

**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): March 30, 2016

**ORGANOVO HOLDINGS, INC.**

(Exact name of registrant as specified in its charter)

**Commission File Number: 001-35996**

**Delaware**

(State or other jurisdiction  
of incorporation)

**27-1488943**

(I.R.S. Employer  
Identification No.)

**6275 Nancy Ridge Dr.,  
San Diego, California 92121**

(Address of principal executive offices, including zip code)

**(858) 224-1000**

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

As previously announced by Organovo Holdings, Inc. (the “Company”), Barry Michaels, the Company’s chief financial officer, tendered his retirement notice to the Company, resigning from his positions as the Company’s chief financial officer and as its principal financial and accounting officer, effective April 1, 2016 (the “Retirement Date”). The Company is actively involved in a search process to identify his successor. In order to ensure a smooth transition of responsibilities, Mr. Michaels will remain with the Company as a consultant as described below.

In connection with his retirement, Mr. Michaels and the Company entered into a Consulting, Separation Agreement and Release (the “Separation Agreement”), dated March 30, 2016. In the Separation Agreement, Mr. Michaels has agreed to a general release of claims and other restrictions and covenants in favor of the Company, including non-compete and non-solicitation provisions. In exchange for signing the Separation Agreement, Mr. Michaels will receive a lump sum severance payment in the amount of \$247,701, representing six months of his base salary, accrued paid time off, and 24 months of continued health benefits following the Retirement Date. In addition, Mr. Michaels will be eligible to receive a cash bonus for his services to the Company during the fiscal year ended March 31, 2016 (“Fiscal 2016”) in accordance with the Company’s short-term incentive plan, which amount will be determined by the Compensation Committee of the Company’s Board of Directors based on the Company’s achievement of the performance metrics previously established by the Compensation Committee for Fiscal 2016 and the individual performance of Mr. Michaels during Fiscal 2016. This bonus will be paid to Mr. Michaels at the same time the Company’s other executive officers receive bonus payments for Fiscal 2016.

To help ensure a smooth transition, Mr. Michaels entered into a Consulting Agreement (the “Consulting Agreement”) with the Company. Under the Consulting Agreement, Mr. Michaels will assist the Company in onboarding and transitioning responsibilities to the Company’s new Chief Financial Officer, filing its Form 10-K and Proxy Statement for Fiscal 2016, and any other finance, accounting or tax-related projects as may arise during the term. Mr. Michaels will also continue to serve as a member of the Board of Directors of Samsara Sciences, Inc., the Company’s subsidiary focused on providing high quality primary human liver cells for research applications. For these services, Mr. Michaels will receive a quarterly retainer of \$74,000 for his services under the Consulting Agreement through December 31, 2017. In connection with his continued service to the Company as a consultant, Mr. Michaels will also continue to vest in his previously-issued and outstanding stock options for the term of his consultancy.

Until the Company retains a new chief executive officer, Keith Murphy, the Company’s Chief Executive Officer and President, will serve as the Company’s principal financial officer and principal accounting officer.

The foregoing information is a summary of select terms from the Separation Agreement and the Consulting Agreement, is not complete, and is qualified in its entirety by reference to the full text of each such agreement, copies of which are filed as exhibits to this Current Report on Form 8-K.

## **Item 9.01 Financial Statements and Exhibits**

Exhibit No.	Description
10.1	Consulting, Separation Agreement and Release, between Barry Michaels and Organovo Holdings, Inc., dated March 30, 2016.
10.2	Consulting Agreement, between Organovo Holdings, Inc., Organovo, Inc. and Barry Michaels, dated March 30, 2016.

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**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 hereunto duly authorized.

**ORGANOVO HOLDINGS, INC.**

Date: April 5, 2016

/s/ Keith Murphy  
Keith Murphy  
Chief Executive Officer and President

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## Exhibit Index

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**CONSULTING, SEPARATION AGREEMENT AND RELEASE**

This Consulting, Separation Agreement and Release (“**Agreement**”) is made by and between Barry Michaels (“**Employee**”) and Organovo Holdings, Inc., a Delaware corporation, and its wholly-owned subsidiary, Organovo, Inc., a Delaware corporation (Organovo Holdings, Inc. and Organovo, Inc., shall be collectively referred to herein as, the “**Company**”). Employee and the Company shall collectively be referred to herein as the “**Parties**”, and each individually as a “**Party**.”

**RECITALS**

WHEREAS, Employee was employed by the Company as its Chief Financial Officer;

WHEREAS, the Company has awarded Employee the Stock Option Awards listed on Schedule A attached hereto (collectively, the “**Stock Options**”), granting Employee the option to purchase shares of the Company’s common stock subject to the terms and conditions of the Company’s Amended and Restated 2012 Equity Incentive Plan (the “**Plan**”) and the associated Notice of Grants and Stock Option Agreements (collectively, the “**Stock Option Agreements**”);

WHEREAS, Employee submitted a voluntary resignation, effective April 1, 2016 (the “**Separation Date**”), as an officer of the Company and as an officer and director and in any and all other positions that he may hold with any parent, subsidiary or related party of the Company, except that he will continue to serve as a director of Samsara Sciences, Inc.;

WHEREAS, the Company desires to retain Employee as a consultant, and Employee has agreed to provide consulting services to the Company, on the terms and conditions set forth herein and in the Consulting Agreement attached as Exhibit A hereto (the “**Consulting Agreement**”); and

WHEREAS, the Parties wish to resolve any and all disputes, claims, complaints, grievances, charges, actions, petitions, and demands that the Employee may have against the Company and any of the Releasees (as defined below), including, but not limited to, any and all claims arising out of or in any way related to Employee’s employment with or separation from the Company.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises made herein and in the Consulting Agreement, the Company and Employee hereby agree as follows:

1. Resignation; Termination of Agreements and Press Release.

a. Employee hereby agrees that by retiring from the Company he is deemed to have resigned (i) as an employee of Company, (ii) as the Chief Financial Officer of Company, and (ii) as an officer in any and all other positions that he may hold with any parent, subsidiary or related party of the Company, in each case, effective as of 1:00 p.m. (Pacific) on the Separation Date.

b. Employee hereby agrees that (i) his Offer Letter, dated August 17, 2011, and (ii) his Severance and Change in Control Plan Participation Agreement, dated November 4, 2015, in each case, shall terminate and be of no further force or effect, effective as of 1:00 p.m. (Pacific) on the Separation Date.

c. Company agrees to prepare and issue a Current Report on Form 8-K regarding Employee that is reasonably acceptable to Employee; provided, that Employee acknowledges that the Current Report must be filed within four (4) business days of the Separation Date.

## 2. Separation Terms.

a. Separation Payment. Contingent upon this Agreement becoming effective as provided in Section 26 below, the Company agrees to pay Employee accrued payroll, as well as a lump sum of \$247,701, which consists of six months salary (\$172,500); accrued paid time off (\$40,635); and the health benefit described in 2c (\$34,566). This payment shall be made in a lump sum payment five (5) business days of the Effective Date.

b. 2016 Bonus. Contingent upon this Agreement becoming effective as provided in Section 26 below, the Company agrees to pay Employee a cash bonus for his services during fiscal 2016 in accordance with the Company's short-term incentive plan (the "**2016 Bonus**"). The amount of the 2016 Bonus will be determined by the Compensation Committee of the Board of Directors in good faith based on the Company's achievement of the performance metrics previously approved by the Compensation Committee for fiscal 2016 and the individual performance of Employee during fiscal 2016. The Compensation Committee will determine the amount of the 2016 Bonus, and the Company will pay Employee the 2016 Bonus, on the same dates as applicable to the Company's other executive officers.

c. Health Benefits. Contingent upon this Agreement becoming effective as provided in Section 26 below and upon Employee electing continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), within the time period prescribed pursuant to COBRA, the Company shall pay or reimburse Employee for COBRA premiums for Employee and Employee's wife for a period of up to twenty-four (24) months from the Separation Date. If Employee elects not to receive COBRA coverage, the Company will reimburse Employee for the cost of Medicare Part B, including prescription coverage, and Plan F Medicare Supplement Insurance, the combination of which will provide medical, prescription, dental and vision coverage for Employee and Employee's spouse, for twenty-four (24) months following the Separation Date. Nothing herein shall be deemed to permit Employee to continue participating after the Separation Date in any life insurance, long-term disability benefits, accidental death and dismemberment or other plans maintained by the Company. Nothing herein shall limit the right of the Company to change the provider and/or the terms of its group health insurance plans at any time hereafter.

d. D&O Insurance. In consideration of the mutual covenants set forth herein, Section 11 of that certain Indemnification Agreement between Employee and the Company is amended and restated in its entirety as follows:

"(i) Maintenance of D&O Insurance. The Company hereby covenants and agrees that, so long as Indemnitee shall continue to serve as an

agent of the Company and thereafter so long as Indemnatee shall be subject to any possible proceeding by reason of the fact that Indemnatee was an agent of the Company, the Company, subject to Section (b) below, shall promptly obtain and maintain in full force and effect directors' and officers' liability insurance ("D&O Insurance") in reasonable amounts from established and reputable insurers of a minimum A.M. Best rating of A- VII, and as more fully described below. In the event of a change in control, the Company shall, as set forth in Section (b) below, either: (i) maintain such D&O Insurance for six years; or (ii) purchase a six-year tail for such D&O Insurance. Should a tail policy be purchased, reasonable efforts shall be made to try to negotiate that such policy is purchased by the Company's D&O insurance broker at that time, and under the same or better terms and limits for individuals that is in place at that time.

(ii) Limitation on Required Maintenance of D&O Insurance. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain D&O Insurance at all, or of any type, terms, or amount, if the Company determines in good faith and after using commercially reasonable efforts that: such insurance is not reasonably available; the premium costs for such insurance are disproportionate to the amount of coverage provided; the coverage provided by such insurance is limited so as to provide an insufficient or unreasonable benefit; Indemnatee is covered by similar insurance maintained by a subsidiary of the Company; or the Company is to be acquired and a policy (tail or otherwise) of reasonable terms and duration can be purchased for pre-closing acts or omissions by Indemnatee."

3. Consulting Agreement. Contingent upon this Agreement becoming effective as provided in Section 26 below, the Company agrees to retain Employee, and Employee agrees to serve, as a consultant to the Company pursuant to the terms and conditions of the Consulting Agreement.

#### 4. Securities.

a. Stock Options. Contingent upon this Agreement becoming effective as provided in Section 26 below, Employee shall (i) continue to be a "Service Provider" under the Plan during his services to the Company pursuant to the terms of the Consulting Agreement, (ii) continue to vest in his Stock Options (on the same vesting schedule and at the same vesting rate as set forth in the applicable Stock Option Agreements) as he continues to provide services to the Company under the Consulting Agreement and (iii) have a period of ninety (90) days after the date his consulting services to the Company terminate pursuant to the terms of the Consulting Agreement in which to exercise any then vested Stock Options.

b. Acknowledgement. Employee acknowledges and agrees that any Stock Options that currently qualify as Incentive Stock Options ("*ISOs*") as set forth on Schedule A will automatically convert to Non-Qualified Stock Options ("*NSOs*") ninety (90) days after the Separation Date. As a result, Employee must exercise any vested Stock Options (or portions thereof) within ninety (90) days of the Separation Date if Employee desires to maintain the ISO

status of such Stock Options (or portions thereof). Employee further acknowledges that ISOs and NSOs are treated differently under the tax laws (e.g., upon exercise of an NSO, the exercising party must pay tax on the spread between the then fair market value of the common stock and the exercise price of the applicable Stock Option), and that he is responsible for seeking his own legal and tax advice on such matters.

5. Payment of Salary and Receipt of All Benefits. Employee acknowledges and represents that, other than the consideration set forth in this Agreement, the Company has paid or provided all salary, wages, bonuses, accrued vacation/paid time off, premiums, leaves, housing allowances, relocation costs, interest, severance, outplacement costs, fees, reimbursable expenses, commissions, stock, stock options, vesting, and any and all other benefits and compensation due to Employee through the Separation Date. In addition, Employee acknowledges and agrees that his participation in all benefits and incidents of employment, including, but not limited to, the accrual of bonuses, vacation, and paid time off, will cease as of the Separation Date.

6. Release of Claims. Employee agrees that the foregoing consideration represents settlement in full of all outstanding obligations owed to Employee by the Company and its current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, benefit plans, plan administrators, insurers, trustees, divisions, and subsidiaries, and predecessor and successor corporations and assigns (collectively, the "**Releasees**"). Employee, on his/her own behalf and on behalf of his/her respective heirs, family members, executors, agents, and assigns, hereby and forever releases the Releasees from, and agrees not to sue concerning, or in any manner to institute, prosecute, or pursue, any claim, complaint, charge, duty, obligation, demand, or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Employee may possess against any of the Releasees arising from any omissions, acts, facts, or damages that have occurred up until and including the Effective Date of this Agreement, including, without limitation:

a. any and all claims relating to or arising from Employee's employment relationship with the Company and the termination of that relationship;

b. any and all claims relating to, or arising from, Employee's right to purchase, or actual purchase of shares of stock of the Company, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law, with the exception of any rights or obligations contained in the Stock Option Agreements incorporated herein;

c. any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

d. any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the

Fair Labor Standards Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967; the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Sarbanes-Oxley Act of 2002; the Immigration Control and Reform Act; the California Family Rights Act; the California Labor Code; the California Workers' Compensation Act; and the California Fair Employment and Housing Act;

e. any and all claims for violation of the federal or any state constitution;

f. any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

g. any claim for any loss, cost, damage, or expense arising out of any dispute over the nonwithholding or other tax treatment of any of the proceeds received by Employee as a result of this Agreement; and

h. any and all claims for attorneys' fees and costs.

Employee agrees that the release set forth in this section shall be and remain in effect in all respects as a complete general release as to the matters released. This release does not extend to any obligations incurred under this Agreement. This release does not release claims that cannot be released as a matter of law, including, but not limited to, Employee's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that any such filing or participation does not give Employee the right to recover any monetary damages against the Company; Employee's release of claims herein bars Employee from recovering such monetary relief from the Company. Notwithstanding the foregoing, Employee acknowledges that any and all disputed wage claims that are released herein shall be subject to binding arbitration, except as required by applicable law. Employee represents that he/she has made no assignment or transfer of any right, claim, complaint, charge, duty, obligation, demand, cause of action, or other matter waived or released by this Section.

7. Acknowledgment of Waiver of Claims under ADEA. Employee acknowledges that he/she is waiving and releasing any rights he/she may have under the Age Discrimination in Employment Act of 1967 ("**ADEA**"), and that this waiver and release is knowing and voluntary. Employee agrees that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the Effective Date of this Agreement. Employee acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Employee was already entitled. Employee further acknowledges that he/she has been advised by this writing that: (a) he/she should consult with an attorney prior to executing this Agreement; (b) he/she has twenty-one (21) days within which to consider this Agreement; (c) he/she has seven (7) days following his/her execution of this Agreement to revoke this Agreement; (d) this Agreement shall not be effective until after the revocation period has expired; and (e) nothing in this Agreement prevents or precludes Employee from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Employee signs this Agreement and returns it to the Company in less than the 21-day period identified above, Employee

hereby acknowledges that he/she has freely and voluntarily chosen to waive the time period allotted for considering this Agreement.

8. California Civil Code Section 1542. Employee acknowledges that he/she has been advised to consult with legal counsel and is familiar with the provisions of California Civil Code Section 1542, a statute that otherwise prohibits the release of unknown claims, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Employee, being aware of said code section, agrees to expressly waive any rights he/she may have thereunder, as well as under any other statute or common law principles of similar effect.

9. No Pending or Future Lawsuits. Employee represents that he/she has no lawsuits, claims, or actions pending in his/her name, or on behalf of any other person or entity, against the Company or any of the other Releasees. Employee also represents that he/she does not intend to bring any claims on his/her own behalf or on behalf of any other person or entity against the Company or any of the other Releasees.

10. Confidentiality. Employee agrees to maintain in complete confidence the existence of this Agreement, the contents and terms of this Agreement, and the consideration for this Agreement (hereinafter collectively referred to as "Separation Information"). Except as required by law, Employee may disclose Separation Information only to his/her immediate family members, the Court in any proceedings to enforce the terms of this Agreement, Employee's attorney(s), and Employee's accountant and any professional tax advisor to the extent that they need to know the Separation Information in order to provide advice on tax treatment or to prepare tax returns, and must prevent disclosure of any Separation Information to all other third parties. Employee agrees that he/she will not publicize, directly or indirectly, any Separation Information.

11. Trade Secrets and Confidential Information/Company Property. Employee agrees at all times hereafter to hold in the strictest confidence, and not to use or disclose to any person or entity, any Confidential Information of the Company. Employee understands that "Confidential Information" means any Company proprietary information, technical data, trade secrets or know-how, including, but not limited to, research, product plans, products, services, customer lists and customers (including, but not limited to, customers of the Company on whom Employee has called or with whom he/she became acquainted during the term of his/her employment), markets, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, or other business information disclosed to Employee by the Company either directly or indirectly, in writing, orally, or by drawings or observation of parts or equipment. Employee further understands that Confidential Information does not include any of the foregoing items that have become publicly known and made generally available through no wrongful act of Employee's or of others who were under confidentiality obligations as to the item or items involved or improvements or new versions thereof. Employee hereby grants consent to notification by the Company to any new employer

about Employee's obligations under this Section. Employee represents that he/she has not to date misused or disclosed Confidential Information to any unauthorized party. Employee's signature below constitutes his/her certification under penalty of perjury that he/she has returned all documents and other items provided to Employee by the Company, developed or obtained by Employee in connection with his/her employment with the Company, or otherwise belonging to the Company.

12. No Cooperation. Employee agrees that he/she will not knowingly encourage, counsel, or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges, or complaints by any third party against any of the Releasees, unless under a subpoena or other court order to do so or as related directly to the ADEA waiver in this Agreement. Employee agrees both to immediately notify the Company upon receipt of any such subpoena or court order, and to furnish, within three (3) business days of its receipt, a copy of such subpoena or other court order. If approached by anyone for counsel or assistance in the presentation or prosecution of any disputes, differences, grievances, claims, charges, or complaints against any of the Releasees, Employee shall state no more than that he/she cannot provide counsel or assistance.

13. Nondisparagement. Employee and Releasees shall at all times refrain from taking actions or making statements, written or oral, that denigrate, disparage, or defame the goodwill or reputation of the Employee or Releasees, as the case may be. Employee further agrees not to make any negative statement to third parties relating to the Employee's employment or any aspect of the business of the Company and not to make any statements to third parties about the circumstances of the termination of Employee's employment, or about Releasees, except as may be required by a court or governmental authorities. Employee shall direct any inquiries by potential future employers to the Company's human resources department.

14. Restrictive Covenants. By executing this Agreement, Employee agrees to abide by the following restrictive covenants as consideration for the Company's obligations under Sections 2, 3 and 4, and acknowledges that the provisions and covenants contained in this Section 14 are reasonable in geographic and temporal scope and do not impose a greater restriction of restraint than is necessary to protect the goodwill and other legitimate business interests of Company, and do not adversely affect Employee's ability to earn a living in any capacity that does not violate the covenants contained herein.

a. Non-Recruitment of Company Employees. During the twenty four (24) months following the Effective Date (the "**Restricted Period**"), Employee shall not (1) solicit or participate in the solicitation of any person who was employed by Company at any time during the six month period prior to the Employee's Separation Date to leave the employ of Company; or (2) on behalf of the Employee or any other person, hire, employ, or engage such person, provided that these restrictions shall only apply so long as the person remains employed by Company and for twelve months after they cease to be employed by Company. Employee further agrees that, during the Restricted Period, if an employee of Company contacts the Participant about prospective employment, Employee will inform that Company employee that the Employee cannot discuss the matter further without informing the Company.

b. Employment by Competitor. During the Restricted Period, Employee shall not invest in (other than in a publicly traded company with a maximum investment of no more than one

percent (1%) of outstanding shares), counsel, advise, or be otherwise engaged or employed by, any Competitor of the Company.

c. Non-Solicitation of Business. Employee acknowledges and agrees that the identities of the Company's customers and any information regarding the Company's customers is confidential information and constitutes trade secrets of the Company. In recognition of the confidential and trade secret information regarding Company's customers, Employee agrees that during the Restricted Period, Employee shall not (either directly or indirectly or as an officer, agent, employee, partner or director of any other company, partnership or entity) solicit on behalf of any Competitor of Company the business of (1) any customer of Company during the time of Employee's employment or as of the Separation Date, or (2) any potential customer of Company which the Employee knew to be an identified, prospective purchaser of services or products of Company as of the Separation Date.

15. Breach. In addition to the rights provided in the "Attorneys' Fees" section below, Employee acknowledges and agrees that any material breach of this Agreement, unless such breach constitutes a legal action by Employee challenging or seeking a determination in good faith of the validity of the waiver herein under the ADEA, or of any provision of the Confidentiality Agreement shall entitle the Company immediately to recover and/or cease providing the consideration provided to Employee under this Agreement and to obtain damages, except as provided by law.

16. No Admission of Liability. Employee understands and acknowledges that this Agreement constitutes a compromise and settlement of any and all actual or potential disputed claims by Employee. No action taken by the Company hereto, either previously or in connection with this Agreement, shall be deemed or construed to be (a) an admission of the truth or falsity of any actual or potential claims or (b) an acknowledgment or admission by the Company of any fault or liability whatsoever to Employee or to any third party.

17. Costs. The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with the preparation of this Agreement.

18. ARBITRATION. THE PARTIES AGREE THAT ANY AND ALL DISPUTES ARISING OUT OF THE TERMS OF THIS AGREEMENT, THEIR INTERPRETATION, AND ANY OF THE MATTERS HEREIN RELEASED, SHALL BE SUBJECT TO ARBITRATION IN SAN DIEGO COUNTY, BEFORE JUDICIAL ARBITRATION & MEDIATION SERVICES ("JAMS"), PURSUANT TO ITS EMPLOYMENT ARBITRATION RULES & PROCEDURES ("**JAMS RULES**"). THE ARBITRATOR MAY GRANT INJUNCTIONS AND OTHER RELIEF IN SUCH DISPUTES. THE ARBITRATOR SHALL ADMINISTER AND CONDUCT ANY ARBITRATION IN ACCORDANCE WITH CALIFORNIA LAW, INCLUDING THE CALIFORNIA CODE OF CIVIL PROCEDURE, AND THE ARBITRATOR SHALL APPLY SUBSTANTIVE AND PROCEDURAL CALIFORNIA LAW TO ANY DISPUTE OR CLAIM, WITHOUT REFERENCE TO ANY CONFLICT-OF-LAW PROVISIONS OF ANY JURISDICTION. TO THE EXTENT THAT THE JAMS RULES CONFLICT WITH CALIFORNIA LAW, CALIFORNIA LAW SHALL TAKE PRECEDENCE. THE DECISION OF THE ARBITRATOR SHALL BE FINAL, CONCLUSIVE, AND BINDING ON THE PARTIES TO THE ARBITRATION. THE PARTIES AGREE THAT THE PREVAILING PARTY IN ANY ARBITRATION SHALL BE ENTITLED TO INJUNCTIVE RELIEF IN ANY COURT OF

COMPETENT JURISDICTION TO ENFORCE THE ARBITRATION AWARD. THE PARTIES TO THE ARBITRATION SHALL EACH PAY AN EQUAL SHARE OF THE COSTS AND EXPENSES OF SUCH ARBITRATION, AND EACH PARTY SHALL SEPARATELY PAY FOR ITS RESPECTIVE COUNSEL FEES AND EXPENSES; PROVIDED, HOWEVER, THAT THE ARBITRATOR SHALL AWARD ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY, EXCEPT AS PROHIBITED BY LAW. THE PARTIES HEREBY AGREE TO WAIVE THEIR RIGHT TO HAVE ANY DISPUTE BETWEEN THEM RESOLVED IN A COURT OF LAW BY A JUDGE OR JURY. NOTWITHSTANDING THE FOREGOING, THIS SECTION WILL NOT PREVENT EITHER PARTY FROM SEEKING INJUNCTIVE RELIEF (OR ANY OTHER PROVISIONAL REMEDY) FROM ANY COURT HAVING JURISDICTION OVER THE PARTIES AND THE SUBJECT MATTER OF THEIR DISPUTE RELATING TO THIS AGREEMENT AND THE AGREEMENTS INCORPORATED HEREIN BY REFERENCE. SHOULD ANY PART OF THE ARBITRATION AGREEMENT CONTAINED IN THIS PARAGRAPH CONFLICT WITH ANY OTHER ARBITRATION AGREEMENT BETWEEN THE PARTIES, THE PARTIES AGREE THAT THIS ARBITRATION AGREEMENT SHALL GOVERN.

19. Authority. The Company represents and warrants that the undersigned has the authority to act on behalf of the Company and to bind the Company and all who may claim through it to the terms and conditions of this Agreement. Employee represents and warrants that he/she has the capacity to act on his/her own behalf and on behalf of all who might claim through him/her to bind them to the terms and conditions of this Agreement. Each Party warrants and represents that there are no liens or claims of lien or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein.

20. No Representations. Employee represents that he/she has had an opportunity to consult with an attorney, and has carefully read and understands the scope and effect of the provisions of this Agreement. Employee has not relied upon any representations or statements made by the Company that are not specifically set forth in this Agreement.

21. Severability. In the event that any provision or any portion of any provision hereof or any surviving agreement made a part hereof becomes or is declared by a court of competent jurisdiction or arbitrator to be illegal, unenforceable, or void, this Agreement shall continue in full force and effect without said provision or portion of provision.

22. Attorneys' Fees. Except with regard to a legal action challenging or seeking a determination in good faith of the validity of the waiver herein under the ADEA, in the event that either Party brings an action to enforce or effect its rights under this Agreement, the prevailing Party shall be entitled to recover its costs and expenses, including the costs of mediation, arbitration, litigation, court fees, and reasonable attorneys' fees incurred in connection with such an action.

23. Entire Agreement. This Agreement, together with the Consulting Agreement and the represents the entire agreement and understanding between the Company and Employee concerning the subject matter of this Agreement and Employee's employment with and separation from the Company and the events leading thereto and associated therewith, and supersedes and replaces any and all prior agreements and understandings concerning the subject matter of this Agreement and Employee's relationship with the Company.

24. No Oral Modification. This Agreement may only be amended in a writing signed by Employee and the Company's Chief Executive Officer.

25. Governing Law. This Agreement shall be governed by the laws of the State of California, without regard for choice-of-law provisions. Employee consents to personal and exclusive jurisdiction and venue in the State of California.

26. Effective Date. Employee understands that this Agreement shall be null and void if not executed by him/her within twenty one (21) days. Each Party has seven (7) days after that Party signs this Agreement to revoke it. This Agreement will become effective on the eighth (8th) day after Employee signed this Agreement, so long as it has been signed by the Parties and has not been revoked by either Party before that date (the "**Effective Date**").

27. Counterparts. This Agreement may be executed in counterparts and by facsimile, and each counterpart and facsimile shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

28. Breach by Employee. Employee specifically agrees that the Company's payments to Employee under this Agreement are made in return for Employee's obligations set forth in this Agreement. Employee further agrees that if he or she breaches any of the obligations set forth in this Agreement, such a breach would cause harm to Company and its business, for which the Company may recover damages.

29. Voluntary Execution of Agreement. Employee understands and agrees that he/she executed this Agreement voluntarily, without any duress or undue influence on the part or behalf of the Company or any third party, with the full intent of releasing all of his/her claims against the Company and any of the other Releasees. Employee acknowledges that:

- a. he/she has read this Agreement;
- b. he/she has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of his/her own choice or has elected not to retain legal counsel;
- c. he/she understands the terms and consequences of this Agreement and of the releases it contains; and
- d. he/she is fully aware of the legal and binding effect of this Agreement.

[Signatures on Next Page]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

Date: March 30, 2016

By: \_\_\_\_\_  
/s/ Barry Michaels  
Barry Michaels

Date: March 30, 2016

**Organovo Holdings, Inc.**

By: \_\_\_\_\_  
/s/ Keith Murphy  
Chief Executive Officer

**ACKNOWLEDGED AND AGREED:**

Dated: March 30, 2016

\_\_\_\_\_  
/s/ Barry Michaels  
Barry Michaels

**Schedule A**

**List of Stock Option Awards**

<b>Grant Date</b>	<b>Exercise Price</b>	<b>Number of Shares</b>	<b>Vesting Schedule</b>
04/18/12	<b>\$2.25</b>	62,500	25%, 12 quarterly installments, VCD 04/18/12
08/23/12	<b>\$2.10</b>	79,687	Fully vested
03/12/13	<b>\$3.93</b>	100,000	25%, 12 quarterly installments, VCD 01/01/13
08/23/13	<b>\$5.50</b>	102,147	Fully vested
02/19/14	<b>\$9.86</b>	300,000	25%, 12 quarterly installments, VCD 02/19/14
08/25/14	<b>\$7.94</b>	102,760	Fully vested
06/04/15	<b>\$4.92</b>	255,000	25%, 12 quarterly installments, VCD 06/04/15
08/25/15	<b>\$7.94</b>	100,692	Fully vested

**Exhibit A**

**Consulting Agreement**

## ORGANOVO HOLDINGS, INC.

## CONSULTING AGREEMENT

This Consulting Agreement (this “**Agreement**”) is made and entered into by and between Organovo Holdings, Inc., a Delaware corporation, and its wholly-owned subsidiary, Organovo, Inc., a Delaware corporation, with their principal place of business at 6275 Nancy Ridge Drive, San Diego, California, 92121 (Organovo Holdings, Inc. and Organovo, Inc., shall be collectively referred to herein as, the “**Company**”), and Barry Michaels, an individual with his principal place of business California (“**Consultant**”) (each herein referred to individually as a “**Party**,” or collectively as the “**Parties**”).

WHEREAS, Consultant retired from the Company, effective April 1, 2016 (the “**Separation Date**”).

WHEREAS, in connection with Consultant’s retirement and separation from the Company, the Company and Consultant entered into a Consulting, Separation Agreement and Release (the “**Separation Agreement**”).

WHEREAS, contingent upon the Separation Agreement becoming effective pursuant to its terms, the Company agrees to retain Consultant as an independent contractor to perform consulting services for the Company, and Consultant agrees to perform such services, on the terms described below.

NOW, THEREFORE, in consideration of the mutual promises contained herein and in the Separation Agreement, the Parties agree as follows:

### 1. Services and Compensation

Contingent upon the Separation Agreement becoming effective pursuant to its terms, Consultant agrees to perform the services described in **Exhibit A** (the “**Services**”) for the Company (or its designee), and the Company agrees to pay Consultant the compensation described in **Exhibit A** for Consultant’s performance of the Services, during the Term (as defined below).

### 2. Confidentiality

**A. Definition of Confidential Information.** “**Confidential Information**” means any information (including any and all combinations of individual items of information) that relates to the actual or anticipated business and/or products, research or development of the Company, its affiliates or subsidiaries, or to the Company’s, its affiliates’ or subsidiaries’ technical data, trade secrets, or know-how, including, but not limited to, research, product plans, business plans, financial, accounting, tax or other information regarding the Company’s, its affiliates’ or subsidiaries’ products or services and markets therefor, customer lists and customers (including, but not limited to, customers of the Company on whom Consultant called or with whom Consultant became acquainted during the Term of this Agreement), software, developments, inventions, discoveries, ideas, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company, its affiliates or subsidiaries, either directly or indirectly, in writing, orally or by drawings or inspection of premises, parts, equipment, or other property of

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Company, its affiliates or subsidiaries. Notwithstanding the foregoing, Confidential Information shall not include any such information which Consultant can establish (i) was publicly known or made generally available prior to the time of disclosure to Consultant; (ii) becomes publicly known or made generally available after disclosure to Consultant through no wrongful action or inaction of Consultant; or (iii) is in the rightful possession of Consultant, without confidentiality obligations, at the time of disclosure as shown by Consultant's then-contemporaneous written records; provided that any combination of individual items of information shall not be deemed to be within any of the foregoing exceptions merely because one or more of the individual items are within such exception, unless the combination as a whole is within such exception.

**B. Nonuse and Nondisclosure.** During and after the Term of this Agreement, Consultant will hold in the strictest confidence, and take all reasonable precautions to prevent any unauthorized use or disclosure of Confidential Information, and Consultant will not (i) use the Confidential Information for any purpose whatsoever other than as necessary for the performance of the Services on behalf of the Company, or (ii) disclose the Confidential Information to any third party without the prior written consent of an authorized representative of Company, except that Consultant may disclose Confidential Information to the extent compelled by applicable law; *provided however*, prior to such disclosure, Consultant shall provide prior written notice to Company and seek a protective order or such similar confidential protection as may be available under applicable law. Consultant agrees that no ownership of Confidential Information is conveyed to the Consultant. Without limiting the foregoing, Consultant shall not use or disclose any Company property, intellectual property rights, trade secrets or other proprietary know-how of the Company to invent, author, make, develop, design, or otherwise enable others to invent, author, make, develop, or design identical or substantially similar designs as those developed under this Agreement for any third party. Consultant agrees that Consultant's obligations under this Section 2.B shall continue after the termination of this Agreement.

**C. Other Client Confidential Information.** Consultant agrees that Consultant will not improperly use, disclose, or induce the Company to use any proprietary information or trade secrets of any former or concurrent employer of Consultant or other person or entity with which Consultant has an obligation to keep in confidence. Consultant also agrees that Consultant will not bring onto the Company's premises or transfer onto the Company's technology systems any unpublished document, proprietary information, or trade secrets belonging to any third party unless disclosure to, and use by, the Company has been consented to in writing by such third party.

**D. Third Party Confidential Information.** Consultant recognizes that the Company has received and in the future will receive from third parties their confidential or proprietary information subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. Consultant agrees that at all times during the Term of this Agreement and thereafter, Consultant owes the Company and such third parties a duty to hold all such confidential or proprietary information in the strictest confidence and not to use it or to disclose it to any person, firm, corporation, or other third party except as necessary in carrying out the Services for the Company consistent with the Company's agreement with such third party.

### **3. Ownership**

**A. Assignment of Inventions.** Consultant agrees that all right, title, and interest in and to any copyrightable material, notes, records, drawings, designs, inventions, improvements, developments, discoveries, ideas and trade secrets conceived, discovered, authored, invented, developed or reduced to

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practice by Consultant, solely or in collaboration with others, during the Term of this Agreement and arising out of, or in connection with, performing the Services under this Agreement and any copyrights, patents, trade secrets, mask work rights or other intellectual property rights relating to the foregoing (collectively, "**Inventions**"), are the sole property of the Company. Consultant also agrees to promptly make full written disclosure to the Company of any Inventions and to deliver and assign (or cause to be assigned) and hereby irrevocably assigns fully to the Company all right, title and interest in and to the Inventions.

**B. Pre-Existing Materials.** Subject to Section 3.A, Consultant will provide the Company with prior written notice if, in the course of performing the Services, Consultant incorporates into any Invention or utilizes in the performance of the Services any invention, discovery, idea, original works of authorship, development, improvements, trade secret, concept, or other proprietary information or intellectual property right owned by Consultant or in which Consultant has an interest, prior to, or separate from, performing the Services under this Agreement ("**Prior Inventions**"), and the Company is hereby granted a nonexclusive, royalty-free, perpetual, irrevocable, transferable, worldwide license (with the right to grant and authorize sublicenses) to make, have made, use, import, offer for sale, sell, reproduce, distribute, modify, adapt, prepare derivative works of, display, perform, and otherwise exploit such Prior Inventions, without restriction, including, without limitation, as part of or in connection with such Invention, and to practice any method related thereto. Consultant will not incorporate any invention, discovery, idea, original works of authorship, development, improvements, trade secret, concept, or other proprietary information or intellectual property right owned by any third party into any Invention without Company's prior written permission.

**C. Moral Rights.** Any assignment to the Company of Inventions includes all rights of attribution, paternity, integrity, modification, disclosure and withdrawal, and any other rights throughout the world that may be known as or referred to as "moral rights," "artist's rights," "droit moral," or the like (collectively, "**Moral Rights**"). To the extent that Moral Rights cannot be assigned under applicable law, Consultant hereby waives and agrees not to enforce any and all Moral Rights, including, without limitation, any limitation on subsequent modification, to the extent permitted under applicable law.

**D. Maintenance of Records.** Consultant agrees to keep and maintain adequate, current, accurate, and authentic written records of all Inventions made by Consultant (solely or jointly with others) during the Term of this Agreement, and for a period of three (3) years thereafter. The records will be in the form of notes, sketches, drawings, electronic files, reports, or any other format that is customary in the industry and/or otherwise specified by the Company. Such records are and remain the sole property of the Company at all times and upon Company's request, Consultant shall deliver (or cause to be delivered) the same.

**E. Further Assurances.** Consultant agrees to assist Company, or its designee, at the Company's expense, in every proper way to secure the Company's rights in Inventions in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments that the Company may deem necessary in order to apply for, register, obtain, maintain, defend, and enforce such rights, and in order to deliver, assign and convey to the Company, its successors, assigns and nominees the sole and exclusive right, title, and interest in and to all Inventions and testifying in a suit or other proceeding relating to such Inventions. Consultant further agrees that Consultant's obligations under this Section 3.E shall continue after the termination of this Agreement.

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F. **Attorney-in-Fact.** Consultant agrees that, if the Company is unable because of Consultant's unavailability, dissolution, mental or physical incapacity, or for any other reason, to secure Consultant's signature with respect to any Inventions, including, without limitation, for the purpose of applying for or pursuing any application for any United States or foreign patents or mask work or copyright registrations covering the Inventions assigned to the Company in Section 3.A, then Consultant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Consultant's agent and attorney-in-fact, to act for and on Consultant's behalf to execute and file any papers and oaths and to do all other lawfully permitted acts with respect to such Inventions to further the prosecution and issuance of patents, copyright and mask work registrations with the same legal force and effect as if executed by Consultant. This power of attorney shall be deemed coupled with an interest, and shall be irrevocable.

#### 4. Conflicting Obligations

Consultant represents and warrants that Consultant has no agreements, relationships, or commitments to any other person or entity that conflict with the provisions of this Agreement, Consultant's obligations to the Company under this Agreement, and/or Consultant's ability to perform the Services. Consultant will not enter into any such conflicting agreement during the Term of this Agreement.

#### 5. Return of Company Materials

Upon the termination of this Agreement, or upon Company's earlier request, Consultant will immediately deliver to the Company, and will not keep in Consultant's possession, recreate, or deliver to anyone else, any and all Company property, including, but not limited to, Confidential Information, tangible embodiments of the Inventions, all devices and equipment belonging to the Company, all electronically-stored information and passwords to access such property, those records maintained pursuant to Section 3.D and any reproductions of any of the foregoing items that Consultant may have in Consultant's possession or control.

#### 6. Reports

Consultant agrees that Consultant will periodically keep the Company advised as to Consultant's progress in performing the Services under this Agreement when requested by the Company to so do, with a frequency not greater than once a month. Requests by the Company will be in writing, at least one week prior to the required delivery date of any such progress report. The Company and Consultant agree that the reasonable time expended in preparing such written reports will be considered time devoted to the performance of the Services.

#### 7. Term and Termination

A. **Effective Date.** Consultant understands that this Agreement shall be null and void and shall not be effective unless and until the Separation Agreement becomes effective in accordance with its terms (the "**Effective Date**").

B. **Term.** The term of this Agreement will begin on the Effective Date of the Separation Agreement and will continue through December 31, 2017 (the "**Term**").

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C. **Termination.** This Agreement will terminate upon the expiration of the Term. The Company may terminate the Agreement with or without Cause (as defined below), upon providing Consultant with written notice of such termination pursuant to Section 13.G of this Agreement (the “**Termination Notice**”). In the event the Company terminates this Agreement without Cause, the Company shall pay Consultant all amounts that would have been paid under the full Term of the Agreement within ten (10) business days of the Termination Notice. For purposes of this Agreement, if the Company undergoes a Change in Control (as defined below) or a Default Event (as defined below), the Company shall be deemed to have terminated the Consultant without Cause on the occurrence of such event. In the event the Company elects to terminate this Agreement for Cause, the Company shall provide Consultant with the basis for such termination in the Termination Notice and provide Consultant with a thirty (30) day cure period, if the basis for such termination for Cause is subject to Cure. In the event of a Termination with Cause, no further payments will be due under the Agreement after the date of the Termination Notice, unless Consultant has cured the basis for such termination for Cause, if possible, within the thirty (30) day cure period.

D. **Survival.** Upon any termination, all rights and duties of the Company and Consultant toward each other shall cease except:

(1) The Company will pay, within ten (10) days after the effective date of termination, all amounts owing to Consultant for Services completed and accepted by the Company prior to the termination date and related reimbursable expenses, if any, submitted in accordance with the Company’s policies and in accordance with the provisions of Section 1 of this Agreement; and

(2) Section 2 (Confidentiality), Section 3 (Ownership), Section 0 (Conflicting Obligations), Section 5 (Return of Company Materials), Section 7 (Term and Termination), Section 8 (Independent Contractor; Benefits), Section 9 (Indemnification), Section 10 (Nonsolicitation), Section 11 (Limitation of Liability), Section 12 (Arbitration and Equitable Relief), and Section 13 (Miscellaneous) will survive termination or expiration of this Agreement in accordance with their terms.

**E. Definitions:**

(1) “Cause” means any of the following: (i) the Consultant’s material breach of any term of the Separation Agreement, this Agreement or any other agreement between the Company and Consultant; (ii) the Consultant’s theft, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, or falsification of any Company documents or records; workplace conduct; (iv) any intentional act by the Consultant which has a material detrimental effect on the Company’s reputation or business; (v) the Consultant’s repeated failure or inability to perform any reasonable assigned duties after written notice from the Company of, and a reasonable opportunity to cure, such failure or inability; and (vi) the Consultant’s conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the Consultant’s ability to perform his duties under this Agreement.

(2) “Change in Control” shall have the meaning assigned to such term in the Company’s Amended and Restated 2012 Equity Incentive Plan.

(3) “Default Event” shall mean the happening of one of the following events: (i) the Company shall (a) discontinue its business, (b) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of it or any of its property, (c) admit in writing its inability to pay its debts

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as they mature, (d) make a general assignment for the benefit of creditors, (e) the Company or its auditors state in an Annual, Quarterly, or Current Report filed with the Securities and Exchange Commission, that the Company is at risk of continuing as a “going concern”, or (g) file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or arrangement with creditors, or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation laws or statutes, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law; or (ii) there shall be filed against the Company an involuntary petition seeking reorganization of the Company or the appointment of a receiver, trustee, custodian or liquidator of the Company or a substantial part of its assets, or an involuntary petition under any bankruptcy, reorganization or insolvency law of any jurisdiction.

## **8. Independent Contractor; Benefits; Company Policies**

**A. Independent Contractor.** It is the express intention of the Company and Consultant that Consultant perform the Services as an independent contractor to the Company. Nothing in this Agreement shall in any way be construed to constitute Consultant as an agent, employee or representative of the Company. Without limiting the generality of the foregoing, Consultant is not authorized to bind the Company to any liability or obligation or to represent that Consultant has any such authority. Consultant agrees to furnish (or reimburse the Company for) all tools and materials necessary to accomplish this Agreement and shall incur all expenses associated with performance, except as expressly provided in **Exhibit A**. Consultant acknowledges and agrees that Consultant is obligated to report as income all compensation received by Consultant pursuant to this Agreement. Consultant agrees to and acknowledges the obligation to pay all self-employment and other taxes on such income.

**B. Benefits.** The Company and Consultant agree that Consultant will receive no Company-sponsored benefits from the Company where benefits include, but are not limited to, paid vacation, sick leave, medical insurance and 401k participation. If Consultant is reclassified by a state or federal agency or court as the Company’s employee, Consultant will become a reclassified employee and will receive no benefits from the Company, except those mandated by state or federal law, even if by the terms of the Company’s benefit plans or programs of the Company in effect at the time of such reclassification, Consultant would otherwise be eligible for such benefits.

**C. Company Policies.** Consultant acknowledges and agrees that during the Term consultant shall be subject to the terms and conditions of the Company’s Code of Conduct and any other policies applicable to Consultants.

## **9. Indemnification**

Consultant agrees to indemnify and hold harmless the Company and its affiliates and their directors, officers and employees from and against all taxes, losses, damages, liabilities, costs and expenses, including attorneys’ fees and other legal expenses, arising directly or indirectly from or in connection with (i) any negligent, reckless or intentionally wrongful act of Consultant or Consultant’s assistants, employees, contractors or agents, (ii) a determination by a court or agency that the Consultant is not an independent contractor, (iii) any breach by the Consultant or Consultant’s assistants, employees, contractors or agents of any of the covenants contained in this Agreement and corresponding Confidential Information and Invention Assignment Agreement, (iv) any failure of Consultant to perform the Services in accordance with all applicable laws, rules and regulations, or (v) any violation or claimed violation of a

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third party's rights resulting in whole or in part from the Company's use of the Inventions or other deliverables of Consultant under this Agreement.

#### **10. Nonsolicitation**

In addition to Consultant's obligations under the Separation Agreement, to the fullest extent permitted under applicable law, from the Effective Date of this Agreement until twelve (12) months after the termination of this Agreement for any reason (the "**Restricted Period**"), Consultant will not, without the Company's prior written consent, directly or indirectly, solicit any of the Company's employees to leave their employment, or attempt to solicit employees of the Company, either for Consultant or for any other person or entity. Consultant agrees that nothing in this Section 10 shall affect Consultant's continuing obligations under this Agreement during and after this twelve (12) month period, including, without limitation, Consultant's obligations under Section 2.

#### **11. Limitation of Liability**

IN NO EVENT SHALL COMPANY BE LIABLE TO CONSULTANT OR TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, OR DAMAGES FOR LOST PROFITS OR LOSS OF BUSINESS, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHER THEORY OF LIABILITY, REGARDLESS OF WHETHER COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT SHALL COMPANY'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT EXCEED THE AMOUNTS PAID BY COMPANY TO CONSULTANT UNDER THIS AGREEMENT FOR THE SERVICES, DELIVERABLES OR INVENTION GIVING RISE TO SUCH LIABILITY.

#### **12. Arbitration and Equitable Relief**

**A. Arbitration.** THE PARTIES AGREE THAT ANY AND ALL DISPUTES ARISING OUT OF THE TERMS OF THIS AGREEMENT, THEIR INTERPRETATION, AND ANY OF THE MATTERS HEREIN RELEASED, SHALL BE SUBJECT TO ARBITRATION IN SAN DIEGO COUNTY, BEFORE JUDICIAL ARBITRATION & MEDIATION SERVICES ("**JAMS**"), PURSUANT TO ITS EMPLOYMENT ARBITRATION RULES & PROCEDURES ("**JAMS RULES**"). THE ARBITRATOR MAY GRANT INJUNCTIONS AND OTHER RELIEF IN SUCH DISPUTES. THE ARBITRATOR SHALL ADMINISTER AND CONDUCT ANY ARBITRATION IN ACCORDANCE WITH CALIFORNIA LAW, INCLUDING THE CALIFORNIA CODE OF CIVIL PROCEDURE, AND THE ARBITRATOR SHALL APPLY SUBSTANTIVE AND PROCEDURAL CALIFORNIA LAW TO ANY DISPUTE OR CLAIM, WITHOUT REFERENCE TO ANY CONFLICT-OF-LAW PROVISIONS OF ANY JURISDICTION. TO THE EXTENT THAT THE JAMS RULES CONFLICT WITH CALIFORNIA LAW, CALIFORNIA LAW SHALL TAKE PRECEDENCE. THE DECISION OF THE ARBITRATOR SHALL BE FINAL, CONCLUSIVE, AND BINDING ON THE PARTIES TO THE ARBITRATION. THE PARTIES AGREE THAT THE PREVAILING PARTY IN ANY ARBITRATION SHALL BE ENTITLED TO INJUNCTIVE RELIEF IN ANY COURT OF COMPETENT JURISDICTION TO ENFORCE THE ARBITRATION AWARD. THE PARTIES TO THE ARBITRATION SHALL EACH PAY AN

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EQUAL SHARE OF THE COSTS AND EXPENSES OF SUCH ARBITRATION, AND EACH PARTY SHALL SEPARATELY PAY FOR ITS RESPECTIVE COUNSEL FEES AND EXPENSES; PROVIDED, HOWEVER, THAT THE ARBITRATOR SHALL AWARD ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY, EXCEPT AS PROHIBITED BY LAW. THE PARTIES HEREBY AGREE TO WAIVE THEIR RIGHT TO HAVE ANY DISPUTE BETWEEN THEM RESOLVED IN A COURT OF LAW BY A JUDGE OR JURY. NOTWITHSTANDING THE FOREGOING, THIS SECTION WILL NOT PREVENT EITHER PARTY FROM SEEKING INJUNCTIVE RELIEF (OR ANY OTHER PROVISIONAL REMEDY) FROM ANY COURT HAVING JURISDICTION OVER THE PARTIES AND THE SUBJECT MATTER OF THEIR DISPUTE RELATING TO THIS AGREEMENT AND THE AGREEMENTS INCORPORATED HEREIN BY REFERENCE. SHOULD ANY PART OF THE ARBITRATION AGREEMENT CONTAINED IN THIS PARAGRAPH CONFLICT WITH ANY OTHER ARBITRATION AGREEMENT BETWEEN THE PARTIES, THE PARTIES AGREE THAT THIS ARBITRATION AGREEMENT SHALL GOVERN.

**B. Voluntary Nature of Agreement.** CONSULTANT ACKNOWLEDGES AND AGREES THAT HE/SHE IS EXECUTING THIS AGREEMENT VOLUNTARILY AND WITHOUT ANY DURESS OR UNDUE INFLUENCE BY THE COMPANY OR ANYONE ELSE. CONSULTANT FURTHER ACKNOWLEDGES AND AGREES THAT HE/SHE HAS CAREFULLY READ THIS AGREEMENT AND THAT CONSULTANT HAS ASKED ANY QUESTIONS NEEDED FOR CONSULTANT TO UNDERSTAND THE TERMS, CONSEQUENCES AND BINDING EFFECT OF THIS AGREEMENT AND FULLY UNDERSTAND IT, INCLUDING THAT **CONSULTANT IS WAIVING HIS/HER RIGHT TO A JURY TRIAL**. FINALLY, CONSULTANT AGREES THAT HE/SHE HAS BEEN PROVIDED AN OPPORTUNITY TO SEEK THE ADVICE OF AN ATTORNEY OF CONSULTANT'S CHOICE BEFORE SIGNING THIS AGREEMENT.

### 13. Miscellaneous

**A. Governing Law; Consent to Personal Jurisdiction.** This Agreement shall be governed by the laws of the State of California, without regard to the conflicts of law provisions of any jurisdiction. To the extent that any lawsuit is permitted under this Agreement, the Parties hereby expressly consent to the personal and exclusive jurisdiction and venue of the state and federal courts located in California.

**B. Assignability.** This Agreement will be binding upon Consultant's heirs, executors, assigns, administrators, and other legal representatives, and will be for the benefit of the Company, its successors, and its assigns. There are no intended third-party beneficiaries to this Agreement, except as expressly stated. Consultant may not sell, assign or delegate any rights or obligations under this Agreement. Notwithstanding anything to the contrary herein, Company may assign this Agreement and its rights and obligations under this Agreement to any successor to all or substantially all of Company's relevant assets, whether by merger, consolidation, reorganization, reincorporation, sale of assets or stock, change of control or otherwise.

**C. Entire Agreement.** This Agreement, together with the Separation Agreement, constitute the entire agreement and understanding between the Parties with respect to the subject matter herein and supersedes all prior written and oral agreements, discussions, or representations between the

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Parties. Consultant represents and warrants that he/she is not relying on any statement or representation not contained in this Agreement. To the extent any terms set forth in any exhibit or schedule conflict with the terms set forth in this Agreement, the terms of this Agreement shall control unless otherwise expressly agreed by the Parties in such exhibit or schedule.

D. **Headings.** Headings are used in this Agreement for reference only and shall not be considered when interpreting this Agreement.

E. **Severability.** If a court or other body of competent jurisdiction finds, or the Parties mutually believe, any provision of this Agreement, or portion thereof, to be invalid or unenforceable, such provision will be enforced to the maximum extent permissible so as to effect the intent of the Parties, and the remainder of this Agreement will continue in full force and effect.

F. **Modification, Waiver.** No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in a writing signed by the Parties. Waiver by the Company of a breach of any provision of this Agreement will not operate as a waiver of any other or subsequent breach.

G. **Notices.** Any notice or other communication required or permitted by this Agreement to be given to a Party shall be in writing and shall be deemed given (i) if delivered personally or by commercial messenger or courier service, (ii) when sent by confirmed facsimile, or (iii) if mailed by U.S. registered or certified mail (return receipt requested), to the Party at the Party's address written below or at such other address as the Party may have previously specified by like notice. If by mail, delivery shall be deemed effective three business days after mailing in accordance with this Section 13.G.

- (1) If to the Company, to:  
Attention: General Counsel  
Suite 110  
Organovo, Inc.  
6275 Nancy Ridge Drive  
San Diego, CA 92121

The one exception to the notice requirement will be the delivery of invoices, or requests for expense reimbursement, by the Consultant to the Company. Invoices and requests for expense reimbursement will be delivered by the Consultant via e-mail to: AP@organovo.com with a copy to Legal@organovo.com.

- (2) If to Consultant, to the address for notice on the signature page to this Agreement or, if no such address is provided, to the last address of Consultant provided by Consultant to the Company.

H. **Attorneys' Fees.** In any court action at law or equity that is brought by one of the Parties to this Agreement to enforce or interpret the provisions of this Agreement, the prevailing Party will be entitled to reasonable attorneys' fees, in addition to any other relief to which that Party may be entitled.

I. **Signatures.** This Agreement may be signed in two counterparts, each of which shall be deemed an original, with the same force and effectiveness as though executed in a single document.

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## J. Applicability to Past Activities

Consultant agrees that if and to the extent that Consultant provided any services or made efforts on behalf of or for the benefit of Company, or related to the current or prospective business of Company after the Separation Date and prior to the Effective Date in anticipation of Consultant's involvement with the Company, that would have been "Services" if performed during the Term of this Agreement (the "**Prior Consulting Period**") and to the extent that during the Prior Consulting Period: (i) Consultant received access to any information from or on behalf of Company that would have been "Confidential Information" if Consultant received access to such information during the Term of this Agreement; or (ii) Consultant (a) conceived, created, authored, invented, developed or reduced to practice any item (including any intellectual property rights with respect thereto) on behalf of or for the benefit of Company, or related to the current or prospective business of Company in anticipation of Consultant's involvement with Company, that would have been an Invention if conceived, created, authored, invented, developed or reduced to practice during the Term of this Agreement; or (b) incorporated into any such item any pre-existing invention, improvement, development, concept, discovery or other proprietary information that would have been a Prior Invention if incorporated into such item during the Term of this Agreement; then any such information shall be deemed Confidential Information hereunder and any such item shall be deemed an Invention or Prior Invention hereunder, and this Agreement shall apply to such activities, information or item as if disclosed, conceived, created, authored, invented, developed or reduced to practice during the Term of this Agreement. Consultant further acknowledges that Consultant has been fully compensated for all services provided during any such Prior Consulting Period.

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IN WITNESS WHEREOF, the Parties hereto have executed this Consulting Agreement as of the date first written above.

**CONSULTANT**

By: /s/ Barry Michaels  
Name: Barry Michaels  
Title: Consultant

Address for Notice:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ORGANOVO, INC.**

By: /s/ Keith Murphy  
Name: Keith Murphy  
Title: Chief Executive Officer

\_\_\_\_\_

\_\_\_\_\_

## EXHIBIT A

### SERVICES AND COMPENSATION

1. **Contact.** Consultant's principal Company contact: Keith Murphy, CEO

Name: Barry Michaels  
Title: Consultant  
Email: \_\_\_\_\_  
Phone: \_\_\_\_\_

2. **Services.** The Services will include, but will not be limited to, the following:

Consultant will make himself available, at reasonable times and upon reasonable notice, to advise the Board of Directors, the Chief Executive Officer and/or the Chief Financial Officer of the Company (or their designees) for up to five days per month on matters including, but not limited to, the onboarding and transition of responsibilities to the Company's new Chief Financial Officer, the Company's filing of its Form 10-K and Proxy Statement for the fiscal year ending March 31, 2016, any other finance, accounting or tax-related projects as may arise during the Term, and will continue to serve as a Director of Samsara Sciences, Inc. It is the intention such services will be generally performed by Consultant at his place of business, with the exception of Samsara Board meetings which may be conducted at Samsara's offices. The Company will endeavor in good faith not to provide Consultant with material non-public information about the Company, unless providing such information to Consultant is reasonably necessary to enable Consultant to perform the Services.

3. **Compensation.**

A. The Company will pay Consultant a quarterly retainer of \$74,000, to be invoiced on a quarterly basis and paid in advance.

B. The Company will reimburse Consultant, in accordance with Company policy, for all reasonable expenses incurred by Consultant in performing the Services pursuant to this Agreement, if Consultant receives written consent from an authorized agent of the Company prior to incurring such expenses and submits receipts for such expenses to the Company in accordance with Company policy.

Consultant shall submit to the Company a written invoice for Services and expenses, and such statement shall be subject to the approval of the contact person listed above or other designated agent of the Company. The Company will remit payment for properly submitted and approved invoices within thirty (30) days following invoice submission. In order to help prevent adverse tax consequences to Consultant under Section 409A (as defined below), in no event will any payment under Section 3.A. of this Exhibit be made later than the later of (1) March 15<sup>th</sup> of the calendar year following the calendar year in which such payment was earned, or (2) the 15<sup>th</sup> day of the third (3<sup>rd</sup>) month following the end of the Company's fiscal year in which such payment was earned.

All payments and benefits provided for under this Agreement are intended to be exempt from or otherwise comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance thereunder (together, "**Section 409A**") so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed

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under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. Each payment and benefit payable under this Agreement is intended to constitute a separate payment for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

This **Exhibit A** is accepted and agreed upon as of March 30, 2016.

**CONSULTANT**

By: /s/ Barry Michaels  
Name: Barry Michaels  
Title: Consultant

**ORGANOVO, INC.**

By: /s/ Keith Murphy  
Name: Keith Murphy  
Title: Chief Executive Officer