

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 001-36694

Protara Therapeutics, Inc.
(Exact name of registrant as specified in its charter)

Delaware

20-4580525

(State or other jurisdiction of
incorporation or organization)

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

345 Park Avenue South
3rd Floor

New York, NY

(Address of principal executive offices)

10010
(Zip Code)

(646) 844-0337

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	TARA	The Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 1, 2024 there were 20,629,772 shares of the registrant's common stock, par value \$0.001 per share, outstanding.

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CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements, which reflect our current views with respect to, among other things, our operations and financial performance. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q are forward-looking statements. In some cases, you can identify these forward-looking statements by terminology such as "believes," "expects," "potential," "continues," "may," "will," "should," "seek," "approximately," "predict," "intend," "plans," "estimates," "anticipates" or the negative version of these terms or other comparable terminology. These forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements.

These forward-looking statements include, but are not limited to, statements about:

- estimates regarding our financial performance, including future revenue, expenses and capital requirements;
- our expected cash position and ability to obtain financing in the future on satisfactory terms or at all;
- expectations regarding our plans to research, develop and commercialize our current and future product candidates, including TARA-002, and Intravenous, or IV, Choline Chloride;
- expectations regarding the safety and efficacy of our product candidates;
- expectations regarding the timing, costs and outcomes of our planned clinical trials;
- expectations regarding potential market size;
- expectations regarding the timing of the availability of data from our clinical trials;
- expectations regarding the clinical utility, potential benefits and market acceptance of our product candidates;
- expectations regarding our commercialization, marketing and manufacturing capabilities and strategy;
- the implementation of our business model, strategic plans for our business, product candidates and technology;
- expectations regarding our ability to identify additional products or product candidates with significant commercial potential;

- developments and projections relating to our competitors and industry;
- our ability to acquire, license and invest in businesses, technologies, product candidates and products;
- our ability to remain listed on the Nasdaq Capital Market, or Nasdaq;
- the impact of government laws and regulations;
- costs and outcomes relating to any disputes, governmental inquiries or investigations, regulatory proceedings, legal proceedings or litigation;
- our ability to attract and retain key personnel to manage our business effectively;
- our ability to prevent system failures, data breaches or violations of data protection laws;
- the timing or likelihood of regulatory filings and approvals;
- our ability to protect our intellectual property position; and
- the impact of general U.S., foreign and global economic, industry, market, regulatory, political or public health conditions.

All forward-looking statements in this Quarterly Report on Form 10-Q involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other

things, the risk factors set forth below in Part II, Item 1A, *Risk Factors*, and elsewhere in this Quarterly Report on Form 10-Q. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this Quarterly Report on Form 10-Q. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

This Quarterly Report on Form 10-Q also contains estimates, projections and other information concerning our industry, our business, and the markets for certain medical conditions, including data regarding the estimated size of those markets, and the incidence and prevalence of certain medical conditions. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

PROTARA THERAPEUTICS, INC. AND SUBSIDIARIES Unaudited Condensed Consolidated Balance Sheets (in thousands, except share and per share data)

	As of	
	June 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 89,581	\$ 39,586
Marketable debt securities	-	25,994
Prepaid expenses and other current assets	2,633	3,125
Total current assets	92,214	68,705
Restricted cash, non-current	745	745
Property and equipment, net	1,185	1,296
Operating lease right-of-use asset	4,768	5,264
Other assets	2,735	2,944
Total assets	<u><u>\$ 101,647</u></u>	<u><u>\$ 78,954</u></u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 1,385	\$ 2,434
Accrued expenses and other current liabilities	3,228	2,732
Operating lease liability	1,035	983
Total current liabilities	5,648	6,149
Operating lease liability, non-current	3,949	4,484
Total liabilities	<u><u>9,597</u></u>	<u><u>10,633</u></u>
Commitments and contingencies (Note 9)		
Stockholders' Equity:		
Preferred stock, \$0.001 par value, authorized 10,000,000 shares: Series 1 Convertible Preferred Stock, 8,028 shares authorized at June 30, 2024 and December 31, 2023, 7,991 shares issued and outstanding as of June 30, 2024 and December 31, 2023.	-	-
Common stock, \$0.001 par value, authorized 100,000,000 shares: Common stock, 20,629,772 and 11,364,903 shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively.	21	11
Additional paid-in capital	313,021	268,725
Accumulated deficit	(220,992)	(200,384)
Accumulated other comprehensive income (loss)	-	(31)
Total stockholders' equity	<u><u>92,050</u></u>	<u><u>68,321</u></u>
Total liabilities and stockholders' equity	<u><u>\$ 101,647</u></u>	<u><u>\$ 78,954</u></u>

The accompanying notes are an integral part of these unaudited condensed financial statements.

PROTARA THERAPEUTICS, INC. AND SUBSIDIARIES Unaudited Condensed Consolidated Statements of Operations and Comprehensive Loss (in thousands, except share and per share data)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Operating expenses:				
Research and development	\$ 6,387	\$ 7,247	\$ 14,135	\$ 12,390
General and administrative	4,274	4,893	8,377	9,482
Total operating expenses	<u><u>10,661</u></u>	<u><u>12,140</u></u>	<u><u>22,512</u></u>	<u><u>21,872</u></u>
Loss from operations	(10,661)	(12,140)	(22,512)	(21,872)
Other income (expense), net:				

Interest and investment income	1,148	846	1,904	1,533
Other income (expense), net	1,148	846	1,904	1,533
Net income (loss)	\$ (9,513)	\$ (11,294)	\$ (20,608)	\$ (20,339)
Net income (loss) per share attributable to common stockholders, basic and diluted	\$ (0.45)	\$ (1.00)	\$ (1.26)	\$ (1.80)
Weighted-average shares outstanding, basic and diluted	21,233,163	11,307,842	16,327,056	11,305,867
Other comprehensive income (loss):				
Net unrealized gain (loss) on marketable debt securities	1	133	31	352
Other comprehensive income (loss)	1	133	31	352
Comprehensive income (loss)	\$ (9,512)	\$ (11,161)	\$ (20,577)	\$ (19,987)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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PROTARA THERAPEUTICS, INC. AND SUBSIDIARIES
Unaudited Condensed Consolidated Statements of Changes in Stockholders' Equity
(in thousands, except share and per share data)

	Series 1 Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2022	8,027	\$ -	11,267,389	\$ 11	\$ 262,724	\$ (159,964)	\$ (688)	\$ 102,083
Issuance of common stock upon settlement of restricted stock units	-	-	39,364	-	(64)	-	-	(64)
Stock-based compensation - restricted stock units	-	-	-	-	314	-	-	314
Stock-based compensation - stock options	-	-	-	-	1,261	-	-	1,261
Unrealized gain (loss) on marketable debt securities	-	-	-	-	-	-	219	219
Net income (loss)	-	-	-	-	-	(9,045)	-	(9,045)
Balance at March 31, 2023	8,027	\$ -	11,306,753	\$ 11	\$ 264,235	\$ (169,009)	\$ (469)	\$ 94,768
Issuance of common stock upon settlement of restricted stock units	-	-	1,209	-	-	-	-	-
Stock-based compensation - restricted stock units	-	-	-	-	326	-	-	326
Stock-based compensation - stock options	-	-	-	-	1,292	-	-	1,292
Unrealized gain (loss) on marketable debt securities	-	-	-	-	-	-	133	133
Net income (loss)	-	-	-	-	-	(11,294)	-	(11,294)
Balance at June 30, 2023	8,027	\$ -	11,307,962	\$ 11	\$ 265,853	\$ (180,303)	\$ (336)	\$ 85,225
Balance at December 31, 2023	7,991	\$ -	11,364,903	\$ 11	\$ 268,725	\$ (200,384)	\$ (31)	\$ 68,321
Issuance of common stock upon settlement of restricted stock units	-	-	68,934	-	(76)	-	-	(76)
Stock-based compensation - restricted stock units	-	-	-	-	151	-	-	151
Stock-based compensation - stock options	-	-	-	-	1,075	-	-	1,075
Unrealized gain (loss) on marketable debt securities	-	-	-	-	-	-	30	30
Net income (loss)	-	-	-	-	-	(11,095)	-	(11,095)
Balance at March 31, 2024	7,991	\$ -	11,433,837	\$ 11	\$ 269,875	\$ (211,479)	\$ (1)	\$ 58,406
Issuance of common stock, pre-funded warrants and warrants from private placement, net of offering costs of \$3,034			9,143,380	10	41,954			41,964
Issuance of common stock upon settlement of restricted stock units	-	-	4,975	-	(7)	-	-	(7)
Issuance of common stock upon exercise of stock options	-	-	47,580	--	135	-	-	135
Stock-based compensation - restricted stock units	-	-	-	-	111	-	-	111

Stock-based compensation - stock options	953	953
Unrealized gain (loss) on marketable debt securities	1	1
Net income (loss)	(9,513)	(9,513)
Balance at June 30, 2024	7,991	\$ 20,629,772
		\$ 21
		\$ 313,021
		\$ (220,992)
		\$ 92,050

The accompanying notes are an integral part of these unaudited condensed financial statements.

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PROTARA THERAPEUTICS, INC. AND SUBSIDIARIES
Unaudited Condensed Consolidated Statements of Cash Flows
(in thousands)

	For the Six Months Ended June 30,	
	2024	2023
Cash flows used in operating activities:		
Net income (loss)	\$ (20,608)	\$ (20,339)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Stock-based compensation	2,290	3,193
Operating lease right-of-use asset	496	683
Depreciation	166	155
Amortization of premium (Accretion of discount) on marketable debt securities	(75)	(204)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	492	(2,044)
Other assets	209	(2,237)
Accounts payable	(1,049)	266
Accrued expenses and other current liabilities	496	(1,106)
Operating lease liabilities	(483)	(663)
Net cash provided by/(used in) operating activities	<u>(18,066)</u>	<u>(22,296)</u>
Cash flows from investing activities:		
Purchase of marketable debt securities	-	(12,186)
Proceeds from maturity and redemption of marketable debt securities	26,100	44,405
Purchase of property and equipment	(55)	(8)
Net cash provided by/(used in) investing activities	<u>26,045</u>	<u>32,211</u>
Cash flows from financing activities:		
Proceeds from private placement, net of offering costs of \$ 3,034	41,964	-
Proceeds from exercise of stock options	135	-
Taxes paid related to net share settlement of restricted stock units	(83)	(64)
Net cash provided by/(used in) financing activities	<u>42,016</u>	<u>(64)</u>
Net increase (decrease) in cash and cash equivalents and restricted cash	49,995	9,851
Cash and cash equivalents and restricted cash - beginning of year	40,331	24,872
Cash and cash equivalents and restricted cash - end of period	<u>\$ 90,326</u>	<u>\$ 34,723</u>
Reconciliation of cash and cash equivalents and restricted cash to the condensed consolidated balance sheets:		
Cash and cash equivalents	\$ 89,581	\$ 33,978
Restricted cash, non-current	745	745
Cash and cash equivalents and restricted cash	<u>\$ 90,326</u>	<u>\$ 34,723</u>

The accompanying notes are an integral part of these unaudited condensed financial statements.

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Protara Therapeutics, Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements
(amounts in thousands, except share and per share data)

1. Organization and Nature of the Business

Overview

Protara Therapeutics, Inc., and its consolidated subsidiaries ("Protara" or the "Company"), is a clinical-stage biopharmaceutical company committed to advancing transformative therapies for the treatment of cancer and rare diseases. Protara's portfolio includes two development programs utilizing TARA-002, an investigational cell therapy in development for the treatment of non-muscle invasive bladder cancer, or NMIBC, and lymphatic malformations, or LMs. Additionally, the Company's portfolio includes Intravenous, or IV, Choline Chloride, an investigational phospholipid substrate replacement therapy in development for patients receiving parenteral nutrition, or PN.

Liquidity and Capital Resources

The Company is in the business of developing biopharmaceuticals and has no current or near-term revenues. The Company has incurred substantial clinical and other costs in its drug development efforts. The Company will need to raise additional capital in order to fully realize management's plans.

The Company believes that its current financial resources are sufficient to satisfy the Company's estimated liquidity needs for at least twelve months from the date of issuance of these unaudited condensed consolidated financial statements.

2. Summary of Significant Accounting Policies

The Company's significant accounting policies are disclosed in the audited consolidated financial statements and the notes thereto in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the United States Securities and Exchange Commission, or SEC, on March 13, 2024. Except as reflected below, there were no changes to the Company's significant accounting policies as described in the Annual Report on Form 10-K. Reflected in this note are updates to accounting policies, including the impact of the adoption of new policies.

Basis of Presentation

The accompanying condensed consolidated financial statements and the related disclosures as of June 30, 2024 and for the three and six months ended June 30, 2024 and 2023 are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP, and the rules and regulations of the SEC for interim financial statements. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. These interim condensed consolidated financial statements should be read in conjunction with the 2023 and 2022 audited consolidated financial statements and notes included in the Annual Report on Form 10-K. The December 31, 2023 consolidated balance sheet included herein was derived from the audited financial statements as of that date but does not include all disclosures including notes required by GAAP for complete financial statements. In the opinion of management, the condensed consolidated financial statements reflect all adjustments, consisting of normal and recurring adjustments, necessary for the fair presentation of the Company's financial position and results of operations for the three and six months ended June 30, 2024 and 2023. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the year ending December 31, 2024 or any other interim period or future year or period.

Protara Therapeutics, Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements
(amounts in thousands, except share and per share data)

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in the accompanying condensed consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements. Significant items subject to such estimates include but are not limited to research and development accruals as well as contingencies.

On an ongoing basis, the Company's management evaluates its estimates based on historical and anticipated results, trends, and various other assumptions believed to be reasonable. Actual results could differ from those estimates. The results of any changes in accounting estimates are reflected in the financial statements of the period in which the change becomes evident.

Concentrations of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consists principally of cash and cash equivalents, restricted cash and investments in marketable debt securities.

The Company currently invests its excess cash primarily in money market funds and high quality investment grade marketable debt securities of corporations. The Company has adopted an investment policy that includes guidelines relative to credit quality, diversification and maturities to preserve principal and liquidity.

Net Income (Loss) Per Share Attributable to Common Stockholders

Basic net income (loss) per share is computed by dividing the net income (loss) attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net income (loss) per share is computed by dividing net income (loss) attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period plus, if dilutive, the common equivalent shares for the period from unvested restricted common stock, outstanding stock options, potential shares issuable under the 2024 ESPP, the conversion of preferred stock, and the exercise of Common Warrants issued in connection with the 2024 Private Placement, discussed further in Note 10. Stockholders' Equity.

Given the nominal exercise price associated with the Company's pre-funded warrants, or the Pre-Funded Warrants, issued in connection with the 2024 Private Placement (discussed further in Note 10. Stockholders' Equity) such Pre-Funded Warrants are included in the calculation of basic and diluted net income (loss) per share. The exercise price per warrant is deemed nonsubstantive when compared to the market value of the underlying common shares. The weighted average impact of the 1,700,000 unexercised Pre-Funded Warrants as of June 30, 2024 was included in the Company's calculation of basic and diluted loss per share.

Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in the Financial Accounting Standards Board, or the FASB, Accounting Standards Codification, or ASC, 480, *Distinguishing Liabilities from Equity*, or ASC 480, and ASC 815, *Derivatives and Hedging*, or ASC 815. The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own stock and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. Finally, the Company determines if the warrants meet the definition of a derivative based on their contractual terms. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of

additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance, and at each balance sheet date thereafter. Changes in the estimated fair value of liability-classified warrants are recognized as a non-cash gain or loss on the consolidated statements of operations. The Company also evaluates if changes in contractual terms or other considerations would result in the reclassification of outstanding warrants from liabilities to stockholders' equity (or vice versa).

The fair market value of the warrants may be estimated using a Black-Scholes option-pricing model or potentially more complex valuation models depending on the nature of the contractual terms.

Protara Therapeutics, Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements
(amounts in thousands, except share and per share data)

Recent Accounting Pronouncements Not Yet Adopted

In November 2023, the FASB issued ASU 2023-07 – Improvements to Reportable Segment Disclosures, which enhances the disclosures required for reportable segments in annual and interim consolidated financial statements, including additional, more detailed information about a reportable segment's expenses. The standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is available. The Company is still evaluating the full extent of the potential impact of the adoption of ASU 2023-07, but believes it will not have a material impact on its consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU 2023-09 – Improvements to Income Tax Disclosures, which enhances the transparency and decision usefulness of income tax disclosures. The standard is effective for public companies for annual periods beginning after December 15, 2024. Early adoption is available. The Company is still evaluating the full extent of the potential impact of the adoption of ASU 2023-09, but believes it will not have a material impact on its consolidated financial statements and disclosures.

Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that the financial statements were available to be issued. The Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements.

3. Fair Value of Financial Instruments

The Company measures certain financial assets and liabilities at fair value. Fair value is determined based upon the exit price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as determined by either the principal market or the most advantageous market.

Inputs used in the valuation techniques to derive fair values are classified based on a three-level hierarchy, as follows:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

The following tables present the Company's financial assets and liabilities that are measured and carried at fair value and indicate the level within the fair value hierarchy of valuation techniques it utilizes to determine such fair value:

	As of June 30, 2024			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds ^(a)	\$ 89,079	\$ -	\$ -	\$ 89,079
Restricted cash, non-current:				
Money market funds ^(b)	745	-	-	745
Total	<u>\$ 89,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,824</u>

Protara Therapeutics, Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements
(amounts in thousands, except share and per share data)

	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds ^(a)	\$ 39,031	\$ -	\$ -	\$ 39,031
Restricted cash, non-current:				
Money market funds ^(b)	745	-	-	745
Marketable debt securities:				
Corporate bonds ^(c)	-	23,495	-	23,495
Agency bonds ^(c)	-	2,499	-	2,499

Total	\$ 39,776	\$ 25,994	\$ -	\$ 65,770
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- (a) Money market funds and bonds with original maturities of 90 days or less are included within Cash and cash equivalents in the condensed consolidated balance sheets.
- (b) Restricted money market funds are included within Restricted cash, non-current in the condensed consolidated balance sheets.
- (c) Bonds with original maturities greater than 90 days are included within Marketable debt securities in the condensed consolidated balance sheets and classified as current or non-current based upon whether the maturity of the financial asset is less than or greater than 12 months.

Money market funds are classified as Level 1 within the fair value hierarchy, because they are valued using quoted prices in active markets. Corporate and agency bonds classified as Level 2 within the fair value hierarchy are valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services. Prices of these securities are obtained through independent, third-party pricing services and include market quotations that may include both observable and unobservable inputs. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments. There were no transfers of financial instruments among Level 1, Level 2, and Level 3 during the period presented.

Cash and cash equivalents, prepaid expenses and other current assets, accounts payable and accrued expenses and other current liabilities at June 30, 2024 and December 31, 2023 are carried at amounts that approximate fair value due to their short-term maturities.

4. Marketable Debt Securities

The Company did not hold any marketable debt securities as of June 30, 2024. Marketable debt securities, all of which were classified as available for sale as of December 31, 2023, consist of the following:

	As of December 31, 2023			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Corporate bonds - presented in marketable debt securities	\$ 23,525	\$ -	\$ (30)	\$ 23,495
Agency bonds - presented in marketable debt securities	2,500	-	(1)	2,499
Total	\$ 26,025	\$ -	\$ (31)	\$ 25,994

For the three and six months ended June 30, 2024 and 2023 there were no realized gains or losses. Gains, if any, would be included in investment income within the condensed consolidated statements of operations and comprehensive loss.

The Company has recorded the securities at fair value in its condensed consolidated balance sheets and unrealized gains and losses are reported as a component of accumulated other comprehensive income (loss). The amount of realized gains and losses reclassified into earnings are based on the specific identification of the securities sold or securities that reached maturity date. The amount of realized gains and losses reclassified into earnings have not been material to the Company's condensed consolidated statements of operations and comprehensive loss.

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At the time of purchase, the Company determines the appropriate classification of investments based upon its intent with regard to such investments. The Company classifies investments in marketable debt securities with remaining maturities when purchased of greater than three months as available-for-sale. Investments with a remaining maturity date greater than one year are classified as non-current. There were no sales of marketable debt securities in the periods presented.

Credit Losses

Securities with an amortized cost basis in excess of estimated fair value are assessed to determine what amount of the excess, if any, is caused by expected credit losses. For the period ended June 30, 2024, no securities were held and as such it was determined that there was no expected credit loss.

Marketable debt securities in a loss position consist of the following:

	As of December 31, 2023					
	In Continuous Loss Position Less Than 12 Months		In Continuous Loss Position Greater Than 12 Months		Total	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
Corporate bonds – presented in marketable debt securities	\$ 19,498	\$ (27)	\$ 3,997	\$ (3)	\$ 23,495	\$ (30)
Agency bonds – presented in marketable debt securities	2,499	(1)	-	-	2,499	(1)
Total	\$ 21,997	\$ (28)	\$ 3,997	\$ (3)	\$ 25,994	\$ (31)

Investment Income

Interest and investment income consist of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Interest income	\$ 1,130	\$ 710	\$ 1,809	\$ 1,315
Dividend income	11	4	20	4

Accretion of discount (Amortization of premium), net	7	132	75	214
Total interest and investment income	\$ 1,148	\$ 846	\$ 1,904	\$ 1,533

5. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

	As of	
	June 30, 2024	December 31, 2023
Prepaid research and development	\$ 1,574	\$ 1,957
Prepaid insurance	460	659
Prepaid retention bonuses	200	-
Prepaid software	122	67
Accrued interest on marketable debt securities	-	242
Other prepaid expenses	273	163
Other current assets	4	37
Total	\$ 2,633	\$ 3,125

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6. Other Assets

Other assets consist of the following:

	As of	
	June 30, 2024	December 31, 2023
Prepaid research and development, non-current	\$ 2,580	\$ 2,661
Prepaid insurance, non-current	136	272
Other non-current assets	19	11
Total	\$ 2,735	\$ 2,944

7. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:

	As of	
	June 30, 2024	December 31, 2023
Research and development costs	2,108	440
Employee costs	999	2,112
Other expenses	121	180
Total	\$ 3,228	\$ 2,732

8. Leases

Operating leases

Leases classified as operating leases are included in operating lease right-of use, or ROU, assets, operating lease liabilities and operating lease liabilities, non-current, in the Company's condensed consolidated balance sheets. Cash paid for operating lease liabilities was \$663 during each of the six months ended June 30, 2024 and 2023.

Lease expense consist of the following:

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Operating lease expense	\$ 338	\$ 342	\$ 676	\$ 683
Total	\$ 338	\$ 342	\$ 676	\$ 683

Variable lease expenses for the three and six months ended June 30, 2024 were \$ 26 and \$46, respectively. Variable lease expenses for the three and six months ended June 30, 2023 were not material.

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The weighted-average remaining lease term and the weighted average discount rate for operating leases were:

Weighted-average discount rate	7.0%
Weighted-average remaining lease term – operating lease (in months)	49

As of June 30, 2024, the expected annual minimum lease payments of the Company's operating lease liabilities were as follows:

	Operating Lease Payments
For Years Ending December 31,	
2024 (excluding the six months ended June 30, 2024)	\$ 663
2025	1,395
2026	1,429
2027	1,429
2028	718
Thereafter	87
Total operating lease payments	5,721
Less: imputed interest	(737)
Present value of future minimum lease payments	\$ 4,984

9. Commitments and Contingencies

Commitments

The Company has commitments under certain license and collaboration agreements, lease agreements, and employment agreements. Commitments under certain license agreements primarily include annual payments, payments upon the achievement of certain milestones, and royalty payments based on net sales of licensed products. Commitments under lease agreements consist of future minimum lease payments for operating leases which are further described in Note 8 of this Quarterly Report on Form 10-Q.

Contingencies

From time to time, the Company may be subject to various legal proceedings and claims that arise in the ordinary course of its business activities. Management is of the opinion that the ultimate outcome of these matters would not have a material adverse impact on the financial position of the Company or the results of its operations.

In the normal course of business, the Company enters into contracts in which it makes representations and warranties regarding the performance of its services and that its services will not infringe on third-party intellectual rights. There have been no significant events related to such representations and warranties in which the Company believes the outcome could result in losses or penalties in the future.

10. Stockholders' Equity

Common Stock

As of June 30, 2024 and December 31, 2023, the Company had 100,000,000 shares of common stock authorized for issuance, \$ 0.001 par value per share, of which 20,629,772 and 11,364,903 shares were issued and outstanding, respectively.

The holders of the Company's common stock are entitled to one vote per share.

Preferred Stock

As of June 30, 2024 and December 31, 2023, the Company had 10,000,000 shares of preferred stock authorized for issuance, \$ 0.001 par value per share, of which 8,028 shares of Series 1 Convertible Preferred Stock were authorized for issuance and 7,991 shares were issued and outstanding as of June 30, 2024 and December 31, 2023. Each share of Series 1 Convertible Preferred Stock is convertible into approximately 1,000 shares of common stock, at a conversion price initially equal to approximately \$7.01 per common share, subject to certain adjustments as described in the certificate of designation of preferences, rights and limitations of Series 1 Convertible Preferred Stock.

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During August 2023, approximately 36 shares of Series 1 Convertible Preferred Stock were converted into 35,823 shares of common stock.

The holders of Series 1 Convertible Preferred Stock are not entitled to vote.

April 2024 Equity Financing

On April 5, 2024, the Company entered into a subscription agreement with certain purchasers, or the Purchasers, pursuant to which the Company agreed to sell and issue to the Purchasers, in a private placement, or the 2024 Private Placement, an aggregate of 9,143,380 shares of the Company's common stock, or the Shares, and, for certain purchasers, pre-funded warrants, or the Pre-Funded Warrants, to purchase an aggregate of 1,700,000 shares of the Company's common stock. In each case, the Shares or Pre-Funded Warrants were issued with warrants, or the Common Warrants, to purchase an aggregate of up to 10,843,380 shares of the Company's common stock. Each Share, along with its attached Common Warrant, had a purchase price of \$4.15, and each Pre-Funded Warrant, along with its attached Common Warrant, had a purchase price of \$ 4.149. The closing date of the 2024 Private Placement was April 10, 2024. The 2024 Private Placement resulted in gross proceeds of approximately \$44,998 and net proceeds of approximately \$42,964, reflecting approximately \$3,034 of placement agent's fees, legal costs and other expenses connected with the transaction.

The Pre-Funded Warrants are exercisable at any time after April 10, 2024, at an exercise price of \$ 0.001 per share. The Common Warrants are exercisable on or prior to the earlier of (i) April 10, 2027 and (ii) 90 days after the public announcement that the Company has demonstrated a six-month complete response rate of minimum 42% from at least 25 *Bacillus Calmette-Guérin (BCG)-Unresponsive* patients in the ADVANCED-2 (Cohort B) clinical trial, at an exercise price of \$5.25 per share.

The Pre-Funded Warrants and the Common Warrants are exercisable so long as the aggregate number of shares of the Company's common stock beneficially owned by the holder (together with its affiliates) would not exceed 4.99% of the number of shares of the Company's common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of such Pre-Funded Warrant or Common Warrant, as applicable. Such percentage may be increased or decreased to any number not in excess of 19.99% at the holder's election upon notice to the Company, any such increase not to take effect until the sixty-first day after notice to the Company.

Both the Pre-Funded Warrants and the Common Warrants contain standard adjustments to the exercise price, inclusive of stock splits, stock dividends and pro rata distributions and contain customary terms regarding the treatment of such Pre-Funded Warrants or Common Warrants in the event of a fundamental transaction, which include but are not limited to a merger or consolidation involving the Company, a sale of all or substantially all of the assets of the Company or a business combination resulting in any person acquiring more than 50% of the outstanding shares of Common Stock of the Company.

The Company concluded that the Pre-Funded Warrants and Common Warrants met the requirements to be classified in stockholders' equity.

The fair market value of the Pre-Funded Warrants has been estimated as the difference between the share price of our stock on the agreement date and the exercise price of the Pre-Funded Warrant.

The fair market value of the Common Warrants at their issuance has been estimated using the Black-Scholes option-pricing model. The assumed dividend yield is based upon the Company's expectation of not paying dividends in the foreseeable future. Expected volatility for the Company's common stock is determined based on the historical volatility of the Company over the full term of the warrant. The risk-free interest rate is based upon the U.S. Treasury yield curve commensurate with the expected term at the time of grant. The expected term of the Common Warrants was calculated utilizing the three-year expiration date, taking into consideration the possibility of an accelerated expiration date pursuant to the terms of the Common Warrants.

The estimated fair market values of the Shares, Pre-Funded Warrants and Common Warrants have been recorded in additional paid in capital. As of June 30, 2024 no warrant has expired or has been exercised.

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11. Stock-Based Compensation

2020 Inducement Plan

On March 26, 2020, the Compensation Committee of the Board of Directors, or the Compensation Committee, approved the 2020 Inducement Plan in order to award nonstatutory stock options, restricted stock awards, restricted stock unit awards and other stock-based awards to persons not previously an employee or director of the Company, or following a bona fide period of non-employment, as an inducement material to such persons entering into employment with the Company.

The total number of shares authorized under the 2020 Inducement Plan is 600,000 for the issuance of the Company's common stock. The Compensation Committee also adopted a form of stock option grant notice and stock option agreement and forms of restricted stock unit grant notice and restricted stock unit agreement for use with the Inducement Plan.

As of June 30, 2024, there were 526,597 shares of common stock subject to outstanding awards and 73,403 shares of common stock available for future issuance under the 2020 Inducement Plan.

2017 Equity Incentive Plan

On August 10, 2017, Private ArTara (a predecessor entity of the Company), its Board of Directors and its stockholders approved the ArTara Therapeutics, Inc. 2017 Equity Incentive Plan to enable Private ArTara and its affiliates to recruit and retain highly qualified personnel and to incentivize personnel for productivity and growth.

The total number of shares authorized under the 2017 Equity Incentive Plan was 2,000,000 for the issuance of stock options, stock appreciation rights, restricted stock and restricted stock units to among others, members of the Board of Directors, employees, consultants and service providers to the Company and its affiliates. As of January 9, 2020, no additional awards will be made under the 2017 Equity Incentive Plan.

2014 Equity Incentive Plan

On October 3, 2014, the stockholders approved the 2014 Equity Incentive Plan. On June 20, 2017, the Company's Board of Directors amended the 2014 Equity Incentive Plan, or the Amended and Restated 2014 Plan. On July 31, 2017, the stockholders approved this amendment. On January 1, 2020, Protara Therapeutics, Inc. amended its Amended and Restated 2014 Equity Incentive Plan.

The Amended and Restated 2014 Plan, as amended, provides for the grant of incentive and non-statutory stock options, stock appreciation rights, restricted stock and stock unit awards, performance units, stock grants and qualified performance-based awards. The Amended and Restated 2014 Plan, as amended, provides that the number of shares reserved and available for issuance will automatically increase each January 1, by four percent of the Company's common stock on the immediately preceding December 31, adjusted for the number of shares of the Company's common stock issuable upon conversion of any security that the Company may issue that is convertible into or exchangeable for the Company's common stock, or such lesser number of shares as determined by the Company's Board of Directors. Terms of the stock awards, including vesting requirements, are determined by the Board of Directors, subject to the provisions of the plans. Certain awards provide for accelerated vesting if there is a change in control as defined in the plan.

On January 1, 2024, pursuant to the annual evergreen feature of the Amended and Restated 2014 Plan, as amended, the number of shares authorized under the Amended and Restated 2014 Plan, as amended, was increased by 911,380 shares to 4,474,683 shares. As of June 30, 2024, there were 3,776,050 shares of common stock subject to outstanding awards. Following the approval of the Company's 2024 Equity Incentive Plan, or 2024 EIP, by the stockholders of the Company on June 7, 2024, no additional awards will be made under the 2014 Equity Incentive Plan.

2024 Equity Incentive Plan

On June 7, 2024, the stockholders approved the 2024 EIP. The 2024 EIP provides for the grant of 1,500,000 shares of common stock for stock options, stock appreciation rights, restricted stock, restricted stock units, performance units, performance shares and other stock and cash awards.

Terms of the stock awards, including vesting requirements, are determined by the Board of Directors, subject to the provisions of the plan.

As of June 30, 2024, there were 0 shares of common stock subject to outstanding awards and 1,500,000 shares of common stock available for future issuance under the 2024 EIP.

2024 Employee Stock Purchase Plan

On June 7, 2024, the stockholders of the Company approved the 2024 Employee Stock Purchase Plan, or 2024 ESPP. The number of shares authorized under the 2024 ESPP is 1,000,000.

As of June 30, 2024, the number of shares available for issuance was 1,000,000. During the three and six months ended June 30, 2024, no shares were issued under the 2024 ESPP.

Restricted Stock Units

The following table summarizes restricted stock unit, or RSU, activities for the six months ended June 30, 2024:

	Restricted Stock Units	Weighted Average Grant Date Fair Value
Non-vested as of December 31, 2023	236,679	\$ 7.07
Granted	210,700	1.91
Forfeited	(39,886)	2.89
Vested	(111,579)	10.45
Non-vested as of June 30, 2024	295,914	\$ 2.69

The fair value of RSUs is amortized on a straight-line basis over the requisite service period of the respective awards. As of June 30, 2024, the unamortized value of RSUs was \$594. As of June 30, 2024, the weighted average remaining amortization period was 2.09 years. As of June 30, 2024 and December 31, 2023, 289,500 RSUs have vested that have not yet been settled into shares of the Company's common stock.

During the six months ended June 30, 2024, the Company issued 73,909 shares of the Company's common stock from the net settlement of 111,579 RSUs. The Company paid \$83 in connection with the net share settlement of these RSUs.

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Stock Options

The following table summarizes stock option activities for the six months ended June 30, 2024:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (1)
Outstanding as of December 31, 2023	2,900,205	\$ 9.50	8.03	\$ 20
Granted	1,301,700	1.99	-	-
Exercised	(47,580)	2.83	-	23
Forfeited	(302,137)	3.14	-	-
Expired	(627)	3.20	-	-
Outstanding as of June 30, 2024	3,851,561	\$ 7.54	7.95	\$ 167
Vested and expected to vest at June 30, 2024	3,851,561	\$ 7.54	7.95	\$ 167
Exercisable as of June 30, 2024	1,769,285	12.63	6.70	-

(1) Aggregate intrinsic value represents the difference between the exercise price of the option and the closing market price of our common stock on December 31, 2023 and June 30, 2024, respectively. The intrinsic value of options exercised during the six months ended June 30, 2024 was \$23 and 47,580 options were exercised.

The weighted average grant date fair value per share of the options granted during the six months ended June 30, 2024 and 2023 was \$ 1.58 and \$2.40 respectively. As of June 30, 2024, there was approximately \$ 4,980 of unrecognized share-based compensation for unvested stock option grants, which is expected to be recognized over a weighted average period of 2.72 years. The total unrecognized stock-based compensation cost will be adjusted for actual forfeitures as they occur.

Summary of Stock-Based Compensation Expense

The following tables summarize total stock-based compensation costs recognized:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Restricted stock units	\$ 111	\$ 326	\$ 262	\$ 640
Stock options	953	1,292	2,028	2,553
Total	\$ 1,064	\$ 1,618	\$ 2,290	\$ 3,193

Stock-based compensation expense was reflected within the condensed consolidated statements of operations and comprehensive loss as:

	For the Three Months ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Research and development	\$ 237	\$ 414	\$ 611	\$ 814
General and administrative	827	1,204	1,679	2,379
Total	\$ 1,064	\$ 1,618	\$ 2,290	\$ 3,193

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12. Net Income (Loss) per Common Share

The following table sets forth the computation of the net income (loss) per share attributable to common stockholders, basic and diluted:

	For the Three Months ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator				
Net income (loss) attributable to common stockholders	\$ (9,513)	\$ (11,294)	\$ (20,608)	\$ (20,339)
Denominator				
Weighted-average shares of common stock outstanding, basic and diluted	21,233,163	11,307,842	16,327,056	11,305,867
Net income (loss) per share attributable to common stockholders, basic and diluted	\$ (0.45)	\$ (1.00)	\$ (1.26)	\$ (1.80)

The Pre-Funded Warrants for the purchase of 1,700,000 shares of common stock with an exercise price of \$ 0.001 per share have been included in the computation of the net loss per share attributable to common stockholders – basic and diluted, as the exercise price was deemed non-substantive.

Since the Company was in a net loss position for all periods presented, net income (loss) per share attributable to common stockholders was the same, on a basic and diluted basis, as the inclusion of all potential common equivalent shares outstanding would have been anti-dilutive. The Company excluded the following potential shares of common stock, presented based on amounts outstanding at each period end, from the computation of diluted net income (loss) per share attributable to common stockholders for the periods indicated because including them would have had an anti-dilutive effect:

	As of June 30,	
	2024	2023
Stock options issued and outstanding	3,851,561	3,074,128
Restricted stock units issued and outstanding	585,414	584,852
Series 1 Convertible Preferred Stock issued and outstanding	7,993,217	8,029,039
Common Warrants, issued and outstanding	10,843,380	-
Total potentially dilutive shares	23,273,572	11,688,019

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with the unaudited condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q.

Our actual results and timing of certain events may differ materially from the results discussed, projected, anticipated, or indicated in any forward-looking statements. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Quarterly Report on Form 10-Q. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Quarterly Report on Form 10-Q, they may not be predictive of results or developments in future periods.

We are a New York City based clinical-stage biopharmaceutical company committed to advancing transformative therapies for the treatment of cancer and rare diseases. We were founded on the principle of applying modern scientific, regulatory or manufacturing advancements to established mechanisms in order to create new development opportunities. We prioritize creativity, diverse perspectives, integrity and tenacity to expedite our goal of bringing life-changing therapies to people with limited treatment options.

Our portfolio includes two development programs utilizing TARA-002, an investigational cell therapy based on the broad immunopotentiator, OK-432, which was originally granted marketing approval by the Japanese Ministry of Health and Welfare as an immunopotentiating cancer therapeutic agent. This cell therapy is currently approved in Japan and Taiwan for lymphatic malformations, or LMs, and multiple oncologic indications. We have secured worldwide rights to the asset excluding Japan and Taiwan and are exploring its use in oncology and rare disease indications. TARA-002 was developed from the same master cell bank of genetically distinct group A Streptococcus pyogenes as OK-432 (marketed as Picibanil® in Japan and Taiwan by Chugai Pharmaceutical Co., Ltd., or Chugai Pharmaceutical). We are currently developing TARA-002 in non-muscle invasive bladder cancer, or NMIBC, and in LMs.

Our lead oncology program is TARA-002 in NMIBC, which is cancer found in the tissue that lines the inner surface of the bladder that has not spread into the bladder muscle. Bladder cancer is the sixth most common cancer in the United States, with NMIBC representing approximately 80% of bladder cancer diagnoses. Approximately 65,000 patients are diagnosed with NMIBC in the United States each year. Very few new therapeutics have been approved for NMIBC since the 1990s and the current standard of care for NMIBC includes intravesical Bacillus Calmette-Guérin, or BCG. The mechanism of action of TARA-002 is similar in some ways to that of BCG. TARA-002 and BCG are both intravesically administered, elicit a Th1 type immune response and produce a generally similar array of locally activated cytokines and immune cells.

We are conducting a Phase 1 open-label clinical trial to evaluate TARA-002 in treatment-naïve and treatment-experienced NMIBC patients with carcinoma in situ, or CIS, and high-grade papillary tumors, or Ta, known as the ADVANCED-1 trial. In the initial dose escalation phase of the trial, patients received six weekly intravesical doses of TARA-002, evaluating the 10KE, 20KE and 40KE doses (Klinische Einheit, or KE, is a German term indicating a specified weight of dried cells in vial). The primary objective of the trial is to evaluate the safety, tolerability and preliminary signs of anti-tumor activity of TARA-002, with the goal of establishing a recommended Phase 2 dose. In April 2023, we announced positive preliminary data from the Phase 1a dose escalation component of the ongoing ADVANCED-1 trial through the 40KE dose, in which TARA-002 indicated favorable tolerability and anti-tumor activity in NMIBC patients. A maximum tolerated dose was not determined, and dose escalation at the 80KE dose remains ongoing in an exploratory cohort.

Preliminary data from the ADVANCED-1 trial suggested that intravesical TARA-002 was generally well tolerated at the three dose levels evaluated in the initial phase of the trial (10KE, 20KE, and 40KE), and no dose limiting toxicities were observed. The Company has selected the 40KE dose for use in subsequent clinical trials. The majority of reported adverse events were Grades 1 and 2 across all dose levels, and treatment emergent adverse events, or TEAEs, as assessed by study investigators, were in line with typical responses to bacterial immunopotentiation and included fatigue, headache, fever and chills. The most common urinary symptoms were urinary urgency, urinary frequency, urinary tract pain/burning, incomplete emptying, and bladder spasm. Most bladder irritations resolved soon after administration, or in a few hours to a few days. A total of nine patients were enrolled in the dose escalation portion of the study through the 40KE dose. Of those, three patients with CIS, one of whom was a heavily pre-treated BCG-unresponsive patient, achieved a complete response, or CR, at the 20KE dose, and tumor regression was observed in the other two patients. Results from six patients with high-grade, non-invasive papillary, or HGta, tumors showed five of six patients with high-grade recurrence free survival, or HGRFS, at week 12. The patient who did not achieve HGRFS was dosed at 10KE, the lowest dose of TARA-002 offered in the trial.

The ongoing open-label expansion trial, or ADVANCED-1EXP, is evaluating intravesical TARA-002 at the 40KE dose in up to 12 CIS patients, including BCG-naïve, BCG-unresponsive, and BCG-inadequately treated patients. In April 2024, we announced positive data from three-month evaluable NMIBC patients with CIS pooled across our clinical studies, including ADVANCED-1 Phase 1a, ADVANCED-1 EXP Phase 1b and ADVANCED-2 Phase 2 trials of TARA-002 in patients with high-risk NMIBC, including BCG-Unresponsive, BCG-Experienced and BCG-Naïve patients. The overall three-month CR rate prior to reinduction for the 16 evaluable patients was 38%, with a CR rate of 63% in CIS-only patients and 13% in patients with CIS +Ta/T1 (T1 is defined as carcinoma invading the lamina propria). A 43% CR rate was observed in BCG-Unresponsive/Experienced patients. TARA-002 demonstrated a favorable safety and tolerability profile. The majority of reported adverse events were Grades 1 and 2 across all dose levels, and there were no Grade 3 or higher TEAEs. TEAEs as assessed by study investigators, were in line with typical responses to bacterial immunopotentiation, and included fatigue, headache, fever, and chills. The most common urinary symptoms were urinary urgency, urinary frequency, urinary tract pain/burning, incomplete emptying, and bladder spasm. Most bladder irritations resolved in a few hours to a few days. Additional details regarding the data, which support the potential for TARA-002 in treating high risk patients can be found in the following table:

	Three Month Evaluable Patients		
	# Patients	# of CRs	CR %
BCG-Unresponsive/ Experienced			
CIS-only	6	3	50%
CIS +Ta/T1	1	-	-%
	7	3	43%
BCG-Naïve			
CIS-only	2	2	100%
CIS +Ta/T1	7	1	14%
	9	3	33%
	16	6	38%
By Stage of Disease at Baseline			
CIS-only	8	5	63%
CIS +Ta/T1	8	1	13%
	16	6	38%
By Study			
Phase 1a	3	1	33%
Phase 1b-EXP	8	3	38%
Phase 2 Naïve	5	2	40%
	16	6	38%

We expect to share preliminary results from a pre-planned risk-benefit analysis of the ongoing Phase 2 open-label ADVANCED-2 trial in the fourth quarter of 2024. The analysis is expected to include approximately 10 patients who are six-month evaluable. The ongoing ADVANCED-2 trial is assessing intravesical TARA-002 in NMIBC patients with CIS (\pm Ta/T1) who are BCG-Naïve (n=27) and BCG-Unresponsive (n=100). The BCG-Unresponsive cohort has been designed to be registration aligned with the United States Food and Drug Administration's, or FDA's, 2018 BCG-Unresponsive Non-muscle Invasive Bladder Cancer: Developing Drugs and Biologics for Treatment Guidance for Industry. Trial subjects will receive an induction course of six weekly intravesical instillations, and following mandatory biopsy at three months, will either receive a reinduction course of six weekly intravesical instillations of TARA-002, or the first maintenance course of three weekly installations every three months, for an additional 12 months.

In addition to the ADVANCED-2 trial, we will continue to explore higher dosing at an 80KE dose and systemic priming prior to initiation of intravesical administration, in each case to assess the anti-tumor activity of TARA-002. We continue to believe that combination therapy may play a meaningful role in the NMIBC treatment paradigm and intend to prioritize trials assessing TARA-002 in combination with other therapies. Given TARA-002's mechanism of action and safety profile, we believe it has strong potential as a combination agent and we continue to evaluate the best potential combination therapy options for our clinical program.

In addition, we continue to conduct non-clinical studies on TARA-002 to better characterize the mechanism of action to help us understand how TARA-002 may perform in potential combinations with other agents used to treat NMIBC. We use non-clinical data to help us define other cancer targets for TARA-002, both within urothelial cancer and other types of cancer affecting different parts of the body.

We are also pursuing intravenous, or IV, Choline Chloride, an investigational phospholipid substrate replacement therapy, for patients receiving parenteral nutrition, or PN. Choline is a known important substrate for phospholipids that are critical for healthy liver function and also plays an important role in modulating gene expression, cell membrane signaling, brain development and neurotransmission, muscle function, and bone health. PN patients are unable to synthesize choline from enteral nutrition sources, and there are currently no available PN formulations containing choline. Approximately 80 percent of PN-dependent patients are choline-deficient and have some degree of liver damage, which can lead to hepatic failure. There are currently no available PN formulations containing choline. In the U.S. alone, there are approximately 40,000 patients on long-term PN who would benefit from an IV formulation of choline. IV Choline Chloride has the potential to become the first FDA approved IV choline formulation for PN patients.

Choline is recommended for patients on PN by the American Society for Parenteral and Enteral Nutrition, or ASPEN, in their Recommendations for Changes in Commercially Available Parenteral Multivitamin and Multi-Trace Element Products, as well as by the European Society for Clinical Nutrition and Metabolism, or ESPEN, in their Guideline on Home Parenteral Nutrition. IV Choline Chloride has been granted Orphan Drug Designation by the FDA for the prevention of choline deficiency in PN patients. We have been issued a U.S. patent by the U.S. Patent and Trademark Office claiming a choline composition with a term expiring in 2041.

In April 2024, we announced alignment with the FDA on a registration path forward for IV Choline Chloride in patients dependent on PN. Previously, we had been pursuing an indication in intestinal failure-associated liver disease, or IFALD, and following feedback from the FDA, are pursuing a broader indication in patients on PN who are or may become unable to synthesize choline from oral or enteral nutrition sources. Feedback from the FDA on our IV Choline Chloride program indicated that a single study with an endpoint of restoring choline levels in PN patients could serve as the basis for a regulatory filing for IV Choline Chloride. We plan to advance the development of IV Choline Chloride as a source of choline for adult and adolescent patients on long-term PN and intend to initiate a registration Phase 3 trial in the first quarter of 2025.

We are also pursuing TARA-002 in LMs, which are rare, non-malignant cysts of the lymphatic vascular system that primarily form in the head and neck region of children before the age of two. In July 2020, the FDA granted Rare Pediatric Disease designation for TARA-002 for the treatment of LMs and in May 2022 the European Medicines Agency granted orphan drug designation to TARA-002 for the treatment of LMs. In addition to the clinical experience in Japan, we have secured the rights to a dataset from one of the largest ever conducted Phase 2 trials in LMs, in which OK-432 was administered via a compassionate use program led by the University of Iowa to over 500 pediatric and adult patients. We have an investigational new drug application for LMs with the Vaccines and Related Products Division of the FDA, or Vaccines Division.

In October 2023, we initiated STARBORN-1, which is a Phase 2 single-arm, open-label, prospective clinical trial to evaluate the safety and efficacy of intracystic injection of TARA-002 for the treatment of macrocystic and mixed-cystic LMs (\geq 50% macrocystic disease) in participants six months to less than 18 years of age. Including an age de-escalation safety lead-in, the trial will enroll approximately 30 patients who will receive up to four injections of TARA-002 spaced approximately six weeks apart.

The primary endpoint of the trial is the proportion of participants with macrocystic LMs and mixed-cystic LMs who demonstrated clinical success, defined as having either a complete response (90% to 100% reduction from baseline in total LM volume) or substantial response (60% to less than 90% reduction in total LM volume) as measured by axial imaging. We have completed enrollment in the first 3-patient safety cohort and plan to begin enrolling the second safety cohort shortly.

We believe TARA-002 may also have the potential to be used to treat other maxillofacial cysts based on the historical literature from the TARA-002 predecessor, OK-432, as well as recent data in one pediatric patient with a maxillofacial cyst called a Ranula, which resolved nearly 100% after a single 1KE dose of TARA-002. While completing STARBORN-1 in LMs is our priority, we believe there may be an opportunity in the future to explore the potential of TARA-002 to treat different types of maxillofacial cysts.

We have devoted substantial efforts to the development of these programs and do not have any approved products and have not generated any revenue from product sales. Neither TARA-002 nor IV Choline Chloride have been approved for use for any indications. We do not expect to generate revenues in the near-term, and it is possible we may never generate revenues in the future. To finance our current strategic plans, including the conduct of ongoing and future clinical trials and further research and development costs, we will need to raise additional capital. See “—Liquidity and Capital Resources” for additional information about our liquidity and capital resource needs.

Since inception, we have incurred significant operating losses. As of June 30, 2024, we had an accumulated deficit of approximately \$221.0 million. We expect to continue to incur significant and increasing expenses and operating losses for at least the next few years as we continue our development of, and seek marketing approvals for, our product candidates, prepare for and begin the commercialization of any approved products, and add infrastructure and personnel to support our product development efforts and operations as a public company in the United States.

As a clinical-stage company, our expenses and results of operations are likely to fluctuate significantly from quarter-to-quarter and year-to-year. We believe that our period-to-period comparisons of our results of operations should not be relied upon as indicative of our future performance.

As of June 30, 2024, we had approximately \$89.6 million in cash, cash equivalents, and marketable debt securities. On April 10, 2024, we completed a private placement, or the 2024 Private Placement, pursuant to which we sold 9,143,380 shares of our common stock, or the Shares, and, for certain purchasers, pre-funded warrants, or the Pre-Funded Warrants, to purchase an aggregate of 1,700,000 shares of our common stock. In each case, the

Shares and Pre-Funded Warrants were accompanied by common warrants, or the Common Warrants, to purchase an aggregate of up to 10,843,380 shares of common stock at a price of \$5.25. Each Share, along with its attached Common Warrant, has a purchase price of \$4.15, and each Pre-Funded Warrant, along with its attached Common Warrant, has a purchase price of \$4.149. We received gross proceeds of approximately \$45.0 million and net proceeds of approximately \$42.0 million, reflecting approximately \$3.0 million of placement agent's fees, legal costs and other expenses in connection with the transaction.

Financial Overview

Research and Development

Research and development expenses consist primarily of costs incurred for the development of TARA-002 and IV Choline Chloride, which include personnel-related expenses, including salaries, benefits, travel and stock-based compensation expense, expenses incurred under agreements with clinical research organizations, or CROs, contract development and manufacturing organizations, or CDMOs, the cost of acquiring, developing and manufacturing clinical trial materials, clinical and non-clinical related costs, costs associated with regulatory operations and facilities, depreciation and other expenses, which include expenses for rent and maintenance of facilities and other supplies.

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General and Administrative

General and administrative expenses consist principally of personnel-related expenses, including salaries, benefits, travel and stock-based compensation expense, in executive and other administrative functions. Other general and administrative expenses also include professional fees for legal, intellectual property matters, consulting and accounting services, facility related costs, as well as expenses related to audit, legal, regulatory and tax-related services associated with maintaining compliance with our Nasdaq listing and SEC requirements, director and officer liability insurance premiums and investor relations costs associated with being a public company.

Other Income (Expense), net

Interest and investment income consists of interest and dividend income on our cash, cash equivalents and marketable debt securities and amortization of premiums and/or accretion of discounts.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial position and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience and other market-specific or other relevant assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from those estimates or assumptions.

Our critical accounting policy is the accounting for accrued research and development expenses. We record accruals for estimated costs of research, preclinical, clinical and manufacturing development within accrued expenses which are significant components of research and development expenses. A substantial portion of our ongoing research and development activities are conducted by third-party service providers. We accrue costs incurred under these third-party arrangements based on estimates of actual work completed in accordance with the respective agreements. We determine the estimated costs to accrue through discussions with internal personnel and our external service providers as to the percentage of completion of the services and the agreed-upon fees to be paid for such services. Payments made to third parties under these arrangements in advance of performance of the related services are recorded as prepaid expenses until the services are rendered.

It is important that the discussion of our operating results that follow be read in conjunction with these critical accounting policies which have been disclosed in our Annual Report on Form 10-K filed with the SEC on March 13, 2024.

Results of Operations

Comparison of the Three Months Ended June 30, 2024 and 2023

The following table summarizes our results of operations for the three months ended June 30, 2024 and 2023 (in thousands):

	For The Three Months Ended June 30,		Period-to- Period Change
	2024	2023	
Operating expenses:			
Research and development	\$ 6,387	\$ 7,247	\$ (860)
General and administrative	4,274	4,893	(619)
Total operating expenses	10,661	12,140	(1,479)
Loss from operations	(10,661)	(12,140)	1,479
Other income (expense), net:			
Interest and investment income	1,148	846	302
Other income (expense), net	1,148	846	302
Net income (loss)	\$ (9,513)	\$ (11,294)	\$ 1,781

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Research and development expenses. During the three months ended June 30, 2024, our research and development expenses were approximately \$6.4 million, which represented a decrease of approximately \$0.9 million as compared to the three months ended June 30, 2023. This decrease was primarily due to an \$0.8 million decrease in expenses related to TARA-002, inclusive of \$0.6 million in non-clinical activities and \$0.2 million in clinical trial activities.

General and administrative expenses. During the three months ended June 30, 2024, our general and administrative expenses were approximately

\$4.3 million, which represented a decrease of approximately \$0.6 million as compared to the three months ended June 30, 2023. This decrease was primarily due to a reduction of \$0.4 million in personnel-related expenses associated with stock-based compensation as well as a decrease in market development activities of \$0.4 million offset slightly by an increase in legal activities of \$0.1 million.

Other income (expense), net. During the three months ended June 30, 2024, our other income (expense), net was approximately \$1.1 million, which represented an increase of approximately \$0.3 million as compared to the three months ended June 30, 2023, due primarily to higher market interest rates obtained from money market funds on a higher invested balance.

Comparison of the Six Months Ended June 30, 2024 and 2023

The following table summarizes our results of operations for the six months ended June 30, 2024 and 2023 (in thousands):

	For The Six Months Ended June 30,		Period-to-Period Change
	2024	2023	
Operating expenses:			
Research and development	\$ 14,135	\$ 12,390	\$ 1,745
General and administrative	8,377	9,482	(1,105)
Total operating expenses	22,512	21,872	640
Loss from operations	(22,512)	(21,872)	(640)
Other income (expense), net:			
Interest and investment income	1,904	1,533	371
Other income (expense), net	1,904	1,533	371
Net income (loss)	\$ (20,608)	\$ (20,339)	\$ (269)

Research and development expenses. During the six months ended June 30, 2024, our research and development expenses were approximately \$14.1 million, which represented an increase of approximately \$1.7 million as compared to the six months ended June 30, 2023. This increase was primarily due to an increase in personnel-related expenses of \$1.1 million and an \$0.8 million increase in costs associated to the TARA-002 program, consisting of a \$1.7 million increase in clinical trial activities offset by a \$1.0 million reduction in non-clinical activities. This was partially offset by a reduction in expenses of \$0.2 million in clinical trial activities associated with IV Choline due to the completion of the prevalence study.

General and administrative expenses. During the six months ended June 30, 2024, our general and administrative expenses were approximately \$8.4 million, which represented a decrease of approximately \$1.1 million as compared to the six months ended June 30, 2023. This decrease was primarily due to a reduction of \$0.9 million in personnel-related expenses (inclusive of \$0.7 million of stock-based compensation).

Other income (expense), net. During the six months ended June 30, 2024, our other income (expense), net was approximately \$1.9 million, which represented an increase of approximately \$0.4 million as compared to the six months ended June 30, 2023, due primarily to higher market interest rates obtained from money market funds on a higher invested balance.

Liquidity and Capital Resources

Overview

As of June 30, 2024 and December 31, 2023, our cash, cash equivalents, and marketable debt securities were \$89.6 million and \$65.6 million, respectively. We have not generated revenues since our inception and have incurred net losses of \$20.6 million and \$20.3 million for the six months ended June 30, 2024 and 2023, respectively, and \$9.5 million and \$11.3 million for the three months ended June 30, 2024 and 2023 respectively. As of June 30, 2024, we had working capital of \$86.6 million and stockholder's equity of \$92.0 million. During the six months ended June 30, 2024, net cash flows used in operating activities were \$18.1 million, consisting primarily of a net loss of \$20.6 million including non-cash expenses of \$2.9 million, as well as working capital adjustments of \$0.3 million. Since inception, we have met our liquidity requirements principally through the sale of our common stock and preferred stock in private placements. More recently, on April 10, 2024, we completed our 2024 Private Placement, pursuant to which we sold 9,143,380 Shares, and, for certain purchasers, Pre-Funded Warrants to purchase an aggregate of 1,700,000 shares of common stock. In each case, the shares and Pre-Funded Warrants were accompanied by Common Warrants to purchase an aggregate of up to 10,843,380 shares of common stock at a price of \$5.25. We received total net proceeds of approximately \$42.0 million after deducting placement agent fees and offering expenses.

We are in the business of developing biopharmaceuticals and have no current or near-term revenues. We have incurred substantial clinical and other costs in our drug development efforts. We will need to raise additional capital in order to fully realize management's plans.

We believe that our current financial resources, as of the date of the issuance of our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q, are sufficient to satisfy our estimated liquidity needs for at least twelve months from the date of filing this quarterly report on Form 10-Q.

As a result of volatility in the capital markets, economic conditions, general global economic uncertainty, political change, global pandemics, and other factors, we do not know whether additional capital will be available when needed, or that, if available, we will be able to obtain additional capital on reasonable terms. If we are unable to raise additional capital due to the volatile global financial markets, general economic uncertainty or other factors, we may need to curtail planned development activities. Specifically, higher, and potentially increasing interest rates could impact our access to capital, and could in the future negatively affect our liquidity. A recession or market correction, continued supply chain disruptions and/or inflation could materially affect our business and the value of our common stock. Further, recent rises in interest rates have had, and may continue to have, a negative effect on market prices for common stock of public companies, especially those in the pharmaceutical industry and those that have no current or near-term revenue.

Cash Flows

The following table summarizes our sources and uses of cash for the six months ended June 30, 2024 and 2023 (in thousands):

	For The Six Months Ended June 30,		Period-to-Period Change
	2024	2023	

Net cash provided by (used in) operating activities	\$ (18,066)	\$ (22,296)	\$ 4,230
Net cash provided by (used in) investing activities	26,045	32,211	(6,166)
Net cash provided by (used in) financing activities	42,016	(64)	42,080
Net increase (decrease) in cash and cash equivalents, and restricted cash	<u>\$ 49,995</u>	<u>\$ 9,851</u>	<u>\$ 40,144</u>

Comparison of the Six Months Ended June 30, 2024 and 2023

Net cash used in operating activities was \$18.1 million for the six months ended June 30, 2024 compared to \$22.3 million for the six months ended June 30, 2023. The decrease of \$4.2 million in cash used in operating activities was primarily driven by a \$5.4 million decrease in working capital adjustments, primarily related to changes in prepaid expenses and other current assets, and accrued expenses resulting from the timing of payments to our service providers offset partially by an increase in net loss of \$0.3 million which includes a \$1.0 million decrease in non-cash items including stock-based compensation, operating lease right-of-use asset, depreciation, and amortization of premium on marketable debt securities.

Net cash provided by investing activities was \$26.0 million for the six months ended June 30, 2024 compared to \$32.2 million for the six months ended June 30, 2023. The decrease of \$6.2 million resulted primarily from the maturation of marketable debt securities, the proceeds of which went into money market funds.

Net cash provided by/(used in) financing activities was approximately \$42.0 million and \$0.1 million for the six months ended June 30, 2024 and 2023, respectively. The increase of \$40.1 million resulted primarily from the net proceeds of the 2024 Private Placement transaction, which took place in April 2024.

Contractual and Other Obligations

Operating lease obligations

Our operating lease obligations primarily consist of lease payments on our corporate headquarters in New York, New York, as well as lease payments for our development laboratory, a manufacturing facility and an additional manufacturing space, all located in North America which are described in further detail in Note 8 of our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Other obligations

From time to time, we enter into certain types of contracts that contingently require us to indemnify parties against third-party claims, supply agreements, and agreements with directors and officers. The terms of such obligations vary by contract and in most instances a maximum dollar amount is not explicitly stated therein. Generally, amounts under these contracts cannot be reasonably estimated until a specific claim is asserted, thus no liabilities have been recorded for these obligations on our condensed consolidated balance sheet for the periods presented.

We enter into contracts in the normal course of business with CROs, CDMOs, and clinical sites for the conduct of clinical trials, non-clinical research studies, professional consultants for expert advice and other vendors for clinical supply manufacturing or other services. These contracts generally provide for termination on notice, and therefore are cancelable contracts.

Certain of these agreements require us to pay milestones to such third parties upon achievement of certain development, regulatory or commercial milestones as further described in Note 9 of our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q. Amounts related to contingent milestone payments are not considered contractual obligations as they are contingent on the successful achievement of certain development, regulatory approval and commercial milestones, which may not be achieved.

We also have obligations to make future payments to third parties that become due and payable on the achievement of certain milestones, including future payments to third parties with whom we have entered into research, development and commercialization agreements. We have not included these commitments on our condensed consolidated balance sheet for the periods presented because the achievement and timing of these milestones is not fixed and determinable.

Off-Balance Sheet Arrangements

We did not have, during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under the applicable regulations of the SEC.

Item 3. Qualitative and Quantitative Disclosures about Market Risk

Not applicable.

Item 4. Controls and Procedures

Management's Evaluation of our Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, or Exchange Act, that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (2) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As of June 30, 2024, our management, with the participation of our principal executive and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our principal executive and principal financial officer have concluded based upon the evaluation described above that, as of June 30, 2024, our disclosure controls and procedures

were effective at the reasonable assurance level.

We continue to review and document our disclosure controls and procedures, including our internal controls and procedures for financial reporting, and may from time to time make changes aimed at enhancing their effectiveness and to ensure that our systems evolve with our business.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2024, as such term is defined in Rules 13a-15(f) and 15(d)-15(f) promulgated under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may be subject to various legal proceedings and claims that arise in the ordinary course of our business activities. We are not currently a party to any legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors

There were no material changes to the risk factors previously disclosed in "Part II, Item 1A—Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 13, 2024 and "Part II, Item 1A—Risk Factors" of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, filed with the SEC on May 2, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On April 5, 2024, the Company entered into a subscription agreement with certain purchasers, or the Purchasers, pursuant to which the Company agreed to sell and issue to the Purchasers, in a private placement, or the 2024 Private Placement, an aggregate of 9,143,380 shares of the Company's common stock, or the Shares, held by certain selling stockholders, and, for certain purchasers, pre-funded warrants, or the Pre-Funded Warrants, to purchase an aggregate of 1,700,000 shares of the Company's common stock. In each case, the Shares or Pre-Funded Warrants were issued with warrants or the Common Warrants, to purchase an aggregate of up to 10,843,380 shares of the Company's common stock. Each Share, along with its attached Common Warrant, has a purchase price of \$4.15, and each Pre-Funded Warrant, along with its attached Common Warrant, has a purchase price of \$4.149. The closing date of the 2024 Private Placement was April 10, 2024. The 2024 Private Placement resulted in gross proceeds of approximately \$45.0 million and net proceeds of approximately \$42.0 million, reflecting approximately \$3.0 million of placement agent's fees, legal costs and other expenses connected with the transaction. The Company intends to use the net proceeds from the 2024 Private Placement for general corporate and working capital purposes, including funding clinical trials. General corporate and working capital purposes may include clinical study expenditures such as the addition of an 80 KE (Klinische Einheit, or KE, is a German term indicating a specified weight of dried cells in vial) dose cohort and a systemic priming cohort to the ongoing ADVANCED-2 Phase 2 clinical trial of the Company's product candidate intravesical TARA-002 in patients with high-risk Non-Muscle Invasive Bladder Cancer ("NMIBC"), manufacturing expenditures, commercialization expenditures and capital expenditures. Guggenheim Securities, LLC acted as lead placement agent and Oppenheimer & Co. acted as a placement agent in the transaction. The securities sold in the 2024 Private Placement were issued in reliance upon the exemption from registration pursuant to Section 4(a)(2) of the Securities Act of 1933.

The Pre-Funded Warrants are exercisable at any time after April 10, 2024, at an exercise price of \$0.001 per share. The Common Warrants are exercisable at any time after April 10, 2024 and on or prior to the earlier of (i) April 10, 2027 and (ii) 90 days after the public announcement that the Company has demonstrated a six-month complete response rate of minimum 42% from at least 25 Bacillus Calmette-Guérin (BCG)-Unresponsive patients in the ADVANCED-2 (Cohort B) clinical trial, at an exercise price of \$5.25 per share.

The Pre-Funded Warrants and the Common Warrants are exercisable so long as the aggregate number of shares of the Company's common stock beneficially owned by the holder (together with its affiliates) would not exceed 4.99% of the number of shares of the Company's common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of such Pre-Funded Warrant or Common Warrant, as applicable. Such percentage may be increased or decreased to any number not in excess of 19.99% at the holder's election upon notice to the Company, any such increase not to take effect until the sixty-first day after notice to the Company.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

During the three months ended June 30, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index, which Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

Exhibit No.	Description
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3.1	Sixth Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 27, 2014).
3.2	Certificate of Amendment to the Sixth Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on January 10, 2020).
3.3	Second Certificate of Amendment to the Sixth Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.3 to the Registrant's Quarterly Report on Form 10-Q, filed with the SEC on May 13, 2020).
3.4	Certificate of Designation of Preferences, Rights and Limitations of Series 1 Convertible Non-Voting Preferred Stock (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on January 10, 2020).
3.5	Certificate of Amendment to the Certificate of Designation of Preferences, Rights and Limitations of Series 1 Convertible Non-Voting Preferred Stock (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on September 23, 2020).
3.6	Composite Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.6 to the Registrant's Annual Report on Form 10-K, filed with the SEC on March 8, 2023).
3.7	Second Amended and Restated By-laws of the Registrant (incorporated by reference to Exhibit 3.2 of Current Report on Form 8-K, filed with the SEC on August 3, 2017).
4.1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on January 10, 2020).
4.2	Registration Rights Agreement, dated as of September 23, 2019, by and among the Registrant and the institutional investors named therein (incorporated by reference to Exhibit 10.5 to the Registrant's Current Report on Form 8-K, filed with the SEC on September 24, 2019).
10.1	Subscription Agreement, dated April 5, 2024 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 5, 2024).
10.2	Form of Pre-Funded Common Stock Purchase Warrant (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 5, 2024).
10.3	Form of Common Stock Purchase Warrant (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 5, 2024).
10.4	Registration Rights Agreement, dated April 5, 2024 (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 5, 2024).
31.1*	Certification of Principal Executive Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.

31.2*	Certification of Principal Financial Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1**	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1*†	2024 Equity Incentive Plan of the Registrant
99.2*†	2024 Employee Stock Purchase Plan of the Registrant
99.3*†	Forms of Stock Option Agreement, Stock Option Grant Notice, Restricted Stock Unit Agreement and Restricted Stock Unit Grant Notice under the 2024 Equity Incentive Plan of the Registrant
101.INS*	Interactive Data Files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language ("Inline XBRL")
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Exhibits filed herewith.

** Exhibits furnished herewith.

† Indicates management contract or compensatory plan or arrangement.

SIGNATURES

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

PROTARA THERAPEUTICS, INC.

Date: August 6, 2024

By: /s/ Jesse Shefferman
Jesse Shefferman
Chief Executive Officer
(*Principal Executive Officer*)

Date: August 6, 2024

By: /s/ Patrick Fabbio
Patrick Fabbio
Chief Financial Officer
(*Principal Financial Officer*)

**CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14(a) and 15d-14(a)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jesse Shefferman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2024 of Protara Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

/s/ Jesse Shefferman
Jesse Shefferman
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14(a) and 15d-14(a)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Patrick Fabbio, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2024 of Protara Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

/s/ Patrick Fabbio

Patrick Fabbio
Chief Financial Officer
(*Principal Financial Officer*)

**CERTIFICATION PURSUANT TO SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Protara Therapeutics, Inc. (the "Corporation") on Form 10-Q for the fiscal quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jesse Shefferman, as Chief Executive Officer of the Corporation, and I, Patrick Fabbio, as Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: August 6, 2024

By: /s/ Jesse Shefferman
Jesse Shefferman
Chief Executive Officer
(*Principal Executive Officer*)

Date: August 6, 2024

By: /s/ Patrick Fabbio
Patrick Fabbio
Chief Financial Officer
(*Principal Financial Officer*)

A signed original of this written statement required by Section 906 has been provided to the Corporation and will be retained by the Corporation and furnished to the Securities and Exchange Commission or its staff upon request. This certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of Section 18 of the Exchange Act. Such certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Corporation specifically incorporates it by reference.

PROTARA THERAPEUTICS, INC.
2024 EQUITY INCENTIVE PLAN

1. Purpose

This Plan is intended to provide incentives that will attract, retain and motivate highly competent officers, directors, employees, consultants and advisors to promote the success of the Company's business and align employees' interests with stockholders' interests. The Plan is intended to be an incentive stock option plan within the meaning of Section 422 of the Code, but not all Awards are required to be Incentive Options.

2. Definitions

As used in this Plan, the following terms shall have the respective meanings set out below, unless the context clearly requires otherwise:

2.1 Accelerate, Accelerated, and Acceleration, means: (a) when used with respect to an Option or Stock Appreciation Right, that as of the time of reference such Option or Stock Appreciation Right will become exercisable with respect to some or all of the shares of Stock for which it was not then otherwise exercisable by its terms; (b) when used with respect to Restricted Stock or Restricted Stock Units, that the Risk of Forfeiture otherwise applicable to such Restricted Stock or Restricted Stock Units shall expire with respect to some or all of such shares of Restricted Stock or such Restricted Stock Units then still otherwise subject to the Risk of Forfeiture; and (c) when used with respect to Performance Units, that the applicable Performance Goals or other business objectives shall be deemed to have been met as to some or all of such Performance Units.

2.2 Affiliate means any corporation, partnership, limited liability company, business trust, or other entity controlling, controlled by or under common control with the Company.

2.3 Award means any grant or sale pursuant to the Plan of Options, Stock Appreciation Rights, Performance Units, Restricted Stock, Restricted Stock Units, Other Stock-Based or Cash-Based Awards, Stock Grants or any of the foregoing intended to constitute Performance-Based Awards.

2.4 Award Agreement means an agreement between the Company and the recipient of an Award, or other notice of grant of an Award, setting forth the terms and conditions of the Award.

2.5 Board means the Company's Board of Directors.

2.6 Cause shall have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events:

(a) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof, or

(b) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company, or

(c) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company, or

(d) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or

(e) such Participant's gross misconduct.

2.7 Change of Control means the occurrence of any of the following after the date of the approval of the Plan by the Board:

(a) the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company that requires the approval of the Company's stockholders (a "Business Combination"), unless, with respect to each of the foregoing events, securities possessing more than 50% of the total combined voting power of the survivor's or acquiror's outstanding securities (or the securities of any parent thereof) are held by a person or persons who held securities possessing more than 50% of the total combined voting power of the Company's outstanding securities immediately prior to the Business Combination, or

(b) any person or group of persons (within the meaning of Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) that, directly or indirectly, acquires, including but not limited to by means of a Business Combination, beneficial ownership (determined pursuant to Securities and Exchange Commission Rule 13d-3 promulgated under the Exchange Act) of securities possessing more than 50% of the total combined voting power of the Company's outstanding securities unless pursuant to a tender or exchange offer made directly to the Company's stockholders that the Board recommends such stockholders accept, other than (i) the Company or any of its Affiliates, (ii) an employee benefit plan of the Company or any of its Affiliates, (iii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, or (iv) an underwriter temporarily holding securities pursuant to an offering of such securities, or

(c) over a period of thirty-six (36) consecutive months or less, there is a change in the composition of the Board such that a majority of the Board members (rounded up to the next whole number, if a fraction) ceases, by reason of one or more proxy contests for the election of Board members, to be composed of individuals who either (i) have been Board members continuously since the beginning of that period, or (ii) have been elected or nominated for election as Board members during such period by at least a majority of the Board members described in the preceding clause (i) who were still in office at the time that election or nomination was approved by the Board;

(d) the consummation of a sale of all or substantially all of the Company's assets (other than to an affiliate of the Company); or

(e) the Company's stockholders approve a plan of complete liquidation or dissolution of the Company.

2.8 Code means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute thereto, and any regulations issued from time to time thereunder.

2.9 *Committee* means the Compensation Committee of the Board, which in general is responsible for the administration of the Plan, as provided in Section 5 of this Plan. For any period during which no such committee is in existence "Committee" shall mean the Board and all authority and responsibility assigned to the Committee under the Plan shall be exercised, if at all, by the Board.

2.10 *Company* means Protara Therapeutics, Inc., a corporation organized under the laws of the State of Delaware.

2.11 *Convertible Security* means any security that the Company may issue that is convertible into or exchangeable for Stock, including, but not limited to, preferred stock or warrants.

2.12 *Exchange Act* means the Securities Exchange Act of 1934, as amended and in effect from time to time.

2.13 *Effective Date* means the date on which the Plan is approved by the stockholders of the Company.

2.14 *Forfeiture, forfeit*, and derivations thereof, when used in respect of Restricted Stock purchased by a Participant, includes the Company's repurchase of such Restricted Stock at less than its then Market Value as a means intended to effect a forfeiture of value.

2.15 *Good Reason* shall have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events in the absence of the Participant's written consent:

(a) any material and adverse change in the Participant's position or authority with the Company as in effect immediately before a Change of Control, other than an isolated and insubstantial action not taken in bad faith and which is remedied by the Company within 30 days after receipt of notice thereof given by the Participant, or

(b) the transfer of the Participant's primary work site to a new primary work site that is more than 50 miles from the Participant's primary work site in effect immediately before a Change of Control; or

(c) a diminution of the Participant's base salary in effect immediately before a Change of Control by more than 10%, unless such diminution applies to all similarly situated employees.

If the Participant does not deliver to the Company a written notice of termination within 60 days after the Participant has knowledge that an event constituting Good Reason has occurred, the event will no longer constitute Good Reason. In addition, the Participant must give the Company 30 days to cure the event constituting Good Reason.

2.16 *Grant Date* means the date as of which an Option is granted, as determined under Section 7.1(a).

2.17 *Incentive Option* means an Option which by its terms is to be treated as an "incentive stock option" within the meaning of Section 422 of the Code.

2.18 *Market Value* means the value of a share of Stock on a particular date determined by such methods or procedures as may be established by the Committee. Unless otherwise determined by the Committee, the Market Value of Stock as of any date is the closing price for the Stock as reported on The NASDAQ Global Market (or on any other national securities exchange on which the Stock is then listed) for that date or, if no closing price is reported for that date, the closing price on the first following date for which a closing price is reported.

2.19 *Nonstatutory Option* means any Option that is not an Incentive Option.

2.20 *Option* means an option to purchase shares of Stock.

2.21 *Optionee* means an eligible individual to whom an Option shall have been granted under the Plan.

2.22 *Participant* means any holder of an outstanding Award under the Plan.

2.23 *Performance-Based Awards* means Awards granted to a Participant under Section 7.7, to receive cash, Stock or other Awards, the payment of which is contingent on achieving Performance Goals or other business objectives established by the Committee.

2.24 *Performance Criteria* and *Performance Goals* have the meanings given such terms in Section 7.7(f).

2.25 *Performance Period* means the one or more periods of time, which may be of varying and overlapping durations, selected by the Committee, over which the attainment of one or more Performance Goals or other business objectives will be measured for purposes of determining a Participant's right to, and the payment of, an Award.

2.26 *Performance Unit* means a right granted to a Participant under Section 7.5, to receive cash, Stock or other Awards, the payment of which is contingent on achieving Performance Goals or other business objectives established by the Committee.

2.27 *Plan* means this 2024 Equity Incentive Plan of the Company, as amended from time to time, and including any attachments or addenda hereto.

2.28 *Restricted Stock* means a grant or sale of shares of Stock to a Participant subject to a Risk of Forfeiture.

2.29 *Restricted Stock Units* means rights to receive shares of Stock on or after the close of a Restriction Period, subject to a Risk of Forfeiture.

2.30 *Restriction Period* means the period of time, established by the Committee in connection with an Award of Restricted Stock or Restricted Stock Units, during which the shares of Restricted Stock or Restricted Stock Units are subject to a Risk of Forfeiture described in the applicable Award

Agreement.

2.31 *Risk of Forfeiture* means a limitation on the right of the Participant to retain Restricted Stock or Restricted Stock Units, including a right of the Company to reacquire shares of Restricted Stock at less than their then Market Value, arising because of the occurrence or non-occurrence of specified events or conditions.

2.32 *Stock* means common stock, par value \$0.001 per share, of the Company, and such other securities as may be substituted for such common stock pursuant to Section 8.

2.33 *Stock Appreciation Right* means a right to receive any excess in the Market Value of shares of Stock (except as otherwise provided in Section 7.2(c)) over a specified exercise price.

2.34 *Stock Grant* means the grant of shares of Stock not subject to restrictions or other forfeiture conditions.

2.35. *Ten Percent Owner* means a person who owns, or is deemed within the meaning of Section 422(b)(6) of the Code to own, stock possessing more than 10% of the total combined voting power of all classes of stock of the Company (or any parent or subsidiary corporations of the Company, as defined in Sections 424(e) and (f), respectively, of the Code). Whether a person is a Ten Percent Owner shall be determined with respect to an Option based on the facts existing immediately prior to the Grant Date of the Option.

3. Term of the Plan

Unless the Plan shall have been earlier terminated by the Board, Awards may be granted under this Plan at any time in the period commencing on the date of approval of the Plan by the Board and ending immediately prior to the tenth anniversary of the Effective Date. Awards granted pursuant to the Plan within that period shall not expire solely by reason of the termination of the Plan.

4. Stock Subject to the Plan

4.1 Plan Share Limitations.

(a) *Limitation.* At no time shall the number of shares of Stock issued pursuant to or subject to outstanding Awards granted under the Plan (including pursuant to Incentive Options), nor the number of shares of Stock issued pursuant to Incentive Options, exceed 1,500,000 shares of Stock. Shares of Stock subject to awards that are assumed, converted or substituted under the Plan as a result of the Company's acquisition of another company (including by way of merger, combination or similar transaction) will not count against the number of shares that may be granted under the Plan.

(b) *Application.* For purposes of applying the foregoing limitation of Section 4.1(a), if any Option or Stock Appreciation Right expires, terminates, or is cancelled for any reason without having been exercised in full, if any other Award is forfeited, or if the Award is settled for cash (in whole or in part) the shares of Stock not purchased by the holder, which are forfeited or which are settled in cash, as the case may be, shall again be available for Awards to be granted under the Plan. Shares of Stock issued pursuant to the Plan may be either authorized but unissued shares or shares held by the Company in its treasury.

4.2 *Adjustment of Limitations.* Each of the share limitations of this Section 4 shall be subject to adjustment pursuant to Section 8 of the Plan.

5. Administration

5.1 *Administration of the Plan.* The Plan shall be administered by the Committee; *provided, however,* that at any time and on any one or more occasions the Board may itself exercise any of the powers and responsibilities assigned the Committee under the Plan and when so acting shall have the benefit of all of the provisions of the Plan pertaining to the Committee's exercise of its authorities hereunder; and *provided further, however,* that the Committee may delegate to an executive officer or officers the authority to grant Awards hereunder to employees who are not officers, and to consultants, up to such maximum number and in accordance with such other guidelines as the Committee shall specify by resolution at any time or from time to time. Any such delegation may not include the authority to grant Restricted Stock, unless the delegate is a committee of the Board, including a committee consisting solely of an executive officer who is a Board member.

5.2 *Powers of the Committee.* Subject to the provisions of the Plan, the Committee shall have complete authority, in its discretion, to make or to select the manner of making all determinations with respect to each Award to be granted by the Company under the Plan including the officer, employee, consultant, advisor or director to receive the Award and the form of Award. In making such determinations, the Committee may take into account the nature of the services rendered by the respective officers, employees, consultants, advisors and directors, their present and potential contributions to the success of the Company and its Affiliates, and such other factors as the Committee in its discretion shall deem relevant. Subject to the provisions of the Plan, the Committee shall also have, in its sole and absolute discretion, complete authority to construe and interpret the Plan, to determine disputed facts related thereto, to prescribe, amend and rescind rules and regulations relating to it, to determine the terms and provisions of the respective Award Agreements (which need not be identical), and to make all other determinations necessary or advisable for the administration of the Plan; *provided, however,* that, with respect to all claims or disputes arising out of any determination of the Committee that materially adversely affects a Participant's Award, (i) the affected Participant shall file a written claim with the Committee for review, explaining the reasons for such claim, and (ii) the Committee's decision must be written and must explain the decision. The Committee may delegate (either generally or specifically) the powers, authorities and dispositions conferred on it under this Section 5 as it deems appropriate in its sole discretion in accordance with applicable law.

5.3 *Effect of the Committee's Decisions.* The Committee's determinations made in good faith on matters referred to in the Plan shall be entitled to the maximum deference permitted by law and will be final, binding and conclusive on all participants, beneficiaries, heirs, assigns or other persons having or claiming any interest under the Plan or an Award made pursuant hereto.

6. Authorization of Grants

6.1 *Eligibility.* The Committee may grant from time to time and at any time prior to the termination of the Plan one or more Awards, either alone or in combination with any other Awards, to any officer or employee of or consultant or advisor to one or more of the Company and its Affiliates or to any non-employee member of the Board or of any board of directors (or similar governing authority) of any Affiliate; *provided, however,* that no non-employee member of the Board may be granted (in any calendar year) compensation with a value in excess of \$750,000 (or \$1,000,000 solely with respect to the calendar year in which any member is first appointed or elected to the Board) with the value of any Awards based on the accounting grant date value of such Award. However, only employees of the Company, and of any parent or subsidiary corporations of the Company, as defined in Sections 424(e) and (f), respectively, of the Code, shall be eligible for the grant of an Incentive Option.

6.2 General Terms of Awards. Each grant of an Award shall be subject to all applicable terms and conditions of the Plan (including but not limited to any specific terms and conditions applicable to that type of Award set out in the following Section), and such other terms and conditions, not inconsistent with the terms of the Plan, as the Committee may prescribe. No prospective Participant shall have any rights with respect to an Award, unless and until such Participant shall have complied with the applicable terms and conditions of such Award (including if applicable delivering a fully executed copy of any agreement evidencing an Award to the Company).

6.3 Minimum Vesting. All Awards shall be subject a minimum vesting schedule of at least twelve (12) months following the date of grant of the Award, *provided, however,* that vesting may accelerate in connection with death, disability, a change of control, retirement, or other involuntary termination. Notwithstanding the foregoing, up to 5% of the Shares available for grant under the Plan may be granted with a minimum vesting schedule that is shorter than that mandated in this Section 6.3.

6.4 Effect of Termination of Employment, Etc. Unless the Committee shall provide otherwise with respect to any Award (including, but not limited to, in a Participant's Award Agreement), if the Participant's employment or other association with the Company and its Affiliates ends for any reason, including because of the Participant's employer ceasing to be an Affiliate, (a) any outstanding Option or Stock Appreciation Right of the Participant shall cease to be exercisable in any respect not later than ninety (90) days following that event and, for the period it remains exercisable following that event, shall be exercisable only to the extent exercisable at the date of that event, and (b) any other outstanding Award of the Participant to the extent that it is then still subject to Risk of Forfeiture shall be forfeited or otherwise subject to return to or repurchase by the Company on the terms specified in the applicable Award Agreement. Cessation of the performance of services in one capacity, for example, as an employee, shall not result in termination of an Award while the Participant continues to perform services in another capacity, for example as a director. Military or sick leave or other bona fide leave shall not be deemed a termination of employment or other association, *provided, however,* that it does not exceed the longer of ninety (90) days or the period during which the absent Participant's reemployment rights, if any, are guaranteed by statute or by contract. To the extent consistent with applicable law, the Committee may provide that Awards continue to vest for some or all of the period of any such leave, or that their vesting shall be tolled during any such leave and only recommence upon the Participant's return from leave, if ever.

6.5 Non-Transferability of Awards. Except as otherwise provided in this Section 6.5, Awards shall not be transferable, and no Award or interest therein may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. The provisions of the immediately preceding sentence shall not be applicable to Stock Grants which shall not be subject to any transfer restrictions under this Section 6.5. All of a Participant's rights in any Award may be exercised during the life of the Participant only by the Participant or the Participant's legal representative. However, the Committee may, at or after the grant of an Award of a Nonstatutory Option, or shares of Restricted Stock, provide that such Award may be transferred by the recipient to a family member; *provided, however,* that any such transfer is without payment of any consideration whatsoever and that no transfer shall be valid unless first approved by the Committee, acting in its sole discretion. For this purpose, "family member" means any child, stepchild, grandchild, parent, grandparent, stepparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the employee's household (other than a tenant or employee), a trust in which the foregoing persons have more than fifty (50) percent of the beneficial interests, a foundation in which the foregoing persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty (50) percent of the voting interests.

7. Specific Terms of Awards

7.1 Options.

(a) **Date of Grant.** The granting of an Option shall take place at the time specified in the Award Agreement.

(b) **Exercise Price.** The price at which shares of Stock may be acquired under each Incentive Option shall be not less than 100% of the Market Value of Stock on the Grant Date, or not less than 110% of the Market Value of Stock on the Grant Date if the Optionee is a Ten Percent Owner. The price at which shares of Stock may be acquired under each Nonstatutory Option shall not be so limited solely by reason of this Section.

(c) **Option Period.** No Incentive Option may be exercised on or after the tenth anniversary of the Grant Date, or on or after the fifth anniversary of the Grant Date if the Optionee is a Ten Percent Owner. The Option period under each Nonstatutory Option shall not be so limited solely by reason of this Section.

(d) **Exercisability.** An Option may become vested and exercisable in such installments, cumulative or non-cumulative, as the Committee may determine.

(e) **Method of Exercise.** An Option may be exercised by the Optionee giving written notice, in the manner provided in Section 17, specifying the number of shares of Stock with respect to which the Option is then being exercised. The notice shall be accompanied by payment in the form of cash or check payable to the order of the Company in an amount equal to the exercise price of the shares of Stock to be purchased or, subject in each instance to the Committee's approval, acting in its sole discretion, and to such conditions, if any, as the Committee may deem necessary to avoid adverse accounting effects to the Company,

(i) by delivery to the Company of shares of Stock having a Market Value equal to the exercise price of the shares to be purchased, or

(ii) by surrender of the Option as to all or part of the shares of Stock for which the Option is then exercisable in exchange for shares of Stock having an aggregate Market Value equal to the difference between (1) the aggregate Market Value of the surrendered portion of the Option, and (2) the aggregate exercise price under the Option for the surrendered portion of the Option, or

(iii) unless prohibited by applicable law, by delivery to the Company of the Optionee's executed promissory note in the principal amount equal to the exercise price of the shares of Stock to be purchased and otherwise in such form as the Committee shall have approved.

If the Stock is traded on an established market, payment of any exercise price may also be made through and under the terms and conditions of any formal cashless exercise program authorized by the Company entailing the sale of the Stock subject to an Option in a brokered transaction (other than to the Company). Receipt by the Company of such notice and payment in any authorized or combination of authorized means shall constitute the

exercise of the Option. Within thirty (30) days thereafter but subject to the remaining provisions of the Plan, the Company shall deliver or cause to be delivered to the Optionee or his agent a certificate or certificates or shall cause the Stock to be held in book-entry position through the direct registration system of the Company's transfer agent for the number of shares then being purchased. Such shares of Stock shall be fully paid and nonassessable.

(f) *Limit on Incentive Option Characterization.* An Incentive Option shall be considered to be an Incentive Option only to the extent that the number of shares of Stock for which the Option first becomes exercisable in a calendar year do not have an aggregate Market Value (as of the date of the grant of the Option) in excess of the "current limit". The current limit for any Optionee for any calendar year shall be \$100,000 minus the aggregate Market Value at the date of grant of the number of shares of Stock available for purchase for the first time in the same year under each other Incentive Option previously granted to the Optionee under the Plan, and under each other incentive stock option previously granted to the Optionee under any other incentive stock option plan of the Company and its Affiliates, after December 31, 1986. Any shares of Stock which would cause the foregoing limit to be violated shall be deemed to have been granted under a separate Nonstatutory Option, otherwise identical in its terms to those of the Incentive Option.

(g) *Notification of Disposition.* Each person exercising any Incentive Option granted under the Plan shall be deemed to have covenanted with the Company to report to the Company any disposition of the shares of Stock issued upon such exercise prior to the expiration of the holding periods specified by Section 422(a)(1) of the Code and, if and to the extent that the realization of income in such a disposition imposes upon the Company federal, state, local or other withholding tax requirements, or any such withholding is required to secure for the Company an otherwise available tax deduction, to remit to the Company an amount in cash sufficient to satisfy those requirements.

7.2 Stock Appreciation Rights.

(a) *Tandem or Stand-Alone.* Stock Appreciation Rights may be granted in tandem with an Option (at or, in the case of a Nonstatutory Option, after, the award of the Option), or alone and unrelated to an Option. Stock Appreciation Rights in tandem with an Option shall terminate to the extent that the related Option is exercised, and the related Option shall terminate to the extent that the tandem Stock Appreciation Rights are exercised.

(b) *Exercise Price.* Stock Appreciation Rights shall have an exercise price of not less than one hundred percent (100%) of the Market Value of the Stock on the date of award, or in the case of Stock Appreciation Rights in tandem with Options, the exercise price of the related Option.

(c) *Other Terms.* Except as the Committee may deem inappropriate or inapplicable in the circumstances, Stock Appreciation Rights shall be subject to terms and conditions substantially similar to those applicable to a Nonstatutory Option. In addition, a Stock Appreciation Right related to an Option which can only be exercised during limited periods following a Change of Control may entitle the Participant to receive an amount based upon the highest price paid or offered for Stock in any transaction relating to the Change of Control or paid during the thirty (30) day period immediately preceding the occurrence of the Change of Control in any transaction reported in the stock market in which the Stock is normally traded.

7.3 Restricted Stock.

(a) *Purchase Price.* Shares of Restricted Stock shall be issued under the Plan for such consideration, if any, in cash, other property or services, or any combination thereof, as is determined by the Committee.

(b) *Issuance of Stock.* Each Participant receiving a Restricted Stock Award, subject to subsection (c) below, shall be issued a stock certificate in respect of such shares of Restricted Stock or the shares shall be held in book-entry position through the direct registration system of the Company's transfer agent. If a certificate is issued, such certificate shall be registered in the name of such Participant, and, if applicable, shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award substantially in the following form:

The shares evidenced by this certificate are subject to the terms and conditions of Protara Therapeutics, Inc.'s 2024 Equity Incentive Plan and an Award Agreement entered into by the registered owner and Protara Therapeutics, Inc., copies of which will be furnished by the Company to the holder of the shares evidenced by this certificate upon written request and without charge.

If the Stock is in book-entry position through the direct registration system of the Company's transfer agent, the restrictions will be appropriately noted.

(c) *Escrow of Shares.* The Committee may require that any stock certificates evidencing shares of Restricted Stock be held in custody by a designated escrow agent (which may but need not be the Company) until the restrictions thereon shall have lapsed, and that the Participant deliver a stock power, endorsed in blank, relating to the Stock covered by such Award.

(d) *Restrictions and Restriction Period.* During the Restriction Period applicable to shares of Restricted Stock, such shares shall be subject to limitations on transferability and a Risk of Forfeiture arising on the basis of such conditions related to the performance of services, Company or Affiliate performance or otherwise as the Committee may determine and provide for in the applicable Award Agreement. Any such Risk of Forfeiture may be waived or terminated, or the Restriction Period shortened, at any time by the Committee on such basis as it deems appropriate.

(e) *Rights Pending Lapse of Risk of Forfeiture or Forfeiture of Award.* Except as otherwise provided in the Plan or the applicable Award Agreement, the Participant shall have all of the rights of a stockholder of the Company with respect to any outstanding shares of Restricted Stock, including the right to vote the shares of Restricted Stock, and all (i) ordinary cash dividends or other ordinary cash distributions paid upon any Restricted Stock will be retained by the Company and will be paid to the relevant Participant when the Restricted Stock vests and will revert back to the Company if for any reason the Restricted Stock upon which such dividends or other distributions were paid reverts back to the Company and (ii) ordinary Stock dividends or other distributions payable in shares of Stock or other securities of the Company shall constitute additional Restricted Stock, subject to the same Risk of Forfeiture as the shares of Restricted Stock in respect of which such shares of Stock or other securities are paid, and any extraordinary dividends or other extraordinary distributions will be treated in accordance with Section 8. The Committee, as determined at the time of Award, may permit or require the payment of cash dividends to be reinvested in additional Restricted Stock to the extent shares of Stock are available under Section 4.

(f) *Lapse of Restrictions*. If and when the Restriction Period expires without a prior forfeiture, any certificates for such shares shall be delivered to the Participant promptly if not theretofore so delivered.

7.4 Restricted Stock Units.

(a) *Character*. Each Restricted Stock Unit shall entitle the recipient to a share of Stock at a close of such Restriction Period as the Committee may establish and subject to a Risk of Forfeiture arising on the basis of such conditions relating to the performance of services, Company or Affiliate performance or otherwise as the Committee may determine and provide for in the applicable Award Agreement. Any such Risk of Forfeiture may be waived or terminated, or the Restriction Period shortened, at any time by the Committee on such basis as it deems appropriate.

(b) *Form and Timing of Payment*. Payment of earned Restricted Stock Units shall be made promptly following the close of the applicable Restriction Period. At the discretion of the Committee, Participants may be entitled to receive payments equivalent to any ordinary cash or Stock dividends declared with respect to Stock referenced in grants of Restricted Stock Units but only following the close of the applicable Restriction Period and then only if the underlying Stock shall have vested. Unless the Committee shall provide otherwise, any such dividend equivalents shall be paid, if at all, without interest or other earnings.

7.5 Performance Units.

(a) *Character*. Each Performance Unit shall entitle the recipient to the value of a specified number of shares of Stock, over the initial value for such number of shares, if any, established by the Committee at the time of grant, at the close of a specified Performance Period to the extent specified business objectives, including but not limited to Performance Goals, shall have been achieved.

(b) *Earning of Performance Units*. The Committee shall set Performance Goals or other business objectives in its discretion which, depending on the extent to which they are met within the applicable Performance Period, will determine the number and value of Performance Units that will be paid out to the Participant. After the applicable Performance Period has ended, the holder of Performance Units shall be entitled to receive payout on the number and value of Performance Units earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding Performance Goals or other business objectives have been achieved.

(c) *Form and Timing of Payment*. Payment of earned Performance Units shall be made in a single lump sum following the close of the applicable Performance Period. At the discretion of the Committee, Participants may be entitled to receive any ordinary cash or Stock dividends declared with respect to Stock which have been earned in connection with grants of Performance Units which have been earned and vested, but not yet distributed to Participants. The Committee may permit or, if it so provides at grant require, a Participant to defer such Participant's receipt of the payment of cash or the delivery of Stock that would otherwise be due to such Participant by virtue of the satisfaction of any requirements or goals with respect to Performance Units. If any such deferral election is required or permitted, the Committee shall establish rules and procedures for such payment deferrals.

7.6 *Other Stock-Based or Cash-Based Awards*. The Committee may grant other types of equity-based, equity-related or cash-based Awards in such amounts and subject to such terms and conditions as the Committee may determine ("Other Stock-Based or Cash-Based Awards").

7.7 *Stock Grants*. Stock Grants shall be awarded solely in recognition of significant prior or expected contributions to the success of the Company or its Affiliates, as an inducement to employment, in lieu of compensation otherwise already due and in such other limited circumstances as the Committee deems appropriate. Stock Grants shall be made without forfeiture conditions of any kind.

7.8 Performance-Based Awards.

(a) *Discretion of Committee with Respect to Performance-Based Awards*. Any form of Award permitted under the Plan, other than a Stock Grant, may be granted as a Performance-Based Award and shall be subject to satisfaction of one or more Performance Goals. The Committee will have full discretion to select the length of any applicable Restriction Period or Performance Period, the kind and/or level of the applicable Performance Goal, and whether the Performance Goal is to be applied to the Company, a subsidiary of the Company or any division or business unit or to the individual.

(b) *Definition of Performance Criteria. "Definitions*. For purposes of the Plan

(i) *Performance Criteria* means the criteria that the Committee selects for purposes of establishing the Performance Goal or Performance Goals for a Participant for a Performance Period. The Performance Criteria used to establish Performance Goals include, but are not limited to: (i) net earnings (either before or after one or more of (A) interest, (B) taxes, (C) depreciation and (D) amortization), (ii) gross or net sales or revenue, (iii) net income (either before or after taxes), (iv) adjusted net income, (v) operating earnings or profit, (vi) cash flow (including, but not limited to, operating cash flow and free cash flow), (vii) return on assets, (viii) return on capital, (ix) return on stockholders' equity, (x) total stockholder return, (xi) return on sales, (xii) gross or net profit or operating margin, (xiii) costs, (xiv) expenses, (xv) working capital, (xvi) earnings per share, (xvii) adjusted earnings per share, (xviii) price per share, (xix) regulatory body approval for commercialization of a product, (xx) implementation, completion or attainment of objectives relating to research, development, regulatory, commercial, or strategic milestones or developments; (xxi) market share, (xxii) economic value, (xxiii) revenue, (xxiv) revenue growth and (xxv) operational and organizational metrics.

(ii) *Performance Goals* means, for a Performance Period, the goal or goals established by the Committee for the Performance Period based upon one or more of the Performance Criteria. The Performance Goals may be expressed in terms of overall Company performance or the performance of a division, business unit, subsidiary, or an individual, either individually, alternatively or in any combination, applied to either the Company as a whole or to a business unit or Affiliate, either individually, alternatively or in any combination, and measured either quarterly, annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to previous years' results or to a designated comparison group or as otherwise determined by the Committee.

(c) *Committee Discretion*. The Committee shall have the sole discretion to determine the extent to which the applicable Performance

Goals or Performance Criteria are achieved and the amount, if any, earned pursuant to a Performance-Based Award. The Committee, in its sole discretion, may make adjustments to the Performance Goals or Performance Criteria applicable to Performance-Based Awards and to the amounts payable in respect of the applicable Performance Criteria, to the extent consistent with the terms of the applicable Award Agreement. The amount of the Performance-Based Award determined by the Committee for a performance period shall be paid to the Participant at such time as determined by the Committee in its sole discretion.

7.9 Awards to Participants Outside the United States. The Committee may modify the terms of any Award under the Plan granted to a Participant who is, at the time of grant or during the term of the Award, resident or primarily employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order that the Award shall conform to laws, regulations, procedures, and customs of the country in which the Participant is then resident or primarily employed, or so that the value and other benefits of the Award to the Participant, as affected by foreign tax laws and other restrictions applicable as a result of the Participant's residence or employment abroad, shall be as comparable as practicable to the value of such an Award to a Participant who is resident or primarily employed in the United States. The Committee may establish supplements or sub-plans to, or amendments, restatements, or alternative versions of, the Plan for the purpose of granting and administrating any such modified Award. No such modification, supplement, sub-plan, amendment, restatement or alternative version may increase the share limit of Section 4 without approval of the Company's stockholders.

8. Adjustment Provisions

8.1 Adjustment for Corporate Actions. If the outstanding shares of Stock (or any other securities covered by the Plan by reason of the prior application of this Section) are increased, decreased, or exchanged for a different number or kind of shares or other securities, or if additional shares or new or different shares or other securities are distributed with respect to shares of Stock, as a result of a reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, or other similar distribution with respect to such shares of Stock, an appropriate and proportionate adjustment will be made in (i) the maximum numbers and kinds of shares provided in Section 4, (ii) the numbers and kinds of shares or other securities subject to the then outstanding Awards, (iii) the exercise price for each share or other unit of any other securities subject to then outstanding Options and Stock Appreciation Rights (without change in the aggregate purchase price as to which such Options or Rights remain exercisable), and (iv) the repurchase price of each share of Restricted Stock then subject to a Risk of Forfeiture in the form of a Company repurchase right.

8.2 Adjustment of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events. In the event of any corporate action not specifically covered by the preceding Section, including but not limited to an extraordinary cash distribution on Stock, a corporate separation or other reorganization or liquidation, the Committee may make such adjustment of outstanding Awards and their terms, if any, as it, in its sole discretion, may deem equitable and appropriate in the circumstances. The Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in this Section) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

8.3 Related Matters. Any adjustment in Awards made pursuant to Section 8.1 or 8.2 shall be determined and made, if at all, by the Committee, acting in its sole discretion, and shall include any correlative modification of terms, including of Option exercise prices, rates of vesting or exercisability, Risks of Forfeiture, applicable repurchase prices for Restricted Stock, and Performance Goals and other business objectives which the Committee may deem necessary or appropriate so as to ensure the rights of the Participants in their respective Awards are not substantially diminished nor enlarged as a result of the adjustment and corporate action other than as expressly contemplated in this Section 8. The Committee, in its discretion, may determine that no fraction of a share of Stock shall be purchasable or deliverable upon exercise, and in that event if any adjustment hereunder of the number of shares of Stock covered by an Award would cause such number to include a fraction of a share of Stock, such number of shares of Stock shall be adjusted to the nearest smaller whole number of shares. No adjustment of an Option exercise price per share pursuant to Sections 8.1 or 8.2 shall result in an exercise price which is less than the par value of the Stock.

8.4 Treatment of Awards upon a Change of Control.

(a) Treatment of Awards. Upon a Change of Control, the Committee may take any one or more of the following actions as to all or any (or any portion of) outstanding Awards, subject to the provisions of Section 9 of this Plan.

(1) Provide that any Awards shall be assumed, or substantially equivalent rights shall be provided in substitution therefor, by the acquiring or succeeding entity (or an affiliate thereof).

(2) Upon written notice to the holders, provide that all or any of the holders' unexercised outstanding Options and Stock Appreciation Rights (collectively, "Rights") will terminate immediately prior to the consummation of such Change of Control unless exercised within a specified period following the date of such notice.

(3) Provide that all or any Awards that are subject to Risk of Forfeiture will terminate immediately prior to the consummation of such Change of Control.

(4) Provide that all or any outstanding Rights shall Accelerate so as to become exercisable prior to or upon such Change of Control with respect to some or all of the shares of Stock for which any such Rights would not then otherwise be exercisable by their terms.

(5) Provide that outstanding all or any Awards that are subject to Risk of Forfeiture shall Accelerate so that the Risk of Forfeiture otherwise applicable to such Awards shall expire prior to or upon such Change of Control with respect to any such Awards that would then still otherwise be subject to the Risk of Forfeiture.

(6) Provide for cash payments, net of applicable tax withholdings, to be made to holders equal to the excess, if any, of (A) the acquisition price times the number of shares of Stock subject to an Option (to the extent the exercise price does not exceed the acquisition price) over (B) the aggregate exercise price for all such shares of Stock subject to the Option, in exchange for the termination of such Option; *provided, however,* that if the acquisition price does not exceed the exercise price of any such Option, the Committee may cancel that Option without the payment of any consideration therefore prior to or upon the Change of Control. For purposes of this paragraph 6 and paragraph 7 below, "acquisition price" means the amount of cash, and market value of any other consideration, received in payment for a share of Stock surrendered in a Change of Control but need not take into account any deferred consideration unless and until received.

(7) Provide for cash payments, net of applicable tax withholdings, to be made to holder or holders of all or any Awards (other than Options) equal to the acquisition price times the number of shares of Stock subject to any such Awards, in exchange for the termination of any such Awards; *provided, however,* that the Committee may cancel, pursuant to paragraph 3 above, any such Award that is subject to a Risk of Forfeiture at the time of the consummation of such Change of Control without the payment of any

consideration therefor prior to or upon the Change of Control.

(8) Provide that, in connection with a liquidation or dissolution of the Company, all or any Awards (other than Restricted Stock or Stock Grants) shall convert into the right to receive liquidation proceeds net of the exercise price thereof and any applicable tax withholdings.

(9) Any combination of the foregoing.

In the event that the Committee determines in its discretion to take the actions contemplated under paragraph (1) above of this Section 8.4(a) with respect to all or any Awards, the Committee shall ensure that, upon consummation of the Change of Control, any such Awards are assumed and/or exchanged or replaced with another similar award issued by the acquiring or succeeding entity (or an affiliate thereof) and that, as a result of such assumption and/or exchange or replacement, the holder of such assumed Award and/or such exchanged or replaced similar award has the right to purchase or receive the value of, for each share of Stock subject to such Award immediately prior to the consummation of the Change of Control, the consideration (whether cash, securities or other property) received as a result of the Change of Control by holders of Stock for each share of Stock held immediately prior to the consummation of the Change of Control (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Stock); *provided, however,* that if such consideration received as a result of the Change of Control is not solely common stock (or its equivalent) of the acquiring or succeeding entity (or an affiliate thereof), the Committee may, with the consent of the acquiring or succeeding entity (or an affiliate thereof), provide for the consideration to be received with respect to such assumed Award and/or such exchanged or replaced similar award to consist of or be based solely on common stock (or its equivalent) of the acquiring or succeeding entity (or an affiliate thereof) equivalent in value to the per share consideration received by holders of outstanding shares of Stock as a result of the Change of Control; and *provided, further,* that if such Award is an Option, the holder of such Option must exercise the Option and make payment of the applicable exercise price in connection therewith in order to receive such consideration.

(b) *Treatment of Other Awards.* Upon the occurrence of a Change of Control other than a liquidation or dissolution of the Company which is not part of another form of a Change of Control, then, subject to the provisions of Section 9 below, with respect to all outstanding Awards (other than Options and Share Appreciation Rights) that are not terminated prior to or upon such Change of Control, the repurchase and other rights of the Company under each such Award shall inure to the benefit of the Company's successor and shall, unless the Committee determines otherwise, apply to the cash, securities or other property which the Stock was converted into or exchanged for pursuant to such Change of Control in the same manner and to the same extent as they applied to the Award.

(c) *Related Matters.* In taking any of the actions permitted under this Section 8.4, the Committee shall not be obligated to treat all Awards, all Awards held by a Participant, or all Awards of the same type, identically. Any determinations required to carry out the foregoing provisions of this Section 8.4, including but not limited to the market value of other consideration received by holders of Stock in a Change of Control and whether substantially equivalent Rights have been substituted, shall be made by the Committee acting in its sole discretion. In connection with any action or actions taken by the Committee in respect of Awards and in connection with a Change of Control, the Committee may require such acknowledgements of satisfaction and releases from Participants as it may determine.

9. Treatment of Awards Following a Change of Control

Except as otherwise provided below, if a Participant's employment is terminated by the Company or any successor entity thereto without Cause, or the Participant resigns his or her employment for Good Reason, in either case, on or within two (2) years after a Change of Control, then, notwithstanding anything express or implied to the contrary in Section 8.4 above:

(a) any and all Options and Stock Appreciation Rights not already exercisable in full shall Accelerate with respect to 100% of the shares for which such Options or Stock Appreciation Rights are not then exercisable;

(b) any Risk of Forfeiture applicable to Restricted Stock and Restricted Stock Units which is not based on achievement of Performance Goals or other business objectives shall lapse with respect to 100% of the Restricted Stock and Restricted Stock Units still subject to such Risk of Forfeiture immediately prior to the Change of Control; and

(c) all outstanding Awards of Restricted Stock and Restricted Stock Units conditioned on the achievement of Performance Goals or other business objectives and the payouts attainable under outstanding Performance Units shall be deemed to have been satisfied based on the greater of target and actual performance as of the effective date of the Change of Control, except if and to the extent otherwise determined by the Committee in its sole discretion at any time prior to, or upon, such Change of Control.

10. Settlement of Awards

10.1 *In General.* Options and Restricted Stock shall be settled in accordance with their terms. All other Awards may be settled in cash, Stock, or other Awards, or a combination thereof, as determined by the Committee at or after grant and subject to any contrary Award Agreement. The Committee may not require settlement of any Award in Stock pursuant to the immediately preceding sentence to the extent issuance of such Stock would be prohibited or unreasonably delayed by reason of any other provision of the Plan.

10.2 *Violation of Law.* Notwithstanding any other provision of the Plan or the relevant Award Agreement, if, at any time, in the reasonable opinion of the Company, the issuance of shares of Stock covered by an Award may constitute a violation of law, then the Company may delay such issuance until (i) approval shall have been obtained from such governmental agencies, other than the Securities and Exchange Commission, as may be required under any applicable law, rule, or regulation and (ii) in the case where such issuance would constitute a violation of a law administered by or a regulation of the Securities and Exchange Commission, one of the following conditions shall have been satisfied:

(a) the shares of Stock are at the time of the issue of such shares effectively registered under the Securities Act of 1933, as amended; or

(b) the Company shall have determined, on such basis as it deems appropriate (including an opinion of counsel in form and substance satisfactory to the Company) that the sale, transfer, assignment, pledge, encumbrance or other disposition of such shares does not require registration under the Securities Act of 1933, as amended or any applicable State securities laws.

Furthermore, the inability of the Company to obtain or maintain, or the impracticability of it obtaining or maintaining, authority from any governmental agency having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance of any Stock hereunder, shall relieve the Company of any liability in respect of the failure to issue such Stock as to which such requisite authority shall not have been obtained, and shall constitute circumstances in which the Committee may determine to amend or cancel Awards pertaining to such Stock, with or without consideration to the affected Participants.

10.3 Corporate Restrictions on Rights in Stock. Any Stock to be issued pursuant to Awards granted under the Plan shall be subject to all restrictions upon the transfer thereof which may be now or hereafter imposed by the charter, certificate or articles, and by-laws, of the Company.

10.4 Investment Representations. The Company shall be under no obligation to issue any shares of Stock covered by any Award unless the shares to be issued pursuant to Awards granted under the Plan have been effectively registered under the Securities Act of 1933, as amended, or the Participant shall have made such written representations to the Company (upon which the Company believes it may reasonably rely) as the Company may deem necessary or appropriate for purposes of confirming that the issuance of such shares will be exempt from the registration requirements of that Act and any applicable state securities laws and otherwise in compliance with all applicable laws, rules and regulations of any jurisdiction in which Participants may reside or primarily work, including but not limited to that the Participant is acquiring the shares for his or her own account for the purpose of investment and not with a view to, or for sale in connection with, the distribution of any such shares.

10.5 Registration. If the Company shall deem it necessary or desirable to register under the Securities Act of 1933, as amended, or other applicable statutes any shares of Stock issued or to be issued pursuant to Awards granted under the Plan, or to qualify any such shares of Stock for exemption from the Securities Act of 1933, as amended or other applicable statutes, then the Company shall take such action at its own expense. The Company may require from each recipient of an Award, or each holder of shares of Stock acquired pursuant to the Plan, such information in writing for use in any registration statement, prospectus, preliminary prospectus or offering circular as is reasonably necessary for that purpose and may require reasonable indemnity to the Company and its officers and directors from that holder against all losses, claims, damage and liabilities arising from use of the information so furnished and caused by any untrue statement of any material fact therein or caused by the omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made.

10.6 Placement of Legends; Stop Orders; etc. Each share of Stock to be issued pursuant to Awards granted under the Plan may bear a reference to the investment representations made in accordance with Section 10.4 in addition to any other applicable restrictions under the Plan and, if applicable, to the fact that no registration statement has been filed with the Securities and Exchange Commission in respect to such shares of Stock. All shares of Stock or other securities issued under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of any stock exchange upon which the Stock is then listed, and any applicable federal or state securities law, and the Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions, or, if the Stock will be held in book-entry position through the direct registration system of the Company's transfer agent, the restrictions will be appropriately noted.

10.7 Tax Withholding. Whenever shares of Stock are issued or to be issued pursuant to Awards granted under the Plan, the Company shall have the right to require the recipient to remit to the Company an amount sufficient to satisfy federal, state, local, foreign or other withholding tax requirements if, when, and to the extent required by law (whether so required to secure for the Company an otherwise available tax deduction or otherwise) prior to the delivery of any certificate or certificates, held in book-entry position through the direct registration system of the Company's transfer agent, for such shares. The obligations of the Company under the Plan shall be conditional on satisfaction of all such withholding obligations and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to a Participant or to utilize any other withholding method prescribed by the Committee from time to time. However, in such cases Participants may elect, subject to the approval of the Committee, acting in its sole discretion, to satisfy an applicable withholding requirement, in whole or in part, by having the Company withhold shares of Stock to satisfy their tax obligations. All elections shall be irrevocable, made in writing, signed by the Participant, and shall be subject to any restrictions or limitations that the Committee deems appropriate.

10.8 Company Charter and By-Laws; Other Company Policies. This Plan and all Awards granted hereunder are subject to the charter and By-Laws of the Company, as they may be amended from time to time, and all other Company policies duly adopted by the Board, the Committee or any other committee of the Board and as in effect from time to time regarding the acquisition, ownership or sale of Stock by officers, employees, directors, consultants, advisors and other service providers, including, without limitation, policies intended to limit the potential for insider trading and to avoid or recover compensation payable or paid on the basis of inaccurate financial results or statements, employee conduct, and other similar events.

11. Reservation of Stock

The Company shall at all times during the term of the Plan and any outstanding Awards granted hereunder reserve or otherwise keep available such number of shares of Stock as will be sufficient to satisfy the requirements of the Plan (if then in effect) and the Awards and shall pay all fees and expenses necessarily incurred by the Company in connection therewith.

12. Limitation of Rights in Stock; No Special Service Rights

A Participant shall not be deemed for any purpose to be a stockholder of the Company with respect to any of the shares of Stock subject to an Award, unless and until a certificate shall have been issued therefor and delivered to the Participant or his agent, or the Stock shall be issued through the direct registration system of the Company's transfer agent. Any Stock to be issued pursuant to Awards granted under the Plan shall be subject to all restrictions upon the transfer thereof which may be now or hereafter imposed by the certificate or articles of incorporation and the by-laws of the Company. Nothing contained in the Plan or in any Award Agreement shall confer upon any recipient of an Award any right with respect to the continuation of his or her employment or other association with the Company (or any Affiliate), or interfere in any way with the right of the Company (or any Affiliate), subject to the terms of any separate employment or consulting agreement or provision of law or corporate articles or by-laws to the contrary, at any time to terminate such employment or consulting agreement or to increase or decrease, or otherwise adjust, the other terms and conditions of the recipient's employment or other association with the Company and its Affiliates.

13. Unfunded Status of Plan

The Plan is intended to constitute an "unfunded" plan for incentive compensation, and the Plan is not intended to constitute a plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended. With respect to any payments not yet made to a Participant by the

Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of the Company. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Stock or payments with respect to Awards hereunder, *provided, however,* that the existence of such trusts or other arrangements is consistent with the unfunded status of the Plan.

14. Nonexclusivity of the Plan

Neither the adoption of the Plan by the Board nor any action taken in connection with the adoption or operation of the Plan shall be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including without limitation, the granting of stock options and restricted stock other than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

15. No Guarantee of Tax Consequences

It is intended that all Awards shall be granted and maintained on a basis which ensures they are exempt from, or otherwise compliant with, the requirements of Section 409A of the Code, pertaining non-qualified plans of deferred compensation, and the Plan shall be governed, interpreted and enforced consistent with such intent. However, neither the Company nor any Affiliate, nor any director, officer, agent, representative or employee of either, guarantees to the Participant or any other person any particular tax consequences as a result of the grant of, exercise of rights under, or payment in respect of an Award, including but not limited to that an Option granted as an Incentive Option has or will qualify as an "incentive stock option" within the meaning of Section 422 of the Code or that the provisions and penalties of Section 409A of the Code will or will not apply and no person shall have any liability to a Participant or any other party if a payment under an Award that is intended to benefit from favorable tax treatment or avoid adverse tax treatment fails to realize such intention or for any action taken by the Board or the Committee with respect to the Award.

16. Termination and Amendment of the Plan

16.1 Termination or Amendment of the Plan . Subject to the limitations contained in Section 16.3 below, including specifically the requirement of stockholder approval, if applicable, the Board may at any time suspend or terminate the Plan or make such modifications of the Plan as it shall deem advisable. Unless the Board otherwise expressly provides, no amendment of the Plan shall affect the terms of any Award outstanding on the date of such amendment.

16.2 Termination or Amendment of Outstanding Awards; Assumptions . Subject to the limitations contained in Section 16.3 below, including specifically the requirement of stockholder approval, if applicable, the Committee may at any time:

(a) amend the terms of any Award theretofore granted, prospectively or retroactively, *provided, however,* that the Award as amended is consistent with the terms of the Plan;

(b) within the limitations of the Plan, modify, extend or assume outstanding Awards or accept the cancellation of outstanding Awards or of outstanding stock options or other equity-based compensation awards granted by another issuer in return for the grant of new Awards for the same or a different number of shares of Stock and on the same or different terms and conditions (including but not limited to the exercise price of any Option); and

(c) offer to buy out for a payment in cash or cash equivalents an Award previously granted or authorize the recipient of an Award to elect to cash out an Award previously granted, in either case at such time and based upon such terms and conditions as the Committee shall establish.

16.3 Limitations on Amendments, Etc.

(a) Without the approval of the Company's stockholders, no amendment or modification of the Plan by the Board may (i) materially increase the number of shares of Stock which may be issued under the Plan (other than to reflect a reorganization, stock split, merger, spinoff or similar transaction), (ii) materially increase benefits to Participants, (ii) materially expand the class of persons eligible for Awards, (iv) expand the types of options or awards provided under the Plan, or (v) effect any other change for which stockholder approval is required by law or the rules of any relevant stock exchange.

(b) No action by the Board or the Committee pursuant to this Section 16 shall impair the rights of the recipient of any Award outstanding on the date of such amendment or modification of such Award, as the case may be, without the Participant's consent; *provided, however,* that no such consent shall be required (A) in the case of any amendment or termination of any outstanding Award that is permitted by any provision of this Plan that is set forth in Section 8, Section 9 or in any other section of this Plan that is not Section 16.2 or (B) if the Board or Committee, as the case may be, (i) determines in its sole discretion and prior to the date of any Change of Control that such amendment or alteration either is required or advisable in order for the Company, the Plan or the Award to satisfy any law or regulation, including without limitation the provisions of Section 409A of the Code, or to meet the requirements of or avoid adverse financial accounting consequences under any accounting standard, (ii) determines in its sole discretion and prior to the date of any Change of Control that such amendment or alteration is not reasonably likely to significantly diminish the benefits provided under the Award, or that any such diminution has been adequately compensated, or (iii) reasonably determines on or after the date of Change of Control that such amendment or alteration either is required or advisable in order for the Company, the Plan or the Award to satisfy any law or regulation, including without limitation the provisions of Section 409A of the Code.

16.4 No Repricing. Except as otherwise permitted in the Plan, reducing the exercise price of Options or Stock Appreciation Rights issued and outstanding under the Plan, including through amendment, cancellation in exchange for the grant of a substitute Award or repurchase for cash or other consideration (in each case that has the effect of reducing the exercise price), shall require approval of the stockholders of the Company. The Company shall not grant any Options or Stock Appreciation Rights with automatic reload features.

17. Notices and Other Communications

Any communication or notice required or permitted to be given under the Plan shall be in such form as the Committee may determine from time to time. If a notice, demand, request or other communication is required or permitted to be given in writing, then any such notice, demand, request or other communication hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person, sent by electronic mail or any other form of electronic transfer approved by the Committee, or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied with a confirmation copy by regular, certified or overnight mail, addressed or telecopied, as the case may be, (i) if to the recipient of an Award, at his or her residence address last filed with the Company and (ii) if to the Company, at its principal place of business, addressed to the attention of its Treasurer, or to such other address or telecopier number, as the case may be, as the addressee may have designated by notice to the addressor. All such notices, requests, demands and other communications shall be deemed to have been received: (i) in the case of personal delivery, on the date of such delivery; (ii) in the case of electronic mail or any other form of electronic transfer approved by the Committee, upon confirmation of receipt; (iii) in the case of mailing, when received by the addressee; and (iv) in the case of facsimile transmission, when confirmed by facsimile machine report.

18. Governing Law

The Plan and all Award Agreements and actions taken hereunder and thereunder shall be governed, interpreted and enforced in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof.

PROTARA THERAPEUTICS, INC.

2024 EMPLOYEE STOCK PURCHASE PLAN

1. Purpose and History

The purpose of the Plan is to give Employees wishing to do so a convenient means of purchasing Common Stock of the Company through payroll deductions. The Company believes that ownership of Common Stock by Employees will foster greater Employee interest in the Company's growth and development.

The Plan was adopted by the Board on April 25, 2024 and was approved by the Company's stockholders on June 7, 2024. It is the Company's intention that the Plan qualify as an "employee stock purchase plan" under Section 423 of the Code. The provisions of the Plan shall, accordingly, be construed in a manner consistent with the requirements of that Code section.

2. Definitions

As used in the Plan, the following terms shall have the following meanings:

1.1. *Board* means the Company's Board of Directors.

2.1 *Business Day* means a day on which the NASDAQ Global Market (or any other national securities exchange on which the Common Stock is then listed) is open for trading. Every date under the Plan that falls on a weekend, a holiday or any other day that is not a Business Day (and any event that occurs after 5 p.m. eastern time on any date) shall be deemed automatically to fall on the next Business Day.

2.2 *Code* means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute thereto, and any regulations issued from time to time thereunder.

2.3 *Committee* means the Compensation Committee of the Board or such other committee delegated responsibility by the Board for the administration of the Plan, as provided in Section 5 of the Plan. For any period during which no such committee is in existence "Committee" shall mean the Board and all authority and responsibility assigned to the Committee under the Plan shall be exercised, if at all, by the Board.

2.4 *Common Stock or Stock* means the common stock, par value \$0.001 per share, of the Company.

2.5 *Company* means Protara Therapeutics, Inc., a corporation organized under the laws of the State of Delaware.

2.6 *Compensation* means an Employee's total compensation, including base pay or regular earnings plus commissions, bonuses, and overtime, but excludes equity compensation and other similar compensation.

2.7 *Continuous Status as an Employee* means the absence of any interruption or termination of service as an Employee. Continuous Status as an Employee shall not be considered interrupted in the case of (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Plan administrator, provided that such leave is for a period of not more than three months, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (iv) transfers between locations of the Company or between the Company and a Covered Entity.

2.8 *Contributions* means all amounts credited to the account of a Participating Employee pursuant to the Plan.

2.9 *Cooling-off Period* has the meaning set forth in Section 6.2(e).

2.10 *Corporate Transaction* means any (1) merger or consolidation of the Company with or into another entity as a result of which the Stock of the Company is converted into or exchanged for the right to receive cash, securities or other property or is cancelled, (2) sale or exchange of all or substantially all of the Stock of the Company for cash, securities or other property, (3) sale, transfer, or other disposition of all or substantially all of the Company's assets to one or more other persons in a single transaction or series of related transactions or (4) liquidation or dissolution of the Company; except, in the case of clauses (1) and (2), for a transaction the principal purpose of which is to change the state in which the Company is incorporated.

2.11 *Covered Entity* means any Subsidiary that may adopt the Plan from time to time in accordance with the procedures set forth in Section 14 hereof with the Company's consent.

2.12 *Effective Date* means the date on which the Plan is approved by the stockholders of the Company.

2.13 *Employee* means an employee of the Company or a Covered Entity who is customarily employed for at least 20 hours per week and more than five months in a calendar year.

2.14 *Exchange Act* means the Securities Exchange Act of 1934, as amended and in effect from time to time.

2.15 *Fair Market Value* has the meaning set forth in Section 6.4(c).

2.16 *Grant Date* has the meaning set forth in Section 6.4(a).

2.17 *Initial Plan Period* means the first Plan Period of the Plan.

2.18 *New Plan Period Termination Date* has the meaning set forth in Section 12.4.

2.19 *Participating Employee* means an Employee who elects to participate in the Plan pursuant to Section 6.2(b) or otherwise becomes a Participating Employee pursuant to Section 6.2(h).

2.20 *Plan* means the Protara Therapeutics, Inc. 2024 Employee Stock Purchase Plan.

2.21 *Plan Period Commencement Date* means the first day of each Plan Period.

2.22 *Plan Period Termination Date* means the last day of each Plan Period.

2.23 *Plan Period* means each successive period described in Section 6.1, at the end of which each Participating Employee shall purchase Shares.

2.24 *Purchase Price* means with respect to a Plan Period an amount equal to eighty five percent (85%) of the Fair Market Value of a Share on the Plan Period Commencement Date or on the Plan Period Termination Date, whichever is lower.

2.25 *Share* means a share of Common Stock, as adjusted in accordance with Section 12 of the Plan.

2.26 *Subsidiary* means a corporation, in an unbroken chain of corporations beginning with the Company if, at the time of the granting of the option, each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

3. Shares Reserved For The Plan

Subject to adjustment as provided in Section 12 hereof, the number of Shares reserved for issuance hereunder shall be One Million (1,000,000). For purposes of applying the foregoing limitation, if any option expires, terminates or is cancelled for any reason without having been exercised in full, the Shares not purchased or received by the Employee shall again be available for options to be granted under the Plan. Shares issued pursuant to the Plan may be either authorized but unissued shares or shares held by the Company in its treasury.

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4. Administration

4.1 *Administration of the Plan*. The Plan shall be administered by the Committee, *provided, however*, that at any time and on any one or more occasions the Board may itself exercise any of the powers and responsibilities assigned the Committee under the Plan and when so acting shall have the benefit of all of the provisions of the Plan pertaining to the Committee's exercise of its authorities hereunder; and *provided, further*, that the Committee may delegate its duties in order to facilitate the purchase and transfer of Shares and to provide for the day-to-day administration of the Plan with all powers necessary to enable the delegate to carry out its duties in that respect.

4.2 *Powers of the Committee*. Subject to the provisions of the Plan, the Committee shall have complete authority, in its discretion, to make or to select the manner of making all determinations with respect to each option to be granted by the Company under the Plan. In making such determinations, the Committee may take into account such factors as the Committee in its discretion shall deem relevant. Subject to the provisions of the Plan, the Committee shall also have, in its sole and absolute discretion, complete authority to construe and interpret the Plan, to determine disputed facts related thereto, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations necessary or advisable for the administration of the Plan; *provided, however*, that, with respect to all claims or disputed arising out of any determination of the Committee that materially adversely affects a Participating Employee's option granted under the Plan, (i) the affected Participating Employee shall file a written claim with the Committee for review, explaining the reasons for such claim, and (ii) the Committee's decision must be written and must explain the decision. The Committee may delegate (either generally or specifically) the powers, authorities and dispositions conferred on it under this Section 4 as it deems appropriate in its sole discretion in accordance with applicable law.

4.3 *Effect of the Committee's Decisions*. The Committee's determinations made in good faith on matters referred to in the Plan shall be entitled to the maximum deference permitted by law and will be final, binding and conclusive on all persons having or claiming any interest under the Plan or an option granted pursuant hereto.

5. Eligibility for Awards

Subject to the requirements of Section 6.2 and the limitations imposed by Section 423(b) of the Code, any Employee shall be eligible to participate in a Plan Period under the Plan as of the applicable Plan Period Commencement Date. Notwithstanding any provision of the Plan to the contrary, no Employee shall be granted an option under the Plan (i) if, immediately after the grant, such Employee (taking into account stock which would be attributed to such Employee pursuant to Section 424(d) of the Code) would own capital stock of the Company and/or hold outstanding options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or of any Subsidiary of the Company, or (ii) if such option would permit his or her rights to purchase stock under all employee stock purchase plans (described in Section 423 of the Code) of the Company and its Subsidiaries to accrue at a rate which exceeds twenty-five thousand dollars (\$25,000) of such stock (determined on the basis of the Fair Market Value of such stock on the date or dates such option was granted) for each calendar year in which such option is outstanding at any time.

6. Terms of Participation

6.1 *Plan Periods*. Each calendar year shall be divided into two six-month Plan Periods, the first beginning on January 1 and ending on the immediately following June 30, and the second beginning on July 1 and ending on the immediately following December 31. However, the Initial Plan Period shall commence on such date following the Effective Date as the Committee may determine in its sole discretion and continue until December 31, 2024.

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6.2 Election to Participate and Plan Deductions .

(a) Shares shall be offered for purchase under the Plan through a series of successive, non-overlapping Plan Periods until such time as (i) the maximum number of Shares available for issuance under the Plan shall have been purchased or (ii) the Plan shall have been sooner terminated. At any time and from time to time, the Committee may change the duration and/or the frequency of Plan Periods or suspend operation of the Plan with respect to Plan Periods not yet commenced.

(b) An eligible Employee may become a Participating Employee in the Plan by completing an enrollment agreement provided by the

Company and filing it with the Company at least 30 days prior to the Plan Period Commencement Date for the Plan Period in which such Employee desires to participate, unless an earlier time for filing the enrollment agreement is set by the Committee for all eligible Employees with respect to a given Plan Period. The enrollment agreement shall set forth the percentage of the Employee's Compensation (subject to Section 6.2(c) below) to be paid as Contributions pursuant to the Plan. Payroll deductions shall commence on the first payroll following the Plan Period Commencement Date (subject to Section 6.2(e) below) and shall end on the last payroll paid on or prior to the Plan Period Termination Date, unless sooner terminated by the Participating Employee as provided in Section 6.7.

(c) A Participating Employee may elect to have payroll deductions taken from each payroll during any Plan Period in an amount, in whole percentages, not less than one percent (1%) and not more than fifteen percent (15%) (or such other percentage as the Committee may establish from time to time before any Plan Period Commencement Date) of such Participating Employee's Compensation on each payroll date during the Plan Period. All payroll deductions made by a Participating Employee shall be credited to his or her account under the Plan. No interest shall accrue on Contributions to the Plan. A Participating Employee may not make any additional payments into such account.

(d) Unless the Committee announces otherwise before the start of a particular Plan Period, a Participating Employee's enrollment agreement in effect at the end of one Plan Period will remain in effect for each subsequent Plan Period.

(e) A Participating Employee may discontinue his or her participation in the Plan as provided in Section 6.7. A Participating Employee may choose to increase or decrease his or her deductions at any time during the specified enrollment period communicated to employees prior to the start of the Plan Period; *provided, however,* that in order for such Participating Employee to increase or decrease his or her deductions, such Participating Employee must complete and file with the Company a new enrollment agreement provided by the Company and *provided, further,* that such Participating Employee's payroll deductions and purchases under the Plan shall not commence until the day that is at least 30 days (or such other period of time as the Committee may implement with respect to executive officers of the Company) following such Participating Employee's completion and filing with the Company of the enrollment agreement (such period of time, a "Cooling-off Period").

(f) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 5, a Participating Employee's payroll deductions may be decreased during any Plan Period to zero percent (0%). Payroll deductions reduced to zero percent (0%) in compliance with this Section 6.2(f) shall re-commence automatically at the rate provided in such Participating Employee's enrollment agreement at the beginning of the next Plan Period, unless terminated by the Participating Employee as provided in Section 6.7.

(g) Any amounts left over in a Participating Employee's account upon expiration or termination of the Plan (or upon a withdrawal by a Participating Employee or upon a Participating Employee purchasing the maximum dollar amount or number of shares hereunder) shall be returned to the Participating Employee.

6.3 Shares.

(a) If the Committee determines that, on a given Plan Period Termination Date, the number of shares with respect to which options are to be exercised may exceed (i) the number of Shares that were available for sale under the Plan on the Plan Period Commencement Date, or (ii) the number of shares available for sale under the Plan on such Plan Period Termination Date, then the Company shall make a pro rata allocation of the Shares available for purchase on such Plan Period Termination Date in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participating Employees exercising options to purchase Common Stock on such Plan Period Termination Date. The Company shall make pro rata allocation of the Shares available on the Plan Period Commencement Date pursuant to the preceding sentence, notwithstanding any authorization of additional Shares for issuance under the Plan by the Company's stockholders subsequent to such Plan Period Commencement Date.

(b) The Participating Employee shall have no interest or voting right in Shares covered by his or her option until such option has been exercised.

(c) Shares to be delivered to a Participating Employee under the Plan will be registered in the name of the Participating Employee.

6.4 Grant of Options.

(a) A Participating Employee shall be granted a separate option for each Plan Period in which he or she participates. The option shall be granted on the Plan Period Commencement Date for the Plan Period or, if such Participating Employee is subject to a Cooling-off Period described in Section 6.2(e), on the day following the end of such Cooling-off Period (such date the option is granted, the "Grant Date"), and shall provide the Participating Employee with the right to purchase Shares upon the terms set forth below.

(b) The number of Shares purchasable by a Participating Employee on each Plan Period Termination Date during the Plan Period, pursuant to Section 6.5 below, shall be determined by dividing such Employee's Contributions accumulated during such Plan Period prior to such Plan Period Termination Date and retained in the Participating Employee's account as of the Plan Period Termination Date by the applicable Purchase Price. However, the maximum number of Shares a Participating Employee may purchase during each Plan Period shall not exceed 10,000 Shares, or such other number as may be determined by the Committee and announced to Employees at least five days prior to the scheduled beginning of the next Plan Period to be affected by the Committee's determination, provided that such purchase shall be subject to the limitations set forth in Section 6.2(c).

(c) Except as provided in Section 6.2(h)(ii), the fair market value of the Shares on a given date (the "Fair Market Value") means the value of a share of Common Stock on a particular date determined by such methods or procedures as may be established by the Committee. Unless otherwise determined by the Committee, the Fair Market Value of the Common Stock as of any date, is (a) the closing price for the Common Stock as reported by the NASDAQ Global Market (or on any other national securities exchange on which the Common Stock is then listed) for that date or, if no closing price is reported for that date, the closing price on the next preceding date for which a closing price was reported or (b) if the Common Stock is not traded on a national securities exchange but is traded over-the-counter, the closing or last price of the Common Stock on the composite tape or other comparable reporting system on that date or, if such date is not a trading day, the last market trading day prior to such date.

6.5 Exercise. Unless a Participating Employee withdraws from the Plan as provided in Section 6.7, each option shall be exercised automatically on each Plan Period Termination Date, and Shares shall accordingly be purchased on behalf of each Participating Employee on each such Plan Period Termination Date. The purchase shall be effected by applying the Participating Employee's payroll deductions for the Plan Period ending on such Plan Period Termination Date to the purchase of Shares (subject to the limitation on the maximum number of Shares purchasable per Participating Employee on any one Plan Period Termination Date) at the Purchase Price in effect for the Participating Employee for that Plan Period Termination Date. The Shares purchased upon exercise of an option hereunder shall be deemed to be transferred to the Participating Employee on the Plan Period Termination Date. During his or her lifetime, a Participating Employee's option to purchase Shares hereunder is exercisable only by him or her.

6.6 Delivery. As promptly as practicable after each Plan Period Termination Date, the Company shall arrange the delivery to each Participating Employee a certificate or certificates or book-entry authorization and instruction to the Company's transfer agent and registrar for the number of Shares purchased upon exercise of his or her option.

6.7 Voluntary Withdrawal; Termination of Employment.

(a) A Participating Employee may withdraw all but not less than all of the Contributions credited to his or her account under the Plan up to two weeks prior to the Plan Period Termination Date by giving written notice to the Company in accordance with the Company's policy regarding withdrawal from the Plan. All of the Participating Employee's Contributions credited to his or her account will be paid to him or her promptly after receipt of his or her notice of withdrawal and his or her option for the current Plan Period will be automatically terminated, and no further Contributions for the purchase of Shares will be made (or will be permitted to be made) during the Plan Period.

(b) Upon termination of the Participating Employee's Continuous Status as an Employee prior to a Plan Period Termination Date for any reason, including retirement or death, the Contributions credited to his or her account will be returned to him or her or, in the case of his or her death, to the person or persons entitled thereto under Section 8, and his or her option will be automatically terminated.

(c) In the event a Participating Employee fails to remain in Continuous Status as an Employee of the Company for at least 20 hours per week during the Plan Period in which the Employee is a Participating Employee, he or she will be deemed to have elected to withdraw from the Plan and the Contributions credited to his or her account and remaining there will be returned to him or her and his or her option terminated.

(d) A Participating Employee's withdrawal during a Plan Period will not have any effect upon his or her eligibility to participate in a succeeding Plan Period or in any similar plan which may hereafter be adopted by the Company.

7. No Special Service Rights

Nothing contained in the Plan shall confer upon any Employee any right with respect to the continuation of his or her employment with the Company or any Covered Entity or any other entity, corporation, partnership, limited liability company or business trust controlling, controlled by or under common control with the Company, or interfere in any way with the right of any such entity, subject to the terms of any separate employment agreement or provision of law or the Company's charter or by-laws to the contrary, at any time to terminate such employment relationship or to increase or decrease, or otherwise adjust, the other terms and conditions of the Employee's employment.

8. Designation of Beneficiary

8.1 A Participating Employee may file a written designation of a beneficiary who is to receive any Shares and cash, if any, from the Participating Employee's account under the Plan in the event of such Participating Employee's death subsequent to the end of a Plan Period but prior to delivery to him or her of such Shares and cash. Any such beneficiary shall also be entitled to receive any cash from the Participating Employee's account under the Plan in the event of such Participating Employee's death during a Plan Period.

8.2 Such designation of beneficiary may be changed by the Participating Employee at any time by written notice. In the event of the death of a Participating Employee and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participating Employee's death, the Company shall deliver such Shares and/or cash to the executor or administrator of the estate of the Participating Employee, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such Shares and/or cash to the spouse or to any one or more dependents or relatives of the Participating Employee, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

9. Transferability of Options and Shares

Neither Contributions credited to a Participating Employee's account nor any rights with regard to the exercise of an option or to receive Shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution, or as provided in Section 8) by the Participating Employee. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw funds in accordance with Section 6.7. In addition, if the Committee has so announced to Participating Employees at least five days prior to the scheduled beginning of the next Plan Period, any Shares acquired on the Plan Period Termination Date of such Plan Period may be subject to restrictions specified by the Committee on the transfer of such Shares. Any Participating Employee selling or transferring any or all of his or her Shares purchased pursuant to the Plan must provide written notice of such sale or transfer to the Company within five business days after the date of sale or transfer. Such notice to the Company shall include the gross sales price, if any, the Plan Period during which the Shares being sold were purchased by the Participating Employee, the number of Shares being sold or transferred and the date of sale or transfer.

10. Use of Funds

All Contributions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such Contributions from its other assets.

11. Reports

Individual accounts will be maintained for each Participating Employee in the Plan. Statements of account will be given to Participating Employees at least annually, which statements will set forth, with respect to the immediately prior calendar year, the amounts of Contributions, the per Share Purchase Price, the number of Shares purchased and the remaining cash balance, if any.

12. Adjustments Upon Changes in Capitalization; Corporate Transactions

12.1 *Adjustment in General.* All of the share numbers set forth in the Plan reflect the capital structure of the Company as of the Effective Date. If subsequent to that date the outstanding Shares (or any other securities covered by the Plan by reason of the prior application of this Section) are increased, decreased, or exchanged for a different number or kind of shares or other securities, or if additional shares or new or different shares or other securities are distributed with respect to Shares, as a result of a reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, or other similar distribution with respect to such Shares, an appropriate and proportionate adjustment will be made in (i) the maximum numbers and

kinds of shares provided in Section 3, (ii) the numbers and kinds of shares or other securities subject to the then outstanding options, and (iii) the exercise price for each share or other unit of any other securities subject to then outstanding options.

12.2 Adjustment Upon the Occurrence of Certain Unusual or Nonrecurring Events. In the event of any corporate action not specifically covered by the preceding Section 12.1, including but not limited to an extraordinary cash distribution on Common Stock, a corporate separation or other reorganization or liquidation, the Committee may make such adjustment of outstanding options and their terms, if any, as it, in its sole discretion, may deem equitable and appropriate in the circumstances. The Committee may make adjustments in the terms and conditions of, and the criteria included in, options in recognition of unusual or nonrecurring events (including, without limitation, the events described in this Section 12.2) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

12.3 Related Matters. Any adjustment in options made pursuant to Section 12.1 or 12.2 shall be determined and made, if at all, by the Committee, acting in its sole discretion, and shall include any correlative modification of terms which the Committee may deem necessary or appropriate so as to ensure the rights of the Participating Employees in their respective options are not substantially diminished nor enlarged as a result of the adjustment and corporate action other than as expressly contemplated in this Section 12.

12.4 Corporate Transactions. In the event of a Corporate Transaction that is a dissolution or liquidation of the Company, the Plan Period then in progress will terminate immediately prior to the consummation of such action, unless otherwise provided by the Committee. In the event of any other Corporate Transaction, each option outstanding under the Plan may be assumed or an equivalent option may be substituted by the successor corporation or a parent or subsidiary of such successor corporation. In the event that the successor corporation refuses to assume or substitute for outstanding options, the Plan Period then in progress shall be shortened and a new Plan Period Termination Date shall be set (the "New Plan Period Termination Date"), as of which date the Plan Period then in progress will terminate. The New Plan Period Termination Date shall be on or before the date of consummation of the Corporate Transaction and the Committee shall notify each Participating Employee in writing, at least three Business Days prior to the New Plan Period Termination Date, that the Plan Period Termination Date for his or her option has been changed to the New Plan Period Termination Date and that his or her option will be exercised automatically on the New Plan Period Termination Date, unless prior to such date he or she has withdrawn from the Plan Period as provided in Section 6.7. For purposes of this Section 12.4, an option granted under the Plan shall be considered assumed, or a substantially equivalent award shall be considered to have been provided in substitution therefor, if following consummation of the Corporate Transaction, the option is assumed and/or exchanged or replaced with another option issued by the acquiring or succeeding entity (or an affiliate thereof) that confers the right to receive upon exercise of such option, for each share of Common Stock subject to the option immediately prior to the consummation of the Corporate Transaction, the consideration (whether cash, securities or other property) received as a result of the Corporate Transaction by holders of Common Stock for each share of Common Stock held immediately prior to the consummation of the Corporate Transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Stock); *provided however that if the consideration received in the transaction is not solely common stock of the successor corporation or its parent (as defined in Section 424(e) of the Code), the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon exercise of the option to be solely common stock of the successor corporation or its parent equal in fair market value to the per Share consideration received by holders of Common Stock in the transaction.*

13. Settlement of Awards

13.1 Violation of Law. Notwithstanding any other provision of the Plan to the contrary, if, at any time, in the reasonable opinion of the Company, the issuance of Shares pursuant to the Plan may constitute a violation of law, then the Company may delay such issuance of such Shares until (i) approval shall have been obtained from such governmental agencies, other than the Commission, as may be required under any applicable law, rule, or regulation and (ii) in the case where such issuance would constitute a violation of a law administered by or a regulation of the Commission, one of the following conditions shall have been satisfied:

(a) the Shares are, at the time of the issue of such Shares, effectively registered under the Securities Act; or

(b) the Company shall have determined, on such basis as it deems appropriate (including an opinion of counsel in form and substance satisfactory to the Company) that the sale, transfer, assignment, pledge, encumbrance or other disposition of such Shares or such beneficial interest, as the case may be, does not require registration under the Securities Act or any applicable State securities laws.

(c) The Company shall make all reasonable efforts to bring about the occurrence of said events.

13.2 Corporate Restrictions on Rights in Stock. Any Shares to be issued pursuant to the Plan shall be subject to all restrictions upon the transfer thereof which may be now or hereafter imposed by the charter and by-laws of the Company.

13.3 Investment Representations. As a condition to the exercise of an option, the Company may require the person exercising such option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law. The Company shall be under no obligation to issue any Shares unless the Shares to be issued pursuant to the Plan have been effectively registered under the Securities Act.

13.4 Placement of Legends; Stop Orders; etc. Each Share to be issued pursuant to the Plan may bear a reference to any applicable restriction under the Plan. All Shares or other securities delivered under the Plan shall be subject to such stock transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of any stock exchange upon which the Common Stock is then listed, and any applicable federal or state securities law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

13.5 Company Charter and By-Laws; Other Company Policies. The Plan and all options granted under the Plan (including the exercise of an option) are subject to and must comply with the certificate of incorporation and bylaws of the Company, as they may be amended from time to time, and all other Company policies duly adopted by the Board, the Committee or any other committee of the Board as in effect from time to time regarding the acquisition, ownership or sale of Common Stock by employees, including, without limitation, policies intended to limit the potential for insider trading and to avoid or recover compensation payable or paid on the basis of inaccurate financial results or statements, employee conduct, and other similar events.

14. Adopting Subsidiaries

Any Subsidiary of the Company may request that its Employees be allowed to participate in the Plan in accordance with procedures to be adopted by the Board. The Board may, in its sole discretion, approve or reject any such request. Any such Subsidiary whose request is approved by the Board shall be referred to herein as a "Covered Entity." In addition, the Board may determine, in its sole discretion, that a Subsidiary that is a Covered Entity will cease to be a Covered Entity with respect to Plan Periods not yet commenced.

15. Amendment and Termination

(a) The Board may at any time terminate the Plan or make such modifications of the Plan as it shall deem advisable. Except as provided in Section 12, no termination of the Plan may affect options previously granted, provided that the Plan or a Plan Period may be terminated by the Board on a Plan Period Termination Date or by the Board's setting a new Plan Period Termination Date with respect to a Plan Period then in progress if the Board determines that termination of the Plan and/or any Plan Period is in the best interests of the Company and its stockholders or if continuation of the Plan and/or a Plan Period would cause the Company to incur adverse accounting charges as a result of the Plan. Except as provided in Section 12 or this Section 15, no amendment to the Plan shall make any change in any option previously granted which adversely affects the rights of any Participating Employee. Except as provided in Section 12 relating to adjustments upon changes in stock, no amendment shall be effective unless approved by the stockholders of the Company within twelve (12) months before or after the adoption of the amendment, where the amendment will:

(i) Increase the number of Shares reserved for rights under the Plan;

(ii) Modify the provisions as to eligibility for participation in the Plan or in a Plan Period (to the extent such modification requires stockholder approval in order for the Plan to obtain employee stock purchase plan treatment under Section 423 of the Code or to comply with the requirements of Rule 16b-3 promulgated under the Exchange Act or any comparable successor rule ("Rule 16b-3"); or

(iii) Modify the Plan or a Plan Period in any other way if such modification requires stockholder approval in order for the Plan to obtain employee stock purchase plan treatment under Section 423 of the Code or to comply with the requirements of Rule 16b-3.

(b) In addition to the foregoing, without stockholder consent and without regard to whether any Participating Employee rights may be considered to have been adversely affected, the Committee shall be entitled to change the Plan Periods, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars (if applicable), permit payroll withholding in excess of the amount designated by a Participating Employee to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participating Employee properly correspond with amounts withheld from the Participating Employee's Compensation, and establish such other limitations or procedures as the Committee determines in its sole discretion advisable which are consistent with the Plan.

16. Notices and Other Communications

Any notice, demand, request or other communication hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied with a confirmation copy by regular, certified or overnight mail, addressed or telecopied, as the case may be, (i) if to a Participating Employee, at his or her residence address last filed with the Company and (ii) if to the Company, at its principal place of business, addressed to the attention of its Chief Financial Officer, or to such other address or telecopier number, as the case may be, as the addressee may have designated by notice to the addressor. All such notices, requests, demands and other communications shall be deemed to have been received: (i) in the case of personal delivery, on the date of such delivery; (ii) in the case of mailing, when received by the addressee; and (iii) in the case of facsimile transmission, when confirmed by facsimile machine report. In addition, the Company may, in its sole discretion, deliver any documents related to the Plan by electronic means or request that Participating Employee communicate with the Company with respect to the Plan by electronic means. By participating in the Plan, each Participating Employee will have consented to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company, and such consent shall remain in effect throughout the Participating Employee's term of employment or service with the Company and thereafter until withdrawn in writing by Participant.

17. Governing Law

The Plan and all options and actions taken thereunder shall be governed, interpreted and enforced in accordance with the laws of the State of New York without regard to the conflict of laws principles thereof.

18. Term of Plan

The Plan shall become effective on the date on which it is approved by the stockholders of the Company and shall continue in effect until the tenth (10th) anniversary thereof, unless earlier terminated pursuant to Section 15.

SAMPLE

PROTARA THERAPEUTICS, INC.

2024 EMPLOYEE STOCK PURCHASE PLAN

ENROLLMENT AGREEMENT

Original Application

Enrollment Date: _____

Change in Payroll Deduction Rate

Change in Beneficiary(ies)

1. I, hereby elect to participate in the Protara Therapeutics, Inc. 2024 Employee Stock Purchase Plan, as amended (the "Purchase Plan"), and subscribe to purchase shares of the Company's Common Stock in accordance with this Enrollment Agreement and the Purchase Plan. Capitalized terms used (and not otherwise defined) in this enrollment agreement have the meanings assigned to them in the Purchase Plan.
2. I hereby authorize payroll deductions from each paycheck in the amount of % of my Compensation (from 1% to 15%) on each payroll date during the Plan Period in accordance with the Purchase Plan. (Please note that no fractional percentages are permitted.)
3. I understand that such payroll deductions will be accumulated for the purchase of shares of Common Stock at the applicable purchase price determined in accordance with the Purchase Plan. I understand that, if I do not withdraw from a Plan Period, any accumulated payroll deductions will be used to automatically purchase shares of Common Stock.
4. I understand that all my payroll deductions received or held by the Company under the Purchase Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions. Until shares are issued to me, I will only have the rights of an unsecured creditor with respect to such accumulated payroll deductions.
5. I have received a copy of the Purchase Plan Prospectus and the Purchase Plan document. I understand that my participation in the Purchase Plan is in all respects subject to the terms of the Purchase Plan.
6. Shares purchased for me under the Purchase Plan should be issued in the name(s) of (Employee or Employee and spouse only):

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7. I understand that if I dispose of any shares received by me pursuant to the Purchase Plan within two years after the Grant Date or one year after the Plan Period Termination Date, I will be treated for federal income tax purposes as having received ordinary income at the time of such disposition in an amount equal to the excess of the fair market value of the shares at the time such shares were purchased by me over the price which I paid for the shares. ***I hereby agree to notify the Company in writing within five (5) business days after the date of any disposition of my shares, and I will make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon the disposition of the Common Stock.*** The Company may, but will not be obligated to, withhold from my compensation the amount necessary to meet any applicable withholding obligation, including any withholding necessary to make available to the Company any tax deductions or benefits attributable to the sale or early disposition of Common Stock by me.

If I dispose of such shares at any time after the expiration of the applicable holding periods, I understand that I will be treated for federal income tax purposes as having received income only at the time of such disposition, and that such income will be taxed as ordinary income only to the extent of an amount equal to the lesser of (a) the excess of the fair market value of the shares at the time of such disposition over the purchase price which I paid for the shares or (b) 15% of the fair market value of the shares on the first day of the Plan Period. The remainder of the gain, if any, recognized on such disposition will be taxed as capital gain.

8. I hereby agree to be bound by the terms of the Purchase Plan. The effectiveness of this Enrollment Agreement is dependent upon my eligibility to participate in the Purchase Plan.
9. I hereby agree to establish a brokerage account with and to fill out and submit the necessary forms to allow the Company to deposit shares purchased on my behalf under the Purchase Plan in such account, if I have not done so already.
10. I hereby represent and certify that I am (1) not aware of any material nonpublic information about the Company or its securities and (2) electing to participate in the Purchase Plan in good faith and not as part of a plan or scheme to evade Rule 10b5-1(c) of the Exchange Act.
11. In the event of my death, I hereby designate the following as my beneficiary(ies) to receive all payments and shares due me under the Purchase Plan:

BENEFICIARY NAME:
(Please print)

(First) (Middle) (Last)

Relationship

I UNDERSTAND THAT THIS ENROLLMENT AGREEMENT SHALL REMAIN IN EFFECT THROUGHOUT SUCCESSIVE PLAN PERIODS UNLESS TERMINATED BY ME.

Dated:

 Signature of Employee

 Print name

 Spouse's Signature
(If beneficiary other than spouse)

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SAMPLE

PROTARA THERAPEUTICS, INC.

2024 EMPLOYEE STOCK PURCHASE PLAN

NOTICE OF WITHDRAWAL

The undersigned participant in the Protara Therapeutics, Inc. 2024 Employee Stock Purchase Plan, hereby notifies the Company that he or she hereby withdraws from the Plan Period beginning . He or she hereby directs the Company to pay to the undersigned as promptly as practicable all the payroll deductions credited to his or her account with respect to such Plan Period. The undersigned understands and agrees that his or her option for such Plan Period will be automatically terminated, that no further payroll deductions will be made for the purchase of shares in the current Plan Period, and that the undersigned shall be eligible to participate in subsequent Plan Periods only by delivering to the Company a new Enrollment Agreement.

Name: _____

Signature: _____

Date: _____

[Letterhead of Protara Therapeutics, Inc.]

**PROTARA THERAPEUTICS, INC.
2024 EQUITY INCENTIVE PLAN**

STOCK OPTION AGREEMENT

THIS AGREEMENT dated as of the Grant Notice date, between Protara Therapeutics, Inc., a corporation organized under the laws of the State of Delaware (the “Company”), and the individual identified in paragraph 1 below, currently residing at the address set out at the end of this Agreement (the “Optionee”).

1. **Grant of Option.** Pursuant and subject to the Company’s 2024 Equity Incentive Plan (as the same may be amended from time to time, the “Plan”), the Company grants to you, the Optionee, an option (the “Option”) to purchase from the Company all or any part of a total of the number of shares (the “Optioned Shares”) of the common stock, par value \$0.001 per share, in the Company (the “Stock”), at the exercise price per share as set out in the Stock Option Grant Notice.
2. **Character of Option.** The tax character of this Option is set forth in the Grant Notice. For incentive stock options only, the option is intended to be treated as an “incentive stock option” within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended.
3. **Expiration of Option.** This Option shall expire at 5:00 p.m. Eastern Standard Time on the Expiration Date as defined in the Grant Notice or, if earlier, the earliest of the dates specified in whichever of the following applies:
 - a) If the termination of your employment or other association is on account of your death or disability, the first anniversary of the date your employment ends.
 - b) If the termination of your employment or other association is due to any other reason, ninety (90) days after your employment or other association ends.
4. **Exercise of Option.**
 - a) You may exercise this Option as to the number of Optioned Shares which have vested (the “Vested Shares”) under this paragraph 4, in full or in part and at any time prior to the Expiration Date. However, during any period that this Option remains outstanding after your employment or other association with the Company and its Affiliates ends, you may exercise it only to the extent of any remaining Vested Shares determined as of immediately prior to the end of your employment or other association. The procedure for exercising this Option is described in Section 7.1(e) of the Plan.
 - b) *Vesting Schedule:* This Option will vest, if at all, in accordance with the vesting schedule set forth in the Grant Notice.

5. **Transfer of Option.** Except if and to the extent otherwise provided under the Plan, you may not transfer this Option except by will or the laws of descent and distribution, and, during your lifetime, only you may exercise this Option.
6. **Incorporation of Plan Terms.** This Option is granted subject to all of the applicable terms and provisions of the Plan, including but not limited to the limitations on the Company’s obligation to deliver Optioned Shares upon exercise set forth in Section 10 (Settlement of Awards).
7. **Consequences.** The Company makes no representation or warranty as to the tax treatment to you of your receipt or exercise of this Option or upon your sale or other disposition of the Optioned Shares. You should rely on your own tax advisors for such advice.
8. **Acknowledgements.** You acknowledge that you have reviewed and understand the Plan and this Agreement in their entirety, and have had an opportunity to obtain the advice of counsel prior to executing this Agreement. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Agreement.
9. **Further Assurances.** The parties agree to execute such further instruments and to take such action as may reasonably be necessary to carry out the intent of this Agreement.
10. **Miscellaneous.** This Agreement shall be construed and enforced in accordance with the laws of the State of New York without regard to the conflict of laws principles thereof and shall be binding upon and inure to the benefit of any successor or assign of the Company and any executor, administrator, trustee, guardian, or other legal representative of you. Capitalized terms used but not defined herein shall have the meaning assigned under the Plan. This Agreement may be executed in one or more counterparts all of which together shall constitute but one instrument. In making proof of this Agreement it shall not be necessary to produce or account for more than one such counterpart.

**PROTARA THERAPEUTICS, INC.
2024 EQUITY INCENTIVE PLAN
STOCK OPTION GRANT NOTICE**

Protara Therapeutics, Inc. (the “Company”), pursuant to its 2024 Equity Incentive Plan (as may be amended from time to time, the “Plan”), hereby grants to Optionee an option to purchase the number of shares of the Company’s Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this Stock Option Grant Notice, in the Option Agreement, and the Plan, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the

Plan or the Option Agreement. If there is any conflict between the terms in this Stock Option Grant Notice and the Plan, the terms of the Plan will control.

Optionee: _____

Notice Date: _____

Number of Shares: _____

Exercise Price Per Share: _____

Vesting Commencement Date: _____

Grant Date: _____

Expiration Date: _____

Type of Grant: _____

Vesting Schedule (refer to Appendix A): _____

This option will vest subject to the schedule set forth in Appendix A to this Stock Option Grant Notice.

Additional Terms/Acknowledgements: Optionee acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionee also acknowledges receipt of the Prospectus for the Plan. Optionee acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionee further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionee and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of, if applicable, (i) equity awards previously granted and delivered to Optionee, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment agreement, severance agreement, offer letter or other written agreement entered into between the Company and Participant specifying the terms that should govern this specific option. By accepting this option, Optionee consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

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PROTARA THERAPEUTICS, INC.

Chief Executive Officer

ATTACHMENTS: 2024 Equity Incentive Plan, Option Agreement and Prospectus for the 2024 Equity Incentive Plan

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Appendix A

Vesting schedules are:

Schedule 1	Twenty-five percent (25%) of the shares subject to this Option shall vest on the one (1) year anniversary of the Vesting Commencement Date, and one thirty-sixth (1/36th) of the remaining Optioned Shares subject to this Option shall vest each month thereafter on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), subject to the Optionee's continuous service with the Company as of each such date.
Schedule 2	Equal monthly installments over the 12 months following the date of grant, provided that the entire grant will, in any case, be fully vested on the date of the Company's next annual stockholder meeting, subject to the Eligible Director's continuous service as a member of the Board through such vesting date and will vest in full upon a Change of Control (as defined in the Plan).
Schedule 3	Equal monthly installments over a three-year period such that the option is fully vested on the third anniversary of the date of grant, subject to the Eligible Director's continuous service as a member of the Board through each such vesting date and will vest in full upon a Change of Control (as defined in the Plan).
Schedule 4	One hundred percent (100%) of the shares underlying the RSUs vest on the one-year anniversary of the Vesting Commencement Date, subject to the awardee's continuous service with the Company as of such date.
Schedule 5	Thirty-three and one third percent (33 1/3%) of the shares underlying the RSUs vest on the one-, two- and three-year anniversary of the Vesting Commencement Date, respectively, subject to the awardee's continuous service with the Company as of each such date.
Schedule 6	Twenty-five percent (25%) of the shares underlying the RSUs vest on the one-, two-, three- and four-year anniversary of Vesting Commencement Date, respectively, subject to the awardee's continuous service with the Company as of each such date.

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PROTARA THERAPEUTICS, INC.
2024 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to your Restricted Stock Unit Award Grant Notice (the “**Grant Notice**”), this Restricted Stock Unit Award Agreement (the “**Agreement**”) and in consideration of your services, Protara Therapeutics, Inc. (the “**Company**”) has awarded you a Restricted Stock Unit Award (the “**Award**”) under its 2024 Equity Incentive Plan (as may be amended from time to time, the “**Plan**”) for the number of restricted stock units (the “**Restricted Stock Units**”) set forth in the Grant Notice. This Award is granted to you effective as of the date of grant set forth in the Grant Notice (the “**Date of Grant**”). Capitalized terms not explicitly defined in this Agreement but defined in the Plan or the Grant Notice will have the same definitions as in the Plan or the Grant Notice. The details of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows.

1. GRANT OF THE AWARD. This Award represents your right to be issued on a future date (as set forth in Section 6) one share of Stock for each Restricted Stock Unit subject to this Award that vests in accordance with the Grant Notice and this Agreement.

2. VESTING. The Award will vest, if at all, in accordance with the vesting schedule set forth in the Grant Notice, provided that vesting will cease upon the termination of your continuous service with the Company. Upon such termination of your continuous service with the Company, you will forfeit (at no cost to the Company) any Restricted Stock Units subject to this Award that have not vested as of the date of such termination and you will have no further right, title or interest in such Restricted Stock Units or this Award.

3. NUMBER OF RESTRICTED STOCK UNITS AND SHARES OF STOCK.

(a) The number of Restricted Stock Units subject to this Award, as set forth in the Grant Notice, will be adjusted for such events described in Sections 8.1 and 8.2 of the Plan, if any.

(b) Any additional Restricted Stock Units and any shares of Stock, cash or other property that become subject to this Award pursuant to this Section 3 will be subject, in a manner determined by the Committee, to the same forfeiture restrictions, restrictions on transferability, and time and manner of issuance as applicable to the other Restricted Stock Units subject to this Award to which they relate.

(c) No fractional shares or rights for fractional shares of Stock will be created pursuant to this Section 3. Any fractional shares that may be created by the adjustments referred to in this Section 3 will be rounded down to the nearest whole share.

4. SECURITIES LAW COMPLIANCE. You will not be issued any shares of Stock in respect of this Award unless either (i) such shares are registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. This Award also must comply with all other applicable laws and regulations governing this Award, and you will not receive any shares of Stock in respect of this Award if the Company determines that such receipt would not be in material compliance with such laws and regulations.

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5. TRANSFERABILITY. Except as otherwise provided in this Section 5, this Award is not transferable, except by will or by the laws of descent and distribution, and prior to the time that shares of Stock in respect of this Award have been issued to you, you may not transfer, pledge, sell or otherwise dispose of any portion of the Restricted Stock Units or the shares of Stock in respect of this Award. For example, you may not use any shares of Stock that may be issued in respect of this Award as security for a loan, nor may you transfer, pledge, sell or otherwise dispose of such shares. This restriction on transfer will lapse upon issuance to you of the shares of Stock in respect of this Award.

6. DATE OF ISSUANCE.

(a) If the Award is exempt from application of Section 409A of the Code and any state law of similar effect (collectively “**Section 409A**”), the Company will deliver to you a number of shares of the Company’s Stock equal to the number of vested Restricted Stock Units subject to your Award, including any additional Restricted Stock Units received pursuant to Section 3 above that relate to those vested Restricted Stock Units on the applicable vesting date (the “**Original Issuance Date**”). However, if the Original Issuance Date falls on a date that is not a business day, such delivery date shall instead fall on the next following business day. Notwithstanding the foregoing, if (i) the Original Issuance Date does not occur (1) during an “open window period” applicable to you, as determined by the Company in accordance with the Company’s then-effective policy or policies on trading in Company securities or (2) on a date when you are otherwise permitted to sell shares of Stock on the open market; and (ii) the Company elects, prior to the Original Issuance Date, (x) not to satisfy the Withholding Obligation (as defined in Section 10(a) hereof) by withholding shares of Stock from the shares otherwise due, on the Original Issuance Date, to you under this Award pursuant to Section 10 hereof, (y) not to permit you to then effect a “same day sale” to cover the Withholding Obligation pursuant to Section 10 hereof, and (z) not to permit you to satisfy the Withholding Obligation in cash, then such shares shall not be delivered on such Original Issuance Date and shall instead be delivered on the first business day of the next occurring open window period applicable to you or the next business day when you are not prohibited from selling shares of the Company’s Stock on the open market, as applicable (and regardless of whether there has been a termination of your continuous service with the Company before such time), but in no event later than the 15th day of the third calendar month of the calendar year following the calendar year in which the Restricted Stock Units vest. Delivery of the shares pursuant to the provisions of this Section 6(a) is intended to comply with the requirements for the short-term deferral exemption available under Treasury Regulations Section 1.409A-1(b)(4) and shall be construed and administered in such manner. The form of such delivery of the shares (e.g., a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

(b) The provisions of this Section 6(b) are intended to apply if the Award is subject to Section 409A because of the terms of a severance arrangement or other agreement between you and the Company, if any, that provide for acceleration of vesting of the Award upon your separation from service (as such term is defined in Section 409A(a)(2)(A)(i) of the Code (“**Separation from Service**”) and such severance benefit does not satisfy the requirements for an exemption from application of Section 409A provided under Treasury Regulations Section 1.409A-1(b)(4) or 1.409A-1(b)(9) (“**Non-Exempt Severance Arrangement**”). If the Award is subject to and not exempt from application of Section 409A due to application of a Non-Exempt Severance Arrangement, the following provisions in this Section 6(b) shall supersede anything to the contrary in Section 6(a).

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(i) If the Award vests in the ordinary course before your termination of continuous service with the Company in accordance with the vesting schedule set forth in the Grant Notice, without accelerating vesting under the terms of a Non-Exempt Severance Arrangement, in no event will

the shares to be issued in respect of your Award be issued any later than the later of: (A) December 31st of the calendar year that includes the applicable vesting date and (B) the 60th day that follows the applicable vesting date.

(ii) If vesting of the Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with your Separation from Service, and such vesting acceleration provisions were in effect as of the date of grant of the Award and, therefore, are part of the terms of the Award as of the date of grant, then the shares will be earlier issued in respect of your Award upon your Separation from Service in accordance with the terms of the Non-Exempt Severance Arrangement, but in no event later than the 60th day that follows the date of your Separation from Service. However, if at the time the shares would otherwise be issued you are subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such shares shall not be issued before the date that is six months and one day following the date of your Separation from Service, or, if earlier, the date of your death that occurs within such six-month period.

(iii) If either (A) vesting of the Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with your Separation from Service, and such vesting acceleration provisions were not in effect as of the date of grant of the Award and, therefore, are not a part of the terms of the Award on the date of grant, or (B) vesting accelerates pursuant to Section 2(b) or Section 9 of the Plan, then such acceleration of vesting of the Award shall not accelerate the issuance date of the shares (or any substitute property), but the shares (or substitute property) shall instead be issued on the same schedule as set forth in the Grant Notice as if they had vested in the ordinary course before your termination of continuous service with the Company, notwithstanding the vesting acceleration of the Award. Such issuance schedule is intended to satisfy the requirements of payment on a specified date or pursuant to a fixed schedule, as provided under Treasury Regulations Section 1.409A-3(a)(4).

(c) Notwithstanding anything to the contrary set forth herein, the Company explicitly reserves the right to earlier issue the shares in respect of any Award to the extent permitted and in compliance with the requirements of Section 409A, including pursuant to any of the exemptions available in Treasury Regulations Section 1.409A-3(j)(4)(ix).

(d) The provisions in this Agreement for delivery of the shares in respect of the Award are intended either to comply with the requirements of Section 409A or to provide a basis for exemption from such requirements so that the delivery of the shares will not trigger the additional tax imposed under Section 409A, and any ambiguities herein will be so interpreted.

7. DIVIDENDS. You will receive no benefit or adjustment to this Award with respect to any cash dividend, stock dividend or other distribution except as provided in the Plan with respect to adjustments pursuant to Sections 8.1 and 8.2.

8. RESTRICTIVE LEGENDS. The shares of Stock issued in respect of this Award will be endorsed with appropriate legends, if any, as determined by the Company.

9. AWARD NOT A SERVICE CONTRACT.

(a) Your continuous service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of your Award pursuant to the schedule set forth in Section 2 in this Agreement or the issuance of the shares subject to your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award is earned only through continuous service with the Company (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a "reorganization"). You further acknowledge and agree that such a reorganization could result in the termination of your continuous service with the Company, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth in this Agreement or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee, director or consultant for the term of this Agreement, for any period, or at all, and will not interfere in any way with your right or the Company's or an Affiliate's right to terminate your continuous service with the Company at any time, with or without cause and with or without notice.

10. WITHHOLDING OBLIGATIONS.

(a) On or before the time you receive a distribution of Stock pursuant to your Award, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from the Stock issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate which arise in connection with your Award (the "Withholding Obligation").

(b) The Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means:

(i) withholding from any compensation otherwise payable to you by the Company;

(ii) causing you to tender a cash payment;

(iii) permitting you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "FINRA Dealer") whereby you irrevocably elect to sell a portion of the shares to be delivered in connection with your Award to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and/or its Affiliates; or

(iv) withholding shares of Stock from the shares of Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Stock are issued pursuant to Section 6) equal to the amount of the Withholding Obligation; *provided, however,* that the number of such shares of Stock so withheld shall not exceed the amount necessary to satisfy the Company's or Affiliate's tax withholding obligations as permitted while still avoiding classification of the Award as a liability for financial accounting purposes and provided, further, that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Securities Exchange Act of 1934, as amended, if applicable, such share withholding procedure will be subject to the express prior approval of the Board or the Committee.

(c) Unless the Withholding Obligation of the Company and/or any Affiliate are satisfied, the Company shall have no obligation to deliver to you any Stock.

(d) In the event the Withholding Obligation of the Company arises prior to the delivery to you of Stock or it is determined after the delivery of Stock to you that the amount of the Withholding Obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

11. TAX CONSEQUENCES. The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by accepting this Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

12. UNSECURED OBLIGATION. Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

13. OTHER DOCUMENTS. You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time and understand that this policy applies to shares received under this Award.

14. NOTICES; ELECTRONIC DELIVERY. Any notices provided for in your Award or the Plan will be given in writing and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents and transmit or require you to transmit notices related to participation in the Plan and this Award by electronic means. You hereby consent to receive such documents and notices, and to give such notices, by electronic delivery and to participate in the Plan through the on-line or electronic system established and maintained by the Company or another third party designated by the Company from time to time.

15. MISCELLANEOUS.

(a) The rights and obligations of the Company under your Award will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award, and fully understand all provisions of your Award.

(d) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

16. GOVERNING PLAN DOCUMENT. This Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of this Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Except as otherwise expressly provided in the Grant Notice or this Agreement, in the event of any conflict between the terms in the Grant Notice or this Agreement and the terms of the Plan, the terms of the Plan will control. In addition, this Award (and any shares issued under this Award) is subject to recoupment in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

17. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this Award will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

18. STOCKHOLDER RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares of Stock to be issued pursuant to this Award until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company, any Affiliate or any other person.

19. SEVERABILITY. If any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

20. CHOICE OF LAW. The interpretation, performance and enforcement of this Agreement will be governed by the law of the State of New York without regard to such state's conflicts of laws rules.

21. AMENDMENT. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Committee by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that no such amendment materially adversely affects your rights hereunder may be made without your written consent. Without limiting the foregoing, the Committee reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change shall be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

PROTARA THERAPEUTICS, INC.
2024 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD GRANT NOTICE

Protara Therapeutics, Inc. (the “**Company**”), pursuant to its 2024 Equity Incentive Plan (as may be amended from time to time, the “**Plan**”), hereby grants to Participant a Restricted Stock Unit Award (the “**Award**”) under the Plan for the number of restricted stock units (the “**RSUs**”) set forth below. This Award is subject to all of the terms and conditions set forth in this Restricted Stock Unit Award Grant Notice (the “**Grant Notice**”) and in the Restricted Stock Unit Award Agreement (the “**Agreement**”) and the Plan, all of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan or the Agreement.

Participant: _____

Notice Date: _____

Date of Grant: _____

Vesting Commencement Date: _____

Number of RSUs Subject to Award: _____

Vesting Schedule: _____

This option will vest subject to the above listed schedule as defined in Appendix A.

Issuance Schedule: _____ Subject to adjustment as provided under the Plan, one share of Stock will be issued for each RSU that vests at the time set forth in Section 6 of the Agreement.

Additional Terms/Acknowledgements: By accepting the Award through the Morgan Stanley E*TRADE Platform, you acknowledge receipt of, and understand and agree to, this Grant Notice, the and the Plan. You also acknowledge receipt of the Prospectus for the Plan. You further acknowledge that as of the Date of Grant, this Grant Notice, the Agreement and the Plan set forth the entire understanding between you and the Company regarding the Award and supersedes all prior oral and written agreements on that subject, with the exception, if applicable, of (i) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law, (ii) any written employment, offer letter or severance agreement, or any written severance plan or policy specifying the terms that should govern this Award, or (iii) any separate election you enter into with the Company's written approval which is also applicable to the Award. By accepting the Award, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

PROTARA THERAPEUTICS, INC.

Chief Executive Officer

ATTACHMENTS: 2024 Equity Incentive Plan, RSU Award Agreement and Prospectus for the 2024 Equity Incentive Plan

Appendix A

Vesting schedules are:

Schedule 1	Twenty-five percent (25%) of the shares subject to this Option shall vest on the one (1) year anniversary of the Vesting Commencement Date, and one thirty-sixth (1/36th) of the remaining Optioned Shares subject to this Option shall vest each month thereafter on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), subject to the Optionee's continuous service with the Company as of each such date.
Schedule 2	Equal monthly installments over the 12 months following the date of grant, provided that the entire grant will, in any case, be fully vested on the date of the Company's next annual stockholder meeting, subject to the Eligible Director's continuous service as a member of the Board through such vesting date and will vest in full upon a Change of Control (as defined in the Plan).
Schedule 3	Equal monthly installments over a three-year period such that the option is fully vested on the third anniversary of the date of grant, subject to the Eligible Director's continuous service as a member of the Board through each such vesting date and will vest in full upon a Change of Control (as defined in the Plan).
Schedule 4	One hundred percent (100%) of the shares underlying the RSUs vest on the one-year anniversary of the Vesting Commencement Date, subject to the awardee's continuous service with the Company as of such date.
Schedule 5	Thirty-three and one third percent (33 1/3%) of the shares underlying the RSUs vest on the one-, two- and three-year anniversary of the Vesting Commencement Date, respectively, subject to the awardee's continuous service with the Company as of each such date.
Schedule 6	Twenty-five percent (25%) of the shares underlying the RSUs vest on the one-, two-, three- and four-year anniversary of Vesting Commencement Date, respectively, subject to the awardee's continuous service with the Company as of each such date.

PROTARA THERAPEUTICS, INC.

2024 EQUITY INCENTIVE PLAN

1. Purpose

This Plan is intended to provide incentives that will attract, retain and motivate highly competent officers, directors, employees, consultants and advisors to promote the success of the Company's business and align employees' interests with stockholders' interests. The Plan is intended to be an incentive stock option plan within the meaning of Section 422 of the Code, but not all Awards are required to be Incentive Options.

2. Definitions

As used in this Plan, the following terms shall have the respective meanings set out below, unless the context clearly requires otherwise:

2.1 *Accelerate, Accelerated, and Acceleration*, means: (a) when used with respect to an Option or Stock Appreciation Right, that as of the time of reference such Option or Stock Appreciation Right will become exercisable with respect to some or all of the shares of Stock for which it was not then otherwise exercisable by its terms; (b) when used with respect to Restricted Stock or Restricted Stock Units, that the Risk of Forfeiture otherwise applicable to such Restricted Stock or Restricted Stock Units shall expire with respect to some or all of such shares of Restricted Stock or such Restricted Stock Units then still otherwise subject to the Risk of Forfeiture; and (c) when used with respect to Performance Units, that the applicable Performance Goals or other business objectives shall be deemed to have been met as to some or all of such Performance Units.

2.2 *Affiliate* means any corporation, partnership, limited liability company, business trust, or other entity controlling, controlled by or under common control with the Company.

2.3 *Award* means any grant or sale pursuant to the Plan of Options, Stock Appreciation Rights, Performance Units, Restricted Stock, Restricted Stock Units, Other Stock-Based or Cash-Based Awards, Stock Grants or any of the foregoing intended to constitute Performance-Based Awards.

2.4 *Award Agreement* means an agreement between the Company and the recipient of an Award, or other notice of grant of an Award, setting forth the terms and conditions of the Award.

2.5 *Board* means the Company's Board of Directors.

2.6 *Cause* shall have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events:

(a) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof, or

(b) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company, or

(c) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company, or

(d) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or

(e) such Participant's gross misconduct.

2.7 *Change of Control* means the occurrence of any of the following after the date of the approval of the Plan by the Board:

(a) the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the

Company that requires the approval of the Company's stockholders (a "Business Combination"), unless, with respect to each of the foregoing events, securities possessing more than 50% of the total combined voting power of the survivor's or acquiror's outstanding securities (or the securities of any parent thereof) are held by a person or persons who held securities possessing more than 50% of the total combined voting power of the Company's outstanding securities immediately prior to the Business Combination, or

(b) any person or group of persons (within the meaning of Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) that, directly or indirectly, acquires, including but not limited to by means of a Business Combination, beneficial ownership (determined pursuant to Securities and Exchange Commission Rule 13d-3 promulgated under the Exchange Act) of securities possessing more than 50% of the total combined voting power of the Company's outstanding securities unless pursuant to a tender or exchange offer made directly to the Company's stockholders that the Board recommends such stockholders accept, other than (i) the Company or any of its Affiliates, (ii) an employee benefit plan of the Company or any of its Affiliates, (iii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, or (iv) an underwriter temporarily holding securities pursuant to an offering of such securities, or

(c) over a period of thirty-six (36) consecutive months or less, there is a change in the composition of the Board such that a majority of the Board members (rounded up to the next whole number, if a fraction) ceases, by reason of one or more proxy contests for the election of Board members, to be composed of individuals who either (i) have been Board members continuously since the beginning of that period, or (ii) have been elected or nominated for election as Board members during such period by at least a majority of the Board members described in the preceding clause (i) who were still in office at the time that election or nomination was approved by the Board;

(d) the consummation of a sale of all or substantially all of the Company's assets (other than to an affiliate of the Company); or

(e) the Company's stockholders approve a plan of complete liquidation or dissolution of the Company.

2.8 *Code* means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute thereto, and any regulations issued from time to time thereunder.

2.9 *Committee* means the Compensation Committee of the Board, which in general is responsible for the administration of the Plan, as provided in Section 5 of this Plan. For any period during which no such committee is in existence "Committee" shall mean the Board and all authority and responsibility assigned to the Committee under the Plan shall be exercised, if at all, by the Board.

2.10 *Company* means Protara Therapeutics, Inc., a corporation organized under the laws of the State of Delaware.

2.11 *Convertible Security* means any security that the Company may issue that is convertible into or exchangeable for Stock, including, but not limited to, preferred stock or warrants.

2.12 *Exchange Act* means the Securities Exchange Act of 1934, as amended and in effect from time to time.

2.13 *Effective Date* means the date on which the Plan is approved by the stockholders of the Company.

2.14 *Forfeiture, forfeit*, and derivations thereof, when used in respect of Restricted Stock purchased by a Participant, includes the Company's repurchase of such Restricted Stock at less than its then Market Value as a means intended to effect a forfeiture of value.

2.15 *Good Reason* shall have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events in the absence of the Participant's written consent:

(a) any material and adverse change in the Participant's position or authority with the Company as in effect immediately before a Change of Control, other than an isolated and insubstantial action not taken in bad faith and which is remedied by the Company within 30 days after receipt of notice thereof given by the Participant, or

(b) the transfer of the Participant's primary work site to a new primary work site that is more than 50 miles from the Participant's primary work site in effect immediately before a Change of Control; or

(c) a diminution of the Participant's base salary in effect immediately before a Change of Control by more than 10%, unless such diminution applies to all similarly situated employees.

If the Participant does not deliver to the Company a written notice of termination within 60 days after the Participant has knowledge that an event constituting Good Reason has occurred, the event will no longer constitute Good Reason. In addition, the Participant must give the Company 30 days to cure the event constituting Good Reason.

2.16 *Grant Date* means the date as of which an Option is granted, as determined under Section 7.1(a).

2.17 *Incentive Option* means an Option which by its terms is to be treated as an "incentive stock option" within the meaning of Section 422 of the Code.

2.18 *Market Value* means the value of a share of Stock on a particular date determined by such methods or procedures as may be established by the Committee. Unless otherwise determined by the Committee, the Market Value of Stock as of any date is the closing price for the Stock as reported on The NASDAQ Global Market (or on any other national securities exchange on which the Stock is then listed) for that date or, if no closing price is reported for that date, the closing price on the first following date for which a closing price is reported.

2.19 *Nonstatutory Option* means any Option that is not an Incentive Option.

2.20 *Option* means an option to purchase shares of Stock.

2.21 *Optionee* means an eligible individual to whom an Option shall have been granted under the Plan.

2.22 *Participant* means any holder of an outstanding Award under the Plan.

2.23 *Performance-Based Awards* means Awards granted to a Participant under Section 7.7, to receive cash, Stock or other Awards, the payment of which is contingent on achieving Performance Goals or other business objectives established by the Committee.

2.24 *Performance Criteria* and *Performance Goals* have the meanings given such terms in Section 7.7(f).

2.25 *Performance Period* means the one or more periods of time, which may be of varying and overlapping durations, selected by the Committee, over which the attainment of one or more Performance Goals or other business objectives will be measured for purposes of determining a Participant's right to, and the payment of, an Award.

2.26 *Performance Unit* means a right granted to a Participant under Section 7.5, to receive cash, Stock or other Awards, the payment of which is contingent on achieving Performance Goals or other business objectives established by the Committee.

2.27 *Plan* means this 2024 Equity Incentive Plan of the Company, as amended from time to time, and including any attachments or addenda hereto.

2.28 *Restricted Stock* means a grant or sale of shares of Stock to a Participant subject to a Risk of Forfeiture.

2.29 *Restricted Stock Units* means rights to receive shares of Stock on or after the close of a Restriction Period, subject to a Risk of Forfeiture.

2.30 *Restriction Period* means the period of time, established by the Committee in connection with an Award of Restricted Stock or Restricted Stock Units, during which the shares of Restricted Stock or Restricted Stock Units are subject to a Risk of Forfeiture described in the applicable Award Agreement.

2.31 *Risk of Forfeiture* means a limitation on the right of the Participant to retain Restricted Stock or Restricted Stock Units, including a right of the Company to reacquire shares of Restricted Stock at less than their then Market Value, arising because of the occurrence or non-occurrence of specified events or conditions.

2.32 *Stock* means common stock, par value \$0.001 per share, of the Company, and such other securities as may be substituted for such common stock pursuant to Section 8.

2.33 *Stock Appreciation Right* means a right to receive any excess in the Market Value of shares of Stock (except as otherwise provided in Section 7.2(c)) over a specified exercise price.

2.34 *Stock Grant* means the grant of shares of Stock not subject to restrictions or other forfeiture conditions.

2.35. *Ten Percent Owner* means a person who owns, or is deemed within the meaning of Section 422(b)(6) of the Code to own, stock possessing more than 10% of the total combined voting power of all classes of stock of the Company (or any parent or subsidiary corporations of the Company, as defined in Sections 424(e) and (f), respectively, of the Code). Whether a person is a Ten Percent Owner shall be determined with respect to an Option based on the facts existing immediately prior to the Grant Date of the Option.

3. Term of the Plan

Unless the Plan shall have been earlier terminated by the Board, Awards may be granted under this Plan at any time in the period commencing on the date of approval of the Plan by the Board and ending immediately prior to the tenth anniversary of the Effective Date. Awards granted pursuant to the Plan within that period shall not expire solely by reason of the termination of the Plan.

4. Stock Subject to the Plan

4.1 Plan Share Limitations.

(a) *Limitation.* At no time shall the number of shares of Stock issued pursuant to or subject to outstanding Awards granted under the Plan (including pursuant to Incentive Options), nor the number of shares of Stock issued pursuant to Incentive Options, exceed 1,500,000 shares of Stock. Shares of Stock subject to awards that are assumed, converted or substituted under the Plan as a result of the Company's acquisition of another company (including by way of merger, combination or similar transaction) will not count against the number of shares that may be granted under the Plan.

(b) *Application.* For purposes of applying the foregoing limitation of Section 4.1(a), if any Option or Stock Appreciation Right expires, terminates, or is cancelled for any reason without having been exercised in full, if any other Award is forfeited, or if the Award is settled for cash (in whole or in part) the shares of Stock not purchased by the holder, which are forfeited or which are settled in cash, as the case may be, shall again be available for Awards to be granted under the Plan. Shares of Stock issued pursuant to the Plan may be either authorized but unissued shares or shares held by the Company in its treasury.

4.2 *Adjustment of Limitations.* Each of the share limitations of this Section 4 shall be subject to adjustment pursuant to Section 8 of the Plan.

5. Administration

5.1 *Administration of the Plan.* The Plan shall be administered by the Committee; *provided, however,* that at any time and on any one or more occasions the Board may itself exercise any of the powers and responsibilities assigned the Committee under the Plan and when so acting shall have the benefit of all of the provisions of the Plan pertaining to the Committee's exercise of its authorities hereunder; and *provided further, however,* that the

Committee may delegate to an executive officer or officers the authority to grant Awards hereunder to employees who are not officers, and to consultants, up to such maximum number and in accordance with such other guidelines as the Committee shall specify by resolution at any time or from time to time. Any such delegation may not include the authority to grant Restricted Stock, unless the delegate is a committee of the Board, including a committee consisting solely of an executive officer who is a Board member.

5.2 Powers of the Committee. Subject to the provisions of the Plan, the Committee shall have complete authority, in its discretion, to make or to select the manner of making all determinations with respect to each Award to be granted by the Company under the Plan including the officer, employee, consultant, advisor or director to receive the Award and the form of Award. In making such determinations, the Committee may take into account the nature of the services rendered by the respective officers, employees, consultants, advisors and directors, their present and potential contributions to the success of the Company and its Affiliates, and such other factors as the Committee in its discretion shall deem relevant. Subject to the provisions of the Plan, the Committee shall also have, in its sole and absolute discretion, complete authority to construe and interpret the Plan, to determine disputed facts related thereto, to prescribe, amend and rescind rules and regulations relating to it, to determine the terms and provisions of the respective Award Agreements (which need not be identical), and to make all other determinations necessary or advisable for the administration of the Plan; *provided, however, that, with respect to all claims or disputes arising out of any determination of the Committee that materially adversely affects a Participant's Award, (i) the affected Participant shall file a written claim with the Committee for review, explaining the reasons for such claim, and (ii) the Committee's decision must be written and must explain the decision.* The Committee may delegate (either generally or specifically) the powers, authorities and dispositions conferred on it under this Section 5 as it deems appropriate in its sole discretion in accordance with applicable law.

5.3 Effect of the Committee's Decisions. The Committee's determinations made in good faith on matters referred to in the Plan shall be entitled to the maximum deference permitted by law and will be final, binding and conclusive on all participants, beneficiaries, heirs, assigns or other persons having or claiming any interest under the Plan or an Award made pursuant hereto.

6. Authorization of Grants

6.1 Eligibility. The Committee may grant from time to time and at any time prior to the termination of the Plan one or more Awards, either alone or in combination with any other Awards, to any officer or employee of or consultant or advisor to one or more of the Company and its Affiliates or to any non-employee member of the Board or of any board of directors (or similar governing authority) of any Affiliate; *provided, however, that no non-employee member of the Board may be granted (in any calendar year) compensation with a value in excess of \$750,000 (or \$1,000,000 solely with respect to the calendar year in which any member is first appointed or elected to the Board) with the value of any Awards based on the accounting grant date value of such Award.* However, only employees of the Company, and of any parent or subsidiary corporations of the Company, as defined in Sections 424(e) and (f), respectively, of the Code, shall be eligible for the grant of an Incentive Option.

6.2 General Terms of Awards. Each grant of an Award shall be subject to all applicable terms and conditions of the Plan (including but not limited to any specific terms and conditions applicable to that type of Award set out in the following Section), and such other terms and conditions, not inconsistent with the terms of the Plan, as the Committee may prescribe. No prospective Participant shall have any rights with respect to an Award, unless and until such Participant shall have complied with the applicable terms and conditions of such Award (including if applicable delivering a fully executed copy of any agreement evidencing an Award to the Company).

6.3 Minimum Vesting. All Awards shall be subject a minimum vesting schedule of at least twelve (12) months following the date of grant of the Award, *provided, however, that vesting may accelerate in connection with death, disability, a change of control, retirement, or other involuntary termination.* Notwithstanding the foregoing, up to 5% of the Shares available for grant under the Plan may be granted with a minimum vesting schedule that is shorter than that mandated in this Section 6.3.

6.4 Effect of Termination of Employment, Etc. Unless the Committee shall provide otherwise with respect to any Award (including, but not limited to, in a Participant's Award Agreement), if the Participant's employment or other association with the Company and its Affiliates ends for any reason, including because of the Participant's employer ceasing to be an Affiliate, (a) any outstanding Option or Stock Appreciation Right of the Participant shall cease to be exercisable in any respect not later than ninety (90) days following that event and, for the period it remains exercisable following that event, shall be exercisable only to the extent exercisable at the date of that event, and (b) any other outstanding Award of the Participant to the extent that it is then still subject to Risk of Forfeiture shall be forfeited or otherwise subject to return to or repurchase by the Company on the terms specified in the applicable Award Agreement. Cessation of the performance of services in one capacity, for example, as an employee, shall not result in termination of an Award while the Participant continues to perform services in another capacity, for example as a director. Military or sick leave or other bona fide leave shall not be deemed a termination of employment or other association, *provided, however, that it does not exceed the longer of ninety (90) days or the period during which the absent Participant's reemployment rights, if any, are guaranteed by statute or by contract.* To the extent consistent with applicable law, the Committee may provide that Awards continue to vest for some or all of the period of any such leave, or that their vesting shall be tolled during any such leave and only recommence upon the Participant's return from leave, if ever.

6.5 Non-Transferability of Awards. Except as otherwise provided in this Section 6.5, Awards shall not be transferable, and no Award or interest therein may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. The provisions of the immediately preceding sentence shall not be applicable to Stock Grants which shall not be subject to any transfer restrictions under this Section 6.5. All of a Participant's rights in any Award may be exercised during the life of the Participant only by the Participant or the Participant's legal representative. However, the Committee may, at or after the grant of an Award of a Nonstatutory Option, or shares of Restricted Stock, provide that such Award may be transferred by the recipient to a family member; *provided, however, that any such transfer is without payment of any consideration whatsoever and that no transfer shall be valid unless first approved by the Committee, acting in its sole discretion.* For this purpose, "family member" means any child, stepchild, grandchild, parent, grandparent, stepparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the employee's household (other than a tenant or employee), a trust in which the foregoing persons have more than fifty (50) percent of the beneficial interests, a foundation in which the foregoing persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty (50) percent of the voting interests.

7. Specific Terms of Awards

7.1 Options.

(a) **Date of Grant.** The granting of an Option shall take place at the time specified in the Award Agreement.

(b) *Exercise Price*. The price at which shares of Stock may be acquired under each Incentive Option shall be not less than 100% of the Market Value of Stock on the Grant Date, or not less than 110% of the Market Value of Stock on the Grant Date if the Optionee is a Ten Percent Owner. The price at which shares of Stock may be acquired under each Nonstatutory Option shall not be so limited solely by reason of this Section.

(c) *Option Period*. No Incentive Option may be exercised on or after the tenth anniversary of the Grant Date, or on or after the fifth anniversary of the Grant Date if the Optionee is a Ten Percent Owner. The Option period under each Nonstatutory Option shall not be so limited solely by reason of this Section.

(d) *Exercisability*. An Option may become vested and exercisable in such installments, cumulative or non-cumulative, as the Committee may determine.

(e) *Method of Exercise*. An Option may be exercised by the Optionee giving written notice, in the manner provided in Section 17, specifying the number of shares of Stock with respect to which the Option is then being exercised. The notice shall be accompanied by payment in the form of cash or check payable to the order of the Company in an amount equal to the exercise price of the shares of Stock to be purchased or, subject in each instance to the Committee's approval, acting in its sole discretion, and to such conditions, if any, as the Committee may deem necessary to avoid adverse accounting effects to the Company,

(i) by delivery to the Company of shares of Stock having a Market Value equal to the exercise price of the shares to be purchased, or

(ii) by surrender of the Option as to all or part of the shares of Stock for which the Option is then exercisable in exchange for shares of Stock having an aggregate Market Value equal to the difference between (1) the aggregate Market Value of the surrendered portion of the Option, and (2) the aggregate exercise price under the Option for the surrendered portion of the Option, or

(iii) unless prohibited by applicable law, by delivery to the Company of the Optionee's executed promissory note in the principal amount equal to the exercise price of the shares of Stock to be purchased and otherwise in such form as the Committee shall have approved.

If the Stock is traded on an established market, payment of any exercise price may also be made through and under the terms and conditions of any formal cashless exercise program authorized by the Company entailing the sale of the Stock subject to an Option in a brokered transaction (other than to the Company). Receipt by the Company of such notice and payment in any authorized or combination of authorized means shall constitute the exercise of the Option. Within thirty (30) days thereafter but subject to the remaining provisions of the Plan, the Company shall deliver or cause to be delivered to the Optionee or his agent a certificate or certificates or shall cause the Stock to be held in book-entry position through the direct registration system of the Company's transfer agent for the number of shares then being purchased. Such shares of Stock shall be fully paid and nonassessable.

(f) *Limit on Incentive Option Characterization*. An Incentive Option shall be considered to be an Incentive Option only to the extent that the number of shares of Stock for which the Option first becomes exercisable in a calendar year do not have an aggregate Market Value (as of the date of the grant of the Option) in excess of the "current limit". The current limit for any Optionee for any calendar year shall be \$100,000 minus the aggregate Market Value at the date of grant of the number of shares of Stock available for purchase for the first time in the same year under each other Incentive Option previously granted to the Optionee under the Plan, and under each other incentive stock option previously granted to the Optionee under any other incentive stock option plan of the Company and its Affiliates, after December 31, 1986. Any shares of Stock which would cause the foregoing limit to be violated shall be deemed to have been granted under a separate Nonstatutory Option, otherwise identical in its terms to those of the Incentive Option.

(g) *Notification of Disposition*. Each person exercising any Incentive Option granted under the Plan shall be deemed to have covenanted with the Company to report to the Company any disposition of the shares of Stock issued upon such exercise prior to the expiration of the holding periods specified by Section 422(a)(1) of the Code and, if and to the extent that the realization of income in such a disposition imposes upon the Company federal, state, local or other withholding tax requirements, or any such withholding is required to secure for the Company an otherwise available tax deduction, to remit to the Company an amount in cash sufficient to satisfy those requirements.

7.2 Stock Appreciation Rights.

(a) *Tandem or Stand-Alone*. Stock Appreciation Rights may be granted in tandem with an Option (at or, in the case of a Nonstatutory Option, after, the award of the Option), or alone and unrelated to an Option. Stock Appreciation Rights in tandem with an Option shall terminate to the extent that the related Option is exercised, and the related Option shall terminate to the extent that the tandem Stock Appreciation Rights are exercised.

(b) *Exercise Price*. Stock Appreciation Rights shall have an exercise price of not less than one hundred percent (100%) of the Market Value of the Stock on the date of award, or in the case of Stock Appreciation Rights in tandem with Options, the exercise price of the related Option.

(c) *Other Terms*. Except as the Committee may deem inappropriate or inapplicable in the circumstances, Stock Appreciation Rights shall be subject to terms and conditions substantially similar to those applicable to a Nonstatutory Option. In addition, a Stock Appreciation Right related to an Option which can only be exercised during limited periods following a Change of Control may entitle the Participant to receive an amount based upon the highest price paid or offered for Stock in any transaction relating to the Change of Control or paid during the thirty (30) day period immediately preceding the occurrence of the Change of Control in any transaction reported in the stock market in which the Stock is normally traded.

7.3 Restricted Stock.

(a) *Purchase Price.* Shares of Restricted Stock shall be issued under the Plan for such consideration, if any, in cash, other property or services, or any combination thereof, as is determined by the Committee.

(b) *Issuance of Stock.* Each Participant receiving a Restricted Stock Award, subject to subsection (c) below, shall be issued a stock certificate in respect of such shares of Restricted Stock or the shares shall be held in book-entry position through the direct registration system of the Company's transfer agent. If a certificate is issued, such certificate shall be registered in the name of such Participant, and, if applicable, shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award substantially in the following form:

The shares evidenced by this certificate are subject to the terms and conditions of Protara Therapeutics, Inc.'s 2024 Equity Incentive Plan and an Award Agreement entered into by the registered owner and Protara Therapeutics, Inc., copies of which will be furnished by the Company to the holder of the shares evidenced by this certificate upon written request and without charge.

If the Stock is in book-entry position through the direct registration system of the Company's transfer agent, the restrictions will be appropriately noted.

(c) *Escrow of Shares.* The Committee may require that any stock certificates evidencing shares of Restricted Stock be held in custody by a designated escrow agent (which may but need not be the Company) until the restrictions thereon shall have lapsed, and that the Participant deliver a stock power, endorsed in blank, relating to the Stock covered by such Award.

(d) *Restrictions and Restriction Period.* During the Restriction Period applicable to shares of Restricted Stock, such shares shall be subject to limitations on transferability and a Risk of Forfeiture arising on the basis of such conditions related to the performance of services, Company or Affiliate performance or otherwise as the Committee may determine and provide for in the applicable Award Agreement. Any such Risk of Forfeiture may be waived or terminated, or the Restriction Period shortened, at any time by the Committee on such basis as it deems appropriate.

(e) *Rights Pending Lapse of Risk of Forfeiture or Forfeiture of Award.* Except as otherwise provided in the Plan or the applicable Award Agreement, the Participant shall have all of the rights of a stockholder of the Company with respect to any outstanding shares of Restricted Stock, including the right to vote the shares of Restricted Stock, and all (i) ordinary cash dividends or other ordinary cash distributions paid upon any Restricted Stock will be retained by the Company and will be paid to the relevant Participant when the Restricted Stock vests and will revert back to the Company if for any reason the Restricted Stock upon which such dividends or other distributions were paid reverts back to the Company and (ii) ordinary Stock dividends or other distributions payable in shares of Stock or other securities of the Company shall constitute additional Restricted Stock, subject to the same Risk of Forfeiture as the shares of Restricted Stock in respect of which such shares of Stock or other securities are paid, and any extraordinary dividends or other extraordinary distributions will be treated in accordance with Section 8. The Committee, as determined at the time of Award, may permit or require the payment of cash dividends to be reinvested in additional Restricted Stock to the extent shares of Stock are available under Section 4.

(f) *Lapse of Restrictions.* If and when the Restriction Period expires without a prior forfeiture, any certificates for such shares shall be delivered to the Participant promptly if not theretofore so delivered.

7.4 Restricted Stock Units.

(a) *Character.* Each Restricted Stock Unit shall entitle the recipient to a share of Stock at a close of such Restriction Period as the Committee may establish and subject to a Risk of Forfeiture arising on the basis of such conditions relating to the performance of services, Company or Affiliate performance or otherwise as the Committee may determine and provide for in the applicable Award Agreement. Any such Risk of Forfeiture may be waived or terminated, or the Restriction Period shortened, at any time by the Committee on such basis as it deems appropriate.

(b) *Form and Timing of Payment.* Payment of earned Restricted Stock Units shall be made promptly following the close of the applicable Restriction Period. At the discretion of the Committee, Participants may be entitled to receive payments equivalent to any ordinary cash or Stock dividends declared with respect to Stock referenced in grants of Restricted Stock Units but only following the close of the applicable Restriction Period and then only if the underlying Stock shall have vested. Unless the Committee shall provide otherwise, any such dividend equivalents shall be paid, if at all, without interest or other earnings.

7.5 Performance Units.

(a) *Character.* Each Performance Unit shall entitle the recipient to the value of a specified number of shares of Stock, over the initial value for such number of shares, if any, established by the Committee at the time of grant, at the close of a specified Performance Period to the extent specified business objectives, including but not limited to Performance Goals, shall have been achieved.

(b) *Earning of Performance Units.* The Committee shall set Performance Goals or other business objectives in its discretion which, depending on the extent to which they are met within the applicable Performance Period, will determine the number and value of Performance Units that will be paid out to the Participant. After the applicable Performance Period has ended, the holder of Performance Units shall be entitled to receive payout on the number and value of Performance Units earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding Performance Goals or other business objectives have been achieved.

(c) *Form and Timing of Payment.* Payment of earned Performance Units shall be made in a single lump sum following the close of the applicable Performance Period. At the discretion of the Committee, Participants may be entitled to receive any ordinary cash or Stock dividends declared with respect to Stock which have been earned in connection with grants of Performance Units which have been earned and vested, but not yet distributed to Participants. The Committee may permit or, if it so provides at grant require, a Participant to defer such Participant's receipt of the payment of cash or the delivery of Stock that would otherwise be due to such Participant by virtue of the satisfaction of any requirements or goals with respect to Performance Units. If any such deferral election is required or permitted, the Committee shall establish rules and procedures

for such payment deferrals.

7.6 Other Stock-Based or Cash-Based Awards. The Committee may grant other types of equity-based, equity-related or cash-based Awards in such amounts and subject to such terms and conditions as the Committee may determine ("Other Stock-Based or Cash-Based Awards").

7.7 Stock Grants. Stock Grants shall be awarded solely in recognition of significant prior or expected contributions to the success of the Company or its Affiliates, as an inducement to employment, in lieu of compensation otherwise already due and in such other limited circumstances as the Committee deems appropriate. Stock Grants shall be made without forfeiture conditions of any kind.

7.8 Performance-Based Awards.

(a) Discretion of Committee with Respect to Performance-Based Awards. Any form of Award permitted under the Plan, other than a Stock Grant, may be granted as a Performance-Based Award and shall be subject to satisfaction of one or more Performance Goals. The Committee will have full discretion to select the length of any applicable Restriction Period or Performance Period, the kind and/or level of the applicable Performance Goal, and whether the Performance Goal is to be applied to the Company, a subsidiary of the Company or any division or business unit or to the individual.

(b) Definition of Performance Criteria. "Definitions. For purposes of the Plan

(i) **Performance Criteria** means the criteria that the Committee selects for purposes of establishing the Performance Goal or Performance Goals for a Participant for a Performance Period. The Performance Criteria used to establish Performance Goals include, but are not limited to: (i) net earnings (either before or after one or more of (A) interest, (B) taxes, (C) depreciation and (D) amortization), (ii) gross or net sales or revenue, (iii) net income (either before or after taxes), (iv) adjusted net income, (v) operating earnings or profit, (vi) cash flow (including, but not limited to, operating cash flow and free cash flow), (vii) return on assets, (viii) return on capital, (ix) return on stockholders' equity, (x) total stockholder return, (xi) return on sales, (xii) gross or net profit or operating margin, (xiii) costs, (xiv) expenses, (xv) working capital, (xvi) earnings per share, (xvii) adjusted earnings per share, (xviii) price per share, (xix) regulatory body approval for commercialization of a product, (xx) implementation, completion or attainment of objectives relating to research, development, regulatory, commercial, or strategic milestones or developments; (xxi) market share, (xxii) economic value, (xxiii) revenue, (xxiv) revenue growth and (xxv) operational and organizational metrics.

(ii) **Performance Goals** means, for a Performance Period, the goal or goals established by the Committee for the Performance Period based upon one or more of the Performance Criteria. The Performance Goals may be expressed in terms of overall Company performance or the performance of a division, business unit, subsidiary, or an individual, either individually, alternatively or in any combination, applied to either the Company as a whole or to a business unit or Affiliate, either individually, alternatively or in any combination, and measured either quarterly, annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to previous years' results or to a designated comparison group or as otherwise determined by the Committee.

(c) **Committee Discretion.** The Committee shall have the sole discretion to determine the extent to which the applicable Performance Goals or Performance Criteria are achieved and the amount, if any, earned pursuant to a Performance-Based Award. The Committee, in its sole discretion, may make adjustments to the Performance Goals or Performance Criteria applicable to Performance-Based Awards and to the amounts payable in respect of the applicable Performance Criteria, to the extent consistent with the terms of the applicable Award Agreement. The amount of the Performance-Based Award determined by the Committee for a performance period shall be paid to the Participant at such time as determined by the Committee in its sole discretion.

7.9 Awards to Participants Outside the United States. The Committee may modify the terms of any Award under the Plan granted to a Participant who is, at the time of grant or during the term of the Award, resident or primarily employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order that the Award shall conform to laws, regulations, procedures, and customs of the country in which the Participant is then resident or primarily employed, or so that the value and other benefits of the Award to the Participant, as affected by foreign tax laws and other restrictions applicable as a result of the Participant's residence or employment abroad, shall be as comparable as practicable to the value of such an Award to a Participant who is resident or primarily employed in the United States. The Committee may establish supplements or sub-plans to, or amendments, restatements, or alternative versions of, the Plan for the purpose of granting and administering any such modified Award. No such modification, supplement, sub-plan, amendment, restatement or alternative version may increase the share limit of Section 4 without approval of the Company's stockholders.

8. Adjustment Provisions

8.1 Adjustment for Corporate Actions. If the outstanding shares of Stock (or any other securities covered by the Plan by reason of the prior application of this Section) are increased, decreased, or exchanged for a different number or kind of shares or other securities, or if additional shares or new or different shares or other securities are distributed with respect to shares of Stock, as a result of a reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, or other similar distribution with respect to such shares of Stock, an appropriate and proportionate adjustment will be made in (i) the maximum numbers and kinds of shares provided in Section 4, (ii) the numbers and kinds of shares or other securities subject to the then outstanding Awards, (iii) the exercise price for each share or other unit of any other securities subject to then outstanding Options and Stock Appreciation Rights (without change in the aggregate purchase price as to which such Options or Rights remain exercisable), and (iv) the repurchase price of each share of Restricted Stock then subject to a Risk of Forfeiture in the form of a Company repurchase right.

8.2 Adjustment of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events. In the event of any corporate action not specifically covered by the preceding Section, including but not limited to an extraordinary cash distribution on Stock, a corporate separation or other reorganization or liquidation, the Committee may make such adjustment of outstanding Awards and their terms, if any, as it, in its sole discretion, may deem equitable and appropriate in the circumstances. The Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in this Section) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

8.3 Related Matters. Any adjustment in Awards made pursuant to Section 8.1 or 8.2 shall be determined and made, if at all, by the Committee,

acting in its sole discretion, and shall include any correlative modification of terms, including of Option exercise prices, rates of vesting or exercisability, Risks of Forfeiture, applicable repurchase prices for Restricted Stock, and Performance Goals and other business objectives which the Committee may deem necessary or appropriate so as to ensure the rights of the Participants in their respective Awards are not substantially diminished nor enlarged as a result of the adjustment and corporate action other than as expressly contemplated in this Section 8. The Committee, in its discretion, may determine that no fraction of a share of Stock shall be purchasable or deliverable upon exercise, and in that event if any adjustment hereunder of the number of shares of Stock covered by an Award would cause such number to include a fraction of a share of Stock, such number of shares of Stock shall be adjusted to the nearest smaller whole number of shares. No adjustment of an Option exercise price per share pursuant to Sections 8.1 or 8.2 shall result in an exercise price which is less than the par value of the Stock.

8.4 Treatment of Awards upon a Change of Control.

(a) *Treatment of Awards.* Upon a Change of Control, the Committee may take any one or more of the following actions as to all or any (or any portion of) outstanding Awards, subject to the provisions of Section 9 of this Plan.

(1) Provide that any Awards shall be assumed, or substantially equivalent rights shall be provided in substitution therefor, by the acquiring or succeeding entity (or an affiliate thereof).

(2) Upon written notice to the holders, provide that all or any of the holders' unexercised outstanding Options and Stock Appreciation Rights (collectively, "Rights") will terminate immediately prior to the consummation of such Change of Control unless exercised within a specified period following the date of such notice.

(3) Provide that all or any Awards that are subject to Risk of Forfeiture will terminate immediately prior to the consummation of such Change of Control.

(4) Provide that all or any outstanding Rights shall Accelerate so as to become exercisable prior to or upon such Change of Control with respect to some or all of the shares of Stock for which any such Rights would not then otherwise be exercisable by their terms.

(5) Provide that outstanding all or any Awards that are subject to Risk of Forfeiture shall Accelerate so that the Risk of Forfeiture otherwise applicable to such Awards shall expire prior to or upon such Change of Control with respect to any such Awards that would then still otherwise be subject to the Risk of Forfeiture.

(6) Provide for cash payments, net of applicable tax withholdings, to be made to holders equal to the excess, if any, of (A) the acquisition price times the number of shares of Stock subject to an Option (to the extent the exercise price does not exceed the acquisition price) over (B) the aggregate exercise price for all such shares of Stock subject to the Option, in exchange for the termination of such Option; *provided, however,* that if the acquisition price does not exceed the exercise price of any such Option, the Committee may cancel that Option without the payment of any consideration therefore prior to or upon the Change of Control. For purposes of this paragraph 6 and paragraph 7 below, "acquisition price" means the amount of cash, and market value of any other consideration, received in payment for a share of Stock surrendered in a Change of Control but need not take into account any deferred consideration unless and until received.

(7) Provide for cash payments, net of applicable tax withholdings, to be made to holder or holders of all or any Awards (other than Options) equal to the acquisition price times the number of shares of Stock subject to any such Awards, in exchange for the termination of any such Awards; *provided, however,* that the Committee may cancel, pursuant to paragraph 3 above, any such Award that is subject to a Risk of Forfeiture at the time of the consummation of such Change of Control without the payment of any consideration therefor prior to or upon the Change of Control.

(8) Provide that, in connection with a liquidation or dissolution of the Company, all or any Awards (other than Restricted Stock or Stock Grants) shall convert into the right to receive liquidation proceeds net of the exercise price thereof and any applicable tax withholdings.

(9) Any combination of the foregoing.

In the event that the Committee determines in its discretion to take the actions contemplated under paragraph (1) above of this Section 8.4(a) with respect to all or any Awards, the Committee shall ensure that, upon consummation of the Change of Control, any such Awards are assumed and/or exchanged or replaced with another similar award issued by the acquiring or succeeding entity (or an affiliate thereof) and that, as a result of such assumption and/or exchange or replacement, the holder of such assumed Award and/or such exchanged or replaced similar award has the right to purchase or receive the value of, for each share of Stock subject to such Award immediately prior to the consummation of the Change of Control, the consideration (whether cash, securities or other property) received as a result of the Change of Control by holders of Stock for each share of Stock held immediately prior to the consummation of the Change of Control (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Stock); *provided, however,* that if such consideration received as a result of the Change of Control is not solely common stock (or its equivalent) of the acquiring or succeeding entity (or an affiliate thereof), the Committee may, with the consent of the acquiring or succeeding entity (or an affiliate thereof), provide for the consideration to be received with respect to such assumed Award and/or such exchanged or replaced similar award to consist of or be based solely on common stock (or its equivalent) of the acquiring or succeeding entity (or an affiliate thereof) equivalent in value to the per share consideration received by holders of outstanding shares of Stock as a result of the Change of Control; and *provided, further,* that if such Award is an Option, the holder of such Option must exercise the Option and make payment of the applicable exercise price in connection therewith in order to receive such consideration.

(b) *Treatment of Other Awards.* Upon the occurrence of a Change of Control other than a liquidation or dissolution of the Company which is not part of another form of a Change of Control, then, subject to the provisions of Section 9 below, with respect to all outstanding Awards (other than Options and Share Appreciation Rights) that are not terminated prior to or upon such Change of Control, the repurchase and other rights of the Company under each such Award shall inure to the benefit of the Company's successor and shall, unless the Committee determines otherwise, apply to the cash, securities or other property which the Stock was converted into or exchanged for pursuant to such Change of Control in the same manner and to the same extent as they applied to the Award.

(c) *Related Matters.* In taking any of the actions permitted under this Section 8.4, the Committee shall not be obligated to treat all Awards, all Awards held by a Participant, or all Awards of the same type, identically. Any determinations required to carry out the foregoing provisions of this Section 8.4, including but not limited to the market value of other consideration received by holders of Stock in a Change of Control and whether substantially equivalent Rights have been substituted, shall be made by the Committee acting in its sole discretion. In connection with any action or actions taken by the Committee in respect of Awards and in connection with a Change of Control, the Committee may require such acknowledgements of satisfaction and releases from Participants as it may determine.

9. Treatment of Awards Following a Change of Control

Except as otherwise provided below, if a Participant's employment is terminated by the Company or any successor entity thereto without Cause, or the Participant resigns his or her employment for Good Reason, in either case, on or within two (2) years after a Change of Control, then, notwithstanding anything express or implied to the contrary in Section 8.4 above:

(a) any and all Options and Stock Appreciation Rights not already exercisable in full shall Accelerate with respect to 100% of the shares for which such Options or Stock Appreciation Rights are not then exercisable;

(b) any Risk of Forfeiture applicable to Restricted Stock and Restricted Stock Units which is not based on achievement of Performance Goals or other business objectives shall lapse with respect to 100% of the Restricted Stock and Restricted Stock Units still subject to such Risk of Forfeiture immediately prior to the Change of Control; and

(c) all outstanding Awards of Restricted Stock and Restricted Stock Units conditioned on the achievement of Performance Goals or other business objectives and the payouts attainable under outstanding Performance Units shall be deemed to have been satisfied based on the greater of target and actual performance as of the effective date of the Change of Control, except if and to the extent otherwise determined by the Committee in its sole discretion at any time prior to, or upon, such Change of Control.

10. Settlement of Awards

10.1 *In General.* Options and Restricted Stock shall be settled in accordance with their terms. All other Awards may be settled in cash, Stock, or other Awards, or a combination thereof, as determined by the Committee at or after grant and subject to any contrary Award Agreement. The Committee may not require settlement of any Award in Stock pursuant to the immediately preceding sentence to the extent issuance of such Stock would be prohibited or unreasonably delayed by reason of any other provision of the Plan.

10.2 *Violation of Law.* Notwithstanding any other provision of the Plan or the relevant Award Agreement, if, at any time, in the reasonable opinion of the Company, the issuance of shares of Stock covered by an Award may constitute a violation of law, then the Company may delay such issuance until (i) approval shall have been obtained from such governmental agencies, other than the Securities and Exchange Commission, as may be required under any applicable law, rule, or regulation and (ii) in the case where such issuance would constitute a violation of a law administered by or a regulation of the Securities and Exchange Commission, one of the following conditions shall have been satisfied:

(a) the shares of Stock are at the time of the issue of such shares effectively registered under the Securities Act of 1933, as amended; or

(b) the Company shall have determined, on such basis as it deems appropriate (including an opinion of counsel in form and substance satisfactory to the Company) that the sale, transfer, assignment, pledge, encumbrance or other disposition of such shares does not require registration under the Securities Act of 1933, as amended or any applicable State securities laws.

Furthermore, the inability of the Company to obtain or maintain, or the impracticability of it obtaining or maintaining, authority from any governmental agency having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance of any Stock hereunder, shall relieve the Company of any liability in respect of the failure to issue such Stock as to which such requisite authority shall not have been obtained, and shall constitute circumstances in which the Committee may determine to amend or cancel Awards pertaining to such Stock, with or without consideration to the affected Participants.

10.3 *Corporate Restrictions on Rights in Stock.* Any Stock to be issued pursuant to Awards granted under the Plan shall be subject to all restrictions upon the transfer thereof which may be now or hereafter imposed by the charter, certificate or articles, and by-laws, of the Company.

10.4 *Investment Representations.* The Company shall be under no obligation to issue any shares of Stock covered by any Award unless the shares to be issued pursuant to Awards granted under the Plan have been effectively registered under the Securities Act of 1933, as amended, or the Participant shall have made such written representations to the Company (upon which the Company believes it may reasonably rely) as the Company may deem necessary or appropriate for purposes of confirming that the issuance of such shares will be exempt from the registration requirements of that Act and any applicable state securities laws and otherwise in compliance with all applicable laws, rules and regulations of any jurisdiction in which Participants may reside or primarily work, including but not limited to that the Participant is acquiring the shares for his or her own account for the purpose of investment and not with a view to, or for sale in connection with, the distribution of any such shares.

10.5 *Registration.* If the Company shall deem it necessary or desirable to register under the Securities Act of 1933, as amended, or other applicable statutes any shares of Stock issued or to be issued pursuant to Awards granted under the Plan, or to qualify any such shares of Stock for exemption from the Securities Act of 1933, as amended or other applicable statutes, then the Company shall take such action at its own expense. The Company may require from each recipient of an Award, or each holder of shares of Stock acquired pursuant to the Plan, such information in writing for use in any registration statement, prospectus, preliminary prospectus or offering circular as is reasonably necessary for that purpose and may require reasonable indemnity to the Company and its officers and directors from that holder against all losses, claims, damage and liabilities arising from use of the information so furnished and caused by any untrue statement of any material fact therein or caused by the omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made.

10.6 Placement of Legends; Stop Orders; etc. Each share of Stock to be issued pursuant to Awards granted under the Plan may bear a reference to the investment representations made in accordance with Section 10.4 in addition to any other applicable restrictions under the Plan and, if applicable, to the fact that no registration statement has been filed with the Securities and Exchange Commission in respect to such shares of Stock. All shares of Stock or other securities issued under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of any stock exchange upon which the Stock is then listed, and any applicable federal or state securities law, and the Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions, or, if the Stock will be held in book-entry position through the direct registration system of the Company's transfer agent, the restrictions will be appropriately noted.

10.7 Tax Withholding. Whenever shares of Stock are issued or to be issued pursuant to Awards granted under the Plan, the Company shall have the right to require the recipient to remit to the Company an amount sufficient to satisfy federal, state, local, foreign or other withholding tax requirements if, when, and to the extent required by law (whether so required to secure for the Company an otherwise available tax deduction or otherwise) prior to the delivery of any certificate or certificates, held in book-entry position through the direct registration system of the Company's transfer agent, for such shares. The obligations of the Company under the Plan shall be conditional on satisfaction of all such withholding obligations and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to a Participant or to utilize any other withholding method prescribed by the Committee from time to time. However, in such cases Participants may elect, subject to the approval of the Committee, acting in its sole discretion, to satisfy an applicable withholding requirement, in whole or in part, by having the Company withhold shares of Stock to satisfy their tax obligations. All elections shall be irrevocable, made in writing, signed by the Participant, and shall be subject to any restrictions or limitations that the Committee deems appropriate.

10.8 Company Charter and By-Laws; Other Company Policies. This Plan and all Awards granted hereunder are subject to the charter and By-Laws of the Company, as they may be amended from time to time, and all other Company policies duly adopted by the Board, the Committee or any other committee of the Board and as in effect from time to time regarding the acquisition, ownership or sale of Stock by officers, employees, directors, consultants, advisors and other service providers, including, without limitation, policies intended to limit the potential for insider trading and to avoid or recover compensation payable or paid on the basis of inaccurate financial results or statements, employee conduct, and other similar events.

11. Reservation of Stock

The Company shall at all times during the term of the Plan and any outstanding Awards granted hereunder reserve or otherwise keep available such number of shares of Stock as will be sufficient to satisfy the requirements of the Plan (if then in effect) and the Awards and shall pay all fees and expenses necessarily incurred by the Company in connection therewith.

12. Limitation of Rights in Stock; No Special Service Rights

A Participant shall not be deemed for any purpose to be a stockholder of the Company with respect to any of the shares of Stock subject to an Award, unless and until a certificate shall have been issued therefor and delivered to the Participant or his agent, or the Stock shall be issued through the direct registration system of the Company's transfer agent. Any Stock to be issued pursuant to Awards granted under the Plan shall be subject to all restrictions upon the transfer thereof which may be now or hereafter imposed by the certificate or articles of incorporation and the by-laws of the Company. Nothing contained in the Plan or in any Award Agreement shall confer upon any recipient of an Award any right with respect to the continuation of his or her employment or other association with the Company (or any Affiliate), or interfere in any way with the right of the Company (or any Affiliate), subject to the terms of any separate employment or consulting agreement or provision of law or corporate articles or by-laws to the contrary, at any time to terminate such employment or consulting agreement or to increase or decrease, or otherwise adjust, the other terms and conditions of the recipient's employment or other association with the Company and its Affiliates.

13. Unfunded Status of Plan

The Plan is intended to constitute an "unfunded" plan for incentive compensation, and the Plan is not intended to constitute a plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended. With respect to any payments not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of the Company. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Stock or payments with respect to Awards hereunder, *provided, however,* that the existence of such trusts or other arrangements is consistent with the unfunded status of the Plan.

14. Nonexclusivity of the Plan

Neither the adoption of the Plan by the Board nor any action taken in connection with the adoption or operation of the Plan shall be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including without limitation, the granting of stock options and restricted stock other than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

15. No Guarantee of Tax Consequences

It is intended that all Awards shall be granted and maintained on a basis which ensures they are exempt from, or otherwise compliant with, the requirements of Section 409A of the Code, pertaining non-qualified plans of deferred compensation, and the Plan shall be governed, interpreted and enforced consistent with such intent. However, neither the Company nor any Affiliate, nor any director, officer, agent, representative or employee of either, guarantees to the Participant or any other person any particular tax consequences as a result of the grant of, exercise of rights under, or payment in respect of an Award, including but not limited to that an Option granted as an Incentive Option has or will qualify as an "incentive stock option" within the meaning of Section 422 of the Code or that the provisions and penalties of Section 409A of the Code will or will not apply and no person shall have any liability to a Participant or any other party if a payment under an Award that is intended to benefit from favorable tax treatment or avoid adverse tax treatment fails to realize such intention or for any action taken by the Board or the Committee with respect to the Award.

16. Termination and Amendment of the Plan

16.1 *Termination or Amendment of the Plan*. Subject to the limitations contained in Section 16.3 below, including specifically the requirement of stockholder approval, if applicable, the Board may at any time suspend or terminate the Plan or make such modifications of the Plan as it shall deem advisable. Unless the Board otherwise expressly provides, no amendment of the Plan shall affect the terms of any Award outstanding on the date of such amendment.

16.2 *Termination or Amendment of Outstanding Awards; Assumptions*. Subject to the limitations contained in Section 16.3 below, including specifically the requirement of stockholder approval, if applicable, the Committee may at any time:

(a) amend the terms of any Award theretofore granted, prospectively or retroactively, *provided, however*, that the Award as amended is consistent with the terms of the Plan;

(b) within the limitations of the Plan, modify, extend or assume outstanding Awards or accept the cancellation of outstanding Awards or of outstanding stock options or other equity-based compensation awards granted by another issuer in return for the grant of new Awards for the same or a different number of shares of Stock and on the same or different terms and conditions (including but not limited to the exercise price of any Option); and

(c) offer to buy out for a payment in cash or cash equivalents an Award previously granted or authorize the recipient of an Award to elect to cash out an Award previously granted, in either case at such time and based upon such terms and conditions as the Committee shall establish.

16.3 Limitations on Amendments, Etc.

(a) Without the approval of the Company's stockholders, no amendment or modification of the Plan by the Board may (i) materially increase the number of shares of Stock which may be issued under the Plan (other than to reflect a reorganization, stock split, merger, spinoff or similar transaction), (ii) materially increase benefits to Participants, (ii) materially expand the class of persons eligible for Awards, (iv) expand the types of options or awards provided under the Plan, or (v) effect any other change for which stockholder approval is required by law or the rules of any relevant stock exchange.

(b) No action by the Board or the Committee pursuant to this Section 16 shall impair the rights of the recipient of any Award outstanding on the date of such amendment or modification of such Award, as the case may be, without the Participant's consent; *provided, however*, that no such consent shall be required (A) in the case of any amendment or termination of any outstanding Award that is permitted by any provision of this Plan that is set forth in Section 8, Section 9 or in any other section of this Plan that is not Section 16.2 or (B) if the Board or Committee, as the case may be, (i) determines in its sole discretion and prior to the date of any Change of Control that such amendment or alteration either is required or advisable in order for the Company, the Plan or the Award to satisfy any law or regulation, including without limitation the provisions of Section 409A of the Code, or to meet the requirements of or avoid adverse financial accounting consequences under any accounting standard, (ii) determines in its sole discretion and prior to the date of any Change of Control that such amendment or alteration is not reasonably likely to significantly diminish the benefits provided under the Award, or that any such diminution has been adequately compensated, or (iii) reasonably determines on or after the date of Change of Control that such amendment or alteration either is required or advisable in order for the Company, the Plan or the Award to satisfy any law or regulation, including without limitation the provisions of Section 409A of the Code.

16.4 *No Repricing*. Except as otherwise permitted in the Plan, reducing the exercise price of Options or Stock Appreciation Rights issued and outstanding under the Plan, including through amendment, cancellation in exchange for the grant of a substitute Award or repurchase for cash or other consideration (in each case that has the effect of reducing the exercise price), shall require approval of the stockholders of the Company. The Company shall not grant any Options or Stock Appreciation Rights with automatic reload features.

17. Notices and Other Communications

Any communication or notice required or permitted to be given under the Plan shall be in such form as the Committee may determine from time to time. If a notice, demand, request or other communication is required or permitted to be given in writing, then any such notice, demand, request or other communication hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person, sent by electronic mail or any other form of electronic transfer approved by the Committee, or duly sent by first class registered, certified or overnight mail, postage prepaid, or telecopied with a confirmation copy by regular, certified or overnight mail, addressed or telecopied, as the case may be, (i) if to the recipient of an Award, at his or her residence address last filed with the Company and (ii) if to the Company, at its principal place of business, addressed to the attention of its Treasurer, or to such other address or telecopier number, as the case may be, as the addressee may have designated by notice to the addressor. All such notices, requests, demands and other communications shall be deemed to have been received: (i) in the case of personal delivery, on the date of such delivery; (ii) in the case of electronic mail or any other form of electronic transfer approved by the Committee, upon confirmation of receipt; (iii) in the case of mailing, when received by the addressee; and (iv) in the case of facsimile transmission, when confirmed by facsimile machine report.

18. Governing Law

The Plan and all Award Agreements and actions taken hereunder and thereunder shall be governed, interpreted and enforced in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof.