provided that any such actions are in compliance with the provisions herein, the terms of the Trading Policy and Applicable Law.

(l) Effect on Other Employee Benefit Plans. The value of any Award granted under the Plan, as determined upon grant, vesting or settlement, shall not be included as compensation, earnings, salaries, or other similar terms used when calculating any Participant's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

(m) Deferrals. To the extent permitted by Applicable Law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may also establish programs and procedures for deferral elections to be made by Participants. Deferrals by will be made in accordance with the requirements of Section 409A.

(n) Section 409A. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A, and, to the extent not so exempt, in compliance with the requirements of Section 409A. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A is a "specified employee" for purposes of Section 409A, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A without regard to alternative definitions thereunder) will be issued or paid before the date that is six months and one day following the date of such Participant's "separation from service" or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(o) Data Privacy. By accepting an Award granted under the Plan, a Participant thereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of such Participant's personal data as described herein by and among, as applicable, the Employer, and the Company and its other Affiliates and the Plan Administrator for the exclusive purpose of implementing, administering and managing such Participant's participation in the Plan. Each Participant understands that the Company and the Employer may hold certain personal information about such Participant, including, but not limited to, the Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Awards or any other entitlement to ordinary shares awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor, for the purpose of implementing, administering and managing the Plan (the "***Data***"). Each Participant understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Participant's country or elsewhere, and that the recipients' country (*e.g.*, the United States) may have different data privacy laws and protections than the Participant's country. Each Participant understands that such Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Participant's local human resources representative. Each Participant authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom such Participant may elect to deposit any ordinary shares acquired pursuant to an Award. Each Participant understands that Data will be held only as long as is necessary to implement, administer and manage such Participant's participation in the Plan. Each Participant understands that such Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, without cost, by contacting in

writing such Participant's local human resources representative. Each Participant understands, however, that refusing or withdrawing such Participant's consent may affect such Participant's ability to participate in the Plan. For more information on the consequences of refusal to consent or withdrawal of consent, each Participant understands that such Participant may contact his or her local human resources representative.

(p) Choice of Law. This Plan and any controversy arising out of or relating to this Plan shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to conflict of law principles that would result in any application of any law other than the law of the State of Delaware.

10. COVENANTS OF THE COMPANY.

(a) Compliance with Law. The Company will seek to obtain from each regulatory commission or agency, as may be deemed to be necessary, having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell shares of Common Stock upon exercise or vesting of the Awards; *provided*, *however*, that this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Common Stock issued or issuable pursuant to any such Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary or advisable for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise or vesting of such Awards unless and until such authority is obtained. A Participant is not eligible for the grant of an Award or the subsequent issuance of Common Stock pursuant to the Award if such grant or issuance would be in violation of any Applicable Law.

11. ADDITIONAL RULES FOR AWARDS SUBJECT TO SECTION 409A.

(a) Application. Unless the provisions of this Section of the Plan are expressly superseded by the provisions in the form of Award Agreement, the provisions of this Section shall apply and shall supersede anything to the contrary set forth in the Award Agreement for a Non-Exempt Award.

(b) Non-Exempt Awards Subject to Non-Exempt Severance Arrangements. To the extent a Non-Exempt Award is subject to Section 409A due to application of a Non-Exempt Severance Arrangement, the following provisions of this subsection (b) apply.

(i) If the Non-Exempt Award vests in the ordinary course during the Participant's Continuous Service in accordance with the vesting schedule set forth in the Award Agreement, and does not accelerate vesting under the terms of a Non-Exempt Severance Arrangement, in no event will the shares be issued in respect of such Non-Exempt Award any later than the later of: (i) December 31st of the calendar year that includes the applicable vesting date, or (ii) the 60th day that follows the applicable vesting date.

(ii) If vesting of the Non-Exempt Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with the Participant's Separation from Service, and such vesting acceleration provisions were in effect as of the date of grant of the

Non-Exempt Award and, therefore, are part of the terms of such Non-Exempt Award as of the date of grant, then the shares will be earlier issued in settlement of such Non-Exempt Award upon the Participant's Separation from Service in accordance with the terms of the Non-Exempt Severance Arrangement, but in no event later than the 60th day that follows the date of the Participant's Separation from Service. However, if at the time the shares would otherwise be issued the Participant is subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such shares shall not be issued before the date that is six months following the date of such Participant's Separation from Service, or, if earlier, the date of the Participant's death that occurs within such six month period.

(iii) If vesting of a Non-Exempt Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with a Participant's Separation from Service, and such vesting acceleration provisions were not in effect as of the date of grant of the Non-Exempt Award and, therefore, are not a part of the terms of such Non-Exempt Award on the date of grant, then such acceleration of vesting of the Non-Exempt Award shall not accelerate the issuance date of the shares, but the shares shall instead be issued on the same schedule as set forth in the Grant Notice as if they had vested in the ordinary course during the Participant's Continuous Service, notwithstanding the vesting acceleration of the Non-Exempt Award. Such issuance schedule is intended to satisfy the requirements of payment on a specified date or pursuant to a fixed schedule, as provided under Treasury Regulations Section 1.409A-3(a)(4).

(c) Treatment of Non-Exempt Awards Upon a Corporate Transaction for Employees and Consultants. The provisions of this subsection (c) shall apply and shall supersede anything to the contrary set forth in the Plan with respect to the permitted treatment of any Non-Exempt Award in connection with a Corporate Transaction if the Participant was either an Employee or Consultant upon the applicable date of grant of the Non-Exempt Award.

(i) Vested Non-Exempt Awards. The following provisions shall apply to any Vested Non-Exempt Award in connection with a Corporate Transaction:

(1) If the Corporate Transaction is also a Section 409A Change in Control then the Acquiring Entity may not assume, continue or substitute the Vested Non-Exempt Award. Upon the Section 409A Change of Control the settlement of the Vested Non-Exempt Award will automatically be accelerated and the shares will be immediately issued in respect of the Vested Non-Exempt Award. Alternatively, the Company may instead provide that the Participant will receive a cash settlement equal to the Fair Market Value of the shares that would otherwise be issued to the Participant upon the Section 409A Change of Control.

(2) If the Corporate Transaction is not also a Section 409A Change of Control, then the Acquiring Entity must either assume, continue or substitute each Vested Non-Exempt Award. The shares to be issued in respect of the Vested Non-Exempt Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that

would otherwise be issued to the Participant on such issuance dates, with the determination of the Fair Market Value of the shares made on the date of the Corporate Transaction.

(ii) Unvested Non-Exempt Awards. The following provisions shall apply to any Unvested Non-Exempt Award unless otherwise determined by the Board pursuant to subsection (e) of this Section.

(1) In the event of a Corporate Transaction, the Acquiring Entity shall assume, continue or substitute any Unvested Non-Exempt Award. Unless otherwise determined by the Board, any Unvested Non-Exempt Award will remain subject to the same vesting and forfeiture restrictions that were applicable to the Award prior to the Corporate Transaction. The shares to be issued in respect of any Unvested Non-Exempt Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of Fair Market Value of the shares made on the date of the Corporate Transaction.

(2) If the Acquiring Entity will not assume, substitute or continue any Unvested Non-Exempt Award in connection with a Corporate Transaction, then such Award shall automatically terminate and be forfeited upon the Corporate Transaction with no consideration payable to any Participant in respect of such forfeited Unvested Non-Exempt Award. Notwithstanding the foregoing, to the extent permitted and in compliance with the requirements of Section 409A, the Board may in its discretion determine to elect to accelerate the vesting and settlement of the Unvested Non-Exempt Award upon the Corporate Transaction, or instead substitute a cash payment equal to the Fair Market Value of such shares that would otherwise be issued to the Participant, as further provided in subsection (e)(ii) below. In the absence of such discretionary election by the Board, any Unvested Non-Exempt Award shall be forfeited without payment of any consideration to the affected Participants if the Acquiring Entity will not assume, substitute or continue the Unvested Non-Exempt Awards in connection with the Corporate Transaction.

(3) The foregoing treatment shall apply with respect to all Unvested Non-Exempt Awards upon any Corporate Transaction, and regardless of whether or not such Corporate Transaction is also a Section 409A Change of Control.

(d) Treatment of Non-Exempt Awards Upon a Corporate Transaction for Non-Employee Directors. The following provisions of this subsection (d) shall apply and shall supersede anything to the contrary that may be set forth in the Plan with respect to the permitted treatment of a Non-Exempt Director Award in connection with a Corporate Transaction.

(i) If the Corporate Transaction is also a Section 409A Change of Control then the Acquiring Entity may not assume, continue or substitute the Non-Exempt Director Award. Upon the Section 409A Change of Control the vesting and settlement of any Non-Exempt Director Award will automatically be accelerated and the shares will be immediately issued to the Participant in respect of the Non-Exempt Director Award. Alternatively, the

Company may provide that the Participant will instead receive a cash settlement equal to the Fair Market Value of the shares that would otherwise be issued to the Participant upon the Section 409A Change of Control pursuant to the preceding provision.

(ii) If the Corporate Transaction is not also a Section 409A Change of Control, then the Acquiring Entity must either assume, continue or substitute the Non-Exempt Director Award. Unless otherwise determined by the Board, the Non-Exempt Director Award will remain subject to the same vesting and forfeiture restrictions that were applicable to the Award prior to the Corporate Transaction. The shares to be issued in respect of the Non-Exempt Director Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of Fair Market Value made on the date of the Corporate Transaction.

(e) If the RSU Award is a Non-Exempt Award, then the provisions in this Section 11(e) shall apply and supersede anything to the contrary that may be set forth in the Plan or the Award Agreement with respect to the permitted treatment of such Non-Exempt Award:

(i) Any exercise by the Board of discretion to accelerate the vesting of a Non-Exempt Award shall not result in any acceleration of the scheduled issuance dates for the shares in respect of the Non-Exempt Award unless earlier issuance of the shares upon the applicable vesting dates would be in compliance with the requirements of Section 409A.

(ii) The Company explicitly reserves the right to earlier settle any Non-Exempt Award to the extent permitted and in compliance with the requirements of Section 409A, including pursuant to any of the exemptions available in Treasury Regulations Section 1.409A-3(j)(4)(ix).

(iii) To the extent the terms of any Non-Exempt Award provide that it will be settled upon a Change in Control or Corporate Transaction, to the extent it is required for compliance with the requirements of Section 409A, the Change in Control or Corporate Transaction event triggering settlement must also constitute a Section 409A Change of Control. To the extent the terms of a Non-Exempt Award provides that it will be settled upon a termination of employment or termination of Continuous Service, to the extent it is required for compliance with the requirements of Section 409A, the termination event triggering settlement must also constitute a Separation From Service. However, if at the time the shares would otherwise be issued to a Participant in connection with a "separation from service" such Participant is subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such shares shall not be issued before the date that is six months following the date of the Participant's Separation From Service, or, if earlier, the date of the Participant's death that occurs within such six month period.

(iv) The provisions in this subsection (e) for delivery of the shares in respect of the settlement of a RSU Award that is a Non-Exempt Award are intended to comply with the requirements of Section 409A so that the delivery of the shares to the Participant in respect of such Non-Exempt Award will not trigger the additional tax imposed under Section 409A, and any ambiguities herein will be so interpreted.

12. SEVERABILITY.

If all or any part of the Plan or any Award Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of the Plan or such Award Agreement not declared to be unlawful or invalid. Any Section of the Plan or any Award Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

13. TERMINATION OF THE PLAN.

The Board may suspend or terminate the Plan at any time. No Incentive Stock Options may be granted after the tenth anniversary of the earlier of: (i) the Adoption Date, or (ii) the date the Plan is approved by the Company's stockholders. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

14. DEFINITIONS.

As used in the Plan, the following definitions apply to the capitalized terms indicated below:

(a) "***Acquiring Entity***" means the surviving or acquiring corporation (or its parent company) in connection with a Corporate Transaction.

(b) "***Adoption Date***" means the date the Plan is first approved by the Board or Compensation Committee.

(c) "***Affiliate***" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 promulgated under the Securities Act. The Board may determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(d) "***Applicable Law***" means shall mean any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (or under the authority of the NASDAQ Stock Market or the Financial Industry Regulatory Authority).

(e) "***Award***" means any right to receive Common Stock, cash or other property granted under the Plan (including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a RSU Award, a SAR, a Performance Award or any Other Award).

(f) "***Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of an Award. The Award Agreement generally consists of the Grant Notice and the agreement containing the written summary of the general terms and conditions applicable to the Award and which is provided to a Participant along with the Grant Notice.

(g) "***Board***" means the Board of Directors of the Company (or its designee). Any decision or determination made by the Board shall be a decision or determination that is made in the sole discretion of the Board (or its designee), and such decision or determination shall be final and binding on all Participants.

(h) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Award after the date on which the Board approved the Plan without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(i) "***Cause***" has the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (ii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iii) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (iv) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Board with respect to Participants who are executive officers of the Company and by the Company's Chief Executive Officer with respect to Participants who are not executive officers of the Company. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(j) "***Change in Control***" or "***Change of Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events; provided, however, to the extent necessary to avoid adverse personal income tax consequences to the Participant in connection with an Award, also constitutes a Section 409A Change of Control:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control shall not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (C) solely because the level of Ownership held by any Exchange Act Person (the "*Subject Person*") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control shall be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or

similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) the stockholders of the Company approve or the Board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company shall otherwise occur, except for a liquidation into a parent corporation;

(iv) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or

(v) individuals who, on the date the Plan is adopted by the Board, are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board; *provided, however*, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of this Plan, be considered as a member of the Incumbent Board (other than any subsequently elected members whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board).

Notwithstanding the foregoing or any other provision of this Plan, (A) the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant shall supersede the foregoing definition with respect to Awards subject to such agreement; *provided, however*, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition shall apply.

(k) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(l) "***Committee***" means the Compensation Committee and any other committee of one or more Directors to whom authority has been delegated by the Board or Compensation Committee in accordance with the Plan.

(m) "***Common Stock***" means the common stock of the Company.

(n) "***Company***" means Progyny, Inc., a Delaware corporation.

(o) ***"Compensation Committee"*** means the Compensation Committee of the Board.

(p) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

(q) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however,* that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law. In addition, to the extent required for exemption from or compliance with Section 409A, the determination of whether there has been a termination of Continuous Service will be made, and such term will be construed, in a manner that is consistent with the definition of "separation from service" as defined under Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder).

(r) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(s) "***Director***" means a member of the Board.

(t) ***"determine" or "determined"*** means as determined by the Board or the Committee (or its designee) in its sole discretion.

(u) "***Disability***" means, with respect to a Participant, such Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, as provided in Section 22(e)(3) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(v) "***Effective Date***" means the IPO Date, provided this Plan is approved by the Company's stockholders prior to the IPO Date.

(w) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(x) "***Employer***" means the Company or the Affiliate of the Company that employs the Participant.

(y) "***Entity***" means a corporation, partnership, limited liability company or other entity.

(z) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(aa) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(bb) "***Fair Market Value***" means, as of any date, unless otherwise determined by the Board, the value of the Common Stock (as determined on a per share or aggregate basis, as applicable) determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value will be the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) If there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, or if otherwise determined by the Board, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

(cc) "***Governmental Body***" means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or regulatory body, or quasi-governmental body of any nature (including any governmental division, department, administrative agency or bureau, commission, authority, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court or other tribunal, and for the avoidance of doubt, any Tax authority) or other body exercising similar powers or authority; or (d) self-regulatory organization (including the NASDAQ Stock Market and the Financial Industry Regulatory Authority).

(dd) ***"Grant Notice"*** means the notice provided to a Participant that he or she has been granted an Award under the Plan and which includes the name of the Participant, the type of Award, the date of grant of the Award, number of shares of Common Stock subject to the Award or potential cash payment right, (if any), the vesting schedule for the Award (if any) and other key terms applicable to the Award.

(ee) "***Incentive Stock Option***" means an option granted pursuant to Section 4 of the Plan that is intended to be, and qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(ff) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(gg) ***"Materially Impair"*** means any amendment to the terms of the Award that materially adversely affects the Participant's rights under the Award. A Participant's rights under an Award will not be deemed to have been Materially Impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights. For example, the following types of amendments to the terms of an Award do not Materially Impair the Participant's rights under the Award: (i)

imposition of reasonable restrictions on the minimum number of shares subject to an Option that may be exercised, (ii) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (iii) to change the terms of an Incentive Stock Option in a manner that disqualifies, impairs or otherwise affects the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (iv) to clarify the manner of exemption from, or to bring the Award into compliance with or qualify it for an exemption from, Section 409A; or (v) to comply with other Applicable Laws.

(hh) "***Non-Employee Director***" means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act ("***Regulation S-K***")), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K; or (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

(ii) ***"Non-Exempt Award"*** means any Award that is subject to, and not exempt from, Section 409A, including as the result of (i) a deferral of the issuance of the shares subject to the Award which is elected by the Participant or imposed by the Company or (ii) the terms of any Non-Exempt Severance Agreement.

(jj) ***"Non-Exempt Director Award"*** means a Non-Exempt Award granted to a Participant who was a Director but not an Employee on the applicable grant date.

(kk) ***Non-Exempt Severance Arrangement*** means a severance arrangement or other agreement between the Participant and the Company that provides for acceleration of vesting of an Award and issuance of the shares in respect of such Award upon the Participant's termination of employment or separation from service (as such term is defined in Section 409A(a)(2)(A)(i) of the Code (and without regard to any alternative definition thereunder) ("***Separation from Service***") and such severance benefit does not satisfy the requirements for an exemption from application of Section 409A provided under Treasury Regulations Section 1.409A-1(b)(4), 1.409A-1(b)(9) or otherwise.

(ll) "***Nonstatutory Stock Option***" means any option granted pursuant to Section 4 of the Plan that does not qualify as an Incentive Stock Option.

(mm) "***Officer***" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(nn) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(oo) "***Option Agreement***" means a written agreement between the Company and the Optionholder evidencing the terms and conditions of the Option grant. The Option Agreement includes the Grant Notice for the Option and the agreement containing the written summary of

the general terms and conditions applicable to the Option and which is provided to a Participant along with the Grant Notice. Each Option Agreement will be subject to the terms and conditions of the Plan.

(pp) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(qq) "***Other Award***" means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 5(c).

(rr) "***Other Award Agreement***" means a written agreement between the Company and a holder of an Other Award evidencing the terms and conditions of an Other Award grant. Each Other Award Agreement will be subject to the terms and conditions of the Plan.

(ss) "***Own,***" "***Owned,***" "***Owner,***" "***Ownership***" means that a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(tt) "***Participant***" means an Employee, Director or Consultant to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

(uu) "***Performance Award***" means an Award that may vest or may be exercised or a cash award that may vest or become earned and paid contingent upon the attainment during a Performance Period of certain Performance Goals and which is granted under the terms and conditions of Section 5(b) pursuant to such terms as are approved by the Board. In addition, to the extent permitted by Applicable Law and set forth in the applicable Award Agreement, the Board may determine that cash or other property may be used in payment of Performance Awards. Performance Awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, the Common Stock.

(vv) "***Performance Criteria***" means the one or more criteria that the Board will select for purposes of establishing the Performance Goals for a Performance Period. The Performance Criteria that will be used to establish such Performance Goals may be based on any one of, or combination of, the following as determined by the Board: (i) earnings (including earnings per share and net earnings); (ii) earnings before interest, taxes and depreciation; (iii) earnings before interest, taxes, depreciation and amortization; (iv) total stockholder return; (v) return on equity or average stockholder's equity; (vi) return on assets, investment, or capital employed; (vii) stock price; (viii) margin (including gross margin); (ix) income (before or after taxes); (x) operating income; (xi) operating income after taxes; (xii) pre-tax profit; (xiii) operating cash flow; (xiv) sales or revenue targets; (xv) increases in revenue or product revenue; (xvi) expenses and cost reduction goals; (xvii) improvement in or attainment of working capital levels; (xviii) economic value added (or an equivalent metric); (xix) market share; (xx) cash flow; (xxi) cash flow per

share; (xxii) share price performance; (xxiii) debt reduction; (xxiv) customer satisfaction; (xxv) stockholders' equity; (xxvi) capital expenditures; (xxvii) debt levels; (xxviii) operating profit or net operating profit; (xxix) workforce diversity; (xxx) growth of net income or operating income; (xxxi) billings; (xxxii) pre-clinical development related compound goals; (xxxiii) financing; (xxxiv) regulatory milestones, including approval of a compound; (xxxv) stockholder liquidity; (xxvi) corporate governance and compliance; (xxxvii) product commercialization; (xxxviii) intellectual property; (xxxix) personnel matters; (xl) progress of internal research or clinical programs; (xli) progress of partnered programs; (xlii) partner satisfaction; (xliii) budget management; (xliv) clinical achievements; (xlv) completing phases of a clinical study (including the treatment phase); (xlvi) announcing or presenting preliminary or final data from clinical studies; in each case, whether on particular timelines or generally; (xlvii) timely completion of clinical trials; (xlviii) submission of INDs and NDAs and other regulatory achievements; (xlix) partner or collaborator achievements; (l) internal controls, including those related to the Sarbanes-Oxley Act of 2002; (li) research progress, including the development of programs; (lii) investor relations, analysts and communication; (liii) manufacturing achievements (including obtaining particular yields from manufacturing runs and other measurable objectives related to process development activities); (liv) strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property; (lv) establishing relationships with commercial entities with respect to the marketing, distribution and sale of the Company's products (including with group purchasing organizations, distributors and other vendors); (lvi) supply chain achievements (including establishing relationships with manufacturers or suppliers of active pharmaceutical ingredients and other component materials and manufacturers of the Company's products); (lvii) co-development, co-marketing, profit sharing, joint venture or other similar arrangements; (lviii) individual performance goals; (lix) corporate development and planning goals; and (lx) other measures of performance selected by the Board or Committee.

(ww) "***Performance Goals***" means, for a Performance Period, the one or more goals established by the Board for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the Board (i) in the Award Agreement at the time the Award is granted or (ii) in such other document setting forth the Performance Goals at the time the Performance Goals are established, the Board will appropriately make adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by the Company achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of common stock of the Company by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses

under the Company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, the Board retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Award Agreement or the written terms of a Performance Cash Award.

(xx) "***Performance Period***" means the period of time selected by the Board over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to vesting or exercise of an Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Board.

(yy) "***Plan***" means this Progyny, Inc. Equity Incentive Plan.

(zz) ***"Plan Administrator"*** means the person, persons, and/or third-party administrator designated by the Company to administer the day to day operations of the Plan and the Company's other equity incentive programs.

(aaa) "***Post-Termination Exercise Period***" means the period following termination of a Participant's Continuous Service within which an Option or SAR is exercisable, as specified in Section 4(h).

(bbb) "***Prior Plan Available Reserve***" means the number of shares available for the grant of new awards under the Prior Plan as of immediately prior to the Effective Date.

(ccc) "***Prior Plan***" means the 2017 Equity Incentive Plan.

(ddd) "***Prospectus***" means the document containing the Plan information specified in Section 10(a) of the Securities Act.

(eee) "***Restricted Stock Award***" or "***RSA***" means an Award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 5(a).

(fff) "***Restricted Stock Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. The Restricted Stock Award Agreement includes the Grant Notice for the Restricted Stock Award and the agreement containing the written summary of the general terms and conditions applicable to the Restricted Stock Award and which is provided to a Participant along with the Grant Notice. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(ggg) "***Returning Shares***" means shares subject to outstanding stock awards granted under the Prior Plan and that following the Effective Date: (A) are not issued because such stock award or any portion thereof expires, terminates or is otherwise cancelled without all of the

shares covered by such stock award having been issued; (B) are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required for the vesting of such shares; (C) are withheld or reacquired to satisfy the exercise, strike or purchase price; or (E) are withheld or reacquired to satisfy a tax withholding obligation.

(hhh) "***RSU Award***" or "***RSU***" means an Award of restricted stock units representing the right to receive an issuance of shares of Common Stock which is granted pursuant to the terms and conditions of Section 5(a).

(iii) "***RSU Award Agreement***" means a written agreement between the Company and a holder of a RSU Award evidencing the terms and conditions of a RSU Award grant. The RSU Award Agreement includes the Grant Notice for the RSU Award and the agreement containing the written summary of the general terms and conditions applicable to the RSU Award and which is provided to a Participant along with the Grant Notice. Each RSU Award Agreement will be subject to the terms and conditions of the Plan.

(jjj) "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(kkk) "***Rule 405***" means Rule 405 promulgated under the Securities Act.

(lll) "***Section 409A***" means Section 409A of the Code and the regulations and other guidance thereunder.

(mmm) "***Section 409A Change of Control***" means a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets, as provided in Section 409A(a)(2)(A)(v) of the Code and Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(nnn) ***"Securities Act***" means the Securities Act of 1933, as amended.

(ooo) ***"Share Reserve"*** means the number of shares available for issuance under the Plan as set forth in Section 2(a).

(ppp) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 4.

(qqq) "***SAR Agreement***" means a written agreement between the Company and a holder of a SAR evidencing the terms and conditions of a SAR grant. The SAR Agreement includes the Grant Notice for the SAR and the agreement containing the written summary of the general terms and conditions applicable to the SAR and which is provided to a Participant along with the Grant Notice. Each SAR Agreement will be subject to the terms and conditions of the Plan.

(rrr) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the

happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(sss) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

(ttt) "***Trading Policy***" means the Company's policy permitting certain individuals to sell Company shares only during certain "window" periods and/or otherwise restricts the ability of certain individuals to transfer or encumber Company shares, as in effect from time to time.

(uuu) "***Unvested Non-Exempt Award***" means the portion of any Non-Exempt Award that had not vested in accordance with its terms upon or prior to the date of any Corporate Transaction.

(vvv) "***Vested Non-Exempt Award***" means the portion of any Non-Exempt Award that had vested in accordance with its terms upon or prior to the date of a Corporate Transaction.

PROGYNY, INC.
STOCK OPTION GRANT NOTICE
(2019 EQUITY INCENTIVE PLAN)

Progyny, Inc. (the "***Company***"), pursuant to its 2019 Equity Incentive Plan (the "***Plan***"), has granted to you ("***Optionholder")*** an option to purchase the number of shares of the Common Stock set forth below (the "***Option***"). Your Option is subject to all of the terms and conditions as set forth herein and in the Plan, and the Stock Option Agreement and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Stock Option Agreement shall have the meanings set forth in the Plan or the Stock Option Agreement, as applicable.

Optionholder:
Date of Grant:
Vesting Commencement Date:
Number of Shares of Common Stock Subject to Option:
Exercise Price (Per Share):
Total Exercise Price:
Expiration Date:

Type of Grant: **[**Incentive Stock Option] OR [Nonstatutory Stock Option]

Exercise and Vesting Schedule: Subject to the Optionholder's Continuous Service through each applicable vesting date, the Option will vest as follows:

[ ]

Optionholder Acknowledgements: By your signature below or by electronic acceptance or authentication in a form authorized by the Company, you understand and agree that:

- The Option is governed by this Stock Option Grant Notice, and the provisions of the Plan and the Stock Option Agreement and the Notice of Exercise, all of which are made a part of this document. Unless otherwise provided in the Plan, this Grant Notice and the Stock Option Agreement (together, the "***Option Agreement***") may not be modified, amended or revised except in a writing signed by you and a duly authorized officer of the Company.

- If the Option is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options granted to you) cannot be first *exercisable* for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

- You consent to receive this Grant Notice, the Stock Option Agreement, the Plan, the Prospectus and any other Plan-related documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

- You have read and are familiar with the provisions of the Plan (including, without limitation, the forfeiture, recoupment and clawback provisions set forth in Sections 5(b) and 9(i) of the Plan), the Stock Option Agreement, the Notice of Exercise and the Prospectus. In the event of any conflict between the provisions in this Grant Notice, the Option Agreement, the Notice of Exercise, or the Prospectus and the terms of the Plan, the terms of the Plan shall control.

· The Option Agreement sets forth the entire understanding between you and the Company regarding the acquisition of Common Stock and supersedes all prior oral and written agreements, promises and/or representations on that subject with the exception of other equity awards previously granted to you and any written employment agreement, offer letter, severance agreement, written severance plan or policy, or other written agreement between the Company and you in each case that specifies the terms that should govern this Option and was approved by the Board or the Compensation Committee.

· Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

PROGYNY, INC.	**OPTIONHOLDER:**
By: _____	_____
Signature	Signature
Title: _____	Date: _____
Date: _____	

PROGYNY, INC.
2019 EQUITY INCENTIVE PLAN

STOCK OPTION AGREEMENT

As reflected by your Stock Option Grant Notice ("***Grant Notice***") Progyny, Inc. (the "***Company***") has granted you an option under its 2019 Equity Incentive Plan (the "***Plan***") to purchase a number of shares of Common Stock at the exercise price indicated in your Grant Notice (the "***Option***"). Capitalized terms not explicitly defined in this Agreement but defined in the Grant Notice or the Plan shall have the meanings set forth in the Grant Notice or Plan, as applicable. The terms of your Option as specified in the Grant Notice and this Stock Option Agreement constitute your Option Agreement.

The general terms and conditions applicable to your Option are as follows:

1. GOVERNING PLAN DOCUMENT. Your Option is subject to all the provisions of the Plan. Your Option is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the Option Agreement and the provisions of the Plan, the provisions of the Plan shall control.

2. EXERCISE.

(a) You may generally exercise the vested portion of your Option for whole shares of Common Stock at any time during its term by delivery of payment of the exercise price and applicable withholding taxes and other required documentation to the Plan Administrator in accordance with the exercise procedures established by the Plan Administrator, which may include an electronic submission. Please review the Plan, which may restrict or prohibit your ability to exercise your Option during certain periods.

(b) To the extent permitted by Applicable Law, you may pay your Option exercise price as follows:

(i) cash, check, bank draft or money order;

(ii) subject to Company and/or Committee consent at the time of exercise, pursuant to a "cashless exercise" program as further described in the Plan if at the time of exercise the Common Stock is publicly traded;

(iii) subject to Company and/or Committee consent at the time of exercise, by delivery of previously owned shares of Common Stock as further described in the Plan; or

(iv) subject to Company and/or Committee consent at the time of exercise, if the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement as further described in the Plan.

3. TERM. You may not exercise your Option before the commencement of its term or after its term expires. The term of your option commences on the Date of Grant and expires upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three months after the termination of your Continuous Service for any reason other than Cause, Disability or death;

(c) 12 months after the termination of your Continuous Service due to your Disability;

(d) 18 months after your death if you die during your Continuous Service;

(e) immediately upon a Corporate Transaction if the Board has determined that the Option will terminate in connection with a Corporate Transaction,

(f) the Expiration Date indicated in your Grant Notice; or

(g) the day before the 10th anniversary of the Date of Grant.

Notwithstanding the foregoing, if you die during the period provided in Section 3(b) or 3(c) above, the term of your Option shall not expire until the earlier of (i) eighteen months after your death, (ii) upon any termination of the Option in connection with a Corporate Transaction, (iii) the Expiration Date indicated in your Grant Notice, or (iv) the day before the tenth anniversary of the Date of Grant. Additionally, the Post-Termination Exercise Period of your Option may be extended as provided in the Plan.

To obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the date of grant of your Option and ending on the day three months before the date of your Option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. If the Company provides for the extended exercisability of your Option under certain circumstances for your benefit, your Option will not necessarily be treated as an Incentive Stock Option if you exercise your Option more than three months after the date your employment terminates.

4. WITHHOLDING OBLIGATIONS. As further provided in the Plan: (a) you may not exercise your Option unless the applicable tax withholding obligations are satisfied, and (b) at the time you exercise your Option, in whole or in part, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations, if any, which arise in connection with the exercise of your Option in accordance with the withholding procedures established by the Company. Accordingly, you may not be able to exercise your Option even though the Option is vested, and the Company shall have no obligation to issue shares of Common Stock subject to your Option, unless and until such obligations are satisfied. In the event that the amount of the

Company's withholding obligation in connection with your Option was greater than the amount actually withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

5. INCENTIVE STOCK OPTION DISPOSITION REQUIREMENT. If your option is an Incentive Stock Option, you must notify the Company in writing within 15 days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two years after the date of your option grant or within one year after such shares of Common Stock are transferred upon exercise of your option.

6. TRANSFERABILITY. Except as otherwise provided in the Plan, your Option is not transferable, except by will or by the applicable laws of descent and distribution, and is exercisable during your life only by you.

7. CORPORATE TRANSACTION. Your Option is subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on your behalf with respect to any escrow, indemnities and any contingent consideration.

8. NO LIABILITY FOR TAXES. As a condition to accepting the Option, you hereby (a) agree to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from the Option or other Company compensation and (b) acknowledge that you were advised to consult with your own personal tax, financial and other legal advisors regarding the tax consequences of the Option and have either done so or knowingly and voluntarily declined to do so. Additionally, you acknowledge that the Option is exempt from Section 409A only if the exercise price is at least equal to the "fair market value" of the Common Stock on the date of grant as determined by the Internal Revenue Service and there is no other impermissible deferral of compensation associated with the Option. Additionally, as a condition to accepting the Option, you agree not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that such exercise is less than the "fair market value" of the Common Stock on the date of grant as subsequently determined by the Internal Revenue Service.

9. OBLIGATIONS; RECOUPMENT. You hereby acknowledge that the grant of your Option is additional consideration for any obligations (whether during or after employment) that you have to the Company not to compete, not to solicit its customers, clients or employees, not to disclose or misuse confidential information or similar obligations. Accordingly, if the Company reasonably determines that you breached such obligations, in addition to any other available remedy, the Company may, to the extent permitted by Applicable Law, recoup any income realized by you with respect to the exercise of your Option within two years of such breach. In addition, to the extent permitted by Applicable Law, this right to recoupment by the Company applies in the event that your employment is terminated for Cause or if the Company reasonably determines that circumstances existed that it could have terminated your employment for Cause.

10. SEVERABILITY. If any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity

will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

11. INDEBTEDNESS TO THE COMPANY. In the event that you have any loans, draws, advances or any other indebtedness owing to the Company at the time of exercise of all or a portion of the Option, the Company may deduct and not deliver that number of shares of Common Stock with a Fair Market Value subject to the Option equal to such indebtedness to satisfy all or a portion of such indebtedness, to the extent permitted by law and in a manner consistent with Section 409A of the Code, if applicable.

12. OTHER DOCUMENTS. You hereby acknowledge receipt of or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Prospectus. In addition, you acknowledge receipt of the Company's Trading Policy.

13. QUESTIONS. If you have questions regarding these or any other terms and conditions applicable to your Option, including a summary of the applicable federal income tax consequences please see the Prospectus.

*** * * ***

PROGYNY, INC.

2019 EQUITY INCENTIVE PLAN

NOTICE OF EXERCISE

Date of Exercise:

This constitutes notice to Progyny, Inc. (the "***Company***") that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") by exercising my Option for the price set forth below. Capitalized terms not explicitly defined in this Notice of Exercise but defined in the Grant Notice, Option Agreement or 2019 Equity Incentive Plan (the "***Plan***") shall have the meanings set forth in the Grant Notice, Option Agreement or Plan, as applicable. Use of certain payment methods is subject to Company and/or Committee consent and certain additional requirements set forth in the Option Agreement and the Plan.

Type of option (check one):	Incentive o	Nonstatutory o
Date of Grant:		
Number of Shares as to which Option is exercised:		
Certificates to be issued in name of:		
Total exercise price:	$	
Cash, check, bank draft or money order delivered herewith:	$	
Value of Shares delivered herewith:	$	
Regulation T Program (cashless exercise)	$	
Value of Shares pursuant to net exercise:	$	

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Plan, (ii) to satisfy the tax withholding obligations, if any, relating to

the exercise of this Option as set forth in the Option Agreement, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within 15 days after the date of any disposition of any of the Shares issued upon exercise of this Option that occurs within two years after the Date of Grant or within one year after such Shares are issued upon exercise of this Option.

Very truly yours,

_____

PROGYNY, INC.
RSU AWARD GRANT NOTICE
(2019 EQUITY INCENTIVE PLAN)

Progyny, Inc. (the ***"Company"***) has awarded to you (the "***Participant***") the number of restricted stock units specified and on the terms set forth below in consideration of your services (the ***"RSU Award"***). Your RSU Award is subject to all of the terms and conditions as set forth herein and in the Company's 2019 Equity Incentive Plan (the ***"Plan"***) and the Award Agreement (the "***Agreement***"), which are incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Agreement shall have the meanings set forth in the Plan or the Agreement.

Participant:
Date of Grant:
Vesting Commencement Date:
Number of Restricted Stock Units:

Vesting Schedule: [ ]

Issuance Schedule: One share of Common Stock will be issued for each restricted stock unit which vests at the time set forth in Section 5 of the Agreement.

Participant Acknowledgements: By your signature below or by electronic acceptance or authentication in a form authorized by the Company, you understand and agree that:

- The RSU Award is governed by this RSU Award Grant Notice (the "***Grant Notice***"), and the provisions of the Plan and the Agreement, all of which are made a part of this document. Unless otherwise provided in the Plan, this Grant Notice and the Agreement (together, the "***RSU Award Agreement***") may not be modified, amended or revised except in a writing signed by you and a duly authorized officer of the Company.

- You have read and are familiar with the provisions of the Plan (including, without limitation, the forfeiture, recoupment and clawback provisions set forth in Sections 5(b) and 9(i) of the Plan), the RSU Award Agreement and the Prospectus. In the event of any conflict between the provisions in the RSU Award Agreement, or the Prospectus and the terms of the Plan, the terms of the Plan shall control.

- The RSU Award Agreement sets forth the entire understanding between you and the Company regarding the acquisition of Common Stock and supersedes all prior oral and written agreements, promises and/or representations on that subject with the exception of: (i) other equity awards previously granted to you, and (ii) any written employment agreement, offer letter, severance agreement, written severance plan or policy, or other written agreement between the Company and you in each case that specifies the terms that should govern this RSU Award and was approved by the Board or the Committee.

PROGYNY, INC.

By: _____
Signature
Title: _____
Date: _____

PARTICIPANT:

_____
Signature
Date: _____

PROGYNY, INC.
2019 EQUITY INCENTIVE PLAN

AWARD AGREEMENT (RSU AWARD)

As reflected by your Restricted Stock Unit Grant Notice ("***Grant Notice***") Progyny, Inc. (the "***Company***") has granted you a RSU Award under its 2019 Equity Incentive Plan (the "***Plan***") for the number of restricted stock units as indicated in your Grant Notice (the "***RSU Award***"). The terms of your RSU Award as specified in this Award Agreement for your RSU Award (the "***Agreement***") and the Grant Notice constitute your "***RSU Award Agreement***". Defined terms not explicitly defined in this Agreement but defined in the Grant Notice or the Plan shall have the same definitions as in the Grant Notice or Plan, as applicable.

The general terms applicable to your RSU Award are as follows:

1. GOVERNING PLAN DOCUMENT. Your RSU Award is subject to all the provisions of the Plan. Your RSU Award is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the RSU Award Agreement and the provisions of the Plan, the provisions of the Plan shall control.

2. GRANT OF THE RSU AWARD. This RSU Award represents your right to be issued on a future date the number of shares of the Company's Common Stock that is equal to the number of restricted stock units indicated in the Grant Notice subject to your satisfaction of the vesting conditions set forth therein (the "***Restricted Stock Units***"). Any additional Restricted Stock Units that become subject to the RSU Award pursuant to Capitalization Adjustments as set forth in the Plan and the provisions of Section 3 below, if any, shall be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other Restricted Stock Units covered by your RSU Award.

3. DIVIDENDS. You may become entitled to receive payments equal to any cash dividends and other distributions paid with respect to a corresponding number of shares of Common Stock to be issued in respect of the Restricted Stock Units covered by your RSU Award. Any such dividends or distributions shall be subject to the same forfeiture restrictions as apply to the Restricted Stock Units and shall be paid at the same time that the corresponding shares are issued in respect of your vested Restricted Stock Units, provided, however that to the extent any such dividends or distributions are paid in shares of Common Stock, then you will automatically be granted a corresponding number of additional Restricted Stock Units subject to the RSU Award (the "***Dividend Units***"), and further provided that such Dividend Units shall be subject to the same forfeiture restrictions and restrictions on transferability, and same timing requirements for issuance of shares, as apply to the Restricted Stock Units subject to the RSU Award with respect to which the Dividend Units relate.

4. WITHHOLDING OBLIGATIONS. As further provided in Section 8 of the Plan, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise

agree to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax withholding obligations, if any, which arise in connection with your RSU Award (the "***Withholding Taxes***") in accordance with the withholding procedures established by the Company. Unless the Withholding Taxes are satisfied, the Company shall have no obligation to deliver to you any Common Stock in respect of the RSU Award. In the event the Withholding Obligation of the Company arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Withholding Obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

5. DATE OF ISSUANCE.

(a) To the extent your RSU Award is exempt from application of Section 409A of the Code and any state law of similar effect (collectively ***"Section 409A"***), the Company will deliver to you a number of shares of the Company's Common Stock equal to the number of vested Restricted Stock Units subject to your RSU Award, including any additional Restricted Stock Units received pursuant to Section 3 above that relate to those vested Restricted Stock Units on the applicable vesting date(s), or if such date is not a business day, such delivery date shall instead fall on the next following business day (the "***Original Distribution Date***").

(b) Notwithstanding the foregoing, in the event that you are prohibited from selling shares of the Company's Common Stock in the public market on the scheduled delivery date by the Trading Policy or otherwise, and the Company elects not to satisfy its tax withholding obligations by withholding shares from your distribution, then such shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day when you are not prohibited from selling shares of the Company's Common Stock in the open market, but in no event later than the fifteenth (15th) day of the third calendar month of the calendar year following the calendar year in which the shares covered by the RSU Award vest. Delivery of the shares pursuant to the provisions of Section 5 is intended to comply with the requirements for the short-term deferral exemption available under Treasury Regulations Section 1.409A-1(b)(4) and shall be construed and administered in such manner. However, if and to the extent the RSU Award is a Non-Exempt Award, the provisions of the Plan with respect to Non-Exempt Awards shall apply in lieu of the provisions in this Section 5.

6. TRANSFERABILITY. Except as otherwise provided in the Plan, your RSU Award is not transferable, except by will or by the applicable laws of descent and distribution

7. CORPORATE TRANSACTION. Your RSU Award is subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on your behalf with respect to any escrow, indemnities and any contingent consideration.

8. NO LIABILITY FOR TAXES. As a condition to accepting the RSU Award, you hereby (a) agree to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from the RSU Award or other Company compensation and (b) acknowledge that you were advised to consult with your own personal tax,

financial and other legal advisors regarding the tax consequences of the RSU Award and have either done so or knowingly and voluntarily declined to do so.

9. OBLIGATIONS; RECOUPMENT. You hereby acknowledge that the grant of your RSU Award is additional consideration for any obligations (whether during or after employment) that you have to the Company not to compete, not to solicit its customers, clients or employees, not to disclose or misuse confidential information or similar obligations. Accordingly, if the Company reasonably determines that you breached such obligations, in addition to any other available remedy, the Company may, to the extent permitted by Applicable Law, recoup any income realized by you with respect to your RSU Award within two years of such breach. In addition, to the extent permitted by Applicable Law, this right to recoupment by the Company applies in the event that your employment is terminated for Cause or if the Company reasonably determines that circumstances existed that it could have terminated your employment for Cause.

10. SEVERABILITY. If any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

11. INDEBTEDNESS TO THE COMPANY. In the event that you have any loans, draws, advances or any other indebtedness owing to the Company at the time of delivery of the shares of Common Stock in respect of vested Restricted Stock Units, the Company may deduct and not deliver that number of shares of Common Stock with a Fair Market Value equal to such indebtedness to satisfy all or a portion of such indebtedness, to the extent permitted by law and in a manner consistent with Section 409A of the Code, if applicable.

12. OTHER DOCUMENTS. You hereby acknowledge receipt of or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Prospectus. In addition, you acknowledge receipt of the Company's Trading Policy.

13. QUESTIONS. If you have questions regarding these or any other terms and conditions applicable to your RSU Award, including a summary of the applicable federal income tax consequences please see the Prospectus.

Exhibit 10.5

PROGYNY, INC.

2019 EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: OCTOBER 12, 2019
APPROVED BY THE STOCKHOLDERS: OCTOBER 12, 2019
IPO DATE: , 2019

1. GENERAL; PURPOSE.

(a) The Plan provides a means by which Eligible Employees of the Company and certain designated Related Corporations are given an opportunity to purchase shares of Common Stock. It is the intention of the Company to have the Plan qualify as an "employee stock purchase plan" under Section 423 of the Code. Accordingly, the provisions of the Plan shall be construed so as to extend and limit participation in a uniform and nondiscriminatory manner consistent with the requirements of that section of the Code.

(b) The Company, by means of the Plan, seeks to retain the services of such Employees, to secure and retain the services of new Employees and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Related Corporations.

2. ADMINISTRATION.

(a) The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee, as provided in Section 2(c).

(b) The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine how and when Purchase Rights will be granted and the provisions of each Offering (which need not be identical).

(ii) To designate from time to time which Related Corporations of the Company will be eligible to participate in the Plan.

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights granted under the Plan.

(v) To suspend or terminate the Plan at any time as provided in Section 12.

(vi) To amend the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company and its Related Corporations and to carry out the intent that the Plan be treated as an Employee Stock Purchase Plan.

(viii) To adopt such rules, procedures and sub-plans relating to the operation and administration of the Plan as are necessary or appropriate under applicable local laws, regulations and procedures to permit or facilitate participation in the Plan by Employees who are foreign nationals or employed or located outside the United States.

(c) The Board may delegate some or all of the administration of the Plan to a Committee and the Committee may select an administrator or any other person to whom its duties and responsibilities hereunder may be delegated. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in the Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee, the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

(d) All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

(e) The Board or the Committee may employ such legal counsel, consultants, brokers and agents as it may deem desirable for the administration of the Plan and may rely upon any opinion received from any such counsel or consultant and any computation received from any such consultant, broker or agent. The Board or the Committee may, in its sole discretion, designate an Agent to administer the Plan, purchase and sell Shares in accordance with the Plan, keep records, send statements of account to employees and to perform other duties relating to the Plan, as the Committee may request from time to time. The Agent may serve as custodian for purposes of the Plan and Common Stock purchased under the Plan shall be held by and in the name of or in the name of a nominee of, the custodian for the benefit of each Participant, who shall thereafter be a beneficial stockholder of the Company. The Committee may adopt, amend or repeal any guidelines or requirements necessary for the custody and delivery of the Common Stock, including, without limitation, guidelines regarding the imposition of reasonable fees in certain circumstances.

(f) The Company shall, to the fullest extent permitted by law and the Certificate of Incorporation and By-Laws of the Company and, to the extent not covered by insurance, indemnify each director, officer or employee of an Employer (including the heirs, executors, and other personal representatives of such person) and each member of the Committee against all expenses, costs, liabilities and losses (including attorneys' fees, judgments, fines, excise taxes or penalties, and amounts paid or to be paid in settlement) actually and reasonably incurred by such

person in connection with any threatened, pending or actual suit, action or proceeding (whether civil, criminal, administrative or investigative in nature or otherwise) in which such person may be involved by reason of the fact that he or she is or was serving the Plan in any capacity at the request of the Company, except in instances where any such person engages in willful misconduct or fraud. Such right of indemnification shall include the right to be paid by the Company for expenses incurred or reasonably anticipated to be incurred in defending any such suit, action or proceeding in advance of its disposition; provided, however, that the payment of expenses in advance of the settlement or final disposition of a suit, action or proceeding, shall be made only upon delivery to the Company of an undertaking by or on behalf of such person to repay all amounts so advanced if it is ultimately determined that such person is not entitled to be indemnified hereunder. Such indemnification shall be in addition to any rights of indemnification the person may have as a director, officer of employee under the Certificate of Incorporation of the Company or the By-Laws of the Company. Expenses incurred by the Committee or the Board in the engagement of any such counsel, consultant or agent shall by paid by the Company.

3. SHARES OF COMMON STOCK SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 11(a) relating to Capitalization Adjustment, the maximum number of shares of Common Stock that may be issued under the Plan will not exceed 1,700,000 shares of Common Stock, plus the number of shares of Common Stock that are automatically added on January 1st of each year commencing on January 1, 2021 and ending on (and including) January 1, 2029, in an amount equal to the lesser of (i) 1% of the total number of shares of Capital Stock outstanding on December 31st of the preceding calendar year, and (ii) 2,500,000 shares of Common Stock. Notwithstanding the foregoing, the Board may act prior to the first day of any calendar year to provide that there will be no January 1st increase in the share reserve for such calendar year or that the increase in the share reserve for such calendar year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence.

(b) If any Purchase Right granted under the Plan terminates without having been exercised in full, the shares of Common Stock not purchased under such Purchase Right will again become available for issuance under the Plan.

(c) The stock purchasable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market.

4. OFFERING AND GRANT OF PURCHASE RIGHTS

The Plan and the Offering of Purchase Rights hereunder will be implemented by consecutive Purchase Periods with a new Purchase Period commencing on the first Trading Day on or after February 1 and August 1 each year, or on such other dates as the Board or Committee will determine; provided, however, that the first Purchase Period under the Plan will commence with the IPO Date and end on the last Trading Day on or before July 31, 2020; provided that a Form S-8 Registration Statement with respect to the issuance of Common Stock under the Plan is effective on the IPO Date. The Board or the Committee will have the power to change the

duration of Purchase Periods (including the commencement dates thereof) with respect to future Offerings without stockholder approval if such change is announced prior to the scheduled beginning of the first Purchase Period to be affected thereafter; provided, however, that no Purchase Period may last more than twenty-seven (27) months. The Offering may contain such other terms and conditions (which shall be incorporated by reference into the Plan and treated as part of the Plan) as the Board may deem appropriate consistent with the Plan and Section 423 of the Code, including, without limitation, the requirement of Section 423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges.

5. ELIGIBILITY.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation. An Employee will not be eligible to be granted Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company or the Related Corporation, as the case may be, for the six month period prior to the Offering Date or such other continuous period preceding such Offering Date as the Board may require, but in no event will the required period of continuous employment be equal to or greater than two years. In addition, the Board may (unless prohibited by law) provide that no Employee will be eligible to be granted Purchase Rights under the Plan unless, on the Offering Date, such Employee's customary employment with the Company or the Related Corporation is more than 20 hours per week and more than five months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code. For purposes of the Plan, the employment relationship will be treated as continuing intact while the individual is on sick leave or other leave of absence that the Employer approves or is legally protected under applicable laws. Where the period of leave exceeds there (3) months and the individual's right to reemployment is not guaranteed either by the statute or by contract, the employment relationship will be deemed to have terminated three (3) months and one (1) day following the commencement of such leave.

(b) Any individual who is an Eligible Employee immediately prior to the first Purchase Period will be automatically enrolled in the first Purchase Period, subject to the requirements of Section 7.

(c) Any Eligible Employee on a given Offering Date subsequent to the first Purchase Period will be eligible to participate in the Plan, subject to the requirements of Section 7.

(d) No Employee will be eligible for the grant of any Purchase Rights if, immediately after any such Purchase Rights are granted, such Employee owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company or of any Related Corporation. For purposes of this Section 5(d), the rules of Section 424(d) of the Code will apply in determining the stock ownership of any Employee, and stock which such Employee may purchase under all outstanding Purchase Rights and options will be treated as stock owned by such Employee.

(e) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights only if such Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations, do not

permit such Eligible Employee's rights to purchase stock of the Company or any Related Corporation to accrue at a rate which, when aggregated, exceeds US $25,000 of Fair Market Value of such stock (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(f) Eligible Employees who are citizens or residents of a non-U.S. jurisdiction (without regard to whether they also are citizens or residents of the United States or resident aliens (within the meaning of Section 7701(b)(1)(A) of the Code)) may be excluded from participation in the Plan or an Offering if the participation of such Eligible Employees is prohibited under the laws of the applicable jurisdiction or if complying with the laws of the applicable jurisdiction would cause the Plan or an Offering to violate Section 423 of the Code.

(g) Officers of the Company and any designated Related Corporation, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may (unless prohibited by law) provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code (or a subset of such highly compensated employees (determined uniformly)) or who are Officers will not be eligible to participate

6. PURCHASE RIGHTS; CONTRIBUTIONS; PURCHASE PRICE.

(a) On the Offering Date of each Purchase Period, each Eligible Employee participating in such Offering will be granted a Purchase Right to purchase on the Purchase Date up to that number of shares of Common Stock determined by dividing such Eligible Employee's Contributions accumulated prior to such Purchase Date and retained in the Eligible Employee's account as of the Purchase Date by the applicable Purchase Price; provided that in no event will an Eligible Employee be permitted to purchase during each Purchase Period more than 2,500 shares of Common Stock (subject to any adjustment pursuant to Section 11(a)) and provided further that such purchase will be subject to the limitations set forth in Sections 3, 5(d) and 5(e). The Eligible Employee may accept the grant of the Purchase Right (i) with respect to the first Purchase Period by submitting a properly completed subscription agreement in accordance with the requirements of Section 7 on or before the last day of the Enrollment Window, and (ii) with respect to any subsequent Purchase Period under the Plan, by electing to participate in the Plan in accordance with the requirements of Section 7. The Board or Committee may, for future Purchase Periods, decrease, in its absolute discretion, the maximum number of shares of Common Stock that an Eligible Employee may purchase during each Purchase Period. Exercise of the Purchase Right will occur as provided in Section 8, unless the Participant has withdrawn pursuant to Section 7. The Purchase Right will expire on the last day of the Purchase Period.

(b) (i) At the time a Participant enrolls in the Plan pursuant to Section 7, he or she will elect to have Contributions (in the form of payroll deductions or otherwise to the extent permitted by the Committee) made on each pay day during the Purchase Period in an amount not exceeding fifteen percent (15%) of the Compensation that he or she receives on the pay day (for illustrative purposes, should a pay day occur on a Purchase Date, a Participant will have any Contributions made on such day applied to his or her account under the then-current Purchase

Period). The Committee, in its sole discretion, may permit all Participants in a specified Offering to contribute amounts to the Plan through payment by cash, check or other means set forth in the subscription agreement prior to each Purchase Date of each Purchase Period. A Participant's subscription agreement will remain in effect for successive Purchase Periods unless terminated as provided in Section 7 hereof (or if the Board or Committee amends the terms of an Offering in advance of an Offering Period and requires a new subscription agreement be in effect).

(ii) In the event Contributions are made in the form of payroll deductions, such payroll deductions for a Participant will commence on the first pay day following the Offering Date and will end on the last pay day on or prior to the Purchase Date of such Purchase Period to which such authorization is applicable, unless sooner terminated by the Participant as provided in Section 7 hereof; provided, however, that for the first Purchase Period, payroll deductions will commence on the first pay day on or following the end of the Enrollment Window.

(iii) All Contributions made for a Participant will be credited to his or her account under the Plan and Contributions will be made in whole percentages of his or her Compensation only.

(c) The purchase price of shares of Common Stock acquired pursuant to Purchase Rights will be not less than the lesser of:

(i) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the Offering Date; or

(ii) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the applicable Purchase Date.

(d) In the event a Participant makes a hardship withdrawal of employee deferral (401(k)) contributions under a 401(k) profit sharing plan of the Company, a Related Corporation or an affiliate or any other plan qualified under Section 401(a) of the Code that contains a Code Section 401(k) feature, to the extent permitted by such plan or applicable law, such Participant's payroll deductions and the purchase of shares under the Plan shall be suspended until the first payroll period following the Offering Date commencing six (6) months after the date the Participant obtained the hardship withdrawal. If a Participant who elects a hardship withdrawal under such a 401(k) profit sharing plan or such other plan has a cash balance accumulated in his or her account at the time of the withdrawal that has not already been applied to purchase shares, such cash balance shall be returned to the Participant as soon as administratively practicable, to the extent permitted by applicable law.

7. PARTICIPATION; WITHDRAWAL; TERMINATION.

(a) (i) First Purchase Period. An Eligible Employee will be entitled to continue to participate in the first Purchase Period pursuant to Section 5(b) only if such individual submits a subscription agreement authorizing Contributions in a form determined by the Board or Committee to the Company's designated Plan administrator (i) no earlier than the effective date of the Form S-8 registration statement with respect to the issuance of Common Stock under the

Plan and (ii) no later than thirty (30) calendar days following the effective date of such S-8 registration statement or such date as the Committee may determine (the "Enrollment Window"). An Eligible Employee's failure to submit the subscription agreement during the Enrollment Window will result in the automatic termination of such individual's participation in the first Purchase Period.

(ii) Subsequent Purchase Periods. An Eligible Employee may participate in the Plan pursuant to Section 5(c) by (i) submitting to the Company's designated Plan administrator a properly completed subscription agreement authorizing Contributions in the form provided by the Committee for such purpose or (ii) following an electronic or other enrollment procedure determined by the Committee, in either case on or before a date determined by the Committee prior to an applicable Offering Date.

(b) Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where applicable law or regulations requires that Contributions be deposited with a third party.

(c) A Participant may discontinue his or her participation in the Plan as provided under this Section 7. During a Purchase Period, a Participant may not increase the rate of his or her Contributions and may only decrease the rate of his or her Contributions one (1) time. Any such decrease during a Purchase Period requires the Participant (i) properly complete and submit to the Company's stock administration office (or its designee) a new subscription agreement authorizing the change in Contribution rate in the form provided by the Committee for such purpose or (ii) following an electronic or other procedure prescribed by the Committee, in either case on or before a date determined by the Committee prior to an applicable Exercise Date. If a Participant has not followed such procedures to change the rate of Contributions, the rate of his or her Contributions will continue at the originally elected rate throughout the Purchase Period and future Purchase Periods (unless the Participant's participation is terminated as provided in Section 7 or Section 12). The Committee may, in its sole discretion, amend the nature and/or number of Contribution rate changes that may be made by Participants during any Purchase Period and may establish other conditions or limitations as it deems appropriate for Plan administration. Any change in the rate of Contributions made pursuant to this Section 7(c) will be effective as of the first (1st) full payroll period following five (5) business days after the date on which the change is made by the Participant (unless the Committee, in its sole discretion, elects to process a given change in payroll deduction rate more quickly).

(d) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company a withdrawal form provided by the Company. The Company may impose a deadline before a Purchase Date for withdrawing. Upon such withdrawal, such Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute as soon as practicable to such Participant all of his or her accumulated but unused Contributions and such Participant's Purchase Right in that Offering

shall thereupon terminate. A Participant will be required to deliver a new enrollment form to participate in subsequent Offerings.

(e) Unless otherwise required by applicable law or regulations, Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason (subject to any post-employment participation period required by law) or (ii) is otherwise no longer eligible to participate. The Company will distribute as soon as practicable to such individual all of his or her accumulated but unused Contributions.

(f) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(d), a Participant's Contributions may be decreased to zero percent (0%) at any time during a Purchase Period. Subject to Section 423(b)(8) of the Code and Section 3(d) hereof, Contributions will recommence at the rate originally elected by the Participant effective as of the beginning of the first Purchase Period scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 10.

(g) Notwithstanding any provisions to the contrary in the Plan, the Committee may allow Participants to participate in the Plan via cash contributions instead of or in addition to payroll deductions if (i) payroll deductions are not permitted under applicable local law, or (ii) the Committee determines that cash contributions are permissible under Section 423 of the Code.

(h) Unless required by applicable law or regulations (if so, then such required interest shall apply to all Participants), the Company will have no obligation to pay interest on Contributions.

8. EXERCISE OF PURCHASE RIGHTS.

(a) Unless a Participant withdraws from the Plan as provided in Section 7, his or her Purchase Right will be exercised automatically on each Purchase Date, and the maximum number of full shares subject to the Purchase Right will be purchased for such Participant at the applicable Purchase Price with the accumulated Contributions from his or her account.

(b) No fractional shares of Common Stock will be purchased; any Contributions accumulated in a Participant's account, which are not sufficient to purchase a full share will be retained in the Participant's account for the subsequent Purchase Period, subject to earlier withdrawal by the Participant as provided in Section 7. Any other funds left over in a Participant's account after the Purchase Date will be returned to the Participant.

(c) During a Participant's lifetime, Purchase Rights will be exercisable only by such Participant. Purchase Rights are not transferable by a Participant, except by will, by the laws of descent and distribution, or, if permitted by the Company, by a beneficiary designation as described in Section 10.

(d) No Purchase Rights may be exercised to any extent unless the shares of Common Stock to be issued upon such exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable federal, state, foreign and other securities and other laws applicable to the Plan. If on a Purchase Date the shares of Common Stock are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on such Purchase Date, and the Purchase Date will be delayed until the shares of Common Stock are subject to such an effective registration statement and the Plan is in material compliance, except that the Purchase Date will in no event be more than 27 months from the Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the shares of Common Stock are not registered and the Plan is not in material compliance with all applicable laws and regulations, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed to the Participants without interest.

(e) If the Committee determines that, on a given Purchase Date, the number of shares of Common Stock with respect to which Purchase Rights are to be exercised may exceed (i) the number of shares of Common Stock that were available for sale under the Plan on the Offering Date of the applicable Purchase Period, or (ii) the number of shares of Common Stock available for sale under the Plan on such Purchase Date, the Committee may in its sole discretion (x) provide that the Company will make a pro rata allocation of the shares of Common Stock available for purchase on such Offering Date or Purchase Date, as applicable, in as uniform a manner as will be practicable and as it will determine in its sole discretion to be equitable among all Participants exercising Purchase Rights on such Purchase Date, and continue the Purchase Period then in effect or (y) provide that the Company will make a pro rata allocation of the shares of Common Stock available for purchase on such Offering Date or Purchase Date, as applicable, in as uniform a manner as will be practicable and as it will determine in its sole discretion to be equitable among all Participants exercising Purchase Rights on such Purchase Date, and terminate the Purchase Period then in effect pursuant to Section 12. The Company may make a pro rata allocation of the shares available on the Offering Date of any applicable Purchase Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's stockholders subsequent to such Offering Date.

(f) At the time the Purchase Right is exercised, in whole or in part, or at the time some or all of the Common Stock issued under the Plan is disposed of (or any other time that a taxable event related to the Plan occurs), the Participant must make adequate provision for the Company's or Employer's federal, state, local or any other tax liability payable to any authority including taxes imposed by jurisdictions outside of the U.S., national insurance, social security or other tax withholding obligations, if any, which arise upon the exercise of the Purchase Right or the disposition of the Common Stock (or any other time that a taxable event related to the Plan occurs). At any time, the Company or the Employer may, but will not be obligated to, withhold from the Participant's compensation the amount necessary for the Company or the Employer to meet applicable withholding obligations, including any withholding required to make available to the Company or the Employer any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Eligible Employee. In addition, the Company or the Employer may, but will not be obligated to, withhold from the proceeds of the sale of Common

Stock or any other method of withholding the Company or the Employer deems appropriate to the extent permitted by U.S. Treasury Regulation Section 1.423-2(f).

(g) As soon as reasonably practicable after each Purchase Date on which a purchase of shares of Common Stock occurs, the Company will arrange the delivery to each Participant of the shares purchased upon exercise of his or her Purchase Right in a form determined by the Committee (in its sole discretion) and pursuant to rules established by the Committee. The Company may permit or require that shares be deposited directly with a broker designated by the Company or to a designated agent of the Company, and the Company may utilize electronic or automated methods of share transfer. The Company may require that shares be retained with such broker or agent for a designated period of time and/or may establish other procedures to permit tracking of disqualifying dispositions of such shares. No Participant will have any voting, dividend, or other stockholder rights with respect to shares of Common Stock subject to any Purchase Right under the Plan until such shares have been purchased and delivered to the Participant as provided in this Section 8.

9 COVENANTS OF THE COMPANY.

The Company will seek to obtain from each federal, state, foreign or other regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell shares of Common Stock thereunder unless the Company determines, in its sole discretion, that doing so would cause the Company to incur costs that are unreasonable. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Common Stock under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights and/or to issue and sell Common Stock upon exercise of such Purchase Rights.

10. DESIGNATION OF BENEFICIARY.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any shares of Common Stock and/or Contributions from the Participant's account under the Plan if the Participant dies before such shares and/or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change such designation of beneficiary. Any such designation and/or change must be on a form approved by the Company.

(b) If a Participant dies, and in the absence of a valid beneficiary designation, the Company will deliver any shares of Common Stock and/or Contributions to the executor or Committee of the estate of the Participant. If no executor or Committee has been appointed (to the knowledge of the Company), the Company, in its sole discretion, may deliver such shares of Common Stock and/or Contributions, without interest, to the Participant's spouse, dependents or

relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; CORPORATE TRANSACTIONS.

(a) In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights, and (iv) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding and conclusive.

(b) In the event of a Corporate Transaction, then: (i) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue outstanding Purchase Rights or may substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue such Purchase Rights or does not substitute similar rights for such Purchase Rights, then the Participants' accumulated Contributions will be used to purchase shares of Common Stock (rounded down to the nearest whole share) within ten business days prior to the Corporate Transaction under the outstanding Purchase Rights, and the Purchase Rights will terminate immediately after such purchase.

12. AMENDMENT, TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, stockholder approval will be required for any amendment of the Plan for which stockholder approval is required by applicable law, regulations or listing requirements.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements and obligations under any outstanding Purchase Rights granted before an amendment, suspension or termination of the Plan will not be materially impaired by any such amendment, suspension or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to comply with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including without limitation any such regulations or other guidance that may be issued or amended after the date the Plan is adopted by the Board, or (iii) as necessary to obtain or maintain favorable tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right and/or the Plan complies with the requirements of Section 423 of the Code.

13. EFFECTIVE DATE OF PLAN.

The Plan will become effective immediately prior to and contingent upon the IPO Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a) above, materially amended) by the Board.

14. MISCELLANEOUS PROVISIONS.

(a) Proceeds from the sale of shares of Common Stock pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, shares of Common Stock subject to Purchase Rights unless and until the Participant's shares of Common Stock acquired upon exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at will nature of a Participant's employment, if applicable, or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ of the Company or a Related Corporation, or on the part of the Company or a Related Corporation to continue the employment of a Participant.

(d) The provisions of the Plan will be governed by the laws of the State of Delaware without resort to that state's conflicts of laws rules.

(e) If any particular provision of the Plan is found to be invalid or otherwise unenforceable, such provision will not affect the other provisions of the Plan, but the Plan will be construed in all respects as if such invalid provision were omitted.

(f) If any provision of the Plan does not comply with applicable law or regulations, such provision shall be construed in such a manner as to comply with applicable law or regulations.

15. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Agent***" means the agent, broker, or other administrator, including, without limitation, employees of the Company, appointed by the Committee pursuant to Section 2(e).

(b) "***Board***" means the Board of Directors of the Company.

(c) "***Capital Stock***" means each and every class of common stock of the Company, regardless of the number of votes per share.

(d) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar equity restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(e) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(f) ***"Committee"*** means a committee of one or more members of the Board to whom authority has been delegated by the Board in accordance with Section 2(c). If no such delegation has been made, all references in the Plan (or related documents) to the Committee shall be deemed references to the Board.

(g) ***"Common Stock"*** means, as of the IPO Date, the common stock of the Company, having one vote per share.

(g) ***"Company"*** means Progyny, Inc., a Delaware corporation.

(h) ***"Compensation"*** includes an Eligible Employee's base straight time gross earnings (including overtime) and commissions (only if such commissions are an integral, recurring part of compensation) and performance-based incentive bonuses, but excludes payments for sign-on or hire, long-term or multi-year, and retention incentive compensation or bonuses, equity compensation income and other similar compensation. The Board or the Committee, in its discretion, may, on a uniform and nondiscriminatory basis, establish a different definition of Compensation for a subsequent Purchase Period.

(i) ***"Contributions"*** means the payroll deductions and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. If expressly permitted by the Board, a Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions.

(j) ***"Corporate Transaction"*** means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(k) ***"Director"*** means a member of the Board.

(l) ***"Eligible Employee"*** means an Employee who meets the requirements set forth in Section 5(a) the document(s) governing the Offering for eligibility to participate in the Offering, provided that such Employee also meets the requirements for eligibility to participate set forth in the Plan.

(m) ***"Employee"*** means any person, including an Officer or Director, who is "employed" for purposes of Section 423(b)(4) of the Code by the Company or a Related Corporation. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(n) ***"Employee Stock Purchase Plan"*** means a plan that grants Purchase Rights intended to be options issued under an "employee stock purchase plan," as that term is defined in Section 423(b) of the Code.

(o) ***"Employer"*** means the Employer of the applicable Eligible Employee.

(p) "***Enrollment Window***" has the meaning specified in Section 7.

(q) ***"Exchange Act"*** means the Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder.

(r) ***"Fair Market Value"*** means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in such source as the Board deems reliable. Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(ii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith in compliance with applicable laws and regulations and in a manner that complies with Sections 409A of the Code

(iii) Notwithstanding the foregoing, for the Offering that commences on the IPO Date, the Fair Market Value of the shares of Common Stock on the Offering Date will be the price per share at which shares are first sold to the public in the Company's initial public offering as specified in the final prospectus for that initial public offering.

(s) ***"IPO Date"*** means the date of the underwriting agreement between the Company and the underwriters managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(t) ***"Offering"*** means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods.

(u) ***"Offering Date"*** means a date selected by the Board for an Offering to commence.

(v) ***"Officer"*** means a person who is an officer of the Company or a Related Corporation within the meaning of Section 16 of the Exchange Act.

(w) ***"Participant"*** means an Eligible Employee who holds an outstanding Purchase Right.

(x) ***"Plan"*** means this Progyny, Inc. 2019 Employee Stock Purchase Plan.

(y) ***"Purchase Date"*** means the date during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with such Offering.

(z) ***"Purchase Period"*** means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date, and ending on a Purchase Date.

(aa) ***"Purchase Right"*** means an option to purchase shares of Common Stock granted pursuant to the Plan.

(bb) ***"Related Corporation"*** means any "parent corporation" or "subsidiary corporation" of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(cc) ***"Securities Act"*** means the Securities Act of 1933, as amended.

(dd) ***"Trading Day"*** means any day on which the exchange(s) or market(s) on which shares of Common Stock are listed, including but not limited to the NYSE, Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or any successors thereto, is open for trading.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated August 1, 2019, (except Note 1, as to which the date is October 15, 2019) in the Registration Statement (Form S-1) and related Prospectus of Progyny, Inc. for the registration of shares of its common stock.

/s/ Ernst & Young LLP

New York, New York

October 15, 2019

Exhibit 99.1

CONSENT OF DIRECTOR NOMINEE

Pursuant to Rule 438 of Regulation C promulgated under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the Registration Statement on Form S-1 (the "Registration Statement") of Progyny, Inc., the undersigned hereby consents to being named and described as a person who will become a director of Progyny, Inc. in the Registration Statement and any amendment or supplement to any prospectus included in such Registration Statement, any amendment to such Registration Statement or any subsequent Registration Statement filed pursuant to Rule 462(b) under the Securities Act and to the filing or attachment of this consent with such Registration Statement and any amendment or supplement thereto.

IN WITNESS WHEREOF, the undersigned has executed this consent as of the 15th day of October, 2019.

/s/ Kevin Gordon
Name: Kevin Gordon

Exhibit 99.2

CONSENT OF DIRECTOR NOMINEE

Pursuant to Rule 438 of Regulation C promulgated under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the Registration Statement on Form S-1 (the "Registration Statement") of Progyny, Inc., the undersigned hereby consents to being named and described as a person who will become a director of Progyny, Inc. in the Registration Statement and any amendment or supplement to any prospectus included in such Registration Statement, any amendment to such Registration Statement or any subsequent Registration Statement filed pursuant to Rule 462(b) under the Securities Act and to the filing or attachment of this consent with such Registration Statement and any amendment or supplement thereto.

IN WITNESS WHEREOF, the undersigned has executed this consent as of the 15th day of October, 2019.

/s/ Jeff Park

Name: Jeff Park

Exhibit 99.3

CONSENT OF DIRECTOR NOMINEE

Pursuant to Rule 438 of Regulation C promulgated under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the Registration Statement on Form S-1 (the "Registration Statement") of Progyny, Inc., the undersigned hereby consents to being named and described as a person who will become a director of Progyny, Inc. in the Registration Statement and any amendment or supplement to any prospectus included in such Registration Statement, any amendment to such Registration Statement or any subsequent Registration Statement filed pursuant to Rule 462(b) under the Securities Act and to the filing or attachment of this consent with such Registration Statement and any amendment or supplement thereto.

IN WITNESS WHEREOF, the undersigned has executed this consent as of the 15th day of October, 2019.

/s/ Cheryl Scott

Name: Cheryl Scott