

CATABASIS PHARMACEUTICALS INC  
Form SC 13D/A  
April 04, 2018

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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SCHEDULE 13D

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Under the Securities Exchange Act of 1934  
(Amendment No. 3)\*

Catabasis Pharmaceuticals, Inc.

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(Name of Issuer)

Common Stock, \$.001 par value per share

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(Title of Class of Securities)

14875P107

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(CUSIP Number)

Robert Liptak  
Clarus Ventures, LLC  
101 Main Street, Suite 1210, Cambridge, MA 02142  
(617) 949-2200

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(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

March 22, 2018

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(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes)

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Clarus Lifesciences II, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER  
0 shares

8 SHARED VOTING POWER  
2,008,192 shares

9 SOLE DISPOSITIVE POWER  
0 shares

10 SHARED DISPOSITIVE POWER  
2,008,192 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,008,192 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.92%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

PN

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Clarus Ventures II GP, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER  
0 shares

8 SHARED VOTING POWER  
2,008,192 shares

9 SOLE DISPOSITIVE POWER  
0 shares

10 SHARED DISPOSITIVE POWER  
2,008,192 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,008,192 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.92%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

PN

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Clarus Ventures II, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

SOLE VOTING POWER

7

0 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

2,008,192 shares

9 SOLE DISPOSITIVE POWER

0 shares

10 SHARED DISPOSITIVE POWER

2,008,192 shares

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,008,192 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.92%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

OO

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Robert Liptak

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States citizen

SOLE VOTING POWER

7

0 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

2,008,192 shares

9 SOLE DISPOSITIVE POWER

0 shares

10 SHARED DISPOSITIVE POWER

2,008,192 shares

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,008,192 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.92%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

IN

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Nicholas Simon

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States citizen

7 SOLE VOTING POWER  
0 shares

8 SHARED VOTING POWER  
2,008,192 shares

9 SOLE DISPOSITIVE POWER  
0 shares

10 SHARED DISPOSITIVE POWER  
2,008,192 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,008,192 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.92%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

IN

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Nicholas Galakatos

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States citizen

SOLE VOTING POWER

7

16,591 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

SHARED VOTING POWER

8

2,008,192 shares

SOLE DISPOSITIVE POWER

9

16,591 shares

SHARED DISPOSITIVE POWER

10

2,008,192 shares

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,024,783 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.97%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

IN

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Dennis Henner

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)  
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
United States citizen

7 SOLE VOTING POWER  
0 shares

8 SHARED VOTING POWER  
2,008,192 shares

9 SOLE DISPOSITIVE POWER  
0 shares

10 SHARED DISPOSITIVE POWER  
2,008,192 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,008,192 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.92%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

IN

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NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Kurt Wheeler

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(D) OR 2(E)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States citizen

SOLE VOTING POWER

7

0 shares

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

2,008,192 shares

9 SOLE DISPOSITIVE POWER

0 shares

10 SHARED DISPOSITIVE POWER

2,008,192 shares

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY EACH  
REPORTING PERSON

2,008,192 shares

12 CHECK BOX IF THE AGGREGATE  
AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE  
INSTRUCTIONS)

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT IN  
ROW (11)

6.92%

14 TYPE OF REPORTING PERSON  
(SEE INSTRUCTIONS)

IN

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Item 1. Security and Issuer.

This Amendment No. 3 ("Amendment No. 3") to the statement on Schedule 13D amends and supplements the statement on Schedule 13D originally filed on February 19, 2016 (the "Original 13D") relating to the Common Stock, par value \$0.001 per share (the "Common Stock"), of Catabasis Pharmaceuticals, Inc. (the "Issuer"), as amended by Amendment No. 1 to the statement on Schedule 13D filed on October 3, 2016 ("Amendment No. 1") and Amendment No. 2 to the statement on Schedule 13D filed on February 9, 2018 ("Amendment No. 2"). The address of the principal executive offices of the Issuer is One Kendall Square, Building 1400E, Suite B14202, Cambridge, MA 02139.

Certain terms used but not defined in this Amendment No. 3 have the meanings assigned thereto in the Schedule 13D (including Amendment No. 1 and Amendment No. 2 thereto). Except as specifically provided herein, this Amendment No. 3 does not modify any of the information previously reported on the Schedule 13D (including Amendment No. 1 and Amendment No. 2 thereto).

Item 2. Identity and Background.

This statement is being filed by:

- (a) Clarus Lifesciences II, L.P. (the "Fund");
- (b) Clarus Ventures II GP, L.P. ("Clarus GP"), which is the sole general partner of the Fund; and Clarus Ventures II, LLC ("Clarus GPLLC" and, together with Clarus GP, the "Control Entities"), which is the sole general partner of Clarus GP; and
- (c) Robert Liptak, Nicholas Simon, Nicholas Galakatos, Dennis Henner and Kurt Wheeler (together, the "Managing Directors"). The Managing Directors are the members of Clarus GPLLC.

The persons named in this Item 2 are referred to individually herein as a "Reporting Person" and collectively as the "Reporting Persons." The Reporting Persons have entered into a Joint Filing Agreement, dated as of the date hereof, a copy of which is filed with this Schedule 13D as Exhibit 99.1 (which is incorporated herein by reference), pursuant to which the Reporting Persons have agreed to file this statement jointly in accordance with the provisions of Rule 13d-1(k) under the Act.

The address of the principal business office of the Reporting Persons is Clarus Ventures, 101 Main Street, Suite 1210, Cambridge, MA 02142.

The principal business of the Fund is to invest in and assist early-stage and/or growth-oriented businesses in healthcare and life sciences. The principal business of Clarus GP is to act as the sole general partner of the Fund. The principal business of Clarus GPLLC is to act as the sole general partner of Clarus GP. The principal business of each of the Managing Directors is to manage the Control Entities, the Fund and affiliated entities with similar businesses.

During the five years prior to the date hereof, none of the Reporting Persons has been convicted in a criminal proceeding or has been a party to a civil proceeding ending in a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

The Fund and Clarus GP are limited partnerships organized under the laws of the State of Delaware. Clarus GPLLC is a limited liability company organized under the laws of the State of Delaware. Each of the Messrs. Liptak, Simon, Galakatos, Henner and Wheeler is a United States citizen.

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Item 4. Purpose of Transaction.

As described in more detail in Item 5 below, the Fund sold a total of 744,296 shares of Common Stock between February 13, 2018 and March 22, 2018. Depending on market conditions, its continuing evaluation of the business and prospects of the Issuer and other factors, the Fund and other Reporting Persons may dispose of or acquire additional shares of the Issuer. Except as set forth above, none of the Reporting Persons has any present plans which relate to or would result in:

- (a) The acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer;
- (b) An extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries;
  - (c) A sale or transfer of a material amount of assets of the Issuer or any of its subsidiaries;
- (d) Any change in the present board of directors or management of the Issuer, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board;
- (e) Any material change in the present capitalization or dividend policy of the Issuer;
- (f) Any other material change in the Issuer's business or corporate structure;
- (g) Changes in the Issuer's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer by any person;
- (h) Causing a class of securities of the Issuer to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;
- (i) A class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934; or
- (j) Any action similar to any of those enumerated above.

Item 5. Interest in Securities of the Issuer.

(a) The Fund is the record owner of 2,008,192 shares of the Issuer's Common Stock (the "Clarus Shares"). As the sole general partner of the Fund, Clarus GP may be deemed to own beneficially the Clarus Shares. As the sole general partner of Clarus GP, Clarus GPLLC may be deemed to own beneficially the Clarus Shares. As members of Clarus GPLLC, each of the Managing Directors may be deemed to own beneficially the Clarus Shares.

As of March 22, 2018, Mr. Galakatos is the record owner of options to purchase 16,591 shares of the Issuer's Common Stock (the "Options"). The Options may be exercised as of the date hereof. Accordingly, Mr. Galakatos may be deemed to own beneficially the Options and Clarus Shares.

Each Reporting Person disclaims beneficial ownership of the Clarus Shares other than those shares which such person owns of record.

The percentage of outstanding Common Stock of the Issuer which may be deemed to be beneficially owned by each Reporting Person is set forth on Line 13 of such Reporting Person's cover sheet and was calculated based on the 29,035,502 shares of Common Stock reported to be outstanding as of March 7, 2018 on the Issuer's Form 10-K filed with the Securities Exchange Commission on March 15, 2018.

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(b) Regarding the number of shares as to which such person has:

(i) sole power to vote or to direct the vote: See line 7 of cover sheets

(ii) shared power to vote or to direct the vote: See line 8 of cover sheets

(iii) sole power to dispose or to direct the disposition: See line 9 of cover sheets.

(iv) shared power to dispose or to direct the disposition: See line 10 of cover sheets

(c) The Fund sold 147,230 shares of Common Stock on February 13, 2018, 16,578 shares of Common Stock on March 2, 2018, 14,135 shares of Common Stock on March 5, 2018, 105,000 shares of Common Stock on March 6, 2018, 9,656 shares of Common Stock on March 7, 2018, 86,482 shares of Common Stock on March 8, 2018, 111,306 shares of Common Stock on March 9, 2018, 80,943 shares of Common Stock on March 12, 2018, 2,780 shares of Common Stock on March 13, 2018, 120,108 shares of Common Stock on March 16, 2018, 24,453 shares of Common Stock on March 21, 2018 and 25,625 shares of Common Stock on March 22, 2018. Except as set forth above, none of the Reporting Persons has effected any transaction in the Common Stock during the last 60 days.

(d) No other person is known to have the right to receive or the power to direct the receipt of dividends from, or any proceeds from the sale of, securities beneficially owned by any of the Reporting Persons.

(e) Not applicable.

Item 6. Contracts, Arrangements, Undertakings or Relationships with Respect to Securities of the Issuer.

Except for the transactions described in this Schedule, none of the Reporting Persons have any contract, arrangement, understanding or relationship (legal or otherwise) with any other person with respect to any securities of the Issuer, including but not limited to transfer or voting of any such securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss or the giving or withholding of proxies.

Item 7. Material to be Filed as Exhibits.

Exhibit 99.1 – Agreement regarding filing of joint Schedule 13D.

Exhibit 99.2 – Power of Attorney regarding filings under the Act.







\*By: /s/ Robert Liptak  
Robert Liptak, as Attorney-in-Fact

This Schedule 13D was executed by Robert Liptak on behalf of the individuals listed above pursuant to a Power of Attorney a copy of which is attached as Exhibit 99.2.

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Kurt Wheeler

\*By: /s/ Robert Liptak  
Robert Liptak, as Attorney-in-Fact

This Agreement was executed by Robert Liptak on behalf of the individuals listed above pursuant to a Power of Attorney a copy of which is attached as Exhibit 99.2.

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EXHIBIT 99.2

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Robert Liptak with full power to act singly, his true and lawful attorney-in-fact, with full power of substitution, to: (i) sign any and all instruments, certificates and documents that may be necessary, desirable or appropriate to be executed on behalf of himself as an individual or in his capacity as a general partner of any partnership or limited liability company, pursuant to Section 13 or 16 of the Securities Exchange Act of 1934, as amended, and any and all regulations promulgated thereunder, (ii) file the same (including any amendments thereto), with all exhibits thereto, and any other documents in connection therewith, with the Securities and Exchange Commission, and any stock exchange or similar authority and (iii) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this power of attorney shall be in such form and shall contain such terms and conditions as such attorney in fact may approve in such attorney in fact's discretion, granting unto said attorney-in-fact full power and authority to do and perform each and every act and thing necessary, desirable or appropriate.

Each of the undersigned hereby grant to the attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.

This power of attorney shall remain in full force and effect until revoked by the undersigned in a signed writing delivered to the attorney-in-fact.

IN WITNESS WHEREOF, this Power of Attorney has been signed as of the 9th day of February, 2017.

/s/ Nicholas Galakatos  
Nicholas Galakatos

/s/ Dennis Henner  
Dennis Henner

/s/ Nick Simon  
Nick Simon

/s/ Scott Requadt  
Scott Requadt

/s/ Kurt Wheeler

Kurt Wheeler