

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**Current Report Pursuant
to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) April 6, 2011

PRESSURE BIOSCIENCES, INC.

(Exact Name of Registrant as Specified in its Charter)

MASSACHUSETTS

(State or Other Jurisdiction of Incorporation)

0-21615

04-2652826

(Commission File Number)

(IRS Employer Identification No.)

14 Norfolk Avenue, South Easton, MA

02375

(Address of Principal Executive Offices)

(Zip Code)

(508) 230-1828

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

Securities Purchase Agreement

On April 8, 2011, Pressure BioSciences, Inc. (the “Company”) entered into a Securities Purchase Agreement (“the Securities Purchase Agreement”), pursuant to which the Company consummated the sale of 51,379 units on April 8, 2011 and 3,669 units on April 11, 2011, to 10 accredited investors, including the Company’s CEO and President, (collectively, the “Investors”), as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”) for a purchase price per unit (the “Purchase Price”) of \$15.00 (a common share equivalent of \$1.50) (the “Initial Closing”), resulting in aggregate gross proceeds to the Company of \$825,720 (the “Private Placement”). This is the Initial Closing of a \$6,000,000 private placement with a minimum offering amount of \$600,000 (the “Minimum Amount”). Subsequent closings are expected to occur on or before June 30, 2011; however, there can be no assurance as to the amount, if any, of any additional capital that may be raised. Each unit (“Unit”) consists of (i) one share of Series C Convertible Preferred Stock, \$0.01 par value per share (the “Series C Convertible Preferred Stock”) convertible into 10 shares of the Company’s common stock, \$0.001 par value per share (the “Common Stock”) (subject to adjustment for stock splits, stock dividends, recapitalization, etc.) and (ii) a three-year warrant to purchase 10 shares of the Company’s Common Stock at a per share exercise price equal to the sum of (i) the Common Stock equivalent of the per Unit Purchase Price (ii) plus \$0.88 (the “Warrant”). The Warrants will be exercisable until the close of business on the third anniversary of the applicable closing date.

The Company engaged an investment banker (the “Investment Banker”) to assist with the Private Placement. The Company paid the Investment Banker a cash retainer fee of \$50,000 and issued a warrant to purchase 100,000 shares of Common Stock at an exercise price of \$3.00 per share. In addition, the Company is paying the Investment Banker (i) a fee equal to 8% of the gross proceeds raised from Investors in the Private Placement, and a non-accountable expense allowance equal to 2% of the gross proceeds raised from Investors in the Private Placement; plus (ii) warrants (the “Investment Banker Warrants”) to purchase that number of shares of Common Stock equal to (A) 8% of the total number of shares of Common Stock underlying the shares of Series C Convertible Preferred Stock sold, exercisable at a price equal to the conversion price of the Series C Convertible Preferred Stock to which such underlying shares of Common Stock relate, and (B) 8% of the total number of shares of Common Stock underlying the Warrants sold, exercisable at a price equal to the lowest exercise price of the Warrants to which such underlying shares of Common Stock relate. The aggregate purchase price for the Investment Banker Warrants is \$100.00. The Investment Banker Warrants are exercisable for a period of five years from the date of the applicable closing. In connection with the Initial Closing, the Company is paying a fee of (i) approximately \$66,000 cash, (ii) an expense allowance of approximately \$16,500, (iii) a warrant to purchase 44,038 shares of Common Stock exercisable at a purchase price of \$1.50, and (iv) a warrant to purchase 44,038 shares of Common Stock exercisable at a purchase price of \$2.38.

In connection with the Company’s issuance of the Investment Banker Warrants, the Company has agreed that, if at any time the Company files a registration statement relating to an offering of the Company’s equity securities (a “Registration Statement”) the Company shall include in the Registration Statement the resale of the shares of Common Stock underlying the Investment Banker Warrants, subject to the registration rights agreements to which the Company is currently a party and subject to customary underwriters’ cut-backs and other cut-backs that may be applicable pursuant to registration rights granted or to be granted by the Company in connection with any equity financing or transaction.

This description of the Securities Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the Securities Purchase Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 4.1 and is incorporated herein by reference. The description of the Company’s agreements with the Investment Banker and the Investment Banker Warrants does not purport to be complete and is qualified in its entirety by reference to the form of Investment Banker Warrant, a copy of which is attached to this Current Report on Form 8-K as Exhibit 4.4 and is incorporated herein by reference.

Series C Convertible Preferred Stock

Dividends. The Series C Convertible Preferred Stock will pay a cumulative dividend at the rate of 5% per annum of the Purchase Price, payable semi-annually within 45 days of June 30th and December 31st, commencing on June 30, 2011. Dividends may be paid in cash or in shares of Common Stock at the Company’s option, subject to certain conditions.

Liquidation Preference. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of Series C Convertible Preferred Stock will be paid out of the assets of the Company available for distribution to the Company’s stockholders, on an equivalent basis with the Series A Convertible Preferred Stock and the Series B Convertible Preferred Stock, before any payment shall be paid to the holders of Common Stock, (i) for any liquidation event occurring on or before the one year anniversary of the original issue date of the Series C Convertible Preferred Stock, an amount per share equal to the Purchase Price, plus accrued and unpaid dividends, and (ii) for any liquidation event occurring after the one year anniversary of the original issue date of the Series C Convertible Preferred Stock an amount per share equal to (x) the Purchase Price plus accrued and unpaid dividends, if the gross proceeds from the Private Placement are less than \$4 million and (y) 1.5 times the Purchase Price plus accrued and unpaid dividends, if the gross proceeds from the Private Placement are greater than or equal to \$4 million. Unless the holders of a majority of the outstanding shares of Series C Convertible Preferred Stock elect otherwise, a merger or consolidation (other than one in which stockholders of the Company own a majority by voting power of the outstanding shares of the surviving or acquiring corporation) and a sale, lease, transfer or other disposition of all or substantially all of the Company’s assets will be treated as a liquidation of the Company thereby triggering the liquidation preference. The Series C Convertible Preferred Stock will otherwise be treated on an equivalent basis with the Company’s Series A Convertible Preferred Stock and Series B Convertible Preferred Stock with respect to liquidation. Unless a holder of the Series C Convertible Preferred stock converts such shares into Common Stock, such holder will not have a right to participate with the holders of the Common Stock in any remaining liquidation proceeds after payment of the liquidation preference.

Voluntary Conversion. Each share of Series C Convertible Preferred Stock is convertible into 10 shares of Common Stock at any time at the option of the holder, subject to adjustment for stock splits, stock dividends, recapitalizations and similar transactions (the “**Conversion Ratio**”). Unless waived under certain circumstances by the holder of Series C Convertible Preferred Stock, such holder’s shares of Series C Convertible Preferred Stock may not be converted if upon such conversion the holder’s beneficial ownership would exceed certain thresholds.

Mandatory Conversion. Each share of Series C Convertible Preferred Stock will automatically be converted into shares of Common Stock at the Conversion Ratio then in effect: (i) if, after six (6) months from the closing of the Private Placement, the Common Stock trades on the NASDAQ Capital Market (or other primary trading market or exchange on which the Common Stock is then traded) at the volume weighted average price of the Common Stock as reported by the NASDAQ Capital Market (“**VWAP**”) equal to at least 3/10 of the Purchase Price, or \$4.50, for 20 out of 30 consecutive trading days with average daily trading volume of at least 10,000 shares or (ii) upon a registered public offering by the Company at a per share price equal to at least 3/10 of the Purchase Price with aggregate gross proceeds to the Company of not less than \$10 million; or (iii) upon written consent of the holders of a majority of the then outstanding shares of Series C Convertible Preferred Stock. Unless waived under certain circumstances by the holder of the Series C Convertible Preferred Stock, such holder’s Series C Convertible Preferred Stock may not be converted if upon such conversion the holder’s beneficial ownership would exceed certain thresholds.

Most Favored Nation. If the Company consummates an equity financing (subject to certain exclusions) within (i) 12 months after the Initial Closing and the gross proceeds from the Private Placement are less than \$4 million, or (ii) 24 months after the Initial Closing and the gross proceeds from the Private Placement are greater than or equal to \$4 million, the holders of the Units may exchange their Units for the securities issued in the subsequent equity placement on a dollar for dollar basis, and will become subject to the terms and conditions of such subsequent equity placement (provided that such exchange is permitted under the NASDAQ rules and regulations then in effect).

Voting Rights. The holders of Series C Convertible Preferred Stock are not entitled to vote on any matters presented to the stockholders of the Company for their action or consideration at any meeting of stockholders of the Company (or by written consent of stockholders in lieu of meeting), except that for so long as the number of outstanding shares of Series C Convertible Preferred Stock equals or exceeds 20% of the total number of shares of Series C Convertible Preferred issued in the Initial Closing, the holders of the Series C Convertible Preferred Stock may vote separately as a class on any matters that would amend, alter or repeal any provision of the Company’s Restated Articles of Organization, as amended or the certificate of designation for Series C Convertible Preferred Stock, in a manner that adversely affects the powers, preferences or rights of the Series C Convertible Preferred Stock and such holders may also vote on any matters required by law. Common Stock issued upon conversion of the Series C Convertible Preferred Stock will have the same voting rights as the Common Stock.

Redemption. At any time after February 12, 2014, upon 30 days written notice, the Company will have the right to redeem the outstanding shares of Series C Convertible Preferred Stock at a price equal to the Purchase Price (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series C Preferred Stock), plus all accrued and unpaid dividends thereon. The redemption price may be paid in two annual installments. The Series C Convertible Preferred Stock, the Series A Convertible Preferred Stock and the Series B Convertible Preferred Stock will be treated on an equivalent basis with respect to payments made in connection with redemption.

This description of the Series C Convertible Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the Company’s Articles of Amendment, together with the Amended and Restated Certificate of Designation of Series A Convertible Preferred Stock, Series B Convertible Preferred Stock and Series C Convertible Preferred Stock a copy of which is attached to this Current Report on Form 8-K as Exhibit 3.1 and is incorporated herein by reference.

Warrants

The Warrants have an exercise price equal to \$2.38, which is equal to the sum of (i) the Common Stock equivalent of the per Unit Purchase Price (ii) plus \$0.88. The Warrants will be exercisable until the close of business on the third anniversary of the applicable closing date. The Warrants also permit the holder to conduct a “cashless exercise” at any time the holder of the Warrant is an affiliate of the Company. The exercise price and/or number of shares issuable upon exercise of the Warrants will be subject to adjustment for stock dividends, stock splits or similar capital reorganizations, as set forth in the Warrants.

Subject to the terms and conditions of the Warrants, the Company has the right to call for cancellation of the Warrants if the VWAP (or other primary trading market or exchange on which the Company’s Common Stock is then traded) equals or exceeds two times the per share exercise price for either (i) 10 consecutive trading days or (ii) 15 out of 25 consecutive trading day, with average daily trading volume for such 10 or 15 day period of at least 10,000 shares.

This description of the Warrants does not purport to be complete and is qualified in its entirety by reference to the form of Warrant, a copy of which is attached to this Current Report on Form 8-K as Exhibit 4.2 and is incorporated herein by reference.

Registration Rights Agreement

In connection with the Private Placement, the Company has agreed that, if at any time the Company files a Registration Statement, the Company shall include in the Registration Statement the resale of the shares of Common Stock underlying the Series C Convertible Preferred Stock and the Warrants. This right is subject customary conditions and procedures.

This description of the Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the Registration Rights Agreement, a copy of which is attached to this Current Report on Form 8-K as Exhibit 4.3 and is incorporated herein by reference.

The Company received a staff deficiency letter on April 6, 2011 from The NASDAQ Stock Market, LLC (“NASDAQ”) indicating that based on the Company’s stockholders’ equity as reported in its Annual Report on Form 10-K for the year ended December 31, 2010, the Company does not comply with the minimum stockholders’ equity requirement of \$2,500,000 for continued listing on the NASDAQ Capital Market under NASDAQ Listing Rule 5550(b)(1).

The Company expects to submit to NASDAQ by May 21, 2011 a written plan (the “Plan”) that outlines its strategy to regain compliance with the continued listing requirements. Approval of the Plan is subject to the discretion of NASDAQ. If the Plan is accepted, the Company may be able to continue its listing during the Plan period of up to 180 days, during which time the Company will be subject to periodic review to determine whether it is making progress consistent with the Plan.

Item 3.02 Unregistered Sales of Equity Securities

The sale of the Units described in Item 1.01 of this Current Report on Form 8-K were issued and sold in the Private Placement without registration under the Securities Act, in reliance upon the exemption from registration set forth in Rule 506 of Regulation D (“Regulation D”) promulgated under the Securities Act. The Company based such reliance upon representations made by each purchaser of Units, including, but not limited to, representations as to the purchaser’s status as an “accredited investor” (as defined in Rule 501(a) under Regulation D) and the purchaser’s investment intent. The Units were not offered or sold by any form of general solicitation or general advertising (as such terms are used in Rule 502 under Regulation D). The Units, or the shares of Series C Convertible Preferred Stock and Warrants comprising the Units, may not be re-offered or sold absent an effective registration statement or an exemption from the registration requirements under applicable federal and state securities laws. The information in Item 1.01 of this Current Report on Form 8-K is incorporated herein by this reference.

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

Effective on April 7, 2011, the Company amended its Restated Articles of Organization, as amended, by filing with the Secretary of State of the Commonwealth of Massachusetts Articles of Amendment to create a new series of preferred stock, designated “Series C Convertible Preferred Stock,” par value \$0.01 per share. The material terms of Series C Convertible Preferred Stock are described in Item 1.01 of this Current Report on Form 8-K, and the information in Item 1.01 of this Current Report on Form 8-K is incorporated herein by this reference.

Item 9.01

Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Exhibit Description
3.1	Articles of Amendment to the Company's Restated Articles of Organization, as amended
4.1	Securities Purchase Agreement entered into as of April 8, 2011, between the Company and several purchasers
4.2	Form of Warrant
4.3	Registration Rights Agreement
4.4	Form of Investment Banker Warrant

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 12, 2011

PRESSURE BIOSCIENCES, INC.

By:

Richard T. Schumacher,
President and Chief Executive Officer

EXHIBIT INDEX

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See attached Articles of Amendment

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this “*Agreement*”) is dated as of April 8, 2011, by and among Pressure BioSciences, Inc., a Massachusetts corporation (the “*Company*”), and each purchaser identified on the signature pages hereto (each, including its successors and assigns, a “*Purchaser*” and collectively, the “*Purchasers*”).

WHEREAS, the Company has determined that it is in its best interests to obtain equity financing through the issuance and sale of units (the “*Units*”), each comprised of (i) one share of Preferred Stock (as defined below) and (ii) a warrant to purchase ten shares of Common Stock (as defined below); and

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to Section 4(2) of the Securities Act of 1933, as amended (the “*Securities Act*”), and Rule 506 promulgated thereunder, the Company desires to issue and sell to each Purchaser, and each Purchaser, severally and not jointly, desires to purchase from the Company, the number of Units set forth on such Purchaser’s signature page hereto, as more fully described in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

ARTICLE I.

DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1:

“*Affiliate*” means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 144 under the Securities Act.

“*Articles of Amendment*” means the Articles of Amendment to the Company’s Restated Articles of Organization, as amended, in the form of Exhibit A attached hereto, that includes a Second Amended and Restated Certificate of Designation setting forth the rights, preferences, powers, privileges, restrictions, qualifications and limitations of the Preferred Stock.

“*Business Day*” means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States, or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

“*Closing*” and “*Closings*” means each of the closings of the purchase and sale of the Units pursuant to Section 2.3. In the event there is more than one closing, the term “*Closing*” shall apply to each such closing unless otherwise specified.

“*Closing Date*” means the date on which the Company closes the purchase and sale of the Units. In the event there is more than one Closing, the term “*Closing Date*” shall apply to each such Closing unless otherwise specified.

“*Commission*” means the Securities and Exchange Commission.

“*Common Stock*” means the common stock of the Company, par value \$.01 per share, and any other class of securities into which such securities may hereafter be reclassified or changed into.

“*Common Stock Equivalents*” means any securities of the Company or its Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants, stock appreciation rights, restricted stock units, or other instrument that are at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“*Company Counsel*” means Pepper Hamilton LLP, with offices located at 125 High Street, 15th Floor, Oliver Street Tower, Boston, Massachusetts, 02110.

“*Conversion Shares*” means such shares of Common Stock which, from time to time, have been issued, or may be issuable, upon conversion of the Preferred Stock.

“*Disclosure Schedules*” means the Disclosure Schedules of the Company delivered concurrently herewith.

“*Effectiveness Date*” has the meaning set forth in the Registration Rights Agreement.

“*Escrow Agent*” means Computershare Trust Company, N.A., with offices located at 350 Indiana Street, Suite 750, Golden, Colorado 80401.

“*Escrow Agreement*” means the Escrow Agreement among the Company, the Escrow Agent, and the Purchasers in the form of Exhibit B attached hereto.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“*Liens*” means a lien, charge, security interest, encumbrance, right of first refusal, preemptive right or other restriction.

“*Material Adverse Effect*” shall have the meaning assigned to such term in Section 3.1(b).

“**Next Financing**” shall have the meaning assigned to such term in [Section 4.6\(a\)](#).

“**Per Unit Purchase Price**” means an amount equal to the greater of (a) (i) \$15.00 for Purchasers who have made each of the deliveries required by [Section 2.4\(b\)](#) until an aggregate of \$3 million has been deposited with the Escrow Agent and (ii) \$20.00 for Purchasers who have made each of the deliveries required by [Section 2.4\(b\)](#) after an aggregate of \$3 million has been deposited with the Escrow Agent and (b) (i) the closing bid price of the Common Stock as reported by the Trading Market on the Trading Day immediately preceding the Closing Date with respect to which the particular Units are being purchased, (ii) plus \$0.13, (iii) multiplied by ten. However, in the case of clause (ii), the Company’s board of directors may, but has no obligation to, determine to maintain the Per Unit Purchase Price at \$15.00.

“**Person**” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof), or other entity of any kind.

“**Preferred Stock**” means the Series C Convertible Preferred Stock of the Company, \$.01 par value, issued or issuable to each Purchaser pursuant to this Agreement with such rights, preferences, powers, privileges, restrictions, qualifications and limitations as are set forth in the Second Amended and Restated Certificate of Designation included in the Articles of Amendment.

“**Proceeding**” means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

“**Registration Rights Agreement**” means the Registration Rights Agreement, dated the date hereof, among the Company and the Purchasers, in the form of [Exhibit C](#) attached hereto.

“**Registration Statement**” means a registration statement meeting the requirements set forth in the Registration Rights Agreement and covering the resale by the Purchasers of the Conversion Shares and Warrant Shares under the circumstances and conditions set forth in the Registration Rights Agreement.

“**Required Approvals**” shall have the meaning ascribed to such term in [Section 3.1\(e\)](#).

“**Rule 144**” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such rule.

“**SEC Reports**” shall have the meaning ascribed to such term in [Section 3.1\(h\)](#).

“**Securities**” means, as the context requires, the Preferred Stock, the Warrants, the Conversion Shares, the Warrant Shares, and any combination of the foregoing or all of the foregoing.

“**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“**Subscription Amount**” means, as to each Purchaser, the aggregate amount to be paid for Units purchased hereunder as specified on such Purchaser’s signature page to this Agreement next to the heading “Subscription Amount,” in United States dollars and in immediately available funds.

“**Subsidiary**” means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any managing member or general partner of such limited liability company, partnership, association or other business entity.

“**Trading Day**” means a day on which the Common Stock is traded on a Trading Market.

“**Trading Market**” means the NASDAQ Capital Market or if the NASDAQ Capital Market is not the primary market on which the Common Stock is then traded, such other primary market or exchange on which the Common Stock is listed or quoted for trading on the date in question.

“**Transaction Documents**” means this Agreement, the Escrow Agreement, the Registration Rights Agreement and any other documents or agreements executed in connection with the transactions contemplated hereunder.

“**Transfer Agent**” means Computershare Trust Company, with a mailing address of 350 Indiana Street, Suite 800, Golden, Colorado 80401 and a telephone number of (303) 262-0600.

“**Warrants**” means the warrants to purchase Common Stock issued to the Purchasers pursuant to this Agreement, which warrants shall be in the form of [Exhibit D](#) attached hereto.

“**Warrant Shares**” means the shares of Common Stock issuable upon exercise of the Warrants.

PURCHASE AND SALE

2.1 Escrow. Each Purchaser shall deliver to the Escrow Agent, via wire transfer, immediately available funds equal to its Subscription Amount to be held and released pursuant to the terms of the Escrow Agreement. The Subscription Amount will be deposited by the Escrow Agent in a non-interest bearing escrow account. The Company will pay interest on the Subscription Amount when the Subscription Amount is released from the escrow account in an amount equal to five percent (5%) per annum, pro rated on a daily basis for each day during which the Subscription Amount is held in escrow; provided, however that the Company may, in its sole discretion, apply such accrued interest to the purchase of additional Units in the name of the Purchaser who deposited the funds on which such interest accrued. The Subscription Amounts may be released to the Company, at the direction and in the discretion of the Company, at an initial Closing after the Escrow Agent has received aggregate Subscription Amounts from Purchasers equal to at least \$600,000. Thereafter, Subscription Amounts may be released to the Company from time to time at each subsequent Closing. Subscription Amounts shall be returned to a Purchaser (with interest as provided above), in accordance with the terms of the Escrow Agreement, (i) if there is no initial Closing with respect to at least \$600,000 in Subscription Amounts before April 15, 2011, or (ii) if there is no Closing with respect to such funds on or prior to June 30, 2011.

2.2 Articles of Amendment. On or before the initial Closing, the Company shall adopt and file with the Secretary of the Commonwealth of Massachusetts the Articles of Amendment.

2.3 Closing.

(a) Upon the terms and subject to the conditions set forth herein, the Company agrees to sell, and each Purchaser, severally and not jointly, agrees to purchase, at the Per Unit Purchase Price, that number of Units set forth below such Purchaser's name on such Purchaser's signature page to this Agreement (calculated by dividing such Purchaser's Subscription Amount by the Per Unit Purchase Price). At the Closing, the Escrow Agent shall release to the Company each Purchaser's Subscription Amount for the Units being purchased by each Purchaser at the Closing and the Company shall record in the name of each Purchaser its respective shares of Preferred Stock comprising such Units and shall deliver to each Purchaser its respective Warrants comprising such Units, and the Company and each Purchaser shall deliver the other items set forth in Section 2.4 deliverable at the Closing. Upon satisfaction of the conditions set forth in Section 2.4 and Section 2.5, the Closing shall occur at the offices of the Company Counsel, remotely via the exchange of documents and signatures or at such other location or by such other means as the parties shall mutually agree.

(b) The initial Closing of the purchase and sale of the Units shall not take place until such time as the Escrow Agent has received at least \$600,000 in Subscription Amounts, and the Initial Closing shall not be for less than \$600,000 in Subscription Amounts. After the Escrow Agent has received such Subscription Amounts, the Company may select, in its sole discretion, a date for the initial Closing to occur, which may not be later than April 15, 2011. After the initial Closing and from time to time until June 30, 2011, the Company may sell, on the same terms and conditions as those contained in this Agreement, an amount of Units, together with Units sold in all prior Closings, having an aggregate purchase price of up to \$6,000,000, with the Per Unit Purchase Price being determined on the basis of such subsequent Closing Date.

2.4 Closing Deliveries.

(a) On or prior to the Closing (except as otherwise required below), the Company shall deliver or cause to be delivered to each Purchaser purchasing Units at such Closing the following:

- (i) this Agreement duly executed by the Company;
- (ii) the Escrow Agreement duly executed by the Company and the Escrow Agent;
- (iii) in the discretion of the Company, either (A) a copy of the irrevocable instructions to the Transfer Agent instructing the Transfer Agent to deliver, on an expedited basis, a certificate evidencing the number of shares of Preferred Stock contained in such Purchaser's Units, or (B) a certificate evidencing the number of shares of Preferred Stock contained in such Purchaser's Units, (in each case determined by dividing such Purchaser's Subscription Amount by the Per Unit Purchase Price), and in each case registered in the name of such Purchaser;
- (iv) a Warrant, registered in the name of such Purchaser to purchase up to a number of Warrant Shares equal to the number of the Units being purchased by such Purchaser at such Closing, multiplied by ten;
- (v) a check in the amount of the interest accrued on the Subscription Amount held in escrow based upon an interest rate of five percent (5%) per annum and prorated on a daily basis for each day during which the Subscription Amount has been held in escrow, less the amount of any such accrued interest applied by the Company, in its sole discretion, to the purchase of additional Units by such Purchaser;
- (vi) the Registration Rights Agreement duly executed by the Company; and
- (vii) a legal opinion of Company Counsel in customary form regarding the issuance of the Units.

(b) On or prior to the Closing, each Purchaser purchasing Units at such Closing shall deliver or cause to be delivered to the Company the following:

- (i) this Agreement duly executed by such Purchaser;
- (ii) the Escrow Agreement duly executed by such Purchaser;

- (iii) such Purchaser's Subscription Amount by wire transfer to the account as specified in the Escrow Agreement;
- (iv) the Registration Rights Agreement duly executed by such Purchaser; and
- (v) if the Purchaser is a U.S. citizen, resident for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax, an IRS Form W-9 completed with respect to such Purchaser in accordance with the instructions accompanying such form.

(c) On the Closing, the Escrow Agent shall deliver or cause to be delivered to the Company the Subscription Amounts from each Purchaser purchasing Units at such Closing.

2.5 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the sale of Units to each Purchaser at the Closing are subject to the following conditions being met:

- (i) the accuracy in all material respects when made and on the Closing Date of the representations and warranties of such Purchaser contained herein;
- (ii) all obligations, covenants and agreements of such Purchaser required to be performed at or prior to the Closing Date shall have been performed;
- (iii) the delivery by the Purchaser of the items set forth in Section 2.4(b) of this Agreement; and
- (iv) the receipt by the Escrow Agent of not less than \$600,000 in aggregate Subscription Amounts for the initial Closing.

(b) The respective obligations of each Purchaser hereunder in connection with the Closing are subject to the following conditions being met:

- (i) the accuracy in all material respects when made and on the Closing Date (as if made on the Closing Date) of the representations and warranties of the Company contained herein (except that the representations and warranties of the Company contained herein that are qualified by materiality or Material Adverse Effect shall be true and correct in all respects when made and on the Closing Date (as if made on the Closing Date));
- (ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed;
- (iii) the delivery by the Company of the items set forth in Section 2.4(a) of this Agreement; and
- (iv) the receipt by the Escrow Agent of not less than \$600,000 in aggregate Subscription Amounts for the initial Closing.

ARTICLE III.

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as set forth in the Disclosure Schedules or disclosed in the SEC Reports, which Disclosure Schedules shall be deemed a part hereof and shall qualify any representation or otherwise made herein to the extent of the disclosure contained in the corresponding section of the Disclosure Schedules, the Company hereby makes the following representations and warranties to each Purchaser:

(a) Subsidiaries. All of the direct and indirect Subsidiaries of the Company are set forth on Schedule 3.1(a). The Company owns, directly or indirectly, all of the capital stock or other equity interests of each Subsidiary free and clear of any Liens, and all of the issued and outstanding shares of capital stock of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification. Each of the Company and its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation or default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. Each of the Company and its Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, would not, individually or in the aggregate, have or reasonably be expected to result in (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document, (ii) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "**Material Adverse Effect**").

(c) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by each of the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of each of the Transaction Documents by the Company and the consummation by it of the

transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company and no further action is required by the Company, its board of directors or its stockholders in connection therewith other than the Required Approvals. Each Transaction Document has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(d) No Conflicts. The execution, delivery, and performance of the Transaction Documents by the Company, the issuance and sale of the Units, and the consummation by the Company of the other transactions contemplated hereby and thereby do not and will not (i) conflict with or violate any provision of the Company's or any Company Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any such Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any such Subsidiary is a party or by which any property or asset of the Company or any such Subsidiary is bound or affected, or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a Company Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or such a Subsidiary is bound or affected, except in the case of each of clauses (ii) and (iii), such as would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect.

(e) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization, or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery, and performance by the Company of the Transaction Documents, other than (i) the filing of the Articles of Amendment with, and the acceptance of such filing by, the Secretary of the Commonwealth of Massachusetts, (ii) filings required pursuant to [Section 4.3](#) of this Agreement, (iii) the filing with, and the declaration of effectiveness by, the Commission of the Registration Statement, (iv) application(s) and notification(s) to each applicable Trading Market for the listing of the Common Stock for trading thereon in the time and manner required thereby, (v) the filing of Form D with the Commission and such filings as are required to be made under applicable state securities laws, and (vi) notice to the holders of the Company's Series B Convertible Preferred Stock, \$.01 par value under [Section 4.6](#) of that certain Securities Purchase Agreement dated as of November 18, 2009 by and among the Company and each of the purchasers identified therein, of their right to exchange their shares of Series B Convertible Preferred Stock and warrants purchased in connection with their purchase of shares of Series B Convertible Preferred Stock, for the Units (collectively, the "**Required Approvals**").

(f) Issuance of Units. The shares of Preferred Stock constituting a part of the Units are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company other than restrictions on transfer provided for in the Transaction Documents, applicable federal and state securities laws and Liens created by or imposed by a Purchaser. The Warrants have been duly authorized and constitute the binding obligation of the Company enforceable against the Company in accordance with its terms except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law. The Conversion Shares and the Warrant Shares have in each case been duly reserved for issuance, and upon issuance in accordance with the terms of the Company's Restated Articles of Organization, as amended, and the terms of the Warrants, as applicable, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Documents, applicable federal and state securities laws and Liens created by or imposed by a Purchaser.

(g) Capitalization. The number of shares and type of all authorized, issued and outstanding capital stock of the Company as of February 28, 2011 is set forth on [Schedule 3.1\(g\)](#). Since such date, the Company has not issued any capital stock other than pursuant to (i) this Agreement, the conversion of any Preferred Stock, or the exercise of any Warrants, (ii) the exercise of employee stock options under the Company's stock option plans, if any, (iii) the issuance of shares of Common Stock to employees pursuant to the Company's employee stock purchase plan, if any, and (iv) to the conversion or exercise of Common Stock Equivalents outstanding as of the date of the most recently filed periodic report under the Exchange Act. Except as set forth on [Schedule 3.1\(g\)](#), no Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents. Except as set forth on [Schedule 3.1\(g\)](#), or as a result of the purchase and sale of the Units pursuant to the terms of this Agreement, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights, or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents. Except as set forth on [Schedule 3.1\(g\)](#), the issuance and sale of the Units will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Purchasers) and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange or reset price under any of such securities.

(h) SEC Reports; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "**SEC Reports**") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of the Company included in

the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved (“GAAP”), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments and absence of footnotes thereto.

(i) Material Changes; Undisclosed Events, Liabilities or Developments. Except as set forth on Schedule 3.1(i), since the date of the latest Annual Report on Form 10-K or, if filed subsequent to the latest Annual Report on Form 10-K, the latest Quarterly Report on Form 10-Q or Current Report on Form 8-K, filed by the Company prior to the date hereof, (i) there has been no event, occurrence or development that has had or that could reasonably be expected to result in a Material Adverse Effect, (ii) the Company has not incurred any liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company’s financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Company has not altered its method of accounting, and (iv) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock other than dividends paid to holders of the Company’s Series A Convertible Preferred Stock, \$.01 par value, and the Company’s Series B Convertible Preferred Stock, \$.01 par value, as provided in the Company’s Articles of Organization.

(j) Certain Fees. Except as set forth on Schedule 3.1(i), no brokerage or finder’s fees or commissions are or will be payable by the Company to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by the Transaction Documents.

(k) Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration. The Company has not, in the 12 months preceding the date hereof, received notice from any Trading Market on which the Common Stock is or has been listed or quoted to the effect that the Company is not in compliance with the listing or maintenance requirements of such Trading Market. Assuming the sale of Units having an aggregate purchase price of at least \$4,000,000, the Company will be, and the Company will have no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements.

(l) Private Placement. Assuming the accuracy of each Purchaser’s representations and warranties set forth in Section 3.2, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers as contemplated hereby. The issuance and sale of the Securities hereunder does not contravene the rules and regulations of the Trading Market.

(m) Disclosure. All disclosure furnished by or on behalf of the Company to the Purchasers regarding the Company, its business and the transactions contemplated hereby, including the Schedules to this Agreement, with respect to the representations and warranties made herein are true and correct with respect to such representations and warranties and do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(n) No Integrated Offering. Neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security, or solicited any offers to buy any security, under circumstances that would cause this offering of the Securities to be integrated with prior offerings by the Company for purposes of the Securities Act or any applicable shareholder approval provisions of any Trading Market on which any of the securities of the Company are listed or designated.

3.2 Representations and Warranties of each Purchaser. Each Purchaser, for itself, himself or herself and for no other Purchaser, hereby represents and warrants as follows:

(a) Organization; Authority. If a corporation, partnership, limited liability company, trust or other entity, (i) such Purchaser is an entity duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization with full right, corporate, partnership or limited liability company, power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder; and (ii) the execution, delivery, and performance by such Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate or similar action on the part of such Purchaser. If an individual, such Purchaser has full legal capacity to execute and deliver this Agreement and the other Transaction Documents to which he or she is a party and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out his or her obligations hereunder and thereunder. Each Transaction Document to which such Purchaser is a party has been duly executed by the Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against such Purchaser in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors’ rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) Own Account. Such Purchaser understands that the Securities are “restricted securities” and have not been registered under the Securities Act or any applicable state or other securities law and is acquiring the Securities as principal for its own account and not with a view to or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state or other securities law, has no present intention of distributing any of such Securities in violation of the Securities Act or any applicable state or other securities law, and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Securities (this representation and warranty not limiting such Purchaser’s right to sell the Securities pursuant to the Registration Statement or otherwise in compliance with applicable federal and state securities laws) in violation of the Securities Act or any applicable state or other securities law.

(c) Purchaser Status. At the time such Purchaser was offered the Securities such Purchaser was, on the date hereof it is, and on the applicable Closing Date it will be, an “accredited investor” as defined in Rule 501(a) under the Securities Act.

(d) Experience of Such Purchaser. Such Purchaser, either alone or together with such Purchaser’s representatives, has such knowledge, sophistication, and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Securities, and has so evaluated the merits and risks of such investment. Such Purchaser is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment.

(e) General Solicitation. Such Purchaser is not purchasing the Securities as a result of any advertisement, article, notice, or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

(f) Provision of Information. Such Purchaser has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the Securities and the finances, operations and business of the Company; and (ii) the opportunity to request such additional information which the Company possesses or can acquire without unreasonable effort or expense. All of such Purchaser’s questions have been answered to its satisfaction and such Purchaser has received all of such requested additional information.

(g) Certain Fees. No brokerage or finder’s fees or commissions are or will be payable by such Purchaser to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank, or other Person with respect to the transactions contemplated by the Transaction Documents.

(h) Residency. The residence or principal place of business of such Purchaser is set forth on such Purchaser’s signature page to this Agreement, and all communications between such Purchaser and the Company regarding the transactions contemplated by this Agreement took place within or from the state of such residence or principal place of business.

(i) Acknowledgement. Such Purchaser acknowledges that the Company has relied upon the representations and warranties of such Purchaser set forth in this [Section 3.2](#) in its determination that no registration under the Securities Act is required for the offer and sale of the Securities by the Company to such Purchaser as contemplated by this Agreement.

(j) Transactions in Common Stock.

(i) Each Purchaser represents, warrants and covenants that, at no time in the thirty (30) days preceding the date hereof and through the date of any Closing in which such Purchaser participates, such Purchaser and, to the Purchaser’s knowledge, its Affiliates have not engaged in, directed or otherwise participated in, and shall not engage in, direct or otherwise participate in, any transactions, whether directly or indirectly through or with another Person, involving securities of the Company (including without limitation the Common Stock) to maintain or otherwise affect, or that are intended to maintain or otherwise affect, the trading price of the Common Stock.

(ii) Each Purchaser represents, warrants and covenants that, at no time in the thirty (30) days preceding the date hereof and through the date of any Closing in which such Purchaser participates, such Purchaser and, to such Purchaser’s knowledge, its Affiliates have not engaged, and shall not engage, in any short-selling of Common Stock, and that such Purchaser shall not use any of the Securities acquired pursuant to this Agreement to cover any short position in the Common Stock if doing so would be in violation of any applicable federal or state securities laws. For the six (6) months following the Closing, such Purchaser shall not, and shall cause its Affiliates not to, engage in any short selling of Common Stock.

(iii) Each Purchaser shall indemnify the Company for any and all losses, damages, costs and expenses (including attorneys’ fees) that the Company may incur as a result of any breach by the Purchaser of this [Section 3.2\(j\)](#).

ARTICLE IV.

OTHER AGREEMENTS OF THE PARTIES

4.1 Transfer Restrictions.

(a) The Securities may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Securities other than pursuant to an effective registration statement or Rule 144, or to the Company, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of a Purchaser under this Agreement.

(b) Certificates evidencing any Securities will contain the following legend or such other legend as may be reasonably appropriate under the Securities Act so long as is required by this [Section 4.1](#):

THE OFFER AND SALE OF THIS SECURITY HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, SUCH SECURITY MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH

APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

(c) If the Purchaser or other holder of the Securities is not an Affiliate of the Company, certificates evidencing the Securities shall not contain any legend (including the legend set forth in Section 4.1(b), (i) while a registration statement (including the Registration Statement) covering the resale of such Security is effective under the Securities Act, (ii) following any sale of such Securities pursuant to Rule 144, (iii) if such Securities are eligible for sale under Rule 144 without volume limitations, or (iv) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission). The Company agrees that at such time as such legend is no longer required with respect to Securities under this Section 4.1(c), it will, no later than five Trading Days following the delivery by a Purchaser to the Transfer Agent of a certificate representing such Securities, cause to be delivered to such Purchaser a certificate representing such Securities that is free from all restrictive and other legends. The Company may not make any notation on its records or give instructions to any Transfer Agent that enlarge the restrictions on transfer set forth in this Section. Certificates for Securities subject to legend removal hereunder may be transmitted by the Transfer Agent to the applicable Purchaser by crediting the account of such Purchaser's prime broker with the Depository Trust Company System through its Deposit Withdrawal Agent Commission system if the Company is a participant in such system, and otherwise by the Company or by the Transfer Agent by physical delivery to such Purchaser as provided in the notice section of this Agreement.

4.2 Furnishing of Information. As long as any Purchaser owns Securities and the Company remains subject to the requirements of the Exchange Act, the Company covenants to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act. As long as any Purchaser owns Securities, if the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to the Purchasers and make publicly available in accordance with Rule 144(c) such information as is required for the Purchasers to sell the Securities under Rule 144, and will take such further action as any holder of Securities may reasonably request, to the extent required from time to time to enable such Person to sell such Securities without registration under the Securities Act within the requirements of the exemption provided by Rule 144.

4.3 Securities Laws Disclosure: Publicity. Promptly following the Closing and in accordance with federal securities laws and regulations, the Company shall file a Current Report on Form 8-K, disclosing the material terms of the transactions contemplated hereby and filing the Transaction Documents as exhibits thereto. The Company intends to and may issue press releases with respect to the transactions contemplated hereby without the prior consent of each Purchaser. Notwithstanding the foregoing, the Company shall not publicly disclose the name of any Purchaser, or include the name of any Purchaser in any filing with the Commission or any regulatory agency or Trading Market, without the prior written consent of such Purchaser, except (i) as required by federal securities law in connection with (A) any registration statement contemplated by the Registration Rights Agreement, (B) the Current Report on Form 8-K required by this Section 4.3, (C) any filing required by the Commission, (D) any filing required by state securities laws and regulations as set forth in Section 4.5, and (E) the filing of final Transaction Documents (including signature pages thereto) with the Commission and (ii) to the extent such disclosure is required by law or Trading Market regulations, in which case the Company shall provide the Purchasers with prior notice of such disclosure permitted under this clause (ii). No Purchaser shall issue any press release or otherwise make any public statement with respect to the transactions contemplated hereby without the prior consent of the Company, which consent shall not unreasonably be withheld or delayed, except if such disclosure is required by law, in which case the Purchaser shall promptly provide the Company with prior notice of such public statement or communication.

4.4 Use of Proceeds. The Company shall use the net proceeds from the sale of the Securities hereunder for general corporate working capital and corporate purposes, including, but not limited to sales and marketing expenses, general and administrative expenses, applications and product development expenses and the expenses of the transaction contemplated by the Transaction Documents.

4.5 Form D; Blue Sky Filings. The Company shall timely file a Form D with respect to the Securities as required under Regulation D under the Securities Act and shall provide a copy thereof, promptly upon request of any Purchaser. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Securities for, sale to the Purchasers at the Closing under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of any Purchaser. Each Purchaser shall take all commercially reasonable actions that are reasonably requested by the Company related to, or to effectuate, the filing of a Form D or any filing required pursuant to the "Blue Sky" laws of the states of the United States which, for purposes of clarity, shall not include the payment of any fees by such Purchaser.

4.6 Subsequent Placements.

(a) If the Company consummates an equity financing (other than pursuant to (x) the exercise of employee stock options under the Company's stock option plans, if any, (y) this Agreement or the exercise of any Warrants, or (z) the exercise or conversion of any currently outstanding Common Stock Equivalents) (the "**Next Financing**") within (i) twelve months after the initial Closing and the gross proceeds to the Company from the sale of the Units are less than \$4 million, or (ii) twenty-four months after the initial Closing and the gross proceeds to the Company from the sale of the Units are greater than or equal to \$4 million, then each Purchaser may exchange all, but not less than all, of his, her or its Units for the equity securities issued in such Next Financing (the "**Next Financing Securities**"), and shall become subject to the terms and conditions of such Next Financing; *provided* that the exchange of the Purchaser's Units for Next Financing Securities is permitted under the rules and regulations of the NASDAQ Trading Market then in effect. The number of Next Financing Securities into which a Purchaser's Units may be exchanged shall be determined by dividing (a) the aggregate Per Unit Purchase Price at which the Units being exchanged were issued, by (b) the price per Next Financing Security at which such securities were issued in the Next Financing.

(b) The Company shall provide the Purchasers written notice (the "**Exchange Notice**") of any Next Financing within ten days following the initial closing of such Next Financing (the "**Next Financing Initial Closing**"). Such notice shall include the terms and conditions of such Next Financing, including the consideration which was paid to the Company for the issuance of the Next Financing Securities. If a Purchaser shall decide to exchange his, her or its Units for Next Financing Securities, such Purchaser shall notify the Company in writing within ten days after receipt of the Exchange Notice.

(c) In order to exchange Units for Next Financing Securities, each Purchaser shall be required to execute all agreements executed by the investors in the Next Financing (which in the sole discretion of the Company are reasonably applicable to such Purchaser) and to deliver the certificate or certificates representing their shares of Series C Preferred Stock and their Warrants, duly endorsed for transfer or accompanied by a duly endorsed stock power (or, if such Purchaser alleges that such certificate or Warrant has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Company to indemnify the Company against any claim that may be made against the Company on account of the alleged loss, theft or destruction of such certificate) to the Company at the place designated in the Exchange Notice. Each exchanging Purchaser also shall be required to execute and deliver such additional instruments and undertake such other actions as the Company may reasonably require to transfer such Units and issue Next Financing Securities in exchange therefor in accordance with the terms and conditions of the Next Financing.

(d) Regardless of whether the terms of the Next Financing explicitly contemplate a closing subsequent to the Next Financing Initial Closing, if any Purchasers elect to exchange their Units for Next Financing Securities pursuant to this [Section 4.6](#), then the Company shall cause there to be a subsequent closing in which such Purchasers may exchange their Units.

4.7 Listing of Common Stock.

(a) For as long as at least twenty percent (20%) of (i) the total number of shares of Preferred Stock or (ii) the total number of Warrants that were issued in the aggregate in all of the Closings continue to be outstanding or, if sooner, until the liquidation of the Company or a Deemed Liquidation Event as set forth in the Articles of Amendment, the Company shall use its commercially reasonable efforts to maintain the listing of the Common Stock on a Trading Market. The Company further agrees, if the Company applies to have the Common Stock traded on any other Trading Market, it will include in such application all of the Conversion Shares and Warrant Shares, and will take such other action as is reasonably necessary to cause all of the Conversion Shares and the Warrant Shares to be listed on such other Trading Market as promptly as reasonably possible. The Company will comply in all material respects with the Company's reporting, filing and other obligations under the bylaws or rules of the Trading Market.

4.8 Reservation of Common Stock. The Company has reserved and the Company shall continue to reserve and keep available at all times, free of preemptive rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to issue the Conversion Shares pursuant to the conversion of the Preferred Stock, and the Warrant Shares pursuant to any exercise of the Warrants.

ARTICLE V.

MISCELLANEOUS

5.1 Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees, stamp taxes and other taxes and duties levied in connection with the delivery of any Securities to the Purchasers.

5.2 Entire Agreement. The Transaction Documents (including the confidentiality agreements by and between the Company and any one or more of the Purchasers) contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via facsimile or e-mail at the facsimile number or e-mail address set forth on the signature pages attached hereto prior to 5:30 p.m. (New York City time) on a Trading Day, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile or e-mail at the facsimile number or e-mail address set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (c) the second Trading Day following the date of mailing, if sent by internationally recognized overnight courier service for next business day delivery, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

5.4 Amendments; Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by the Company, and in the case of a waiver or an amendment by Purchasers holding a majority of the Units (the "**Majority Purchasers**"), provided such amendment, modification, termination or waiver applies equally and proportionately to all of the Purchasers. Further, notwithstanding any other provision in this Agreement, any actions under this Agreement may be taken only by the Majority Purchasers provided such action applies equally and proportionately to all of the Purchasers. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

5.5 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Majority Purchasers. Subject to compliance with federal and state securities laws and the restrictions on transfers and assignments under the exemptions from registration upon which the Company is relying to offer, issue and sell the Securities, any Purchaser may assign any or all of its rights under this Agreement to any Person to whom such Purchaser assigns or transfers any Securities, provided such transferee agrees in writing to be bound, with respect to the transferred Securities, by the provisions of the Transaction Documents that apply to the Purchasers.

5.7 No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

5.8 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to the principles of conflicts of law thereof. Each party agrees that all Proceedings concerning the interpretations, enforcement, and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees, or agents) shall be commenced exclusively in the state and federal courts sitting in the Commonwealth of Massachusetts. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of Boston for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such Proceeding is improper or is an inconvenient venue for such Proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. The parties hereby waive all rights to a trial by jury. If a party shall commence a Proceeding to enforce any provisions of the Transaction Documents, then the prevailing party in such Proceeding shall be reimbursed by the other party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such Proceeding.

5.9 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement, and shall become effective against the Company and each Purchaser when counterparts have been signed by the Company and such Purchaser and delivered to each other, it being understood that the Company and such Purchaser need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

5.10 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.11 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agrees to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.12 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance or non-performance of the obligations of any other Purchaser under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Purchaser pursuant thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights, including without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any Proceeding for such purpose. Each Purchaser has been represented by its own separate legal counsel in their review and negotiation of the Transaction Documents.

5.13 Construction. The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments hereto.

5.14 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever a Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Pressure BioSciences Inc.

Address for Notice:

By: _____
Name: Richard T. Schumacher
Title: President and Chief Executive Officer

14 Norfolk Avenue
Easton, MA 02375
Facsimile: (508) 580-1829
Attention: Richard T. Schumacher

With a copy to (which shall not constitute notice):

Pepper Hamilton LLP
15th Floor, Oliver Street Tower
125 High Street
Boston, MA 02110-2736
Facsimile: 617-956-4351
Attention: Steven R. London

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR PURCHASER FOLLOWS]

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[PURCHASER SIGNATURE PAGES TO PRESSURE BIOSCIENCES INC. SECURITIES PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

FOR INDIVIDUALS:

Name of Purchaser:

Signature of Purchaser:

FOR ENTITIES:

Name of Purchaser:

Signature _____ of _____ Authorized _____ Signatory _____ of
Purchaser:

Name of Authorized Signatory:

Title of Authorized Signatory:

FOR ALL PURCHASERS:

Email Address of Purchaser:

Fax Number of Purchaser:

Address for Notice of Purchaser:

Address for Delivery of Units for Purchaser (if not same as address for notice):

Subscription Amount: \$ _____

Units: _____ **[TO BE COMPLETED BY THE COMPANY AT THE CLOSING. NUMBER EQUALS
SUBSCRIPTION AMOUNT DIVIDED BY THE PER UNIT PURCHASE PRICE]**

Taxpayer Identification Number: **[PROVIDE THIS UNDER SEPARATE COVER]**

THE OFFER AND SALE OF THIS SECURITY (AND THE SECURITIES FOR WHICH THIS SECURITY IS EXERCISABLE) HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, SUCH SECURITIES MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

COMMON STOCK PURCHASE WARRANT

PRESSURE BIOSCIENCES, INC.

WARRANT NO. D-__

Warrant Shares: _____

Initial Exercise Date: _____, 2011

THIS COMMON STOCK PURCHASE WARRANT (the "**Warrant**") certifies that, for value received, _____ or its assigns (the "**Holder**") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date hereof (the "**Initial Exercise Date**") and on or prior to the close of business on the third anniversary of the Initial Exercise Date, or sooner in accordance with Section 3(b) or Section 5(c) (the "**Termination Date**") but not thereafter, to subscribe for and purchase from Pressure BioSciences Inc., a Massachusetts corporation (the "**Company**"), up to _____ shares (subject to adjustment as provided herein, the "**Warrant Shares**") of the Company's common stock, par value \$.01 per share (the "**Common Stock**"). The purchase price of one Warrant Share under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

1. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in that certain Securities Purchase Agreement, dated April __, 2011 (the "**Purchase Agreement**"), by and among the Company and the purchasers signatory thereto.

2. Exercise.

Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed Notice of Exercise (in the form annexed hereto, the "**Notice of Exercise**") (or such other office or agency of the Company as it may designate by notice in writing to the registered Holder at the address of such Holder appearing on the books of the Company), this Warrant, and payment of the aggregate Exercise Price of the Warrant Shares thereby purchased by (i) wire transfer or certified or cashier's check drawn on a United States bank, (ii) cancellation by the Holder of indebtedness or other obligations of the Company to the Holder, (iii) any other lawful consideration as the Company shall determine, or (iii) a combination of (i), (ii) and (iii).

Exercise Price. The exercise price per share of the Common Stock under this Warrant shall be \$[_____]1, subject to adjustment hereunder (the "**Exercise Price**").

Cashless Exercise. If (i) the Company has exercised its rights under Section 5 hereof or (ii) at any time that the Holder is an Affiliate of the Company, then in lieu of exercising this Warrant pursuant to Section 1(a) hereof, the Holder may exercise this Warrant without the payment of any additional consideration, by surrendering of this Warrant at the principal office of the Company together with the Notice of Cashless Exercise annexed hereto, duly executed. In such event, the Company shall issue to the Holder a number of fully paid, non-assessable Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

- (A) = the VWAP on the Trading Day immediately preceding the date of such election (with the date of such election being deemed to be the date on which the Company receives the Holder's duly executed Notice of Cashless Exercise and this Warrant);
- (B) = the Exercise Price; and
- (X) = the number of Warrant Shares issuable upon exercise of this Warrant in respect of which the net issue election is made (i.e., the right to exercise is being surrendered) pursuant to this Section 1(c).

As used herein, "**VWAP**" means, for any date, the price determined by the first of the following clauses that applies: (a) the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg Financial L.P. (based on a Trading Day from 9:30 a.m. Eastern Time to 4:02 p.m. Eastern Time); (b) the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the OTC Bulletin Board; (c) the most recent bid price per share of the Common Stock as reported in the "Pink Sheets" published by Pink Sheets, LLC (or a similar organization or agency succeeding to its functions of reporting prices); or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holder and reasonably acceptable to the Company.

Holder's Restrictions. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2, to the extent that after giving effect to such issuance after exercise as set

forth in the Notice of Exercise or the Notice of Cashless Exercise (as applicable, the “**Exercise Notice**”), such Holder (together with such Holder’s Affiliates, and any other person or entity acting as a group together with such Holder or any of such Holder’s Affiliates) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Holder and its Affiliates shall include the number of shares of Common Stock issuable upon such exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (A) exercise of the remaining, non-exercised portion of this Warrant beneficially owned by such Holder or any of its Affiliates and (B) exercise or conversion of the unexercised or non-converted portion of any other securities of the Company (including, without limitation, shares of Series A Convertible Preferred Stock, Series B Convertible Preferred Stock, Series C Convertible Preferred Stock, options and any other warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by such Holder or any of its Affiliates. Except as set forth in the preceding sentence, for purposes of this Section 2(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act, it being acknowledged by the Holder that the Company is not representing to such Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and such Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(d) applies, the determination of whether this Warrant is exercisable in full or in part (in relation to other securities owned by such Holder together with any Affiliates) shall be made by the Holder, and the submission of a Exercise Notice shall be deemed to be each Holder’s determination of whether this Warrant is exercisable (in relation to other securities owned by such Holder together with any Affiliates), in each case subject to such aggregate percentage limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act. Upon the written request of the Holder, the Company shall within two (2) Trading Days confirm in writing to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by such Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The “**Beneficial Ownership Limitation**” shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant as set forth in the Exercise Notice. The Beneficial Ownership Limitation provisions of this Section 2(d) may be waived by the Holder, at the election of such Holder, upon not less than sixty-one (61) days prior written notice to the Company (which notice period, if requested by the Holder, may be waived by the Company in its sole discretion) to increase the Beneficial Ownership Limitation to 9.99%, 14.99% or 19.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant as set forth in the Exercise Notice, and the provisions of this Section 2(d) shall continue to apply. Upon a waiver of the Beneficial Ownership Limitation from 4.99% to 9.99%, or from 9.99% to 14.99%, as the case may be, the Holder may further waive the Beneficial Ownership Limitation from 9.99% to 14.99%, or from 14.99% to 19.99%, as applicable, by written notice to the Company not less than sixty-one (61) days in advance of such waiver (which notice period, if requested by the Holder, may be waived by the Company in its sole discretion). Upon the change by the Holder of the Beneficial Ownership Limitation from 14.99% to 19.99%, the Beneficial Ownership Limitation may not be further waived by such Holder. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

Mechanics of Exercise.

Authorization of Warrant Shares. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon such exercise, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Delivery of Certificates Upon Exercise. Certificates for Warrant Shares purchased hereunder shall be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder’s prime broker with the Depository Trust Company through its Deposit Withdrawal Agent Commission (“**DWAC**”) system if the Company is a participant in such system, and otherwise by the Company or by the Transfer Agent by physical delivery to the address specified by the Holder in the Exercise Notice promptly following, or if required by law, within three (3) Trading Days from, the delivery to the Company of the duly executed Exercise Notice, surrender of this Warrant and, if applicable, payment of the aggregate Exercise Price as set forth above in Section 2(a) (“**Warrant Share Delivery Date**”). This Warrant shall be deemed to have been exercised, the Warrant Shares shall be deemed to have been issued, and the Holder or any other person so designated to be named therein shall be deemed to have become a holder of record of such shares of Common Stock for all purposes, on the date the Company receives the duly executed Exercise Notice, this Warrant and the Exercise Price (unless such exercise is pursuant to Section 2(c) in which case receipt of the Exercise Price is not applicable), and all taxes required to be paid by the Holder, if any, pursuant to Section 2(e)(v) prior to the issuance of such shares, have been paid.

Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the time of delivery of the certificate or certificates representing Warrant Shares if prior to the Termination Date, deliver to Holder a new Warrant evidencing the right of Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which Holder would otherwise be entitled to purchase upon such exercise, the Company shall at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

Charges, Taxes and Expenses. Issuance of certificates for Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such certificate, all of which taxes and expenses shall be paid by the Company, and such certificates shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; *provided, however*, that in the event certificates

for Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder; and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto.

Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

3. Certain Events.

a) Adjustments for Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (A) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (B) subdivides outstanding shares of Common Stock into a larger number of shares, (C) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (D) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case (1) the Exercise Price shall be adjusted by multiplying such Exercise Price by a fraction, the numerator of which is the number of shares of Common Stock actually issued and outstanding immediately before such event and the denominator of which is the number of shares of Common Stock actually issued and outstanding immediately after such event, and (2) the number of Warrant Shares for which this Warrant may be exercised immediately before such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the Exercise Price immediately before such event and the denominator of which is the Exercise Price immediately after such event. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Fundamental Transaction. If, at any time while this Warrant is outstanding, (A) the Company effects any merger or consolidation of the Company (or a subsidiary of the Company and the Company issues shares of its capital stock pursuant to such merger or consolidation) with or into another Person in which the shares of capital stock of the Company outstanding immediately prior to such merger or consolidation do not continue to represent, or are not converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of the surviving or resulting entity, or if the surviving or resulting entity is a wholly owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity, (B) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (C) any tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (D) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (each "**Fundamental Transaction**"), then the Holder may exercise this Warrant subject to and conditioned upon the completion or closing of such Fundamental Transaction, and upon such completion or closing of such Fundamental Transaction, this Warrant shall terminate and shall no longer be exercisable.

c) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

d) Notice to Holder.

Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly mail to the Holder a notice setting forth the Exercise Price after such adjustment (as well as the number of Warrant Shares issuable hereunder) and setting forth a brief statement of the facts requiring such adjustment.

Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock; (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock; (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights; (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or any Fundamental Transaction; (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company; then, in each case, the Company shall cause to be mailed to the Holder at its last address as it shall appear upon the Warrant Register (as defined below) of the Company, at least 20 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice if Holder is allowed to determine in its discretion that the Company must deem the Warrant exercised immediately prior to and contingent upon the occurrence of the events described in (A), (B), (C), (D) or (E) above. The Holder is entitled to exercise this Warrant during the 20-day period commencing on the date of such notice of the record or effective date of the event triggering such notice.

4. Transfer of Warrant.

Transferability. Subject to compliance with any applicable securities laws and the conditions set forth in Section 4(d) hereof and to the provisions of Section 4.1 of the Purchase Agreement, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. A Warrant, if properly assigned, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice.

Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the “**Warrant Register**”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary reasonably satisfactory to the Company.

Transfer Restrictions. If, at the time of the surrender of this Warrant in connection with any transfer of this Warrant, the transfer of this Warrant shall not be registered pursuant to an effective registration statement under the Securities Act and under applicable state securities or blue sky laws, the Company may require, as a condition of allowing such transfer, that (i) the Holder or transferee of this Warrant, as the case may be, furnish to the Company a written opinion of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that such transfer may be made without registration under the Securities Act and under applicable state securities or blue sky laws, and (ii) the Holder or transferee execute and deliver to the Company an investment letter in form and substance acceptable to the Company, and (iii) the transferee be an “accredited investor” as defined in Rule 501(a) promulgated under the Securities Act or a “qualified institutional buyer” as defined in Rule 144A(a) promulgated under the Securities Act.

5. Right to Call.

Call Conditions. The Company may call for cancellation this Warrant, subject to the limitations discussed in Section 5(b), if the VWAP for the Common Stock on the Trading Market equals or exceeds two times the per share Exercise Price for either (i) ten (10) consecutive Trading Days or (ii) fifteen (15) out of twenty-five (25) consecutive Trading Days, with average daily trading volume for such ten (10) or fifteen (15) day period of at least 10,000 shares (the “**Call Conditions**”).

Callable Warrant Shares. The Company shall not have the right to call any portion of this Warrant pursuant to this Section 5 if, after giving effect to the issuance of Warrant Shares after exercise of this Warrant, such Holder (together with such Holder’s Affiliates, and any other person or entity acting as a group together with such Holder or any of such Holder’s Affiliates) would beneficially own in excess of the Section 5 Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Holder and its Affiliates shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such right to call determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (A) exercise of the remaining portion, if any, of this Warrant with respect to which such right to call determination is not being made beneficially owned by such Holder or any of its Affiliates and (B) exercise or conversion of the unexercised or non-converted portion of any other securities of the Company (including, without limitation, shares of Series A Convertible Preferred Stock, Series B Convertible Preferred Stock, Series C Convertible Preferred Stock, options and any other warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by such Holder or any of its Affiliates. Except as set forth in the preceding sentence, for purposes of this Section 5(b), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act, it being acknowledged by the Holder that the Company is not representing to such Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and such Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 5(b) applies, the determination of whether this Warrant may be called by the Company in full or in part (in relation to other securities owned by such Holder together with any Affiliates) shall be made by the Holder, and the submission of a Notice of Exercise shall be deemed to be each Holder’s determination of whether this Warrant is exercisable (in relation to other securities owned by such Holder together with any Affiliates), in each case subject to such aggregate percentage limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act. Upon the written request of the Holder, the Company shall within two (2) Trading Days confirm in writing to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by such Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The “**Section 5 Beneficial Ownership Limitation**” shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Section 5 Beneficial Ownership Limitation provisions of this Section 5(b) may be waived by the Holder, at the election of such Holder, upon not less than sixty-one (61) days prior written notice to the Company (which notice period, if requested by the Holder, may be waived by the Company in its sole discretion) to increase the Section 5 Beneficial Ownership Limitation to 9.99%, 14.99% or 19.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of

Common Stock upon exercise of this Warrant, and the provisions of this Section 5(b) shall continue to apply. Upon a waiver of the Section 5 Beneficial Ownership Limitation from 4.99% to 9.99%, or from 9.99% to 14.99%, as the case may be, the Holder may further waive the Section 5 Beneficial Ownership Limitation from 9.99% to 14.99%, or from 14.99% to 19.99%, as applicable, by written notice to the Company not less than sixty-one (61) days in advance of such waiver (which notice period, if requested by the Holder, may be waived by the Company in its sole discretion). Upon the change by the Holder of the Section 5 Beneficial Ownership Limitation from 14.99% to 19.99%, the Section 5 Beneficial Ownership Limitation may not be further waived by such Holder. The limitations contained in this Section 5(b) shall apply to a successor holder of this Warrant.

Call Procedure. To exercise its call right pursuant to this Section 5, within ten (10) days following the satisfaction of the Call Conditions, the Company shall deliver to the Holder a written notice (a “Call Notice”) indicating therein that this Warrant must be exercised by a date specified in the Call Notice, which date shall be at least fifteen (15) Business Days after the date of the Holder’s receipt of the Call Notice, and which date shall be extended for a Holder providing written notice of waiver of the Section 5 Beneficial Ownership Limitation to the sixty-first (61st) day following the date such Holder provides such sixty-one (61) days notice or to such earlier date on which the Company has waived such sixty-one (61) day notice) (such date, the “Call Date”). If this Warrant is called as provided in this Section 5, and the Holder does not exercise this Warrant by the Call Date, then on the date immediately following the Call Date this Warrant shall terminate and shall no longer be exercisable.

6. Miscellaneous.

No Rights as Shareholder Until Exercise. This Warrant does not entitle the Holder to any voting rights or other rights as a shareholder of the Company prior to the exercise hereof as set forth in Section 2(e)(ii).

Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

Authorized Shares.

The Company covenants that during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant, including as the Warrant is adjusted pursuant to Section 3 above. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of executing stock certificates to execute and issue the necessary certificates for the Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such commercially reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed.

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its articles of organization or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (a) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (b) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant, and (c) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof as may be necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

Governing Law. This Warrant shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts, with regard to the principles of conflicts of law thereof.

Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, will have restrictions upon resale imposed by state and federal securities laws.

Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice Holder’s rights, powers or remedies, notwithstanding the fact that all rights hereunder terminate on the Termination Date. If the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys’ fees, including those of appellate proceedings, incurred by Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the

Company shall be delivered in accordance with the notice provisions of the Purchase Agreement.

Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of all Holders from time to time of this Warrant and shall be enforceable by any such Holder or holder of Warrant Shares.

Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

Registration Rights. The Company agrees to register the Warrant Shares for resale under the Securities Act on the terms and subject to the conditions set forth in the Registration Rights Agreement.

Exchange in Next Financing. Subject to and in accordance with the provisions of Section 4.6 of the Purchase Agreement, this Warrant may be exchanged for other securities of the Company in connection with a Next Financing.

¹ **Note: Will be equal to the sum of (i) the Common Stock equivalent of the per Unit Purchase Price, as defined in the Purchase Agreement (ii) plus \$0.88.**

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

PRESSURE BIOSCIENCES, INC.

By: _____

Name: Richard T. Schumacher

Title: President and Chief Executive Officer

NOTICE OF EXERCISE

TO: PRESSURE BIOSCIENCES INC.

The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the Exercise Price in full, together with all applicable transfer taxes, if any.

Please issue a certificate or certificates representing said Warrant Shares in the name of the undersigned or in such other name as is specified below:

The Warrant Shares shall be delivered to the following DWAC Account Number or by physical delivery of a certificate to:

For individuals:

Signature:

Name:

Date:

For entities:

Name of Investing Entity:

Signature of Authorized Signatory of Investing Entity:

Name of Authorized Signatory:

Title of Authorized Signatory:

Date:

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to exercise the Warrant.)

FOR VALUE RECEIVED, [____] all of or [_____] shares of the foregoing Warrant and all rights evidenced thereby are hereby assigned to

_____ whose address is

_____.

Dated: _____, _____

Holder's Signature: _____

Holder's Address: _____

Signature Guaranteed: _____

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 whatsoever, and must be guaranteed by a bank or trust company. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

NOTICE OF CASHLESS EXERCISE

TO: PRESSURE BIOSCIENCES INC.

The undersigned hereby elects under Section 1(c) to surrender the right to purchase _____ Warrant Shares pursuant to this Warrant. The certificate(s) for the Warrant Shares issuable upon such net issue election shall be issued in the name of the undersigned or as otherwise indicated below.

_____ Name (please print)

_____ Address

_____ Signature
_____ Name for Registration
(if different from name above)

Dated:

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this “*Agreement*”) is made and entered into as of April 8, 2011, by and among Pressure BioSciences Inc., a Massachusetts corporation (the “*Company*”), and the several purchasers signatory hereto (each such purchaser, a “*Purchaser*” and collectively, the “*Purchasers*”).

This Agreement is made pursuant to the Securities Purchase Agreement, dated as of the date hereof, between the Company and each Purchaser (the “*Purchase Agreement*”).

The Company and each Purchaser hereby agrees as follows:

1. **Definitions.** Capitalized terms used and not otherwise defined herein that are defined in the Purchase Agreement shall have the meanings given such terms in the Purchase Agreement. As used in this Agreement, the following terms shall have the following meanings:

“*Advice*” shall have the meaning set forth in [Section 6\(c\)](#).

“*Common Stock*” means the Company’s common stock, par value \$.01 per share.

“*Commission*” means the U.S. Securities and Exchange Commission.

“*Effectiveness Date*” means the date on which any Registration Statement required to be filed hereunder is declared effective by the Commission.

“*Effectiveness Period*” means, for any particular Registration Statement, the period from the Effectiveness Date of such Registration Statement until such time as all Registrable Securities covered by such Registration Statement have been sold, or may be sold without volume restrictions pursuant to Rule 144 (or any successor Rule under the Securities Act), as determined by counsel to the Company pursuant to a written opinion letter to such effect, addressed and acceptable to the Company’s transfer agent and the affected Holders.

“*Filing Date*” means the date on which the Company initially files the Registration Statement with the Commission.

“*Holder*” or “*Holder*s” means the holder or holders, as the case may be, from time to time of Registrable Securities.

“*Indemnified Party*” shall have the meaning set forth in [Section 5\(c\)](#).

“*Indemnifying Party*” shall have the meaning set forth in [Section 5\(c\)](#).

“*Losses*” shall have the meaning set forth in [Section 5\(a\)](#).

“*Plan of Distribution*” shall have the meaning set forth in [Section 2\(c\)](#).

“*Preferred Stock*” means the Company’s Series C Convertible Preferred Stock, par value \$.01 per share.

“*Proceeding*” means an action, claim, suit, investigation or proceeding (including without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

“*Prospectus*” means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

“*Registrable Securities*” means, collectively, (i) all of the Common Stock issued or issuable in connection with any conversion of the Preferred Stock or exercise of the Warrants, and (ii) any securities issued or issuable upon any stock split, dividend or other distribution, recapitalization or similar event, or any exercise price adjustment with respect to any of the securities referenced in (i) above. Upon the sale, pursuant to a Registration Statement declared effective by the Commission or an exemption from registration under the Securities Act (such that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale), of any of the securities described in the preceding sentence, such securities shall no longer be Registrable Securities.

“*Registration Statement*” means any registration statement that includes any Registrable Securities, including (in each case) the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

“*Rule 415*” means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

“*Rule 424*” means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

“*Securities Act*” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“*Selling Stockholder Questionnaire*” shall have the meaning set forth in [Section 3\(a\)](#).

“**SEC Guidance**” means (i) any publicly-available written guidance, or rule of general applicability of the Commission staff, or (ii) written comments, requirements or requests of the Commission staff to the Company in connection with the review of the Registration Statements.

“**Warrants**” means the warrants to purchase shares of the Common Stock issued pursuant to the Purchase Agreement.

2. Piggy Back Registration.

(a) If, at any time after the date hereof and as long as Registrable Securities remain outstanding, the Company shall file with the Commission a registration statement of the Company under the Securities Act, relating to an offering for its own account or the account of others under the Securities Act of any of its equity securities (a “**Registration**”), the Company shall send to each Holder a written notice of such determination and, if within fifteen (15) days after the giving of such notice, any Holder shall so request in writing, the Company shall include in such registration statement all of the Registrable Securities of such Holder, except that if, in connection with any underwritten Registration for the account of the Company, the managing underwriter(s) thereof shall impose a limitation on the number of shares of Common Stock which may be included in a registration statement because, in such underwriter(s)’ judgment, marketing or other factors dictate such limitation is necessary to facilitate public distribution, then the Company shall be obligated to include in such registration statement only such limited portion of the Registrable Securities as the underwriter(s) shall permit, if any. In the event only a limited portion of the Registrable Securities shall be included in a registration statement, the securities to be included in such registration statement shall be allocated as follows: first, for the account of the Company, all securities proposed to be sold by the Company, and second, for the account of any Holders or other stockholders of the Company participating in such registration, the number of shares of Common Stock or other Registrable Securities requested to be included in the registration by such Holders and other stockholders in proportion, as nearly as practicable, to the respective amounts of securities that are requested to be included in such registration by such Holders and other stockholders. The Company shall so advise all Holders and the other holders distributing their securities through such underwriting of any such limitation, and the number of shares of Registrable Securities held by Holders that may be included in the registration. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the managing underwriter. Any securities excluded or withdrawn from such underwriting shall be withdrawn from such registration. If a Registration in connection with which a Holder is entitled to registration under this [Section 2\(a\)](#) is an underwritten Registration, then each such Holder shall, unless otherwise agreed by the Company, offer and sell such Registrable Securities in an underwritten offering using the same underwriter(s) and, subject to the provisions of this Agreement, on the same terms and conditions as other shares of Common Stock included in such underwritten offering.

(b) Notwithstanding any other provision of this Agreement, this [Section 2](#) shall not apply to, and a Holder’s right to participate in a Registration shall not be triggered by, the filing of (i) a registration statement on Form S-8 (or any successor form) relating solely to stock option, stock incentive, stock purchase or employee benefit plans, or (ii) a registration statement on Form S-4 (or any successor form) relating solely to a Rule 145 transaction or to an offering or sale of securities to another business entity or the shareholders of such entity in connection with the acquisition of assets or shares of capital stock, respectively, of such entity, or (iii) a registration statement relating solely to a resale shelf registration filed in connection with an acquisition, reorganization, recapitalization, merger, consolidation or similar transaction involving the Company.

(c) The Registration Statement shall contain (unless otherwise directed by Holders of at least a majority of the then outstanding Registrable Securities) the “**Plan of Distribution**” with respect to the Holder’s Registrable Securities in substantially the form attached hereto as [Annex A](#).

3. Registration Procedures. In connection with the Company’s registration obligations hereunder, the Company shall:

(a) Not less than five (5) Trading Days prior to the filing of each Registration Statement and not less than one (1) Trading Day prior to the filing of any related Prospectus or any amendment or supplement thereto, the Company shall, (i) furnish to each Holder whose Registrable Securities are included therein copies of all such documents proposed to be filed, which documents (other than those incorporated or deemed to be incorporated by reference) will be subject to the review of such Holders, and (ii) cause its officers and directors, counsel and independent certified public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to each such Holder, to conduct a reasonable investigation within the meaning of the Securities Act. The Company shall not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holders of a majority of such Registrable Securities shall reasonably object in good faith, provided that the Company is notified of such objection in writing no later than five (5) Trading Days after the Holders have been so furnished copies of a Registration Statement or one (1) Trading Day after the Holders have been so furnished copies of any related Prospectus or amendments or supplements thereto. Each Holder whose Registrable Securities are included in such Registration Statement agrees to furnish to the Company a completed questionnaire in the form attached to this Agreement as [Annex B](#) (a “**Selling Stockholder Questionnaire**”) not less than two (2) Trading Days prior to the Filing Date or by the end of the fourth (4th) Trading Day following the date on which such Holder receives draft materials in accordance with this Section. If any such Holder fails to furnish its Selling Stockholder Questionnaire related to a particular Registration Statement at least two (2) Trading Days prior to the Filing Date or by the end of the fourth (4th) Trading Day following the date on which such Holder receives draft materials in accordance with this [Section 3](#), any rights of such Holder under this Agreement with regard to such Registration Statement, including without limitation, the right to include such Holder’s Registrable Securities in such Registration Statement, shall be tolled as to such Holder until such information is received by the Company.

(b) (i) Prepare and file with the Commission such amendments, including post-effective amendments, to a Registration Statement and the Prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective as to the applicable Registrable Securities for the Effectiveness Period; (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and as so supplemented or amended to be filed pursuant to Rule 424; (iii) respond as promptly as reasonably possible to any comments received from the Commission with respect to a Registration Statement or any amendment thereto and provide as promptly as reasonably possible to the Holders true and complete copies of all correspondence from and to the Commission relating to a Registration Statement (provided that the Company may excise any information contained therein which would constitute material non-public information as to any Holder which has not executed a confidentiality agreement with the Company); and (iv) comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable

Securities covered by a Registration Statement during the applicable period in accordance (subject to the terms of this Agreement) with the intended methods of disposition by the Holders thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented.

(c) Notify each Holder of Registrable Securities to be sold (which notice shall, pursuant to clauses (iii) through (vi) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably possible (and, in the case of (i)(A) below, not less than one Trading Day prior to such filing) (i)(A) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed; (B) when the Commission notifies the Company whether there will be a “review” of such Registration Statement and whenever the Commission comments in writing on such Registration Statement; and (C) with respect to a Registration Statement or any post-effective amendment, when the same has become effective; (ii) of any request by the Commission or any other Federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information; (iii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; and (v) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, Prospectus or other documents so that, in the case of a Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) Use its best efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(e) Furnish to each Holder, without charge, at least one conformed copy of each such Registration Statement and each amendment thereto, including financial statements and schedules, all documents incorporated or deemed to be incorporated therein by reference to the extent requested by such Person, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission, and as expeditiously as possible, furnish to each selling Holder of Registrable Securities, without charge, such reasonable numbers of copies of the Registration Statement, each amendment and supplement thereto, Prospectus, and such other documents as the selling Holder of Registrable Securities may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities.

(f) Prior to any resale of Registrable Securities by a Holder, use its commercially reasonable efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from the Registration or qualification) of such Registrable Securities for the resale by a Holder under the securities or Blue Sky laws of such jurisdictions within the United States as any Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by each Registration Statement; *provided*, that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Company to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(g) Upon the occurrence of any event contemplated by Section 3(c), as promptly as reasonably possible under circumstances taking into account the Company’s good faith assessment of any adverse consequences to the Company and its stockholders of the premature disclosure of such event, prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither a Registration Statement nor such Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with clauses (iii) through (v) of Section 3(c) above to suspend the use of any Prospectus until the requisite changes to such Prospectus have been made, then the Holders shall suspend use of such Prospectus. The Company will use its best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. The Company shall be entitled to exercise its right under this Section 3(g) to suspend the availability of a Registration Statement and Prospectus for a period not to exceed sixty (60) calendar days (which need not be consecutive days) in any twelve (12) month period.

(h) If requested by the Holders, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free, to the extent permitted by law and the Purchase Agreement, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may request.

The Company may require each selling Holder to furnish to the Company a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and, if required by the Commission, the natural persons thereof that have voting and dispositive control over the Shares. During any periods that the Company is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities solely because any Holder fails to furnish such information within three Trading Days of the Company’s request, any rights of such Holder under this Agreement, including without limitation, the right to include such Holder’s Registrable Securities in a Registration Statement shall be suspended as to such Holder only, until such information is delivered to the Company.

4. Registration Expenses. All fees and expenses incident to the performance of or compliance with this Agreement by the Company shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses) (A) with respect to filings required to be made with any Trading Market on which the Common Stock is then listed for trading, and

(B) in compliance with applicable state securities or Blue Sky laws reasonably agreed to by the Company in writing (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities, (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of any Holder or, except to the extent provided for in the Transaction Documents, any legal fees or other costs of the Holders.

5. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify and hold harmless each Holder, the officers, directors, members, partners, agents, brokers (including brokers who offer and sell Registrable Securities as principal as a result of a pledge or any failure to perform under a margin call of Common Stock), investment advisors, and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, members, stockholders, partners, agents and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable attorneys' fees) and expenses (collectively, "**Losses**"), as incurred, arising out of or relating to (i) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, or (ii) any violation or alleged violation by the Company of the Securities Act, Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Agreement, except to the extent, but only to the extent, that (A) such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto (it being understood that, except as otherwise provided in Section 2(c), each Holder has approved Annex A hereto for this purpose) or (B) in the case of an occurrence of an event of the type specified in Section 3(c)(iii)-(v), the use by such Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated in Section 6(c) or an amended or supplemented Prospectus, but only if and to the extent that following the receipt of the Advice or the amended or supplemented Prospectus the misstatement or omission giving rise to such Loss would have been corrected. The Company shall notify the Holders promptly of the institution, threat or assertion of any Proceeding arising from or in connection with the transactions contemplated by this Agreement of which the Company is aware.

(b) Indemnification by Holders. Each Holder shall, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents, and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, to the extent arising out of or based solely upon: (i) such Holder's failure to comply with the prospectus delivery requirements of the Securities Act or (ii) any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading (A) to the extent, but only to the extent, that such untrue statement or omission is contained in any information so furnished in writing by such Holder to the Company specifically for inclusion in such Registration Statement or such Prospectus or (B) to the extent that such information relates to such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement (it being understood that, except as otherwise provided in Section 2(c) or indicated in writing, each Holder has approved Annex A hereto for this purpose), such Prospectus or such form of Prospectus or in any amendment or supplement thereto or (C) in the case of an occurrence of an event of the type specified in Section 3(c)(iii)-(v), the use by such Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated in Section 6(c) or an amended or supplemented Prospectus, but only if and to the extent that following the receipt of the Advice or the amended or supplemented Prospectus the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "**Indemnified Party**"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "**Indemnifying Party**") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses incurred in connection with defense thereof; *provided*, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (i) the Indemnifying Party has agreed in writing to pay such fees and expenses; (ii) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (iii) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and counsel to the

Indemnified Party shall reasonably believe that a material conflict of interest is likely to exist if the same counsel were to represent such Indemnified Party and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and the reasonable fees and expenses of no more than one separate counsel shall be at the expense of the Indemnifying Party). The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld or delayed. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

Subject to the terms of this Agreement, all reasonable fees and expenses of the Indemnified Party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section) shall be paid to the Indemnified Party, as incurred, within ten Trading Days of written notice thereof to the Indemnifying Party, provided that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is judicially determined to be not entitled to indemnification hereunder.

(d) Contribution. If the indemnification under Section 5(a) or 5(b) is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section 5 was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 5(d), no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds actually received by such Holder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission, except in the case of fraud by such Holder; provided, however, 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. No party shall be liable for contribution with respect to any Proceeding settled without its prior written consent, which consent shall not be unreasonably withheld.

The indemnity and contribution agreements contained in this Section 5 are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties.

6. Miscellaneous.

(a) Remedies. In the event of a breach by the Company or by a Holder of any of their respective obligations under this Agreement, each Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, shall be entitled to specific performance of its rights under this Agreement. The Company and each Holder agree that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agrees that, in the event of any action for specific performance in respect of such breach, it shall not assert or shall waive the defense that a remedy at law would be adequate.

(b) Compliance. Each Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it in connection with sales of Registrable Securities pursuant to a Registration Statement. Each Holder shall also promptly notify the Company at such time when all of such Holder's Registrable Securities have been sold.

(c) Discontinued Disposition. By its acquisition of Registrable Securities, each Holder agrees that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 3(c), such Holder will forthwith discontinue disposition of such Registrable Securities under a Registration Statement until it is advised in writing (the "Advice") by the Company that the use of the applicable Prospectus (as it may have been supplemented or amended) may be resumed. The Company will use its best efforts to ensure that the use of the Prospectus may be resumed as promptly as it practicable. The Company may provide appropriate stop orders to enforce the provisions of this Section 6(c).

(d) Amendments and Waivers. The provisions of this Agreement, including the provisions of this Section, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the same shall be in writing and signed by the Company and the Holders of at least a majority of the then outstanding Registrable Securities. If a Registration Statement does not register all of the Registrable Securities pursuant to a waiver or amendment done in compliance with the previous sentence, then the number of Registrable Securities to be registered for each Holder shall be reduced *pro rata* among all Holders and each Holder shall have the right to designate which of its Registrable Securities shall be omitted from such Registration Statement. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders and that does not directly or indirectly affect the rights of other Holders may be given by Holders of all of the Registrable Securities to which such waiver or consent relates; *provided, however*, that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the immediately preceding sentence.

(e) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be delivered as set forth in the Purchase Agreement.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of each Holder. The Company may not assign its rights (except by merger) or obligations hereunder without the prior written consent of Holders holding at least a majority of the then outstanding Registrable Securities. Each Holder may assign their respective rights hereunder in the manner and to the Persons as permitted under the Purchase Agreement.

(g) Execution and Counterparts. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other parties, it being understood that each of the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

(h) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be determined in accordance with the provisions of the Purchase Agreement.

(i) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any other remedies provided by law.

(j) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(k) Headings. The headings in this Agreement are for convenience only, do not constitute a part of this Agreement, and shall not be deemed to limit or affect any of the provisions hereof.

(l) Independent Nature of Holders' Obligations and Rights. The obligations of each Holder hereunder are several and not joint with the obligations of any other Holder hereunder, and no Holder shall be responsible in any way for the performance of the obligations of any other Holder hereunder. Nothing contained herein or in any other agreement or document delivered at any closing, and no action taken by any Holder pursuant hereto or thereto, shall be deemed to constitute the Holders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Holders are in any way acting in concert with respect to such obligations or the transactions contemplated by this Agreement. Each Holder shall be entitled to protect and enforce its rights, including without limitation the rights arising out of this Agreement, and it shall not be necessary for any other Holder to be joined as an additional party in any proceeding for such purpose.

(m) Rule 144 Compliance. As long as any Holder owns any Registrable Securities, the Company will use commercially reasonable efforts to file with the Commission in a timely manner (or obtain extensions in respect thereof and file within the applicable grace period) all reports and other documents required of the Company under the Securities Act and Exchange Act and, if the Company is not required to file reports pursuant to Section 13(a) or 15 (d) of the Exchange Act, it will prepare and furnish to the Holders and make publicly available in accordance with Rule 144(c) promulgated under the Securities Act such information as is required for the Holder to sell such Registrable Securities under Rule 144.

(n) Third Party Beneficiaries. The Indemnified Parties are intended third party beneficiaries of, and may enforce, the provisions of Section 5 of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

PRESSURE BIOSCIENCES INC.

By: _____
Name: Richard T. Schumacher
Title: President and Chief Executive Officer

[SIGNATURE PAGE OF HOLDERS FOLLOWS]

[SIGNATURE PAGE OF HOLDERS TO REGISTRATION RIGHTS AGREEMENT]

For Individuals:

Name of Holder:

Signature of Holder:

For Entities:

Name of Holder:

Signature of Authorized Signatory of Holder:

Name of Authorized Signatory:

Title of Authorized Signatory:

[SIGNATURE PAGES CONTINUE]

ANNEX A

Plan of Distribution

Each selling stockholder (the “Selling Stockholders”) of the Registrable Securities and any of their pledgees, assignees, and successors-in-interest may, from time to time, sell any or all of their Registrable Securities on any stock exchange, market or trading facility on which the shares of common stock are traded or in private transactions. These sales may be at fixed or negotiated prices. A Selling Stockholder may use any one or more of the following methods when selling shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales entered into after the effective date of the registration statement of which this prospectus is a part;
- broker-dealers may agree with the Selling Stockholders to sell a specified number of such shares at a stipulated price per share;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The Selling Stockholders may also sell shares under Rule 144 under the Securities Act of 1933, as amended (the “Securities Act”), if available, rather than under this prospectus.

Broker-dealers engaged by the Selling Stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the Selling Stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated, but, except as set forth in a supplement to the Prospectus, in the case of an agency transaction not in excess of a customary brokerage commission in compliance with NASDR Rule 2440; and in the case of a principal transaction a markup or markdown in compliance with NASDR IM-2440.

The Selling Stockholders and any broker-dealers or agents that are involved in selling the shares may be deemed to be “underwriters” within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Each Selling Stockholder has informed the Company that it does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the Registrable Securities. In no event shall any broker-dealer receive fees, commissions and markups which, in the aggregate, would exceed eight percent (8%).

The Company is required to pay certain fees and expenses incurred by the Company incident to the registration of the shares. The Company has agreed to indemnify the Selling Stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act.

Because Selling Stockholders may be deemed to be “underwriters” within the meaning of the Securities Act, they will be subject to the prospectus delivery requirements of the Securities Act including Rule 172 thereunder. In addition, any securities covered by the Prospectus which qualify for sale pursuant to Rule 144 under the Securities Act may be sold under Rule 144 rather than under the Prospectus. There is no underwriter or coordinating broker acting in connection with the proposed sale of the resale shares by the Selling Stockholders.

The Company has agreed to keep the Prospectus effective until the earlier of (i) the date on which the shares may be resold by the Selling Stockholders without registration and without regard to any volume limitations by reason of Rule 144 under the Securities Act or any other rule of similar effect or (ii) all of the shares have been sold pursuant to this prospectus or Rule 144 under the Securities Act or any other rule of similar effect. The resale shares will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the resale shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the resale shares may not simultaneously engage in market making activities with respect to the common stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the Selling Stockholders will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of shares of the common stock by the Selling Stockholders or any other person. The Company will make copies of the Prospectus available to the Selling Stockholders and have informed them of the need to deliver a copy of the Prospectus to each purchaser at or prior to the time of the

sale (including by compliance with Rule 172 under the Securities Act).

ANNEX B

PRESSURE BIOSCIENCES INC.

Selling Securityholder Notice and Questionnaire

The undersigned beneficial owner of Registrable Securities (as defined in the Registration Rights Agreement) of Pressure BioSciences Inc., a Massachusetts corporation (the “*Company*”), understands that the Company has filed or intends to file with the Securities and Exchange Commission (the “*Commission*”) a registration statement (the “*Registration Statement*”) for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the “*Securities Act*”), of the Registrable Securities, in accordance with the terms of the Registration Rights Agreement (the “*Registration Rights Agreement*”) to which this document is annexed. A copy of the Registration Rights Agreement is available from the Company upon request at the address set forth below. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Registration Rights Agreement.

Certain legal consequences arise from being named as a selling securityholder in the Registration Statement and the related prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in the Registration Statement and the related prospectus.

NOTICE

The undersigned (the “*Selling Securityholder*”) hereby elects to include the Registrable Securities owned by it in the Registration Statement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate:

1. Name.

(a) Full Legal Name of Selling Securityholder:

(b) Full Legal Name of Registered Holder (if not the same as (a) above) through which Registrable Securities are held:

(c) Full Legal Name of Natural Control Person (which means a natural person who directly or indirectly alone or with others has power to vote or dispose of the securities covered by the questionnaire):

2. Address for Notices to Selling Securityholder.

Telephone:

Fax:

Contact Person:

3. Broker-Dealer Status.

(a) Are you a broker-dealer?

Yes No

(b) If "yes" to Section 3(a), did you receive your Registrable Securities as compensation for investment banking services to the Company?

Yes No

Note: If no, the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

(c) Are you an affiliate of a broker-dealer?

Yes No

(d) If you are an affiliate of a broker-dealer, do you certify that you bought the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes No

Note: If no, the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

4. Beneficial Ownership of Other Securities of the Company Owned by the Selling Securityholder.

Except as set forth below in this Item 4, the undersigned is not the beneficial or registered owner of any securities of the Company other than the securities.

(a) Type and amount of other securities beneficially owned by the Selling Securityholder:

(b) Shared or sole ownership? If shared, please indicate the name and relationship of the party with whom ownership is

shared:

5. Relationships with the Company.

Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% of more of the equity securities of the undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while the Registration Statement remains effective.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items 1 through 5 and the inclusion of such information in the Registration Statement and the related prospectus and any amendments or supplements thereto. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of the Registration Statement and the related prospectus.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated:

Beneficial Owner:

For Individuals:

Signature:

Name:

For Entities:

By:

Name:

Title:

PLEASE FAX A COPY OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE, AND RETURN THE ORIGINAL BY OVERNIGHT MAIL, TO:

[INSERT CONTACT DETAILS BELOW]

THIS WARRANT AND THE UNDERLYING SHARES OF COMMON STOCK HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), OR ANY OTHER SECURITIES LAWS, HAVE BEEN ACQUIRED FOR INVESTMENT, AND MAY NOT BE SOLD OR TRANSFERRED OR OFFERED FOR SALE OR TRANSFER UNLESS A REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS WITH RESPECT TO SUCH SECURITIES IS THEN IN EFFECT, OR IN THE OPINION OF COUNSEL TO THE ISSUER OF THESE SECURITIES, SUCH REGISTRATION UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS IS NOT REQUIRED.

Date: _____

WARRANT FOR THE PURCHASE OF SHARES OF
COMMON STOCK OF PRESSURE BIOSCIENCES, INC.

THIS IS TO CERTIFY that, for value received, _____, its successors and assigns (the "Holder"), are entitled to purchase, subject to the terms and conditions hereinafter set forth, _____ shares of Pressure BioSciences, Inc., a Massachusetts corporation (the "Company") common stock, \$.01 par value per share ("Common Stock"), and to receive certificates for the Common Stock so purchased. The exercise price of this Warrant is _____ per share (the "Exercise Price").

1. Exercise Period. This Warrant shall become exercisable by the Holder beginning upon the date of this Warrant and ending at 5:00 p.m., New York, New York time, five years from the date of this Warrant (the "Exercise Period"). This Warrant will terminate automatically and immediately upon the expiration of the Exercise Period.

2. Exercise of Warrant; Cashless Exercise. This Warrant may be exercised, in whole or in part, at any time and from time to time during the Exercise Period. Such exercise shall be accomplished by tender to the Company of an amount equal to the Exercise Price multiplied by number of underlying shares being purchased (the "Purchase Price"), either (a) in cash, by wire transfer or by certified check or bank cashier's check, payable to the order of the Company, or (b) by surrendering such number of shares of Common Stock received upon exercise of this Warrant with an aggregate Fair Market Value (as defined below) equal to the Purchase Price (as described in the following paragraph (a "Cashless Exercise"), together with presentation and surrender to the Company of this Warrant with an executed subscription agreement in substantially the form attached hereto as Exhibit A (the "Subscription"). Upon receipt of the foregoing, the Company will deliver to the Holder, as promptly as possible, a certificate or certificates representing the shares of Common Stock so purchased, registered in the name of the Holder or its transferee (as permitted under Section 3 below). With respect to any exercise of this Warrant, the Holder will for all purposes be deemed to have become the holder of record of the number of shares of Common Stock purchased hereunder on the date a properly executed Subscription and payment of the Purchase Price is received by the Company (the "Exercise Date"), irrespective of the date of delivery of the certificate evidencing such shares, except that, if the date of such receipt is a date on which the stock transfer books of the Company are closed, such person will 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. Fractional shares of Common Stock will not be issued upon the exercise of this Warrant. In lieu of any fractional shares that would have been issued but for the immediately preceding sentence, the Holder will be entitled to receive cash equal to the current market price of such fraction of a share of Common Stock on the trading day immediately preceding the Exercise Date. In the event this Warrant is exercised in part, the Company shall issue a new Warrant to the Holder covering the aggregate number of shares of Common Stock as to which this Warrant remains exercisable.

If the Holder elects to conduct a Cashless Exercise, the Company shall cause to be delivered to the Holder a certificate or certificates representing the number of shares of Common Stock computed using the following formula:

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

Where:

X = the number of shares of Common Stock to be issued to Holder;

Y = the portion of the Warrant (in number of shares of Common Stock) being exercised by Holder (at the date of such calculation);

A = the Fair Market Value (as defined below) of one share of Common Stock on the Exercise Date, calculated by taking the average Fair Market Value over the last 10 trading days (not including the Exercise Date); and

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

For purposes of this Warrant, Fair Market Value shall mean: (i) if the principal trading market for such securities is a national securities exchange including The Nasdaq Stock Market or the Over-the-Counter Bulletin Board (or a similar system then in use), the last reported sales price on the principal market the trading day immediately prior to such Exercise Date; or (ii) if (i) is not applicable, and if bid and ask prices for shares of Common Stock are reported by the principal trading market or the Pink Sheets, the average of the high bid and low ask prices so reported for the trading day immediately prior to such Exercise Date. Notwithstanding the foregoing, if there is no last reported sales price or bid and ask prices, as the case may be, for the day in question, then Fair Market Value shall be determined as of the latest day prior to such day for which such last reported sales price or bid and ask prices, as the case may be, are available, unless such securities have not been traded on an exchange or in the over-the-counter market for 30 or more days immediately prior to the day in question, in which case the Fair Market Price shall be determined in good faith by, and reflected in a formal resolution of, the board of directors of the Company.

Limitations on Exercise. Notwithstanding anything to the contrary contained herein, the number of shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to insure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by such Holder and its affiliates and any other persons whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act"), does not exceed 4.999% of the total number of issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable to the Holder upon exercise of the Warrant and other derivative securities). For such purposes, beneficial ownership shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. This provision shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 4(e) of this Warrant. This restriction may not be waived or amended by agreement of the parties.

3. Recording, Transferability, Exchange and Obligations to Issue Common Stock.

(a) **Registration of Warrant.** The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary from the transferee and transferor.

(b) **Registration of Transfers.** The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto as Exhibit B duly completed and signed, to the Company at its address specified herein. As a condition to the transfer, the Company may request a legal opinion as contemplated by the legend on the first page of this Warrant. Upon any such registration or transfer, a new Warrant to purchase Common Stock, in substantially the form of this Warrant (any such new Warrant, a "New Warrant"), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

(c) This Warrant is exchangeable upon its surrender by the Holder to the Company for new Warrants of like tenor and date representing in the aggregate the right to purchase the number of shares purchasable hereunder, each of such new Warrants to represent the right to purchase such number of shares as may be designated by the Holder at the time of such surrender (not to exceed the aggregate number of shares underlying this Warrant).

(d) Nothing herein shall limit the Holder's right to pursue any remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

4. Adjustments to Exercise Price and Number of Shares Subject to Warrant.

The Exercise Price and the number of shares of Common Stock purchasable upon the exercise of this Warrant are subject to adjustment from time to time upon the occurrence of any of the events specified in this Section 4. For the purpose of this Section 4, "Common Stock" means shares now or hereafter authorized of any class of common stock of the Company, however designated, that has the right to participate in any distribution of the assets or earnings of the Company without limit as to per share amount (excluding, and subject to any prior rights of, any class or series of preferred stock).

(a) In case the Company shall (i) pay a dividend or make a distribution in shares of Common Stock to holders of shares of Common Stock, (ii) subdivide its outstanding shares of Common Stock into a greater number of shares, (iii) combine its outstanding shares of Common Stock into a smaller number of shares, or (iv) issue by reclassification of its shares of Common Stock other securities of the Company, then the Exercise Price in effect at the time of the record date for such dividend or on the effective date of such subdivision, combination or reclassification, and/or the number and kind of securities issuable on such date, shall be proportionately adjusted so that the Holder of the Warrant thereafter exercised shall be entitled to receive the aggregate number and kind of shares of Common Stock (or such other securities other than Common Stock) of the Company, at the same aggregate Exercise Price, that, if such Warrant had been exercised immediately prior to such date, the Holder would have owned upon such exercise and been entitled to receive by virtue of such dividend, distribution, subdivision, combination or reclassification. Such adjustment shall be made successively whenever any event listed above shall occur.

(b) Intentionally Omitted

(c) Notwithstanding any provision herein to the contrary, no adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least 1% in the Exercise Price; provided, however, that any adjustments which by reason of this Section 4(c) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 4 shall be made to the nearest cent or the nearest one-hundredth of a share, as the case may be.

(d) In the event that at any time, as a result of an adjustment made pursuant to Section 4(a) above, the Holder of this Warrant thereafter exercised shall become entitled to receive any shares of capital stock of the Company other than shares of Common Stock, thereafter the number of such other shares so receivable upon exercise of this Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the shares of Common Stock contained in this Section 4, and the other provisions of this Warrant shall apply on like terms to any such other shares.

(e) **Fundamental Transactions.** If, at any time while this Warrant is outstanding, (1) the Company effects any merger or consolidation of the Company with or into another company, (2) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (3) any tender offer or exchange offer (whether by the Company or another company or person) is completed pursuant to which

holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (4) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (in any such case, a “Fundamental Transaction”), then the Holder may exercise this Warrant subject to and conditioned upon the completion or closing of such Fundamental Transaction, and upon such completion or closing of such Fundamental Transaction, this Warrant shall terminate and shall no longer be exercisable.

(f) In case any event shall occur as to which the other provisions of this Section 4 are not strictly applicable but the failure to make any adjustment would not fairly protect the purchase rights represented by this Warrant in accordance with the essential intent and principles hereof, then, in each such case, the Company shall effect such adjustment, on a basis consistent with the essential intent and principles established in this Section 4, as may be necessary to preserve, without dilution, the purchase rights represented by this Warrant.

5. **Securities Laws.** The Warrant has not been registered under the Securities Act of 1933. When exercised, the stock certificates shall bear the following legend unless all of the shares may be publicly sold under Rule 144(b)(1) of the Securities Act of 1933 (or successor rule).

“The securities represented by this certificate have not been registered under the Securities Act of 1933 (the “Securities Act”), and may not be offered for sale or sold except pursuant to (i) an effective registration statement under the Securities Act, or (ii) an opinion of counsel, if such opinion and counsel shall be reasonably satisfactory to counsel to the issuer, that an exemption from registration under the Securities Act is available”.

6. **Reservation of Common Stock.** The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Common Stock upon exercise of this Warrant as herein provided, the number of shares of Common Stock which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of persons other than the Holder (taking into account the adjustments and restrictions of Section 4). The Company covenants that all Common Stock so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable.

7. **Replacement of Warrant.** If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a new Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity (which may include a surety bond), if requested. Applicants for a new Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a new Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the new Warrant.

8. **Charges, Taxes and Expenses.** Issuance and delivery of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Common Stock or Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Common Stock upon exercise hereof.

9. **Notices to Holder.** Upon any adjustment of the Exercise Price (or number of shares of Common Stock issuable upon the exercise of this Warrant) pursuant to Section 4, the Company shall promptly thereafter cause to be given to the Holder written notice of such adjustment. Such notice shall include the Exercise Price (and/or the number of shares of Common Stock issuable upon the exercise of this Warrant) after such adjustment, and shall set forth in reasonable detail the Company's method of calculation and the facts upon which such calculations were based. Where appropriate, such notice shall be given in advance and included as a part of any notice required to be given under the other provisions of this Section 9.

In the event of (a) any fixing by the Company of a record date with respect to the holders of any class of securities of the Company for the purpose of determining which of such holders are entitled to dividends or other distributions, or any rights to subscribe for, purchase or otherwise acquire any shares of capital stock of any class or any other securities or property, or to receive any other right, (b) any capital reorganization of the Company, or reclassification or recapitalization of the capital stock of the Company or any transfer of all or substantially all of the assets or business of the Company to, or consolidation or merger of the Company with or into, any other entity or person, or (c) any voluntary or involuntary dissolution or winding up of the Company, then and in each such event the Company will give the Holder a written notice specifying, as the case may be (i) the record date for the purpose of such dividend, distribution, or right, and stating the amount and character of such dividend, distribution, or right; or (ii) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, conveyance, dissolution, liquidation, or winding up is to take place and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such capital stock or securities receivable upon the exercise of this Warrant) shall be entitled to exchange their shares of Common Stock (or such other stock securities) for securities or other property deliverable upon such event. Any such notice shall be given at least 10 days prior to the earliest date therein specified.

10. **No Rights as a Stockholder.** This Warrant does not entitle the Holder to any voting rights or other rights as a stockholder of the Company prior to the exercise hereof.

11. **Additional Covenants of the Company.** If upon issuance of any shares for which this Warrant is exercisable, the Common Stock is listed for trading or trades on any national securities exchange including The Nasdaq Stock Market, upon the issuance, the Company shall, at its expense, promptly obtain and maintain the listing or qualifications for trading of such shares.

The Company shall comply with the reporting requirements of Section 13 of the Securities Exchange Act of 1934 for so long as and to the extent that such requirements apply to the Company.

The Company (a) will at all times reserve and keep available, solely for issuance and delivery upon exercise of this Warrant, shares of Common Stock issuable from time to time upon exercise of this Warrant, (b) will not increase the par value of any shares of Common Stock issuable upon exercise of this Warrant above the amount payable therefor upon such exercise, and (c) will take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable stock.

12. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Company, the Holder and their respective successors and permitted assigns.

13. Severability. Every provision of this Warrant is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the remainder of this Warrant.

14. Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the state where the Company is incorporated as of the time of construction without giving effect to the principles of choice of laws thereof.

15. Attorneys' Fees. In any action or proceeding brought to enforce any provision of this Warrant, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to its costs and expenses and any other available remedies.

16. Entire Agreement. This Warrant (including the Exhibits attached hereto) constitutes the entire understanding between the Company and the Holder with respect to the subject matter hereof, and supersedes all prior negotiations, discussions, agreements and understandings relating to such subject matter.

17. Good Faith. The Company will not, by amendment of its Articles of Organization or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the holder of this Warrant against such impairment.

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of the date first set forth above.

Pressure BioSciences, Inc.

Richard T. Schumacher
President and CEO

Warrant Exhibit A

SUBSCRIPTION FORM

The undersigned hereby irrevocably subscribes for _____ shares of the Common Stock (the "Stock") of Pressure BioSciences, Inc. (the "Company") pursuant to and in accordance with the terms and conditions of the attached Warrant (the "Warrant"), and hereby makes payment of \$ _____ therefor by [tendering cash, wire transferring or delivering a certified check or bank cashier's check, payable to the order of the Company] [surrendering _____ shares of Common Stock received upon exercise of the Warrant, which shares have an aggregate fair market value equal to such payment as required in Section 2 of the Warrant]. The undersigned requests that a certificate for the Stock be issued in the name of the undersigned and be delivered to the undersigned at the address stated below. If the Stock is not all of the shares purchasable pursuant to the Warrant, the undersigned requests that a new Warrant of like tenor for the balance of the remaining shares purchasable thereunder be delivered to the undersigned at the address stated below.

In connection with the issuance of the Stock, I hereby represent to the Company that I am an "accredited investor" as defined in Regulation D promulgated under the Securities Act of 1933, as amended, (the "Securities Act") and that I am acquiring the Stock for my own account for investment and not with a view to, or for resale in connection with, a distribution of the shares within the meaning of the Securities Act.

I understand that if at this time the Stock has not been registered under the Securities Act, I must hold such Stock indefinitely unless the Stock is subsequently registered and qualified under the Securities Act or is exempt from such registration and qualification. I shall make no transfer or disposition of the Stock unless (a) such transfer or disposition can be made without registration under the Securities Act by reason of a specific exemption from such registration and such qualification, or (b) a registration statement has been filed pursuant to the Securities Act and has been declared effective with respect to such disposition. I agree that each certificate representing the Stock delivered to me shall bear substantially the same legend as set forth in Section 5 of the Warrant.

I further agree that the Company may place stop transfer orders with its transfer agent same effect as the above legend. The legend and stop transfer notice referred to above shall be removed only upon my furnishing to the Company an opinion of counsel (reasonably satisfactory to the Company) to the effect that such legend may be removed.

Date: _____

Signed: _____

Print Name: _____

Address: _____

Exhibit B

ASSIGNMENT

For Value Received _hereby sells, assigns and transfers to _____ the Warrant attached hereto and the rights represented thereby to purchase _____ shares of Common Stock in accordance with the terms and conditions hereof, and does hereby irrevocably constitute and appoint _____ as attorney to transfer such Warrant on the books of the Company with full power of substitution.

Dated: _____

Please print or typewrite
name and address of
assignor:

Signed: _____

Please insert Social Security
or other Tax Identification
Number of Assignor:

Dated: _____

Please print or typewrite
name and address of
assignee:

Signed: _____

Please insert Social Security
or other Tax Identification
Number of Assignee: