

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): December 21, 2018 (December 19, 2018)

HISTOGENICS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-36751
(Commission File Number)

04-3522315
(I.R.S. Employer Identification Number)

**830 Winter Street, 3rd Floor
Waltham, Massachusetts 02451
(781) 547-7900**

(Addresses, including zip code, and telephone numbers, including area code, of principal executive offices)

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

The disclosure set forth in Item 5.02(c) below is incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement.

On December 21, 2018, Histogenics Corporation (the “Company”) and Intrexon Corporation (“Intrexon”) entered into a mutual termination and release agreement (the “Mutual Termination Agreement”) pursuant to which the Company and Intrexon mutually agreed to terminate the Exclusive Channel Collaboration entered into between the Company and Intrexon in September 2014 (the “ECC”).

Pursuant to the ECC, the Company was responsible for the research and development costs incurred by Intrexon associated with the development of product candidates under the collaboration. As of September 30, 2018, the Company had accrued approximately \$3.0 million of research and development expenses under the ECC (the “Accrued Expenses”).

In connection with the Mutual Termination Agreement, in lieu of payment of the Accrued Expenses, the Company agreed to pay Intrexon an aggregate of up to \$1.5 million, with \$0.375 million paid at the time of entering into the Mutual Termination Agreement and \$1.125 million payable within one year following the Company’s submission of a Biologics License Application (“BLA”) to U.S. Food and Drug Administration (the “FDA”) for NeoCart.

This summary of the Mutual Termination Agreement is qualified in its entirety by reference to the full text of the Mutual Termination Agreement, which is included as Exhibit 10.1 hereto and incorporated herein by reference.

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On December 19, 2018, the Company received a letter (the “Notice”) from the Listing Qualifications staff (the “Staff”) of The Nasdaq Stock Market LLC (“Nasdaq”) notifying the Company that for the last 30 consecutive business days prior to the date of the Notice, the market value of the Company’s listed securities was less than \$35 million, which does not meet the requirement for continued listing on The Nasdaq Capital Market, as required by Nasdaq Listing Rule 5550(b)(2) (the “Market Value Rule”). In accordance with Nasdaq Listing Rule 5810(c)(3)(C), Nasdaq has provided the Company with 180 calendar days, or until June 17, 2019, to regain compliance with the Market Value Rule. If the Company regains compliance with the Market Value Rule, Nasdaq will provide written confirmation to the Company and close the matter.

The Notice does not result in the delisting of the Company’s common stock from The Nasdaq Capital Market. To regain compliance with the Market Value Rule, the market value of the Company’s listed securities must meet or exceed \$35 million for a minimum of ten consecutive business days during the 180-day grace period ending on or before June 17, 2019. The Company could also regain compliance with Nasdaq’s alternative continued listing requirements by having stockholders’ equity of \$2.5 million or more, or net income from continuing operations of \$500,000 in the most recently completed fiscal year.

In the event that the Company does not regain compliance with the Market Value Rule within this 180-day period, the Company may be eligible to seek an additional compliance period of 180 calendar days if it meets the continued listing requirement for market value of publicly held shares and all other initial

listing standards for the Nasdaq Capital Market, and provides written notice to Nasdaq of its intent to cure the deficiency during this second compliance period.

As previously disclosed by the Company, on October 17, 2018, the Staff notified the Company that the bid price of its listed security had closed at less than \$1 per share over the previous 30 consecutive business days, and, as a result, did not comply with Nasdaq Listing Rule 5550(a)(2) (the “Bid Price Rule”). In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company was provided 180 calendar days, or until April 15, 2019 to regain compliance with the Bid Price Rule. Further information is available in the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”) on October 18, 2018.

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

(b) Resignation of Executive Officer

On December 19, 2018, Jonathan Lieber notified the Company of his resignation as the Company’s Chief Financial Officer and Treasurer and all other corporate positions with the Company and its subsidiaries effective as of December 21, 2018. Mr. Lieber resigned to pursue other business opportunities as a consultant with Danforth Advisors, LLC (“Danforth”) and not due to any disagreement with the Company’s operations, financials, policies or procedures. As described below under Item 5.02(c), Mr. Lieber will continue as the Company’s interim chief financial officer pursuant to a consulting agreement between the Company and Danforth.

(c) Appointment of Certain Officers

On December 21, 2018, the Company entered into a consulting agreement (the “Consulting Agreement”) with Danforth pursuant to which Danforth will provide finance, accounting and administrative functions, including interim chief financial officer services to be provided by Mr. Lieber, to the Company. The Company will pay Danforth an agreed upon hourly rate for such services and will reimburse Danforth for expenses. The Consulting Agreement has an initial term of one year and may be extended by mutual agreement of the parties. The Consulting Agreement may be terminated by the Company or Danforth with cause, upon 30 days written notice and without cause, upon 60 days written notice.

The Board of Directors (the “Board”) has appointed Mr. Lieber, Managing Director of Danforth, as Interim Chief Financial Officer, effective December 21, 2018 immediately upon the resignation of Mr. Lieber from his role as full-time Chief Financial Officer of the Company.

Mr. Lieber, age 49, has served as the Company’s Chief Financial Officer since July 2015. Prior to joining the Company, Mr. Lieber was Senior Vice President and Chief Financial Officer of Metamark Genetics, Inc., a privately held, urology-focused, molecular diagnostics company, from January 2014 to June 2015. From September 2012 to September 2013, Mr. Lieber served as the Chief Financial Officer and Treasurer of Repligen Corporation, a manufacturer and supplier of high-value consumables to the life sciences industry. From June 2009 to May 2012, Mr. Lieber served as Chief Financial Officer and Treasurer of Xcellerex, Inc., a privately-held company engaged in the manufacture and sale of capital equipment and related consumables to the biopharmaceutical industry. Mr. Lieber received an M.B.A. in finance from the Stern School of Business of New York University and a B.S. in business administration from Boston University. Mr. Lieber currently holds 5,000 shares of the Company’s common stock and vested options to purchase up to 176,457 shares of the Company’s common stock, which are exercisable through June 30, 2018.

Other than as described above there are no related party transactions between the Company and Mr. Lieber and Mr. Lieber is neither related to, nor does he have any relationship with, any existing member of the Board or any executive officer of the Company.

This summary of the Consulting Agreement is qualified in its entirety by reference to the full text of the Consulting Agreement, which is included as Exhibit 10.2 hereto and incorporated herein by reference.

Item 8.01 Other Events.

On December 20, 2018, the Company had a telephonic meeting with senior members of the FDA. Based on the feedback received from the FDA, while the NeoCart Phase 3 clinical trial resulted in certain compelling data, the FDA indicated that an additional clinical trial would need to be completed before it would accept a submission of a BLA for NeoCart. The FDA indicated receptivity to novel clinical trial methodologies and regenerative medicine advanced therapy designations in order to support additional data for a future potential submission. However, considering the time and funding required to conduct such a trial, the Company expects to discontinue the development of NeoCart and does not plan to submit a BLA.

The Company has not yet received an official FDA notification of the determination made by the FDA and discussed at the December 20, 2018 meeting and the information in this Current Report on Form 8-K may be altered or supplemented by the information contained in the official documentation.

The Board has initiated a process to evaluate strategic alternatives to maximize value for all stakeholders. This process, which will be conducted with the assistance of financial and legal advisors, will consider the full range of potential strategic alternatives, which includes, but is not limited to, acquisitions, business combinations, joint ventures, public and private capital raises, recapitalization, and sale transaction options, including a sale of assets or intellectual property. Since these efforts may not be successful and in light of its limited cash reserves the Company is considering all possible alternatives, including restructuring activities, a wind-down of operations, or seeking chapter 11 bankruptcy protection to complete or execute a restructuring transaction or liquidation. The Company intends to implement a restructuring plan to reduce costs.

The Company has retained Canaccord Genuity LLC as financial advisor to assist in the review and will engage such other advisors and consult with existing advisors as appropriate.

The Company has determined not to proceed at this time with its earlier plans to conduct a stockholder meeting to increase its authorized shares and a reverse split, for which it had filed a preliminary proxy statement with the SEC on October 18, 2018.

A copy of the Company's press release dated December 21, 2018 announcing the results of its December 20, 2018 discussions with the FDA and its plans to evaluate strategic alternatives is attached hereto as Exhibit 99.1 and is hereby incorporated by reference herein.

Supplemental Risk Factor

In connection with entering into the disclosure set forth above, the Company is also updating the risk factors, and subsequent filings, included in its Annual Report on Form 10-K for the year ended December 31, 2017 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, as follows:

There is no certainty that the Company will be able to execute on any strategic alternatives to maximize stakeholder value. If the Company is unable to identify and execute such strategic alternatives, it may be forced to cease operations and liquidate.

Based on the results of the Company's Phase 3 clinical study of NeoCart and feedback from the FDA regarding a potential BLA submission, the Company began a comprehensive review of strategic alternatives to maximize stakeholder value. The Company will utilize its previously formed special committee of independent directors (the "Special Committee") to evaluate potential strategic alternatives in an effort to maximize value for stakeholders. The Board and the Special Committee have retained Canaccord Genuity LLC to advise and assist the Company in this review, along with legal advisors. The strategic alternatives that the Company is exploring, may include some or all of the following: license, divestiture, or monetization of current assets; license or acquisition of additional assets; merger, joint venture, partnership, or other business combination with another entity, public or private. There can be no assurance that this process will result in a transaction, or that if a transaction does occur, that it will successfully enhance stakeholder value. The Company's expected cash position, net of all liabilities, limits the Company's attractiveness to potential merger candidates and the value that the Company may receive in such merger, joint venture, partnership or other business combination scenarios may be less than the current market value of the Company. If the Company is unable to identify and execute on a strategic alternative, it may be forced to wind down and liquidate its assets.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	<u>Mutual Termination and Release Agreement dated December 21, 2018, between Histogenics Corporation and Intrexon Corporation.</u>
10.2+	<u>Consulting Agreement, effective December 21, 2018, between the Company and Danforth Advisors, LLC</u>
99.1	<u>Press Release of Histogenics Corporation dated December 21, 2018.</u>

+ Indicates management contract or compensatory plan.

Forward-Looking Statements

Various statements in this Current Report on Form 8-K are "forward-looking statements" under the securities laws. Words such as, but not limited to, "anticipate," "believe," "can," "could," "expect," "estimate," "design," "goal," "intend," "may," "might," "objective," "plan," "predict," "project," "target," "likely," "should," "will," and "would," or the negative of these terms and similar expressions or words, identify forward-looking statements. Forward-looking statements are based upon current expectations that involve risks, changes in circumstances, assumptions and uncertainties.

Important factors that could cause actual results to differ materially from those reflected in the Company's forward-looking statements include, among others: statements regarding the future business operations of the Company; completing a restructuring plan and the associated costs and charges related thereto; the prospect for the successful sale of the Company or of any of the Company's assets; the possibility of a liquidating distribution to Company stockholders; the ability of the Company to pay its creditors and successfully complete an orderly wind down; the ability to liquidate the Company's assets outside of a court-supervised proceeding; the ability of the Company to restructure; and other factors that are described in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's Annual Report on Form 10-K for the year ended December 31, 2017 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, which are on file with the SEC and available on the SEC's website at www.sec.gov. In addition to the risks

described above and in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the SEC, other unknown or unpredictable factors also could affect the Company's results.

There can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. Therefore, no assurance can be given that the outcomes stated in such forward-looking statements and estimates will be achieved.

All written and verbal forward-looking statements attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to herein. The Company cautions investors not to rely too heavily on the forward-looking statements the Company makes or that are made on its behalf. The information in this Current Report on Form 8-K is provided only as of the date of this Current Report on Form 8-K, and the Company undertakes no obligation, and specifically declines any obligation, to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

SIGNATURE

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.

HISTOGENICS CORPORATION

Date: December 21, 2018

By: /s/ Adam Gridley

Adam Gridley

President and Chief Executive Officer

MUTUAL TERMINATION AND RELEASE AGREEMENT

THIS MUTUAL TERMINATION AND RELEASE AGREEMENT (the "**Agreement**") is made as of December 21, 2018 (the "**Effective Date**") by and between Histogenics Corporation, a Delaware corporation ("**Histogenics**"), and Intrexon Corporation, a Virginia corporation ("**Intrexon**"). Histogenics and Intrexon are from time to time referred to herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS, Histogenics and Intrexon are parties to that certain Exclusive Channel Collaboration Agreement dated as of September 30, 2014, as amended (the "**Collaboration Agreement**"); and

WHEREAS, both of the Parties desires to mutually terminate the Collaboration Agreement and release the other Party from liability in connection therewith in accordance with the terms of this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Payment.** As consideration for the Parties entering into this Agreement, and in full satisfaction of all of Histogenics' obligations with regard to the payment of Fully Loaded Costs (as defined in the Collaboration Agreement) in accordance with Section 10.4(m), Histogenics agrees to pay Intrexon up to \$1,500,000.00, payable as set forth below in this Section 1. The payments set forth in this **Section 1** shall be in lieu of any and all other cost reimbursement required to be paid pursuant to Section 10.4(m) of the Collaboration Agreement or otherwise that were or may have been due and owed to Intrexon under the Collaboration Agreement as of the Effective Date.

(a) \$375,000.00 cash shall be paid by Histogenics to Intrexon on the date hereof (the "**Effective Date Payment**"). For clarity, if the Effective Date Payment is not paid on the Effective Date, this Agreement shall have no force or effect.

(b) Histogenics shall make to Intrexon a second cash payment in the amount of \$1,125,000.00 at any time within 12 months following the acceptance by the U.S. Food and Drug Administration of a Biologics License Application for an autologous cartilage implant product

2. **Mutual Release of Claims.** Histogenics and Intrexon (each a "**Releasing Party**"), on behalf of themselves and their respective officers, directors, managers, members, stockholders, partners, partnerships, employees, representatives, administrators, affiliates, divisions, subsidiaries, predecessors, successors and assigns, hereby fully and forever release each other and their respective officers, directors, managers, members, stockholders, partners, partnerships, employees, representatives, administrators, affiliates, divisions, subsidiaries, predecessors, successors and assigns from, and agree not to sue concerning, any and all claims, suits, charges, demands, losses, costs, expenses (including reasonable attorneys' fees), duties,

obligations, liabilities, commitments and/or damages, acts, causes, occurrences, facts or causes of action relating to or arising out of the Collaboration Agreement, the transactions contemplated by the Collaboration Agreement, any performance or nonperformance under the Collaboration Agreement or any other contract between the Parties or any other prior dealings between Intrexon and Histogenics whether now existing, presently known or unknown, direct or indirect, absolute, accrued, contingent or otherwise, suspected or unsuspected that have occurred prior to or on the Effective Date, including, without limitation, rights arising from any alleged violations of any contracts, express or implied, any covenant of good faith and fair dealing, express or implied, any claim in tort that either Releasing Party may have or any other relationship between Intrexon and Histogenics existing on or prior to the Effective Date. Histogenics and Intrexon agree that the release set forth herein shall be and remain in effect in all respects as a complete general release as to the matters released.

3. Termination. Subject to the surviving obligations set forth in Section 10.5 of the Collaboration Agreement and the obligations of this Agreement set forth above, which are hereby acknowledged by both Parties, the Collaboration Agreement and all other contracts, agreements, undertakings and understandings between the Parties, and all rights and obligations thereunder, are hereby terminated and without further force or effect as of the Effective Date.

4. Entire Agreement; Modifications. This Agreement contains the entire understanding of the Parties relating to the subject matter hereof and supersedes all prior agreements and understandings, written or oral, among or between the Parties relating to the subject matter hereof. The recitals to this Agreement are hereby incorporated by reference into and made a part of this Agreement for all purposes. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered on behalf of all of the Parties.

5. Successors and Assigns; No Third Party Rights. This Agreement will be binding upon, inure to the benefit of and be enforceable by the respective successors and assigns of the Parties to this Agreement. Nothing expressed or referred to in this Agreement will be construed to give any person other than the Parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties to this Agreement, and their respective successors and assigns.

6. Severability. In the event that any provision of this Agreement, or the application of any such provision to any Party to this Agreement or any set of circumstances, shall be determined to be invalid, unlawful, void or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to the Parties to this Agreement or circumstances other than those as to which it is determined to be invalid, unlawful, void or unenforceable, shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

7. No Waiver. Neither the failure nor any delay by any Party to this Agreement in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, and no single or partial exercise by a Party to this Agreement of its rights hereunder shall

preclude any other or future exercise thereof or the exercise of any other right, power or privilege. Observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with written consent of the Parties to this Agreement.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any choice of law or conflict of law principles.

9. Counterparts; Construction. This Agreement may be executed by facsimile or electronic signature and in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement. The Parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

10. Specific Performance. Each of the Parties agrees that money damages would not be a sufficient remedy for any breach of this Agreement by the other Party. The Parties therefore agree that, in the event of any breach or threatened breach by any Party to this Agreement of any covenant, obligation or other provision set forth in this Agreement for the benefit of any other Party to this Agreement, such other Party shall be entitled to (a) a decree or order of specific performance or mandamus to enforce the observance and performance of such covenant, obligation or other provision and (b) an injunction restraining such breach or threatened breach. Such remedy shall not be deemed to be the exclusive remedy for breach of this Agreement but shall be in addition to all other remedies available at law or equity.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered as of the date first written above.

HISTOGENICS CORPORATION,
a Delaware corporation

By: /s/ Adam Gridley
Name: Adam Gridley
Title: President and Chief Executive Officer

Address: 830 Winter Street, 3rd Floor
Waltham, MA 02451

INTREXON CORPORATION,
a Virginia corporation

By: /s/ Donald P. Lehr
Name: Donald P. Lehr
Title: Chief Legal Officer

Address: 20374 Seneca Meadows Parkway
Germantown, MD 20876

CONSULTING AGREEMENT

This Consulting Agreement (the "Agreement") is made effective as of December 21, 2018 (the "Effective Date"), by and between Histogenics Corporation, a Delaware corporation, with its principal place of business being 830 Winter Street, 3rd Floor, Waltham, Massachusetts 02451 (the "Company") and Danforth Advisors, LLC, a Massachusetts limited liability corporation, with its principal place of business being 91 Middle Road, Southborough, MA 01772 ("Danforth"). The Company and Danforth are herein sometimes referred to individually as a "Party" and collectively as the "Parties."

WHEREAS, the Company possesses know-how and proprietary technology related to regenerative medicine; and

WHEREAS, Danforth has expertise in financial and corporate operations and strategy; and

WHEREAS, Danforth desires to serve as an independent consultant for the purpose of providing the Company with certain strategic and financial advice and support services, as more fully described in Exhibit A attached hereto, (the "Services"); and

WHEREAS, the Company wishes to engage Danforth on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which are hereby acknowledged, the Parties agree and covenant as follows.

1. Services of Consultant. Danforth will assist the Company with matters relating to the Services. The Services are more fully described in Exhibit A attached hereto. Danforth and the Company will review the Services on a monthly basis to prioritize and implement the tasks listed on Exhibit A.
2. Compensation for Services. In full consideration of Danforth's full, prompt and faithful performance of the Services, the Company shall compensate Danforth a consulting fee more fully described in Exhibit A (the "Consulting Fee"). Danforth shall, from time to time, but not more frequently than twice per calendar month invoice the Company for Services rendered and undisputed amounts in such invoice will be paid upon fifteen (15) days of receipt. Each month the Parties shall evaluate jointly the current fee structure and scope of Services. Danforth reserves the right to an annual increase in consultant rates of up to 4%, effective January 1 of each year. Upon termination of this Agreement pursuant to Section 3, no compensation or benefits of any kind as described in this Section 2 shall be payable or issuable to Danforth after the effective date of such termination. In addition, the Company will reimburse Danforth for reasonable out-of-pocket business expenses, including but not limited to travel and parking, incurred by Danforth in performing the Services hereunder, upon submission by Danforth of supporting documentation reasonably acceptable to the Company. Any such accrued expenses in any given three (3) month period that exceed one thousand dollars (\$1,000) shall be submitted to the Company for its prior written approval.

3. **Term and Termination.** The term of this Agreement will commence on the Effective Date and will continue through the anniversary of such date in the next calendar year (the "Term"). This Agreement may be extended for an additional period by mutual written agreement. This Agreement may be terminated by either Party hereto: (a) with Cause (as defined below), upon thirty (30) days prior written notice to the other Party; or (b) without cause upon sixty (60) days prior written notice to the other Party. For purposes of this Section 3, "Cause" shall include: (i) a breach of the terms of this Agreement which is not cured within thirty (30) days of written notice of such default or (ii) the commission of any act of gross negligence, willful misconduct, fraud, embezzlement or deliberate disregard of a rule or policy of the Company.
4. **Time Commitment.** Danforth will devote such time to perform the Services under this Agreement as may reasonably be required.
5. **Place of Performance.** Danforth will perform the Services at such locations upon which the Company and Danforth may mutually agree. Danforth will not, without the prior written consent of the Company, perform any of the Services at any facility or in any manner that might give anyone other than the Company any rights to or allow for disclosure of or unauthorized access to any Confidential Information (as defined below).
6. **Compliance with Policies and Guidelines.** Danforth will perform the Services in accordance with all rules or policies adopted by the Company that the Company discloses in writing to Danforth.
7. **Confidential Information.** Danforth acknowledges and agrees that during the course of performing the Services, the Company may furnish, disclose or make available to Danforth information, including, but not limited to, material, compilations, data, formulae, models, patent disclosures, procedures, processes, business plans, projections, protocols, results of experimentation and testing, specifications, strategies and techniques, and all tangible and intangible embodiments thereof of any kind whatsoever (including, but not limited to, any apparatus, biological or chemical materials, animals, cells, compositions, documents, drawings, machinery, patent applications, records and reports), which is owned or controlled by the Company and is marked or designated as confidential at the time of disclosure or is of a type that is customarily considered or can reasonably be considered to be confidential information (collectively the "Confidential Information"). For the avoidance of doubt, any and all Inventions are deemed to be Confidential Information. Danforth acknowledges that the Confidential Information and any part thereof are the exclusive property of the Company. Danforth agrees that Confidential Information shall not be disclosed to any third party without first obtaining the written consent of the Company and that Danforth shall not use any Confidential Information except as reasonably necessary to perform Services. Danforth further agrees to take all practical steps to ensure that the Confidential Information, and any part thereof, shall not be disclosed or issued to its affiliates, agents or employees, except on like terms of confidentiality. The above provisions of confidentiality shall apply for a period of five (5) years from termination or expiration of this Agreement.

8. **Intellectual Property.** Danforth agrees that all ideas, inventions, discoveries, creations, manuscripts, properties, innovations, modifications, improvements, know-how, inventions, designs, developments, apparatus, techniques, methods, formulae, strategies, models, plans, forms, documents, notes, reports and other work product and materials that Danforth conceives, makes, develops or improves as a result of performing the Services, whether or not reduced to practice and whether or not patentable, alone or in conjunction with any other party and whether or not at the request or upon the suggestion of the Company (all of the foregoing being hereinafter collectively referred to as the "Inventions"), shall be the sole and exclusive property of the Company. Danforth hereby agrees in consideration of the Company's agreement to engage Danforth and pay compensation for the Services rendered to the Company and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged that Danforth shall not, without the prior written consent of the Company, directly or indirectly, consult for, or become an employee of, any company which conducts business in the Field of Interest anywhere in the world. As used herein, the term "Field of Interest" shall mean the research, development, manufacture and/or sale of the products resulting from the Company's technology or technology substantially similar to the Company's technology. The limitations on competition contained in this Section 9 shall continue during the time that Danforth performs any Services for the Company, and for a period of three (3) months following the termination of any such Services that Danforth performs for the Company. If any part of this section should be determined by a court of competent jurisdiction to be unreasonable in duration, geographic area, or scope, then this Section 9 is intended to and shall extend only for such period of time, in such area and with respect to such activity as is determined to be reasonable. Except as expressly provided herein, nothing in this Agreement shall preclude Danforth from consulting for or being employed by any other person or entity.
9. **Non Solicitation.** All personnel representing Danforth are contracted agents of Danforth. As such, they are obligated to provide the Services to the Company and are obligated to Danforth under confidentiality, non-compete, and non-solicitation agreements. Danforth shall ensure that all such personnel comply with all obligations imposed on Danforth under this Agreement, and any breach of any such obligations by any such personnel shall be deemed a breach by Danforth of its obligations under this Agreement, and Danforth shall be responsible and liable for any breach of any such obligations by any such personnel. Accordingly, they are not retainable as employees or contractors by the Company and the Company hereby agrees not to solicit, hire or retain their services for so long as they are contracted agents of Danforth and for two (2) years thereafter. Should the Company violate this restriction, it agrees to pay Danforth liquidated damages equal to thirty percent (30%) of the employee's starting annual base salary and target annual bonus for each Danforth contracted agent hired by the Company in violation of this Agreement, plus Danforth's reasonable attorneys' fees and costs incurred in enforcing this agreement should the Company fail or refuse to pay the liquidated damages amount in full within thirty (30) days following its violation.

10. Placement Services. In the event that Danforth refers a potential employee to the Company in response to a written request from the Company for such referral and that individual is hired, Danforth shall receive a fee equal to twenty percent (20%) of the employee's starting annual base salary and target annual bonus. This fee is due and owing whether an individual is hired, directly or indirectly on a permanent basis or on a contract or consulting basis by the Company, as a result of Danforth's efforts within one (1) year of the date such applicant is submitted by Danforth to the Company. Fifty percent (50%) of such payment is due within thirty (30) days of the employee's start date, and the other fifty percent (50%) of such payment is due six (6) months after the employee's start date, but only if such employee remains employed by the Company at that time.
11. No Implied Warranty. Except for any express warranties stated herein, the Services are provided on an "as is" basis, and the Company disclaims any and all other warranties, conditions, or representations (express, implied, oral or written), relating to the Services or any part thereof. Further, in performing the Services Danforth is not engaged to disclose illegal acts, including fraud or defalcations, which may have taken place. The foregoing notwithstanding, Danforth will promptly notify the Company if Danforth becomes aware of any such illegal acts during the performance of the Services. Because the Services do not constitute an examination in accordance with standards established by the American Institute of Certified Public Accountants (the "AICPA"), Danforth is precluded from expressing an opinion as to whether financial statements provided by the Company are in conformity with generally accepted accounting principles or any other standards or guidelines promulgated by the AICPA, or whether the underlying financial and other data provide a reasonable basis for the statements.
12. Indemnification. Each Party hereto agrees to indemnify and hold the other Party hereto, its directors, officers, agents and employees harmless against any claim based upon circumstances alleged to be inconsistent with such Party's representations and/or warranties contained in this Agreement. Further, the Company shall defend, indemnify and hold harmless Danforth and any of its subcontractors against any claims, losses, damages or liabilities (or actions in respect thereof) of any third parties against them to the extent that they arise directly out of or are directly based on the Services performed hereunder, except for any such claims, losses, damages, liabilities or actions arising out of any breach of this Agreement by, or any negligence, gross negligence or willful misconduct of, Danforth or any of its subcontractors. The Company will endeavor to add Consultant and any applicable subcontractor to its insurance policies as additional insureds.

The indemnifying party's obligations hereunder are conditioned on (a) the party seeking indemnification providing prompt written notice thereof and reasonable cooperation, information, and assistance in connection therewith and (b) it having sole control and authority to defend, settle or compromise such claim. The indemnifying party shall not be responsible for any settlement it does not approve in writing.

13. Independent Contractor. Danforth is not, nor shall Danforth be deemed to be at any time during the term of this Agreement, an employee of the Company, and therefore Danforth shall not be entitled to any benefits provided by the Company to its employees, if applicable. Danforth's status and relationship with the Company shall be that of an independent contractor and consultant. Danforth shall not state or imply, directly or indirectly, that Danforth is empowered to bind the Company without the Company's prior written consent. Nothing herein shall create, expressly or by implication, a partnership, joint venture or other association between the parties. Danforth will be solely responsible for payment of all charges and taxes arising from his or her relationship to the Company as a consultant.
14. Records. Upon termination of Danforth's relationship with the Company, Danforth shall deliver to the Company any property or Confidential Information of the Company relating to the Services which may be in its possession including products, project plans, materials, memoranda, notes, records, reports, laboratory notebooks, or other documents or photocopies and any such information stored using electronic medium.
15. Notices. Any notice under this Agreement shall be in writing (except in the case of verbal communications, emails and teleconferences updating either Party as to the status of work hereunder) and shall be deemed delivered upon personal delivery, one day after being sent via a reputable nationwide overnight courier service or two days after deposit in the mail or on the next business day following transmittal via facsimile. Notices under this Agreement shall be sent to the following representatives of the Parties:

If to the Company:

Name: Adam Gridley
Title: President and CEO
Address: 830 Winter Street, 3rd Floor
Waltham, Massachusetts 02451
Phone:
Facsimile:
E-mail:

If to Danforth:

Name: Gregg Beloff
Title: Managing Director
Address: 91 Middle Road
Southborough, MA 01772
Phone:
E-mail:

16. Assignment and Successors. This Agreement may not be assigned by a Party without the consent of the other which shall not be unreasonably withheld, except that each Party may assign this Agreement and the rights, obligations and interests of such Party, in whole or in part, to any of its Affiliates, to any purchaser of all or substantially all of its

assets or to any successor corporation resulting from any merger or consolidation of such Party with or into such corporation. This Agreement will be binding upon, and inure to the benefit of, the successors, representatives, and permitted assigns of the parties.

17. Force Majeure. Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of such Party. In the event of such force majeure, the Party affected thereby shall promptly notify the other Party and use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.
18. Headings. The Section headings are intended for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.
19. Integration; Severability. This Agreement is the sole agreement with respect to the subject matter hereof and shall supersede all other agreements and understandings between the Parties with respect to the same. If any provision of this Agreement is or becomes invalid or is ruled invalid by any court of competent jurisdiction or is deemed unenforceable, it is the intention of the Parties that the remainder of the Agreement shall not be affected.
20. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, excluding choice of law principles. The Parties agree that any action or proceeding arising out of or related in any way to this Agreement shall be brought solely in a Federal or State court of competent jurisdiction sitting in the Commonwealth of Massachusetts.
21. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one agreement.

If you are in agreement with the foregoing, please sign where indicated below, whereupon this Agreement shall become effective as of the Effective Date.

DANFORTH ADVISORS, LLC

HISTOGENICS CORPORATION

By: /s/ Gregg Beloff
Print Name: Gregg Beloff
Title: Managing Director
Date: December 21, 2018

By: /s/ Adam Gridley
Print Name: Adam Gridley
Title: President & CEO
Date: December 21, 2018

EXHIBIT A

Description of Services and Schedule of Fees

Danforth will perform mutually agreed to finance, accounting and other administrative functions which are necessary to support the achievement of the Company's strategic and financial objectives, and the management of the Company's business.

Services:

Danforth will provide the Company the following support as mutually agreed upon by the parties:

CFO Services:

- Participate in financing activities
- Ensure compliance with SEC filing and other regulatory requirements
- Support investor relations activities
- Oversee the finance and accounting functions
- Board, Audit, Compensation, and Corporate Governance committee meeting preparation, support and attendance
- Other CFO services, as needed/requested:
 - Strategic business planning
 - Finance support for operational planning
 - Supplier contract negotiation and cost reduction planning
 - Corporate and business development/licensing support
 - Financial modeling, planning and analysis
 - Strategic opportunity assessment
 - Stock option plan management
 - Capitalization table management

CFO services will be provided by Jonathan Lieber, Managing Director. Mr. Lieber's initial time commitment will be 20 hours per week, on average. The Parties recognize that the initial time commitment may need to change over time, and agree to discuss any changes in good faith.

Fees:

CFO: Jonathan Lieber \$350 per hour



**HISTOGENICS AND FDA CONCLUDE DISCUSSIONS REGARDING NEOCART®
PHASE 3 CLINICAL TRIAL DATA AND REGULATORY PATHWAY**

– Histogenics to Discontinue Development of NeoCart and Explore Strategic Alternatives –

WALTHAM, Mass., December 21, 2018 /GLOBE NEWSWIRE/ – Histogenics Corporation (Histogenics) (Nasdaq: HSGX), today provided an update on the NeoCart regulatory pathway based on discussions with the U.S. Food and Drug Administration (the FDA). Based on the feedback received from the FDA, while the NeoCart Phase 3 clinical trial resulted in certain compelling data, the FDA indicated that an additional clinical trial would need to be completed before it would accept a submission of a Biologics License Application (BLA) for NeoCart. The FDA indicated receptivity to novel clinical trial methodologies and regenerative medicine advanced therapy designations in order to support additional data for a future potential submission. However, considering the time and funding required to conduct such a trial, Histogenics expects to suspend the development of NeoCart and does not plan to submit a BLA at this time.

In connection with this outcome, Histogenics intends to implement a restructuring plan to reduce costs and has engaged Canaccord Genuity LLC to evaluate the full range of potential strategic alternatives to maximize value for stakeholders, which includes, but is not limited to, acquisitions, business combinations, joint ventures, public and private capital raises, recapitalization, and sale transaction options, including a sale of assets or intellectual property. Since these efforts may not be successful and in light of its limited cash reserves Histogenics is considering all possible alternatives, including restructuring activities, a wind-down of operations, or seek chapter 11 bankruptcy protection to complete or execute a restructuring transaction or liquidation.

Histogenics has also determined not to proceed at this time with its earlier plans to conduct a stockholder meeting to increase its authorized shares and a reverse split, for which it had filed a preliminary proxy statement with the Securities Exchange Commission (the SEC) on October 18, 2018.

About Histogenics Corporation

Histogenics (Nasdaq: HSGX) develops restorative cell therapies that may offer rapid-onset pain relief and restored function. Histogenics' technology platform has the potential to be used for a broad range of restorative cell therapy indications. For more information on Histogenics and NeoCart, please visit www.histogenics.com.

Forward-Looking Statements

Various statements in this release are “forward-looking statements” under the securities laws. Words such as, but not limited to, “anticipate,” “believe,” “can,” “could,” “expect,” “estimate,” “design,” “goal,” “intend,” “may,” “might,” “objective,” “plan,” “predict,” “project,” “target,” “likely,” “should,” “will,” and “would,” or the negative of these terms and similar expressions or words, identify forward-looking statements. Forward-looking statements are based upon current expectations that involve risks, changes in circumstances, assumptions and uncertainties.



Important factors that could cause actual results to differ materially from those reflected in Histogenics' forward-looking statements include, among others: statements regarding the future business operations of the Company; the prospect for the successful sale of the Company or of any of the Company's assets; the possibility of a liquidating distribution to Company stockholders; the ability of the Company to pay its creditors and successfully complete an orderly wind down; and other factors that are described in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Histogenics' Annual Report on Form 10-K for the year ended December 31, 2017 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, which are on file with the SEC and available on the SEC's website at www.sec.gov. In addition to the risks described above and in Histogenics' Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the SEC, other unknown or unpredictable factors also could affect Histogenics' results.

There can be no assurance that the actual results or developments anticipated by Histogenics will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Histogenics. Therefore, no assurance can be given that the outcomes stated in such forward-looking statements and estimates will be achieved.

All written and verbal forward-looking statements attributable to Histogenics or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to herein. Histogenics cautions investors not to rely too heavily on the forward-looking statements Histogenics makes or that are made on its behalf. The information in this release is provided only as of the date of this release, and Histogenics undertakes no obligation, and specifically declines any obligation, to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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InvestorRelations@histogenics.com