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

Form 10-Q

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

For the quarterly period ended June 30, 2022

OR

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

Commission File Number 001-33462

INSULET CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware	**04-3523891**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
100 Nagog Park Acton Massachusetts	**01720**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (978) 600-7000

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, or a smaller reporting 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 ☒

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	PODD	The NASDAQ Stock Market, LLC

As of July 29, 2022, the registrant had 69,403,602 shares of common stock outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited)

INSULET CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in millions, except share and per share data)	June 30, 2022	December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	$ 708.6	$ 791.6
Accounts receivable trade, less allowance for credit losses of $3.1 and $2.7	154.1	135.2
Accounts receivable trade, net — related party	52.5	25.8
Inventories	320.4	303.2
Prepaid expenses and other current assets	73.5	74.0
Total current assets	1,309.1	1,329.8
Property, plant and equipment, net	535.8	536.5
Other intangible assets, net	55.1	36.6
Goodwill	51.8	39.8
Other assets	161.9	106.1
Total assets	$ 2,113.7	$ 2,048.8
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$ 57.2	$ 37.7
Accrued expenses and other current liabilities	192.5	164.3
Accrued expenses and other current liabilities — related party	3.3	1.7
Current portion of long-term debt	26.3	25.1
Total current liabilities	279.3	228.8
Long-term debt, net	1,385.2	1,248.8
Other liabilities	26.8	14.9
Total liabilities	1,691.3	1,492.5
Commitments and contingencies (Note 12)		
Stockholders' Equity		
Preferred stock, $.001 par value, 5,000,000 authorized; none issued and outstanding	—	—
Common stock, $.001 par value, 100,000,000 authorized; 69,386,057 and 69,178,691 issued and outstanding	0.1	0.1
Additional paid-in capital	1,011.2	1,207.9
Accumulated deficit	(596.1)	(649.5)
Accumulated other comprehensive income (loss)	7.2	(2.2)
Total stockholders' equity	422.4	556.3
Total liabilities and stockholders' equity	$ 2,113.7	$ 2,048.8

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

INSULET CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

(in millions, except share and per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenue	$ 243.9	$ 259.9	$ 490.9	$ 510.0
Revenue from related party	55.5	3.3	103.9	5.5
Total revenue	299.4	263.2	594.8	515.5
Cost of revenue	109.1	80.5	194.8	165.3
Gross profit	190.3	182.7	400.0	350.2
Research and development expenses	42.6	40.1	85.7	80.8
Selling, general and administrative expenses	174.4	116.3	303.1	226.8
Operating (loss) income	(26.7)	26.3	11.2	42.6
Interest expense, net	(8.3)	(16.4)	(17.2)	(29.8)
Loss on extinguishment of debt	—	(40.1)	—	(40.1)
Other (expense) income, net	(1.1)	1.8	(0.8)	(0.8)
Loss before income taxes	(36.1)	(28.4)	(6.8)	(28.1)
Income tax benefit (expense)	1.1	3.4	(0.4)	3.1
Net loss	$ (35.0)	$ (25.0)	$ (7.2)	$ (25.0)
Net loss per share:				
Basic	$ (0.50)	$ (0.37)	$ (0.10)	$ (0.38)
Diluted	$ (0.50)	$ (0.37)	$ (0.10)	$ (0.38)
Weighted-average number of common shares outstanding (in thousands):				
Basic	69,356	66,696	69,305	66,406
Diluted	69,356	66,696	69,305	66,406

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

INSULET CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

(UNAUDITED)

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss	$ (35.0)	$ (25.0)	$ (7.2)	$ (25.0)
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustment	(9.6)	(1.8)	(13.3)	(3.9)
Unrealized gain (loss) on cash flow hedges	4.6	(0.6)	22.7	(0.6)
Unrealized loss on available-for-sale securities	—	(0.1)	—	(0.3)
Total other comprehensive (loss) income, net of tax	(5.0)	(2.5)	9.4	(4.8)
Comprehensive (loss) income	$ (40.0)	$ (27.5)	$ 2.2	$ (29.8)

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

INSULET CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(UNAUDITED)

Three Months Ended June 30, 2022

(dollars in millions)	Common Stock Shares (in thousands)	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance at March 31, 2022	69,320	$ 0.1	$ 995.5	$ (561.1)	$ 12.2	$ 446.7
Exercise of options to purchase common stock	24	—	0.8	—	—	0.8
Issuance of shares for employee stock purchase plan	27.0	—	4.9	—	—	4.9
Stock-based compensation expense	—	—	11.2	—	—	11.2
Restricted stock units vested, net of shares withheld for taxes	15.0	—	(1.2)	—	—	(1.2)
Net loss	—	—	—	(35.0)	—	(35.0)
Other comprehensive loss	—	—	—	—	(5.0)	(5.0)
Balance at June 30, 2022	69,386	$ 0.1	$ 1,011.2	$ (596.1)	$ 7.2	$ 422.4

Three Months Ended June 30, 2021

(dollars in millions)	Common Stock Shares (in thousands)	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance at March 31, 2021	66,213	$ 0.1	$ 1,248.3	$ (666.3)	$ 3.2	$ 585.3
Exercise of options to purchase common stock	121	—	4.7	—	—	4.7
Issuance of shares for employee stock purchase plan	17	—	3.8	—	—	3.8
Stock-based compensation expense	—	—	9.0	—	—	9.0
Restricted stock units vested, net of shares withheld for taxes	17	—	(1.2)	—	—	(1.2)
Extinguishment of conversion feature on 1.375% Notes, net of issuance costs	—	—	(737.7)	—	—	(737.7)
Issuance of shares for debt extinguishment	2,242	—	622.7	—	—	622.7
Net loss	—	—	—	(25.0)	—	(25.0)
Other comprehensive loss	—	—	—	—	(2.5)	(2.5)
Balance at June 30, 2021	68,610	$ 0.1	$ 1,149.6	$ (691.3)	$ 0.7	$ 459.1

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

Six Months Ended June 30, 2022

(dollars in millions)	Common Stock Shares (in thousands)	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Shareholders' Equity
Balance at December 31, 2021	69,179	$ 0.1	$ 1,207.9	$ (649.5)	$ (2.2)	$ 556.3
Adoption of ASU 2020-06 (Note 1)	—	—	(207.7)	60.6	—	(147.1)
Issuance of common stock	—	—	—	—	—	—
Exercise of options to purchase common stock	52.0	—	1.9	—	—	1.9
Issuance of shares for employee stock purchase plan	27	—	4.9	—	—	4.9
Stock-based compensation expense	—	—	20.7	—	—	20.7
Restricted stock units vested, net of shares withheld for taxes	128	—	(16.5)	—	—	(16.5)
Net loss	—	—	—	(7.2)	—	(7.2)
Other comprehensive income	—	—	—	—	9.4	9.4
Balance at June 30, 2022	69,386	$ 0.1	$ 1,011.2	$ (596.1)	$ 7.2	$ 422.4

Six Months Ended June 30, 2021

(dollars in millions)	Common Stock Shares (in thousands)	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance at December 31, 2020	66,017	$ 0.1	$ 1,264.3	$ (666.3)	$ 5.5	$ 603.6
Exercise of options to purchase common stock	164	—	6.2	—	—	6.2
Issuance of shares for employee stock purchase plan	17	—	3.8	—	—	3.8
Stock-based compensation expense	—	—	17.6	—	—	17.6
Restricted stock units vested, net of shares withheld for taxes	170	—	(27.3)	—	—	(27.3)
Extinguishment of conversion feature on 1.375% Notes, net of issuance costs	—	—	(737.7)	—	—	(737.7)
Issuance of shares for debt extinguishment	2,242	—	622.7	—	—	622.7
Net loss	—	—	—	(25.0)	—	(25.0)
Other comprehensive loss	—	—	—	—	(4.8)	(4.8)
Balance at June 30, 2021	68,610	$ 0.1	$ 1,149.6	$ (691.3)	$ 0.7	$ 459.1

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

INSULET CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

(in millions)	Six Months Ended June 30, 2022	2021
Cash flows from operating activities		
Net loss	$ (7.2)	$ (25.0)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	31.1	28.0
Stock-based compensation expense	20.7	17.6
Non-cash interest expense	2.8	23.5
Loss on extinguishment of debt	—	40.1
Provision for credit losses	1.9	2.1
Other	1.0	1.1
Changes in operating assets and liabilities:		
Accounts receivable	(24.7)	(24.6)
Accounts receivable — related party	(26.7)	(1.3)
Inventories	(24.0)	(45.0)
Prepaid expenses and other assets	(23.3)	(23.6)
Accounts payable	20.1	(4.4)
Accrued expenses and other liabilities	38.2	(5.3)
Accrued expenses and other liabilities — related party	1.7	—
Net cash provided by (used in) operating activities	11.6	(16.8)
Cash flows from investing activities		
Capital expenditures	(27.4)	(52.8)
Acquisition of intangible assets	(7.6)	(3.8)
Acquisition	(26.0)	—
Cash paid for investments	(7.8)	—
Receipts from the maturity or sale of marketable securities	—	22.5
Net cash used in investing activities	(68.8)	(34.1)
Cash flows from financing activities		
Proceeds from issuance of convertible debt, net of issuance costs	—	489.5
Repayment of convertible debt	—	(460.8)
Repayment of equipment financings	(8.6)	(6.4)
Repayment of mortgage	(1.1)	(1.0)
Repayment of term loan	(2.5)	—
Payment of debt issuance costs	—	(4.0)
Proceeds from exercise of stock options	1.9	6.2
Proceeds from issuance of common stock under employee stock purchase plan	4.9	3.8
Payment of withholding taxes in connection with vesting of restricted stock units	(16.5)	(27.3)
Net cash used in financing activities	(21.9)	—
Effect of exchange rate changes on cash	(3.5)	(1.7)
Net decrease in cash, cash equivalents and restricted cash	(82.6)	(52.6)
Cash, cash equivalents and restricted cash at beginning of period (Note 3)	806.4	922.0
Cash, cash equivalents and restricted cash at end of period (Note 3)	$ 723.8	$ 869.4
Supplemental noncash information:		
Purchases of property and equipment included in accounts payable and accrued expenses	$ 4.9	$ 5.6
Purchases of intangible assets included in accounts payable and accrued expenses	$ 2.4	$ 3.5
Lease liabilities arising from obtaining right-of-use assets	$ 12.0	$ 0.5

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

INSULET CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

Note 1. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements reflect the consolidated operations of Insulet Corporation and its subsidiaries ("Insulet" or the "Company"). The unaudited consolidated financial statements have been prepared in United States dollars, in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of the consolidated financial statements in conformity with GAAP requires management to make use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results may differ from those estimates. In management's opinion, the unaudited consolidated financial statements contain all normal recurring adjustments necessary for a fair statement of the interim results reported. Operating results for the six months ended June 30, 2022 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2022, or for any other subsequent interim period.

The year-end balance sheet data was derived from audited consolidated financial statements. These unaudited consolidated financial statements do not include all of the annual disclosures required by GAAP; accordingly, they should be read in conjunction with the Company's audited consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

Reclassification of Prior Period Amounts

Certain reclassifications have been made to prior period amounts to conform to the current period financial statement presentation. The Company reclassified the change in unbilled receivables from the change in prepaid expenses and other current assets to the change in accounts receivable in the prior year statement of cash flows in the amount of $6.4 million. There was no change to previously reported net cash used in operating activities.

Investments

The Company has investments in privately-held companies in which the Company's interest is less than 20.0%, the Company does not exercise significant influence over the investee, and the investment does not have a readily determinable fair value. These investments are carried at cost less impairment, if any. If an observable price change is identified, the investment is measured at its fair value as of the date that the observable transaction occurred with the adjustments reflected in other (expense) income in the Company's consolidated statements of operations.

In January and May 2022, the Company made strategic investments in two companies in the amount of $5.0 million and $2.8 million, respectively. As of June 30, 2022 and December 31, 2021, the total carrying value of the Company's investments was $8.7 million and $0.9 million, respectively.

Shipping and Handling Costs

Shipping and handling costs are included in selling, general and administrative expenses and were $3.1 million and $2.6 million for the three months ended June 30, 2022 and 2021, respectively, and were $6.2 million and $4.7 million for the six months ended June 30, 2022 and 2021, respectively.

Fair Value Measurements

Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. To measure fair value of assets and liabilities, the Company uses the following fair value hierarchy based on three levels of inputs:

Level 1—observable inputs, such as quoted prices in active markets for identical assets or liabilities;

Level 2—significant other observable inputs that are observable either directly or indirectly; and

Level 3—significant unobservable inputs for which there are little or no market data, which require the Company to develop its own assumptions.

Certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other liabilities are carried at cost, which approximates their fair value because of their short-term maturity. See Notes 3 and 10 for financial assets and liabilities held at carrying amount on the consolidated balance sheet and Note 11 for derivative instruments measured at fair value on a recurring basis.

Recently Adopted Accounting Standard

Effective January 1, 2022, the Company adopted Accounting Standards Update ("ASU") 2020-06, *Debt - Debt With Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* using the modified retrospective method for convertible debt instruments outstanding as of the date of adoption. Under ASU 2020-06, a convertible debt instrument is generally reported as a single liability at its amortized cost with no separate accounting for embedded conversion features. Consequently, the effective interest rate of convertible debt instruments is closer to the coupon interest rate under the new guidance. The following table shows the adjustments made to the consolidated balance sheet as of January 1, 2022 as a result of adopting the new guidance.

(in millions)	As Reported Prior to ASU 2020-06	Adjustments	As Adjusted Under ASU 2020-06
	December 31, 2021	January 1, 2022	January 1, 2022
Long-term debt, net [1]	$ 1,248.8	$ 147.1	$ 1,395.9
Additional paid-in-capital [2]	$ 1,207.9	$ (207.7)	$ 1,000.2
Accumulated deficit [3]	$ (649.5)	$ 60.6	$ (588.9)

[1] The increase in debt resulted from the derecognition of the discount associated with the embedded conversion feature, offset by the remaining debt issuance costs reclassified out of equity.

[2] The decrease in additional paid-in-capital resulted from the derecognition of the embedded conversion feature and debt issuance costs bifurcated to equity.

[3] The decrease to accumulated deficit represents the cumulative interest expense recognized related to the amortization of the bifurcated conversion option and debt issuance costs.

In addition to the adjustments in the table above, the Company wrote-off the related deferred tax liabilities with a corresponding adjustment to the valuation allowance, resulting in no net impact to the cumulative adjustment recorded to accumulated deficit. Adoption of this standard had no impact on the Company's diluted earnings per share as the Company historically calculated earnings per share using the if-converted method.

Note 2. Revenue and Contract Acquisition Costs

The following table summarizes the Company's disaggregated revenue:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
U.S. Omnipod	$ 196.4	$ 150.5	$ 370.5	$ 293.8
International Omnipod	89.4	91.6	184.8	181.5
Total Omnipod	285.8	242.1	555.3	475.3
Drug Delivery	13.6	21.1	39.5	40.2
Total revenue	$ 299.4	$ 263.2	$ 594.8	$ 515.5

The percentages of total revenue for customers that represent 10% or more of total revenue was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Distributor A	19%	*	18%	*
Distributor B	16%	12%	14%	11%
Distributor C	*	14%	*	14%
Distributor D	16%	*	13%	*

* Represents less than 10% of revenue for the period.

Deferred revenue related to unsatisfied performance obligations was included in the following consolidated balance sheet accounts in the amounts shown:

(in millions)	June 30, 2022	December 31, 2021
Accrued expenses and other current liabilities	$ 6.3	$ 3.5
Other liabilities	1.6	1.5
Total deferred revenue	$ 7.9	$ 5.0

Revenue recognized from amounts included in deferred revenue at the beginning of each respective period was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2022	2021	2022	2021
Deferred revenue recognized	$ 0.3	0.2	$ 1.6	3.9

Contract acquisition costs, representing capitalized commission costs related to new customers, net of amortization, were included in the following consolidated balance sheet captions in the amounts shown:

(in millions)	June 30, 2022	December 31, 2021
Prepaid expenses and other current assets	$ 14.0	$ 13.3
Other assets	27.8	26.1
Total capitalized contract acquisition costs, net	$ 41.8	$ 39.4

The Company recognized $3.6 million and $3.0 million of amortization of capitalized contract acquisition costs during the three months ended June 30, 2022 and 2021, respectively. The Company recognized $7.0 million and $6.0 million of amortization of capitalized contract acquisition costs during the six months ended June 30, 2022 and 2021, respectively.

Note 3. Cash and Cash Equivalents

The following table provides a summary of cash and cash equivalents:

(in millions)	June 30, 2022	December 31, 2021
Cash	$ 106.2	$ 159.3
Money market mutual funds	551.2	630.7
Time deposits	50.0	—
Restricted cash	1.2	1.6
Total cash and cash equivalents	708.6	791.6
Restricted cash included in other assets	15.2	14.8
Total cash, cash equivalents, and restricted cash shown in the consolidated statements of cash flows	$ 723.8	$ 806.4

The restricted cash included in other assets on the consolidated balance sheet is primarily held as a compensating balance against long-term borrowings.

All cash and cash equivalents are Level 1 in the fair value hierarchy.

Note 4. Accounts Receivable

At the end of each period, accounts receivable were comprised of the following:

(in millions)	June 30, 2022	December 31, 2021
Accounts receivable trade, net	$ 119.5	$ 101.2
Unbilled receivable	34.6	34.0
Accounts receivable, net	$ 154.1	$ 135.2

The percentages of total net accounts receivable trade for customers that represent 10% or more of total net accounts receivable trade was as follows:

	June 30, 2022	December 31, 2021
Distributor A	31%	21%
Distributor B	11%	*
Distributor D	19%	15%

* Represents less than 10% of net accounts receivable trade as of period end.

Note 5. Inventories

At the end of each period, inventories were comprised of the following:

(in millions)	June 30, 2022	December 31, 2021
Raw materials	$ 87.3	$ 70.0
Work in process	64.3	112.6
Finished goods	168.8	120.6
Total inventories	$ 320.4	$ 303.2

Note 6. Cloud Computing Costs

Capitalized costs to implement cloud computing arrangements at cost and accumulated amortization were as follows:

(in millions)	June 30, 2022	December 31, 2021
Short-term portion	$ 16.1	$ 18.4
Long-term portion	68.2	49.2
Total capitalized implementation costs	84.3	67.6
Less: accumulated amortization	(9.4)	(4.4)
Capitalized implementation costs, net	$ 74.9	$ 63.2

Amortization expense is recognized on a straight-line basis over the expected term of the hosting arrangements, which range from three to five years. Amortization expense was $3.7 million and $0.8 million for the three months ended June 30, 2022 and 2021, respectively, and was $5.0 million and $1.3 million for the six months ended June 30, 2022 and 2021, respectively.

Note 7. Acquisition

On January 3, 2022, the Company acquired substantially all of the assets related to the manufacture and production of Shape-Memory Alloy (“SMA”) wire assemblies that are used in the production of Omnipods from Dynalloy, Inc., a maker of dynamic alloys. The aggregate purchase price was $29.0 million, of which $26.0 million was paid in cash upon closing. The Company retained the remaining $3.0 million as a holdback to satisfy any post-closing working capital adjustment and to secure the seller’s indemnification obligations under the purchase agreement. The Company will release any remaining holdback funds to the seller twelve months from the closing date. Transaction costs were expensed as incurred and were not material.

The following table summarizes the preliminary fair value allocation of the assets acquired at the date of acquisition:

(in millions)	
Inventories	$ 0.5
Property, plant and equipment	0.9
Other assets	0.2
Goodwill (tax deductible)	12.0
Developed technology (15 year useful life)	15.4
Total assets acquired	$ 29.0

The primary factor that contributed to an acquisition price in excess of the fair value of assets acquired and the establishment of goodwill was the expected cost savings resulting from the integration of a supplier.

Note 8. Goodwill and Other Intangible Assets, Net

The change in the carrying amount of goodwill for the period is as follows:

(in millions)	
Goodwill at December 31, 2021	$ 39.8
Acquisition (Note 7)	12.0
Goodwill at June 30, 2022	$ 51.8

The gross carrying amount, accumulated amortization and net book value of intangible assets at the end of each period were as follows:

	June 30, 2022			December 31, 2021		
(in millions)	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer relationships	$ 43.3	$ (25.5)	$ 17.8	$ 43.4	$ (23.4)	$ 20.0
Internal-use software	32.3	(11.1)	21.2	25.5	(10.2)	15.3
Developed technology	15.4	(0.5)	14.9	—	—	—
Intellectual property	1.5	(0.3)	1.2	1.6	(0.3)	1.3
Total intangible assets	$ 92.5	$ (37.4)	$ 55.1	$ 70.5	$ (33.9)	$ 36.6

Amortization expense for intangible assets was $1.7 million and $1.8 million for the three months ended June 30, 2022 and 2021, respectively. Amortization expense for intangible assets was $3.5 million and $3.5 million for the six months ended June 30, 2022 and 2021, respectively.

Note 9. Accrued Expenses and Other Current Liabilities

The components of accrued expenses and other current liabilities were as follows:

(in millions)	June 30, 2022	December 31, 2021
Employee compensation and related costs	$ 56.8	$ 70.3
Accrued rebates	38.6	28.7
Professional and consulting services	23.5	22.8
Accrued legal settlement (Note 12)	20.0	—
Supplier purchases	6.1	4.7
Other	47.5	37.8
Accrued expenses and other current liabilities	$ 192.5	$ 164.3

Product Warranty Costs

The Company provides a four-year warranty on Personal Diabetes Managers (“PDMs”) and Controllers sold in the United States and PDMs sold in Europe, a five-year warranty on PDMs sold in Canada, and may replace Pods that do not function in accordance with product specifications. The Company estimates its warranty obligation at the time the product is shipped based on historical experience and the estimated cost to service the claims. Since the Company continues to introduce new products and versions, the anticipated performance of the product over the warranty period is also considered in estimating warranty reserves. Warranty expense is recorded in cost of revenue in the consolidated statements of operations. Cost to service the claims reflects the current product cost. Reconciliations of the changes in the Company’s product warranty liability were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2022	2021	2022	2021
Product warranty liability at beginning of period	$ 6.9	$ 6.7	$ 6.8	$ 6.7
Warranty expense	8.1	2.3	11.1	4.9
Warranty claims settled	(3.4)	(2.5)	(6.3)	(5.1)
Product warranty liability at the end of period	$ 11.6	$ 6.5	$ 11.6	$ 6.5

Note 10. Debt

The components of debt consisted of the following:

(in millions)	June 30, 2022	December 31, 2021
0.375% Convertible Senior Notes due September 2026	800.0	800.0
Term loan due May 2028	495.0	497.5
Revolving Credit Facility expires May 2024	—	—
Equipment financing due May 2024	12.8	16.0
Equipment financing due November 2025	26.1	29.6
Equipment financing due July 2028	36.3	38.2
5.15% Mortgage due November 2025	66.6	67.7
Unamortized debt discount	(8.3)	(159.9)
Debt issuance costs	(17.0)	(15.2)
Total debt, net	1,411.5	1,273.9
Less: current portion	26.3	25.1
Total long-term debt, net	$ 1,385.2	$ 1,248.8

0.375% Convertible Senior Notes

The Company's 0.375% Convertible Senior Notes due September 2026 (the "Notes") have an effective interest rate of 0.76%. The Notes are convertible into the Company's common stock at an initial conversion rate of 4.4105 shares of common stock per $1,000 principal amount of the notes, which is equivalent to a conversion price of $226.73 per share, subject to adjustment under certain circumstances. The notes will be convertible June 1, 2026 through August 28, 2026 by its holders for any reason and prior to then under certain circumstances and be settled with cash, shares, or a combination of both.

Additional interest of 0.5% per annum is payable if the Company fails to timely file required documents or reports with the Securities and Exchange Commission ("SEC"). If the Company merges or consolidates with a foreign entity, the Company may be required to pay additional taxes. The Company determined that the higher interest payments and tax payments required in certain circumstances were embedded derivatives that should be bifurcated and accounted for at fair value. The Company assessed the value of the embedded derivatives at each balance sheet date and determined it had nominal value.

In conjunction with the issuance of the Notes, the Company paid $85.4 million to enter into capped call options ("Capped Calls") on the Company's common stock with certain counterparties, which was recorded as a reduction to additional paid-in capital on the consolidated balance sheet. By entering into the Capped Calls, the Company expects to reduce the potential dilution to its common stock (or, in the event the conversion is settled in cash, to provide a source of cash to settle a portion of its cash payment obligation) in the event that at the time of conversion its stock price exceeds the conversion price under the Notes. The Capped Calls have an initial strike price of $335.90 per share, which represents a premium of 100% over the last reported sale price of the Company's common stock of $167.95 per share on the date of the transaction. The Capped Calls cover 3.5 million shares of common stock.

Senior Secured Credit Agreement

In May 2022, the Company increased the borrowing capacity under the Revolving Credit Facility by $10.0 million bringing the total borrowing capacity to $70.0 million.

1.375% Convertible Senior Notes

During the three months ended June 30, 2021, the Company repurchased $370.4 million in principal ($305.7 million net of discount and issuance costs) of its 1.375% Convertible Senior Notes due November 2024 ("1.375% Notes") for $460.8 million in cash and the issuance of 2.2 million shares with a fair value of $622.7 million. The debt repurchase resulted in a $40.1 million loss on extinguishment, including cash paid to the note holders as an inducement to convert and transaction costs.

Fair Value of Debt

The carrying amount and the estimated fair value of the Company's debt were as follows:

(in millions)	June 30, 2022 Carrying Value	June 30, 2022 Estimated Fair Value	December 31, 2021 Carrying Value	December 31, 2021 Estimated Fair Value [1]
0.375% Convertible Senior Notes [1]	787.4	769.0	638.8	938.8
Term loan [2]	483.7	467.8	485.2	498.1
Equipment Financings [3]	75.1	75.1	83.7	83.7
5.15% Mortgage [3]	65.3	65.3	66.2	66.2
Total	$ 1,411.5	$ 1,377.2	$ 1,273.9	$ 1,586.8

[1] The Notes are classified as Level 2 in the fair value hierarchy. Fair value was determined using the Company's quoted stock price and the contractual conversion rate.

[2] Term debt is classified as Level 1 in the fair value hierarchy. Fair value was determined using quoted market prices.

[3] The equipment financings and mortgage are classified as Level 3 in the fair value hierarchy. The fair values were determined using the cost bases of the financial liabilities, which approximate their carrying values.

Note 11. Derivative Instruments

The Company is exposed to certain risks relating to its business operations. Risks that relate to interest rate exposure are managed by using interest rate swaps with financial institutions acting as principal counterparties. Changes in a derivative financial instrument's fair value are recognized in earnings unless specific hedge criteria are met, in which case changes in fair value are recognized as adjustments to other comprehensive income.

Under the Company's interest rate swap agreements, the Company receives variable rate interest payments and pays fixed interest rates on a total notional value of $480 million of its term loan through April 2025. As a result of the interest rate swaps 97% of the term loan exposed to interest rate risk from changes in LIBOR is fixed at a rate of 4.20%. The Company has designated the interest rate swaps as cash flow hedges.

The fair value of interest rate swaps, which are classified as Level 2 in the fair value hierarchy, represent the estimated amounts the Company would receive or pay to terminate the contracts and is determined using industry standard valuation models and market-based observable inputs, including credit risk and interest rate yield curves. The fair value of the interest rate swaps was $27.1 million and $4.5 million at June 30, 2022 and December 31, 2021, respectively, and was included in other assets on the consolidated balance sheets.

Note 12. Commitments and Contingencies

Legal Proceedings

In June 2020, Roche Diabetes Care, Inc. ("Roche") filed a patent infringement lawsuit against the Company in the United States District Court for the District of Delaware alleging that the Company's manufacture and sale of its Omnipod Insulin Management System, including OmniPods, Personal Diabetes Managers, and other components of the system, and kits in the United States infringed Roche's expired U.S. Patent 7,931,613. Roche was seeking monetary damages and attorneys' fees and costs. In July 2022, the Company entered into a Settlement and License Agreement (the "Settlement Agreement") with Roche to settle the pending litigation. Pursuant to the Settlement Agreement, in exchange for a release of claims, mutual covenant not to sue for five years, and license to the patent in suit from Roche, the Company made a one-time payment of $20 million to Roche. On July 12, 2022, following the filing by the parties of a Stipulation of Dismissal, the Court ordered the case dismissed with prejudice. The $20 million charge is included in selling, general and administrative expenses for both the three and six months ended June 30, 2022.

The Company is, from time to time, involved in the normal course of business in various legal proceedings, including intellectual property, contract, employment and product liability suits. The Company does not expect the outcome of these proceedings, either individually or in the aggregate, to have a material adverse effect on its results of operations.

Contract Dispute

The Company is engaged in negotiations over a contractual dispute involving in-licensed intellectual property. Offers to settle the dispute have been made by both the Company and the other party ranging from $5.7 million to $36 million. In connection with discussions to resolve this matter, during the three months ended June 30, 2022, the Company accrued an estimated liability of $5.7 million. The ultimate resolution of this matter is uncertain and could have a material effect on the Company's results of operations.

Note 13. Stock-Based Compensation Expense

Compensation expense related to stock-based awards was recorded as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2022	2021	2022	2021
Cost of revenue	$ 0.1	$ 0.1	$ 0.2	$ 0.2
Research and development expenses	2.2	2.0	4.2	3.9
Selling, general and administrative expenses	8.9	6.9	16.3	13.5
Total	$ 11.2	$ 9.0	$ 20.7	$ 17.6

Note 14. Accumulated Other Comprehensive Income (Loss)

Changes in the components of accumulated other comprehensive income (loss), net of tax, were as follows:

	Three Months Ended June 30, 2022			Six Months Ended June 30, 2022		
(in millions)	Foreign Currency Translation Adjustment	Unrealized Gain on Cash Flow Hedges	Accumulated Other Comprehensive (Loss) Income	Foreign Currency Translation Adjustment	Unrealized Gain on Cash Flow Hedges	Accumulated Other Comprehensive (Loss) Income
Balance at beginning of period	$ (10.4)	$ 22.6	$ 12.2	$ (6.7)	$ 4.5	$ (2.2)
Other comprehensive (loss) income before reclassifications	(9.6)	4.4	(5.2)	(13.3)	21.9	8.6
Amounts reclassified to net income	—	0.2	0.2	—	0.8	0.8
Balance at the end of period	$ (20.0)	$ 27.2	$ 7.2	$ (20.0)	$ 27.2	$ 7.2

	Three Months Ended June 30, 2021				Six Months Ended June 30, 2021			
(in millions)	Foreign Currency Translation Adjustment	Unrealized Gain on Available-for-sale Securities	Unrealized Loss on Cash Flow Hedges	Accumulated Other Comprehensive Income	Foreign Currency Translation Adjustment	Unrealized Gain on Available-for-sale Securities	Unrealized Loss on Cash Flow Hedges	Accumulated Other Comprehensive Income
Balance at beginning of period	$ 3.1	$ 0.1	$ —	$ 3.2	$ 5.2	$ 0.3	$ —	$ 5.5
Other comprehensive loss before reclassifications	(1.8)	(0.1)	(1.0)	(2.9)	(3.9)	(0.3)	(1.0)	(5.2)
Amounts reclassified to net loss	—	—	0.4	0.4	—	—	0.4	0.4
Balance at the end of period	$ 1.3	$ —	$ (0.6)	$ 0.7	$ 1.3	$ —	$ (0.6)	$ 0.7

Note 15. Interest Expense, Net

Interest expense, net was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2022	2021	2022	2021
Cash interest, net of interest rate swaps	$ 8.1	$ 6.8	$ 16.0	$ 10.5
Accretion of debt discount	0.3	10.7	0.7	21.7
Amortization of debt issuance costs	1.0	1.0	2.1	1.8
Capitalized interest	(0.3)	(1.9)	(0.7)	(3.8)
Interest expense, net of portion capitalized	9.1	16.6	18.1	30.2
Interest income	(0.8)	(0.2)	(0.9)	(0.4)
Interest expense, net	$ 8.3	$ 16.4	$ 17.2	$ 29.8

Note 16. Income Taxes

The Company's effective tax rate for the three and six months ended June 30, 2022 was 2.9% and (6.5)%, compared with 12.1% and 11.2% for the three and six months ended June 30, 2021, respectively. Income tax benefits have not been recorded for losses in jurisdictions where valuation allowances exist against net deferred tax assets. The Company had a full valuation allowance against its net deferred tax assets in the United Kingdom and the United States at June 30, 2022 and December 31, 2021. The Company had no uncertain tax positions at June 30, 2022 and December 31, 2021.

Note 17. Net Loss Per Share

Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding for the period. Diluted net income (loss) per share is computed using the weighted average number of common shares outstanding and, when dilutive, common share equivalents. The weighted-average number of common shares used in the computation of basic and diluted net loss per share were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	**2022**	**2021**	**2022**	**2021**
Weighted average number of common shares outstanding, basic	69,356	66,696	69,305	66,406
Stock options	—	—	—	—
Restricted stock units	—	—	—	—
Weighted average number of common shares outstanding, diluted	69,356	66,696	69,305	66,406

The number of common share equivalents excluded from the computation of diluted net loss per share because either the effect would have been anti-dilutive, or the performance criteria related to the units had not yet been met, were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	**2022**	**2021**	**2022**	**2021**
1.375% Convertible Senior Notes due November 2024	—	3,657	—	3,988
0.375% Convertible Senior Notes due September 2026	3,528	3,528	3,528	3,528
Restricted stock units	348	283	358	364
Stock options	635	788	607	809
Total	4,511	8,256	4,493	8,689

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the accompanying notes included in this quarterly report. The following discussion may contain forward-looking statements that reflect our plans, estimates and beliefs, which are subject to risks, uncertainties and assumptions. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include those discussed under the headings "Risk Factors" and "Forward-Looking Statements" in both our annual report on Form 10-K for the year ended December 31, 2021 and in this quarterly report.

Overview

We are primarily engaged in the development, manufacture and sale of our proprietary Omnipod System, a continuous insulin delivery system for people with insulin-dependent diabetes. The Omnipod System features a small, lightweight, self-adhesive disposable tubeless Omnipod device that is worn on the body for up to three days at a time; and its wireless companion, the handheld PDM/Controller. The Omnipod System, which features discreet and easy-to-use devices, communicates wirelessly, provides for virtually pain-free automated cannula insertion and eliminates the need for MDI therapy or the use of pump and tubing. We believe that the Omnipod System's unique proprietary design and features allow people with insulin-dependent diabetes to manage their diabetes with unprecedented freedom, comfort, convenience and ease.

In addition to the diabetes market space, we have partnered with pharmaceutical and biotechnology companies to tailor the Omnipod System technology platform for the delivery of subcutaneous drugs across other therapeutic areas. Most of our drug delivery revenue currently consists of sales of pods to Amgen for use in the Neulasta® Onpro® kit, a delivery system for Amgen's Neulasta to help reduce the risk of infection after intense chemotherapy.

Our mission is to improve the lives of people with diabetes. To assist in achieving this mission, we are focused on the following key strategic imperatives:

- expanding access and awareness;
- delivering consumer-focused innovation;
- growing our global addressable market; and
- driving operational excellence.

Our long-term financial objective is to sustain profitable growth. To achieve this goal, our efforts have been focused on the launch of Omnipod 5, which in January 2022, received FDA clearance for individuals aged six years and older with type 1 diabetes. Our limited market release of Omnipod 5 began in February and in August we launched our full market release. Accordingly, Omnipod 5 is now available through retail pharmacies. We are also working to bring Omnipod 5 to our international markets. Our submission for CE Mark approval in Europe is under review and we are currently focused on further building our international teams and advancing our regulatory, reimbursement and market development efforts.

Additionally, we continue to increase our presence within our existing markets and expand internationally in a targeted and strategic manner. We recently opened an office in Dubai to serve as our primary local presence and regional infrastructure in the Middle East and launched Omnipod in Saudi Arabia. We also expanded into the United Arab Emirates during the quarter.

In addition, we have been taking steps to further strengthen our global manufacturing capabilities. We are optimizing our operations in China by consolidating our production in that region into one location. We also broke ground on a new manufacturing plant in Malaysia to support our international expansion strategy, further ensure product supply and drive higher gross margins over time.

Finally, we plan to continue to expand awareness of and access to our products, while also focusing on our product development efforts. Our direct to consumer advertising programs continue to drive increased awareness of Omnipod. To accelerate our efforts to secure reimbursement for Omnipod 5, we are currently enrolling individuals in a randomized control trial in France and the U.S. Our product development efforts include enhancing the customer experience through digital product offerings. Achieving the above strategic imperatives is expected to require additional investments in certain initiatives and personnel, as well as enhancements to our supply chain operation capacity, efficiency and effectiveness.

Results of Operations

Factors Affecting Operating Results

Our Pods are intended to be used continuously for up to three days, after which it may be replaced with a new disposable Pod. The Omnipod System's unique patented design allow us to provide pump therapy at a relatively low or no up-front investment, which reduces the risk to third-party payors in the U.S., compared to tubed insulin pumps. As we grow our customer base, we expect to generate an increasing portion of our revenues through recurring sales of our disposable Pods, which provides predictable recurring revenue.

We continue to experience constrained supply and supply chain disruption; however, to date we have been able to successfully mitigate this disruption and ensure uninterrupted supply to our customers by increasing our inventory levels and taking other measures. While our mitigation efforts and inflation are expected to negatively impact gross margins and net income throughout the year, we intend to continue to work to improve productivity to help offset these costs.

Revenue

	Three Months Ended June 30,				
(dollars in millions)	2022	2021	Percent Change	Currency Impact	Constant Currency [1]
U.S. Omnipod	$ 196.4	$ 150.5	30.5 %	— %	30.5 %
International Omnipod	89.4	91.6	(2.4)%	(11.3)%	8.9 %
Total Omnipod	285.8	242.1	18.1 %	(4.2)%	22.3 %
Drug Delivery	13.6	21.1	(35.5)%	— %	(35.5)%
Total revenue	$ 299.4	$ 263.2	13.8 %	(3.9)%	17.7 %

	Six Months Ended June 30,				
(dollars in millions)	2022	2021	Percent Change	Currency Impact	Constant Currency [1]
U.S. Omnipod	$ 370.5	$ 293.8	26.1 %	— %	26.1 %
International Omnipod	184.8	181.5	1.8 %	(8.9)%	10.7 %
Total Omnipod	555.3	475.3	16.8 %	(3.4)%	20.2 %
Drug Delivery	39.5	40.2	(1.7)%	— %	(1.7)%
Total revenue	$ 594.8	$ 515.5	15.4 %	(3.1)%	18.5 %

[1] Constant currency revenue growth is a non-GAAP financial measure which should be considered supplemental to, and not a substitute for, our reported financial results prepared in accordance with GAAP. See "Management's Use of Non-GAAP Measures."

Total revenue for the three months ended June 30, 2022 increased $36.2 million, or 13.8%, to $299.4 million, compared with $263.2 million for the three months ended June 30, 2021. Constant currency revenue growth of 17.7% was primarily driven by higher volume and favorable sales channel mix, partially offset by a decrease in Drug Delivery revenue.

Total revenue for the six months ended June 30, 2022 increased $79.3 million, or 15.4%, to $594.8 million, compared with $515.5 million for the six months ended June 30, 2021. Constant currency revenue growth of 18.5% was primarily driven by higher volume and, to a lesser extent, favorable sales channel mix.

U.S. Omnipod

U.S. Omnipod revenue for the three months ended June 30, 2022 increased $45.9 million, or 30.5%, to $196.4 million, compared with $150.5 million for the three months ended June 30, 2021. This increase was primarily due to higher volumes driven by growing our customer base and, to a lesser extent, an increase due to growth through the pharmacy channel, where Pods have a higher average selling price due in part to the fact that we offer the PDM/Controller for no charge, as well as an increase in inventory at distributors due to the launch of Omnipod 5.

U.S. Omnipod revenue for the three months ended June 30, 2022 includes $55.5 million of related party revenue, compared with $3.3 million for the three months ended June 30, 2021. The $52.2 million increase primarily resulted from a shift in certain revenues from one distributor to another.

U.S. Omnipod revenue for the six months ended June 30, 2022 increased $76.7 million, or 26.1%, to $370.5 million, compared with $293.8 million for the six months ended June 30, 2021. This increase was primarily due to higher volumes driven by growing our customer base and, to a lesser extent, an increase due to growth through the pharmacy channel, where Pods have a higher average selling price due in part to the fact that we offer the PDM/Controller for no charge.

U.S. Omnipod revenue for the six months ended June 30, 2022 includes $103.9 million of related party revenue, compared with $5.5 million for the six months ended June 30, 2021. The $98.4 million increase primarily resulted from a shift in certain revenues from one distributor to another.

For full year 2022, we expect strong U.S. Omnipod revenue growth in the pharmacy channel, primarily driven by the continued increase in Omnipod DASH sales volume and the full market release of Omnipod 5.

International Omnipod

International Omnipod revenue for the three months ended June 30, 2022 decreased $2.2 million, or 2.4%, to $89.4 million, compared with $91.6 million for the three months ended June 30, 2021. Excluding the 11.3% unfavorable impact of currency exchange, the remaining 8.9% increase in revenue was primarily due to higher volumes as we continue to expand awareness and access to Omnipod DASH, partially offset by increased competition from automated insulin delivery ("AID") systems and the impact of the pandemic on our recurring revenue.

International Omnipod revenue for the six months ended June 30, 2022 increased $3.3 million, or 1.8%, to $184.8 million, compared with $181.5 million for the six months ended June 30, 2021. Excluding the 8.9% unfavorable impact of currency exchange, the remaining 10.7% increase in revenue was primarily due to higher volumes as we continue to expand awareness and access to Omnipod DASH, partially offset by increased competition from automated insulin delivery ("AID") systems and the impact of the pandemic on our recurring revenue.

For full year 2022, we expect higher International Omnipod revenue due to continued volume growth and market penetration aided by the ongoing adoption of Omnipod DASH throughout our international markets, partially offset by competition from AID systems.

Drug Delivery

Drug Delivery revenue for the three months ended June 30, 2022 decreased $7.5 million, or 35.5%, to $13.6 million, compared with $21.1 million for the three months ended June 30, 2021. This decrease was primarily due to elevated volume in the prior year due to the pandemic.

Drug Delivery revenue for the six months ended June 30, 2022 of $39.5 million was relatively level compared with $40.2 million for the six months ended June 30, 2021. For full year 2022, we expect Drug Delivery revenue to decline as production levels were elevated during the pandemic.

Operating Expenses

	Three Months Ended June 30,			
	2022		2021	
(dollars in millions)	**Amount**	**Percent of Revenue**	**Amount**	**Percent of Revenue**
Cost of revenue	$ 109.1	36.4 %	$ 80.5	30.6 %
Research and development expenses	$ 42.6	14.2 %	$ 40.1	15.2 %
Selling, general and administrative expenses	$ 174.4	58.2 %	$ 116.3	44.2 %

	Six Months Ended June 30,			
	2022		2021	
(dollars in millions)	**Amount**	**Percent of Revenue**	**Amount**	**Percent of Revenue**
Cost of revenue	$ 194.8	32.8 %	$ 165.3	32.1 %
Research and development expenses	$ 85.7	14.4 %	$ 80.8	15.7 %
Selling, general and administrative expenses	$ 303.1	51.0 %	$ 226.8	44.0 %

Cost of Revenue

Cost of revenue for the three months ended June 30, 2022 increased $28.6 million, or 35.5%, to $109.1 million, compared with $80.5 million for the three months ended June 30, 2021. Gross margin was 63.6% for the three months ended June 30, 2022, compared with 69.4% for the three months ended June 30, 2021. The 580 basis point decrease in gross margin was primarily driven by higher expected production costs and manufacturing inefficiencies as U.S. manufacturing continues to ramp and become a larger portion of our total production and we transition product lines between manufacturing facilities to ensure redundancy. An increase in warranty costs driven by aging battery lives in Omnipod DASH PDMs and higher costs associated with Omnipod 5 production also contributed to the decline in margin. These decreases were partially offset by higher average selling price due to growth in the pharmacy channel.

Cost of revenue for the six months ended June 30, 2022 increased $29.5 million, or 17.8%, to $194.8 million, compared with $165.3 million for the six months ended June 30, 2021. Gross margin of 67.2% for the six months ended June 30, 2022 was relatively level

with the prior year as higher expected production costs in the U.S. were mostly offset by improved manufacturing efficiencies and higher average selling price due to growth in the pharmacy channel.

For full year 2022, we expect gross margin to be in the range of 65% to 66%. We anticipate gross margin will be negatively impacted by unfavorable product line mix, higher costs associated with Omnipod 5 and Drug Delivery production, increased component costs due to inflation, and higher warranty expense. We believe these higher costs will be partially offset by increased volume in the pharmacy channel.

Research and Development Expenses

Research and development expenses for the three months ended June 30, 2022 increased $2.5 million, or 6.2%, to $42.6 million, compared with $40.1 million for the three months ended June 30, 2021. Research and development expenses for the six months ended June 30, 2022 increased $4.9 million, or 6.1%, to $85.7 million, compared with $80.8 million for the six months ended June 30, 2021. The increases for both the three and six months ended June 30, 2022 were primarily due to year-over-year headcount additions to support our continued investment in development of Omnipod products, partially offset by lower outside services used for clinical activities. We expect research and development spending in 2022 to increase compared with 2021 as we continue to invest in advancing our innovation and contend with inflation.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended June 30, 2022 increased $58.1 million, or 50.0%, to $174.4 million, compared with $116.3 million for the three months ended June 30, 2021. Selling general and administrative expenses for the six months ended June 30, 2022 increased $76.3 million, or 33.6%, to $303.1 million, compared with $226.8 million for the six months ended June 30, 2021. The increases for both the three and six months ended June 30, 2022 were primarily attributable to $27.3 million of legal costs related to the settlement of a patent infringement lawsuit, associated legal fees, and an estimated liability to settle a contract dispute. To a lesser extent, the increases were due to year-over-year headcount additions, mainly to support information technology, commercial operations, and international expansion, an increase in investments to expand market acceptance and access to the Omnipod, and higher travel and entertainment expenses due to increased activity as COVID-19 restrictions have lifted. Additionally, selling, general and administrative expenses for both the three and six months ended June 30, 2022 includes $3.4 million of costs associated with the retirement and advisory services of our former chief executive officer.

We expect selling, general and administrative expenses to increase in 2022 compared with 2021 due to expansion of our sales force and customer support personnel, investments to expand market acceptance and access for the Omnipod System, including direct-to-consumer advertising, and investments in our operating structure to facilitate operating efficiencies and continued growth.

Non-Operating Items

Interest Expense, Net

Net interest expense decreased $8.1 million to $8.3 million for the three months ended June 30, 2022, compared with $16.4 million for the three months ended June 30, 2021. This decrease was primarily driven by the adoption of Accounting Standards Update 2020-06, *Accounting for Convertible Debt Instruments and Contracts in an Entity's Own Equity* (“ASU 2020-06”), which eliminated most of the non-cash interest expense associated with our convertible notes. Refer to *Recently Adopted Accounting Standard* in Note 1 to the consolidated financial statements for additional information.

Net interest expense decreased $12.6 million to $17.2 million for the six months ended June 30, 2022, compared with $29.8 million for the six months ended June 30, 2021. This decrease was primarily driven by the adoption of ASU 2020-06 as discussed above.

Loss on Extinguishment of Debt

During the three and six months ended June 30, 2021, we incurred a $40.1 million loss on extinguishment of debt related to the repurchase of a portion of our 1.375% Convertible Senior Notes.

Other (Expense) Income, Net

During the three months ended June 30, 2022, we had other expense of $1.1 million, compared with other income of $1.8 million for the three months ended June 30, 2021. The $2.9 million increase in other expense was primarily driven by an increase in unrealized foreign currency losses.

During both the six months ended June 30, 2022 and the six months ended June 30, 2021, we had other expense of $0.8 million driven by net unrealized foreign currency losses.

Income Tax Expense, Net

Income tax benefit was $1.1 million for the three months ended June 30, 2022, compared with an income tax benefit of $3.4 million for the three months ended June 30, 2021, resulting in effective tax rates of 2.9% and 12.1%, respectively. Income tax expense was $0.4 million for the six months ended June 30, 2022, compared with an income tax benefit of $3.1 million for the six months ended June 30, 2021, resulting in effective tax rates of (6.5)% and 11.2%, respectively. The decreases in the effective tax rates for both the three and six months ended June 30, 2022 were primarily driven by the jurisdictional distribution of profits and losses. Additionally,

the valuation allowance recorded against current year losses in the United Kingdom contributed to the decrease for the six months ended June 30, 2022.

Adjusted EBITDA

The table below presents reconciliations of Adjusted EBITDA, a non-GAAP financial measure, to net income (loss), the most directly comparable financial measure prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"):

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2022**	**2021**	**2022**	**2021**
Net loss	$ (35.0)	$ (25.0)	$ (7.2)	$ (25.0)
Interest expense, net	8.3	16.4	17.2	29.8
Income tax (benefit) expense	(1.1)	(3.4)	0.4	(3.1)
Depreciation and amortization	15.8	15.2	31.1	28.0
Stock-based compensation expense	8.9	9.0	18.4	17.6
Legal costs[1]	27.3	—	27.3	—
CEO transition costs[2]	3.4	—	3.4	—
Loss on extinguishment of debt	—	40.1	—	40.1
Adjusted EBITDA	$ 27.6	$ 52.3	$ 90.6	$ 87.4

[1] Includes a $20.0 million charge to settle patent infringement litigation with Roche Diabetes Care, Inc., associated legal fees, and an estimated liability to settle a contract dispute. Refer to Note 12 to the consolidated financial statements for additional information.

[2] Represents costs associated with the retirement and advisory services of our former chief executive officer, including $2.3 million of accelerated stock-based compensation expense.

Non-GAAP Financial Measures

Management uses the following non-GAAP financial measures:

Constant currency revenue growth represents the change in revenue between current and prior year periods using the exchange rate in effect during the applicable prior year period. We present constant currency revenue growth because we believe it provides meaningful information regarding our results on a consistent and comparable basis. Management uses this non-GAAP financial measure, in addition to financial measures in accordance with GAAP, to evaluate our operating results. It is also one of the performance metrics that determines management incentive compensation.

Adjusted EBITDA represents net income (loss) plus net interest expense, income tax expense (benefit), depreciation and amortization, stock-based compensation and other significant unusual items, as applicable. We present Adjusted EBITDA because management uses it as a supplemental measure in assessing our operating performance, and we believe that it is helpful to investors, and other interested parties as a measure of our comparative operating performance from period to period. Adjusted EBITDA is a commonly used measure in determining business value and we use it internally to report results.

These non-GAAP financial measures should be considered supplemental to, and not a substitute for, our reported financial results prepared in accordance with GAAP. In addition, the above definitions may differ from similarly titled measures used by others. Non-GAAP financial measures exclude the effect of items that increase or decrease our reported results of operations; accordingly, we strongly encourage investors to review our consolidated financial statements in their entirety.

Liquidity and Capital Resources

As of June 30, 2022, we had $708.6 million in cash and cash equivalents. Additionally, we have a $70.0 million three-year senior secured revolving credit facility (the "Credit Facility"), which expires in 2024. At June 30, 2022, no amount was outstanding under the Credit Facility. The Credit Facility contains a covenant to maintain a specified leverage ratio under certain conditions when there are amounts outstanding under the facility. It also contains other customary covenants, none of which are considered restrictive to our operations. We believe that our current liquidity will be sufficient to meet our projected operating, investing and debt service requirements for at least the next twelve months.

Debt

To finance our operations and global expansion, we have periodically issued convertible senior notes, which are convertible into our common stock. As of June 30, 2022, the following notes were outstanding:

Issuance Date	Coupon	Principal Outstanding (in millions)	Due Date	Conversion Rate [1]	Conversion Price per Share of Common Stock
September 2019	0.375%	800.0	September 2026	4.4105	$ 226.73

[1] Per $1,000 face value of notes

Additional information regarding our debt is provided in Note 10 to the consolidated financial statements.

Summary of Cash Flows

	Six Months Ended June 30,	
(in millions)	2022	2021
Cash provided by (used in):		
Operating activities	$ 11.6	$ (16.8)
Investing activities	(68.8)	(34.1)
Financing activities	(21.9)	—
Effect of exchange rate changes on cash	(3.5)	(1.7)
Net decrease in cash, cash equivalents and restricted cash	$ (82.6)	$ (52.6)

Operating Activities

Net cash provided by operating activities of $11.6 million for the six months ended June 30, 2022 was primarily attributable to net loss, as adjusted for depreciation and amortization, stock-based compensation expense and non-cash interest expense, partially offset by a $38.7 million working capital cash outflow. The working capital outflow was driven by a $51.4 million increase in accounts receivable, a $24.0 million increase in inventories and a $23.3 million increase in prepaid expenses and other assets, partially offset by a $39.9 million increase in accrued expenses and other liabilities and a $20.1 million increase in accounts payable. The increase in accounts receivable was primarily due to an increase in sales in the U.S. pharmacy channel, which has longer payment terms. The increase in inventories was driven by a planned inventory build. The increase in prepaid expenses and other assets was driven by an increase in cloud computing implementation costs and right-of-use assets. The increase in accrued expenses and other liabilities was primarily driven by a $20 million legal settlement that was accrued during the second quarter and an increase in rebates due to growth in the pharmacy channel and the launch of Omnipod 5. Finally, the increase in accounts payable was primarily driven by the timing of payments.

Investing Activities

Net cash used in investing activities was $68.8 million for the six months ended June 30, 2022, compared with net cash used in investing activities of $34.1 million for the six months ended June 30, 2021.

Capital Spending—Capital expenditures were $27.4 million and $52.8 million for the six months ended June 30, 2022 and 2021, respectively. The $25.4 million decrease was primarily driven by less spend on manufacturing equipment, due to the addition of manufacturing capacity in the prior year. We expect capital expenditures for 2022 to increase compared with 2021 as we continue to invest in our global manufacturing capabilities to support our growth. We expect to fund our capital expenditures using existing cash.

Purchases and Sales of Marketable Securities—The $22.5 million decrease in proceeds from maturities of marketable securities was driven by the prior year shift of a portion of our investment portfolio to investments classified as cash equivalents.

Acquisition and Investments—During the six months ended June 30, 2022, we paid $26.0 million for the acquisition of substantially all of the assets related to the manufacture and production of SMA wire assemblies that are used in the production of Omnipods from Dynalloy, Inc. In addition, we paid $7.8 million for strategic investments in two private companies.

Financing Activities

We had $21.9 million of net cash used in financing activities for the six months ended June 30, 2022, compared with no cash used in financing activities for six months ended June 30, 2021.

Debt Issuance and Repayments—During the six months ended June 30, 2022, we made $12.2 million in aggregate principal payments on our equipment financings, mortgage, and term loan, compared with $7.4 million for the six months ended June 30, 2021. The $4.8 million increase is due to entering the term loan and an additional equipment financing in the second and third quarter of 2021,

respectively. Additionally, during the six months ended June 30, 2021, we received net proceeds of $489.5 million from the issuance of the term loan and used $460.8 million of cash to partially fund the repurchase of a portion of our 1.375% Notes.

Option Exercises and Payment of Taxes for Restricted Stock Net Settlements—Total proceeds from option exercises and issuance of employee stock purchase plan shares was $1.9 million and $6.2 million for the six months ended June 30, 2022 and 2021, respectively. The $4.3 million decrease was primarily driven by option exercises in the prior year by our former chief executive officer who retired in 2018. Payments for taxes related to net restricted and performance stock unit settlements were $16.5 million and $27.3 million for the six months ended June 30, 2022 and 2021, respectively. The $10.8 million decrease was primarily driven by vesting of performance stock units in the prior year by our former chief executive officer who retired in 2018.

Commitments and Contingencies

We are engaged in negotiations over a contractual dispute involving in-licensed intellectual property. Offers to settle the dispute have been made by both parties ranging from $5.7 million to $36 million. In connection with discussions to resolve this matter, during the three months ended June 30, 2022, we accrued an estimated liability of $5.7 million. The ultimate resolution of this matter is uncertain and could have a material effect on our results of operations.

Legal Proceedings

The significant estimates and judgments related to establishing litigation reserves are discussed under “Legal Proceedings” in Note 12 to the consolidated financial statements included in this Form 10-Q.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements in conformity with GAAP requires management to use judgment in making estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities.

Our accounting policies for revenue recognition and contingencies are based on, among other things, judgments and assumptions made by management that include inherent risks and uncertainties. There have been no significant changes to the above critical accounting policies or in the underlying accounting assumptions and estimates used in such policies from those disclosed in our annual consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2021.

FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q contains forward-looking statements. Forward-looking statements relate to future events or our future financial performance. We generally identify forward looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar words. These statements are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, results of operations and financial condition.

The outcomes of the events described in these forward-looking statements are subject to risks, uncertainties and assumptions. These risks and uncertainties include, but are not limited to:

- adverse changes in general economic conditions as well as risks associated with public health crises and pandemics, such as the COVID-19 global pandemic, government actions and restrictive measures implemented in response, supply chain disruptions, delays in clinical trials, and other impacts to the business;
- dependence on a principal product platform;
- ability to maintain and grow our customer base, scale our business to support revenue growth, maintain an effective sales force and expand our distribution network;
- ability to secure and retain adequate coverage or reimbursement from third-party payors;
- impact of healthcare reform laws;
- impact of competitive products, technological change, product innovation and ability to design, develop, manufacture and commercialize future products;
- changes to or termination of our license to incorporate a blood glucose meter into the Omnipod System or inability to enter into new license or other agreements with respect to the Omnipod System’s current or future features;
- challenges to the future development of our non-insulin drug delivery product line;
- international business risks, including regulatory, commercial and logistics risks;
- supply problems or price fluctuations with sole source or third-party suppliers on which we are dependent;

- failure to retain key suppliers and/or supplier pricing discounts and achieve satisfactory gross margins;
- ability to protect our intellectual property and other proprietary rights and potential conflicts with the intellectual property of third parties;
- adverse regulatory or legal actions relating to the Omnipod System or future products;
- failure of our contract manufacturer or component suppliers to comply with the FDA's quality system regulations;
- potential adverse impacts resulting from a recall, or discovery of serious safety issues, product liability lawsuits relating to off-label use, the potential violation of anti-bribery/anti-corruption laws, laws and regulations regarding privacy and data protection, and breaches or failures of our product or information technology systems, including by cyberattack;
- unfavorable results of clinical studies or future publication of articles or announcement of positions by diabetes associations or other organizations that are unfavorable;
- the concentration of manufacturing operations and storage of inventory in a limited number of locations;
- loss of employees or inability to identify and recruit new employees;
- risks associated with potential future acquisitions or investments in new businesses;
- ability to generate sufficient cash to service our indebtedness or raise additional funds on acceptable terms or at all;
- the volatility of the trading price of our common stock;
- risks related to the conversion of any of outstanding Convertible Senior Notes; and
- potential limitations on our ability to use our net operating loss carryforwards.

The risk factors discussed in "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021 and in this Quarterly Report could cause our results to differ materially from those expressed in forward-looking statements. In addition, there may be other risks and uncertainties that we are unable to predict at this time or that we currently do not expect to have a material adverse effect on our business. Actual results could differ materially from those projected in the forward-looking statements; accordingly, you should not rely upon forward-looking statements as predictions of future events. We expressly disclaim any obligation to update these forward-looking statements other than as required by law.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our exposure to changes in interest rates is associated with borrowings under our Revolving Credit Facility and our term loan, both of which are variable-rate debt. At June 30, 2022, no amounts were outstanding under our Revolving Credit Facility. In May 2021, we entered into two interest rate swap agreements to effectively convert $480 million of our term loan borrowings from a variable rate to a fixed rate. These interest rate swaps are intended to mitigate the exposure to fluctuations in interest rates and qualify for hedge accounting treatment as cash flow hedges. A 100 basis point increase or decrease in interest rates as of June 30, 2022 would decrease or increase our annual earnings, respectively, by approximately $0.2 million.

Refer to "Part II. Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report on Form 10-K for the year ended December 31, 2021 for a discussion of our market price sensitive instruments and foreign currency exchange risk.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934 ("the Exchange Act"), as amended, is recorded, processed, summarized and reported within the specified time periods, and that such information is accumulated and communicated to management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2022. Based on the evaluation, our chief executive officer and chief financial officer concluded that, as of that date, our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended June 30, 2022 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

Information regarding our material pending legal proceedings, which is incorporated herein by reference, is provided in Note 12 to the condensed consolidated financial statements in this Form 10-Q.

Item 1A. Risk Factors

Refer to the "Risks Factors" section in our Annual Report on Form 10-K for the year ended December 31, 2021 for a discussion of risks to which our business, financial condition, results of operations and cash flows are subject. There have been no material changes to the risk factors disclosed in the aforementioned Annual Report.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Number	Description
10.1+	Development Agreement by and between Insulet Corporation and DexCom, Inc, dated December 7, 2016.
10.2+	Amendment No.1 to Development Agreement by and between Insulet Corporation and DexCom, Inc, dated November 21, 2019.
10.3+	Commercialization Agreement by and between Insulet Corporation and DexCom, Inc, dated November 21, 2019.
10.4+	Data Agreement by and between Insulet Corporation and DexCom, Inc, dated May 7, 2020.
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Chief Executive Officer.
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Chief Financial Officer.
32.1*	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, by Chief Executive Officer and Chief Financial Officer.
101	The following materials from Insulet Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 formatted in iXBRL (Inline eXtensible Business Reporting Language), as follows: (i) Condensed Consolidated Balance Sheets (Unaudited) as of June 30, 2022 and December 31, 2021 (ii) Condensed Consolidated Statements of Operations (Unaudited) for the Three and Six Months Ended June 30, 2022 and 2021 (iii) Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited) for the Three and Six Months Ended June 30, 2022 and 2021 (iv) Condensed Consolidated Statements of Stockholders' Equity (Unaudited) for the Three and Six Months Ended June 30, 2022 and 2021 (v) Condensed Consolidated Statements of Cash Flows (Unaudited) for the Six Months Ended June 30, 2022 and 2021 (vi) Condensed Notes (Unaudited) to Consolidated Financial Statements
*	Furnished herewith.
+	Certain portions of this exhibit are considered confidential and have been omitted as permitted under SEC rules and regulations.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INSULET CORPORATION
(Registrant)

Date: August 4, 2022

/s/ James R. Hollingshead
James R. Hollingshead
Chief Executive Officer
(Principal Executive Officer)

Date: August 4, 2022

/s/ Wayde McMillan
Wayde McMillan
Chief Financial Officer
(Principal Financial Officer)

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. OMISSIONS ARE MARKED [***].

DEVELOPMENT AGREEMENT

This Development Agreement (this "**Agreement**") is made and entered into on December 7, 2016 (the "**Effective Date**") by and between Insulet Corporation, a Delaware corporation having a principal place of business at 600 Technology Park Drive, Ste. 200, Billerica, MA 01821 ("**Insulet**") and DexCom, Inc., a Delaware corporation having a principal place of business at 6340 Sequence Drive, San Diego, CA 92121 ("**DexCom**").

RECITALS

A. DexCom is in the business of developing and commercializing continuous glucose monitoring systems.

B. Insulet is in the business of developing and commercializing an Insulin Delivery System.

C. The parties believe it is in each of their best interests to work jointly on the Development Program (as defined below) pursuant to the terms hereunder, to capitalize on each party's existing and developing technology platforms to bring an integrated solution to market. The purpose of the Development Program is, among other things, to enable Insulet to adapt the Insulin Delivery System, (as defined below) to identify, receive, decipher and display information from the DexCom System (as defined below).

D. The parties desire to collaboratively discuss in good faith potential opportunities and terms related to commercializing the Platform (as defined below).

The parties therefore agree as follows:

AGREEMENT

1 DEFINITIONS

1.1 "**Affected Persons**" has the meaning set forth in Section 3.7.4(i).

1.2 "**Affiliates**" means any corporation or other entity that is directly or indirectly controlling, controlled by or under common control with a party. For the purpose of this definition, "control" means the direct or indirect ownership of more than fifty percent (50%) of the capital stock of the subject entity entitled to vote in the election of directors (or, in the case of an entity that is not a corporation, interests entitled to vote in the election of the corresponding managing authority).

1.3 "**Agreement**" shall have the meaning set forth in the preamble above.

1.4 "**CGM**" means continuous glucose monitoring in patients.

1.5 "**CGM Data**" means continuous glucose monitoring data acquired from a DexCom patient/transmitter, including glucose level, glucose rate of change, predictive glucose values, calibration bounds/confidence interval, glucose signal quality, transmitter battery level and all time stamps associated with these values. CGM Data excludes [***].

1.6 "**CGM Interoperability Inventions**" means Inventions that are solely related to CGM interoperability or connectivity with an Insulin Delivery Device, including the transmission of CGM Data, or the receipt, storage or display of Insulin Data by a CGM device or software application.

1.7 "**CGM Interoperability Software**" means Software and Copyrights that are solely related to CGM interoperability or connectivity with an Insulin Delivery Device, including the transmission of CGM Data, or the receipt, storage or display of Insulin Data by a CGM device or software application.

1.8 "**CGM Patient Interface**" means the application programs, software code, apps, embedded software applications, analytics software (including dosing calculator and/or algorithms and behavior modification tools) and other programs that gather CGM Data to be used with the Insulin Delivery Device as part of the Platform. For clarity purposes, the term "CGM Patient Interface" is not limited to apps downloadable from an app store, and specifically may include, depending on the Platform configuration, any software that is loaded onto either a DexCom System or an Insulin Delivery System.

1.9 "**Commercially Reasonable Efforts**" means the carrying out of a party's obligations under this Agreement with the exercise of prudent scientific and business judgment and a level of effort and resources consistent with the efforts and resources that the party who bears the performance obligation of a similarly sized comparable third party in the CGM or Insulin Delivery Device industry, as applicable, would employ for products of similar strategic importance and commercial value that result from its own research efforts.

1.10 "**Commercial Steering Committee**" has the meaning set forth in Section 5.3.

1.11 "**Confidential Information**" has the meaning set forth in Section 7.1.

1.12 "**Development Costs**" means all costs and expenses of any kind, incurred by or on behalf of, either party in performing its obligations under the Development Program or that are otherwise directly attributable to developing and validating the Platform pursuant to and in accordance with the terms and conditions of this Agreement.

1.13 "**Development Program**" means the program designating activities and related obligations to be taken by both parties for development and validation of the Platform.

1.14 "**Development Program Plan**" has the meaning set forth in Section 2.1.

1.15 "**DexCom**" shall have the meaning set forth in the preamble to this Agreement.

1.16 "**DexCom Background IP**" has the meaning set forth in Section 3.1.

1.17 "**DexCom Confidential Information**" means Confidential Information of DexCom.

1.18 "**DexCom Indemnitees**" has the meaning set forth in Section 8.2.

1.19 "**DexCom Project Inventions**" means DexCom Project IP consisting of Inventions, other than CGM Interoperability Inventions.

1.20 "**DexCom Project IP**" has the meaning set forth in Section 3.3.

1.21 "**DexCom Project Software**" means DexCom Project IP consisting of Software and Copyrights, other than CGM Interoperability Software.

1.22 "**DexCom Software Specifications**" means application program interfaces, code, data and information owned or controlled by DexCom that is reasonably required to design software allowing for the interoperability between a CGM Patient Interface and other software or hardware.

1.23 "**DexCom System**" means DexCom's fifth and sixth-generation continuous glucose monitoring systems (the DexCom G5 Mobile and DexCom G6), and comprising some or all of the following components: receiver, sensor, transmitter, CGM Patient Interface and a communication protocol to identify, receive and display sensor information and to control the DexCom transmitter.

1.24 "**Disclosing Party**" has the meaning set forth in Section 7.1.

1.25 "**Dual Project IP**" means any Inventions, Software and Copyrights conceived, authored, or developed by the parties, their Affiliates, or their respective employees or third-party contractors in the course of the Development Program that are both DexCom Project IP and Insulet Project IP.

1.26 "**Effective Date**" has the meaning set forth in the preamble to this Agreement.

1.27 "**Enforcing Party**" has the meaning set forth in Section 3.7.2.

1.28 "**Future Commercialization Agreement**" has the meaning set forth in Section 5.1.

1.29 "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, and the regulations thereunder, as they may be amended from time to time.

1.30 "**Indemnitee**" has the meaning set forth in Section 8.3.

1.31 "**Indemnitor**" has the meaning set forth in Section 8.3.

1.32 "**Insulet**" shall have the meaning set forth in the preamble to this Agreement.

1.33 "**Insulet Background IP**" has the meaning set forth in Section 3.2.

1.34 "**Insulet Confidential Information**" means Confidential Information of Insulet.

1.35 "**Insulet Indemnitees**" has the meaning set forth in Section 8.1.

1.36 "**Insulet Project Inventions**" means Insulet Project IP consisting of Inventions, other than Insulin Device Interoperability Inventions.

1.37 "**Insulet Project IP**" has the meaning set forth in Section 3.4.

1.38 "**Insulet Project Software**" means Insulet Project IP consisting of Software and Copyrights, other than Insulin Device Interoperability Software.

1.39 "**Insulet Software Specifications**" means application program interfaces, code, data and information owned or controlled by Insulet that is reasonably required to design software allowing for the interoperability between the Insulin Delivery Patient Interface and other software or hardware.

1.40 "**Insulin Data**" means all insulin data, including that generated by an Insulin Delivery Device or otherwise provided by a patient.

1.41 "**Insulin Delivery Device**" means a [***], and may include an Insulin Delivery Patient Interface and/or a controller.

1.42 "**Insulin Delivery Patient Interface**" means the software code, application programs, embedded dosing calculator and/or algorithms, behavior modification tools, analytics software and other programs developed under the Development Program by Insulet that will gather CGM Data to be used with the Insulin Delivery System as part of the Platform. For clarity purposes, the term "Insulin Delivery Patient Interface" is not limited to apps downloadable from an app store, and specifically may include, depending on Platform configuration, any software that is loaded onto either a CGM system or Insulin Delivery System.

1.43 "**Insulin Delivery System**" means Insulet's Insulin Delivery Device, comprised of at least one of the following components: [***].

1.44 "**Insulin Device Interoperability Inventions**" means Inventions that are solely related to Insulin Delivery Device interoperability or connectivity with a CGM device, including the [***].

1.45 "**Insulin Device Interoperability Software**" means Software and Copyrights that are solely related to Insulin Delivery Device interoperability or connectivity with a CGM device, including the [***].

1.46 "**Intellectual Property**" means, collectively: copyright rights (including the exclusive rights to reproduce, modify, distribute, publicly display and publicly perform the copyrighted work), trademark rights (including trade names, trademarks, service marks, and trade dress and associated goodwill), patent rights (including the exclusive right to make, have made, use, sell, offer for sale and import), rights in trade secrets, rights of publicity, authors' rights, database rights, and all other intellectual property rights as may exist now and/or hereafter come into existence and all renewals and extensions thereof, including supplemental protection certificates,

regardless of whether such rights arise under the laws of the United States or any other state, country or jurisdiction worldwide.

1.47 "**Inventions**" means ideas, inventions, improvements, trade secrets, know-how, algorithms, formulae, methods and any patentable subject matter.

1.48 "**Jointly-Owned IP**" has the meaning set forth in Section 3.6.

1.49 "**Losses**" has the meaning set forth in Section 8.1.

1.50 "**Milestone(s)**" has the meaning set forth in Section 2.6.

1.51 "**Patent Act**" has the meaning set forth in Section 3.6.3.

1.52 "**Platform**" or **"Platforms"** means the integrated technology solution or solutions, to the extent developed or to be developed under the Development Program, incorporating one or more components of the DexCom System and one or more components of the Insulin Delivery System, and/or each subsequent generation of such integrated technology solution as may be mutually agreed to by the parties.

1.53 "**Raw Data**" means all [***] which is not included in the definition of CGM Data.

1.54 "**Receiving Party**" has the meaning set forth in Section 7.1.

1.55 "**Representatives**" means a party's and its Affiliates' employees, officers, directors, consultants and legal, technical and business advisors.

1.56 "**Residual Project IP**" means any Inventions, Software and Copyrights conceived, authored, or developed by the parties, their Affiliates, or their respective employees or third-party contractors in the course of the Development Program that are neither DexCom Project IP nor Insulet Project IP.

1.57 "**Senior Executive**" has the meaning set forth in Section 2.2.7.

1.58 "**Software and Copyrights**" means software, code, works of authorship and copyrightable subject matter.

1.59 "**Steering Committee**" has the meaning set forth in Section 2.2.1.

1.60 "**Technology Information**" has the meaning set forth in Section 7.4.

1.61 "**Term**" has the meaning set forth in Section 9.1.

2 DEVELOPMENT, STEERING COMMITTEE, PARTY RESPONSIBILITIES AND MILESTONES

2.1 Development Generally. As soon as reasonably practicable following the Effective Date, the parties will jointly agree in writing on a detailed plan defining and describing each party's responsibilities in connection with the Development Program (the "**Development Program Plan**"). The parties will jointly develop the Platform

or Platforms in accordance with the Development Program Plan as mutually agreed to by the parties. The current proposed architecture for the Platform(s) is listed in **Exhibit A** and the development activities and milestones to be undertaken generally under the Development Program are listed in **Exhibit B**.

2.2 Steering Committee.

2.2.1 The parties shall establish a management team for the Development Program that shall be comprised of two (2) Representatives of DexCom, who shall initially be [***], and two (2) Representatives of Insulet, who shall initially be [***] ("**Steering Committee**"). Each party may replace its Representatives at any time. In accordance with the provisions and objectives of this Agreement and the Development Program, the Steering Committee shall:

(i) determine the development strategy for the Platform(s) consistent with the Development Program Plan;

(ii) oversee, coordinate and manage the parties' activities under, and implementation of, the Development Program and the Development Program Plan;

(iii) ensure communication between the parties concerning the status and results and implementation of the Development Program and implementation of the Development Program Plan;

(iv) exercise decision-making authority over all Development Program activities and make all such decisions and take all such other actions as are delegated to it in this Agreement;

(v) establish such additional joint subcommittees as it deems necessary to achieve the objectives and intent of this Agreement (each a "Subcommittee");

(vi) determine, for purposes of Section 3 of this Agreement and as between the parties, the proper categorization of Inventions, Software and Copyrights, and/or other Intellectual Property conceived, authored, or discovered in the course of the Development Program as being DexCom Project IP, Insulet Project IP, Residual Project IP, or Dual Project IP, as the case may be;

(vii) review and approve updates or amendments to the Development Program and/or the Development Program Plan as the Steering Committee determines is appropriate for the parties to achieve the Development Program objectives; and

(viii) perform such other functions as are appropriate to further the purposes of this Agreement as mutually determined by the parties.

2.2.2 The Steering Committee shall meet as needed but not less often than [***] during the Term (as defined below). Steering Committee meetings shall be held at times and places or in such form, such as by telephone or video conference, as the Steering Committee determines, except that in-person meetings of the Steering Committee will alternate between the parties' offices, unless otherwise agreed in writing by the parties. Subject to Section 2.2.4, any Steering Committee member may designate by notice to the other members a qualified substitute to attend and perform the functions of that Steering Committee member at any Steering Committee meeting that such member cannot attend.

2.2.3 Subject to such persons being bound by written agreement(s) concerning confidentiality and proper assignment of Intellectual Property under the Development Program in accordance with the terms of this Agreement, each party may invite additional Representatives to attend Steering Committee meetings as observers or to make presentations, in each case without any voting authority, on written notice to the other party at least [***] before the Steering Committee meeting that the Representative will attend.

2.2.4 The Steering Committee shall appoint one (1) of the Steering Committee members to act as the initial Steering Committee chairperson during such period as the Steering Committee shall designate. At the end of each such designated period during the Term, the parties shall alternate in appointing the chairperson for the next such defined period. Where the Steering Committee chairperson cannot attend a Steering Committee meeting, the other member having been previously designated by the same party shall serve as the temporary Steering Committee chairperson for such meeting, unless neither of such party's designated Steering Committee members can attend, in which case a qualified substitute designated by the Steering Committee chairperson for such purpose shall serve as the temporary Steering Committee chairperson for such meeting.

2.2.5 The Steering Committee chairperson shall be responsible for:

(i) calling and presiding over each Steering Committee meeting during his or her tenure as chairperson;

(ii) preparing and circulating the agenda for each such meeting; and

(iii) preparing draft minutes of each such meeting and providing a copy of the draft minutes to each Steering Committee member within [***] after each such meeting for approval, which shall be deemed to have been given unless the Steering Committee member objects within [***] after receipt of the draft minutes.

2.2.6 [***]. The Steering Committee and each Subcommittee shall make all decisions and take other actions in good faith and with due care, after consideration of the information that is reasonably available to it, with the intention that the resulting decision or action shall:

(i) not breach or conflict with any requirements or other provisions of this Agreement; and

(ii) maintain or increase the likelihood that the parties will achieve the purposes and goals of the Development Program.

2.2.7 If a Subcommittee cannot reach a [***] decision on a matter at a regularly scheduled Subcommittee meeting, the Subcommittee shall refer such matter to the Steering Committee for resolution. If the Steering Committee cannot reach a [***] decision on any matter at a regularly scheduled Steering Committee meeting or within [***] thereafter (or, in the case of a matter referred to the Steering Committee by a Subcommittee, within [***] following such referral), then either party may, by notice to the other party, have such matter referred to an Executive Vice President of DexCom, or any other person that he or she designates from time to time for such purpose, and the President of Insulet, or any other person that he or she designates from time to time (each, a "Senior Executive") for resolution by good faith discussions for a period of at least [***]. In the event that the Senior Executives are unable to reach agreement with respect to such matter within such [***], then the following shall apply:

(i) DexCom shall have the final decision-making authority with respect to (A) the technical specifications for the DexCom System components of any associated CGM Patient Interface, including apps (subject to (iii) below); provided, that such technical specifications are consistent with the general Platform features and functionality set forth in the Development Program and Development Program Plan and (B) DexCom's day-to-day implementation of the Development Program and Development Program Plan; and

(ii) Insulet shall have the final decision-making authority with respect to (A) the technical specifications for the Insulin Delivery System components of any associated CGM Patient Interface, including apps (subject to (iii) below); provided, that such technical specifications are consistent with the general Platform features and functionality set forth in the Development Program and Development Program Plan, and (B) Insulet's day-to-day implementation of the Development Program and Development Program Plan; and

(iii) DexCom and Insulet shall have joint final design approval of the CGM aspects of the Insulin Delivery System and of the insulin aspects of the DexCom System.

provided further, that neither party may exercise its final decision-making authority in a manner that (A) is inconsistent with the express terms of this Agreement or (B) would unilaterally impose any additional or different material obligation on the other party (including for the other party to incur or share any cost).

2.2.8 The Steering Committee has only the powers specifically delegated to it by this Agreement and has no authority to act on behalf of any party in connection with any third party. Without limiting the foregoing, the Steering Committee has no authority to, and shall not purport to or attempt to:

(i) amend this Agreement;

(ii) negotiate agreements on behalf of any party;

(iii) make representations or warranties on behalf of any party;

(iv) waive rights of any party;

(v) extend credit on behalf of any party; or

(vi) take or grant licenses of, transfer ownership or otherwise encumber Intellectual Property on behalf of any party.

2.2.9 The Steering Committee shall keep each party fully informed of the status of the Development Program and progress under the Development Program Plan.

2.2.10 Each party shall [***] of its respective Steering Committee members and their designated substitutes related to their participation on the Steering Committee and attendance at Steering Committee meetings.

2.3 Insulet's Development Related Responsibilities. Unless otherwise determined by the Steering Committee, or stated otherwise in the Development Program Plan, Insulet shall:

2.1 be solely responsible for all design and development activities associated with the development of the Insulin Delivery Patient Interface and any additional programs including dosing algorithms, behavior modification tools, and other analytics associated therewith;

2.2 commit a [***] team and formulate a plan to achieve the agreed Milestones set forth in Section 2.6 below. For the avoidance of doubt, such team members [***], provided the team members use Commercially Reasonable Efforts to achieve the Milestones;

2.3 be responsible for the design and development of software for the Insulin Delivery System related to CGM, based on DexCom's reasonable requirements; provided, that the parties shall have joint design approval of the CGM aspects of the Platform; and

2.4 use Commercially Reasonable Efforts in the design and development of the Platform(s) such that it will have the ability to: (1) display select CGM Data on the Insulet Insulin Delivery Patient Interface, (2) ingest real-time and/or delayed CGM Data from the Insulet Insulin Delivery Patient Interface into Insulet's data infrastructure in compliance with HIPAA, and (3) utilize aggregated CGM Data for research purposes, in each case in accordance with the terms of the Agreement.

2.4 DexCom Development Related Responsibilities. Unless otherwise determined by the Steering Committee, or stated otherwise in the Development Program Plan, DexCom shall:

2.4.1 commit a [***] team and formulate a plan to achieve the agreed Milestones set forth in Section 2.6 below. For the avoidance of doubt, such team members [***], provided the team members use Commercially Reasonable Efforts to achieve the Milestones;

2.4.2 use Commercially Reasonable Efforts in the design and development of the Platform(s) such that it will have the ability to: (1) display select Insulin Data on the DexCom System, (2) ingest Insulin Data into DexCom's data infrastructure in compliance with HIPAA and (3) utilize aggregated Insulin Data for research purposes, in each case in accordance with the terms of the Agreement;

2.4.3 be responsible for the design and approval of the DexCom System; provided, that the parties shall have joint final design approval of the insulin aspects of the Platform; and

[***]

2.5 Costs. Except as otherwise provided herein, [***].

2.6 Milestones. Subject to approval and/or modification by the Steering Committee, both parties shall use Commercially Reasonable Efforts to achieve the development milestones set forth in **Exhibit B** ("**Milestones**").

3 INTELLECTUAL PROPERTY OWNERSHIP AND LICENSES

3.1 DexCom Background Intellectual Property. As between the parties, DexCom owns and retains all rights, title and interest in, and does not grant any license (other than as expressly set forth in this Section 3) or ownership rights in, any Intellectual Property owned or controlled by DexCom existing as of the Effective Date or any Intellectual Property thereafter developed, acquired or licensed by DexCom outside of the scope of this Agreement ("**DexCom Background IP**").

3.2 Insulet Background Intellectual Property. As between the parties, Insulet owns and retains all rights, title and interest in, and does not grant any license (other than as expressly set forth in this Section 3) or ownership rights in, any Intellectual Property owned or controlled by Insulet existing as of the Effective Date or any Intellectual Property thereafter developed, acquired or licensed by Insulet outside of the scope of this Agreement ("**Insulet Background IP**").

3.3 DexCom Project Intellectual Property. DexCom will own all rights, title and interest in, and does not grant any license (other than as set forth in this Section 3) or ownership rights in any Inventions, Software and Copyrights, and/or other Intellectual Property conceived, authored, or developed, whether solely or jointly, by the parties, their Affiliates, or their respective employees or third-party contractors in the course of the Development Program and which cover, are embedded in, or consist of, any of the following (collectively, the "**DexCom Project IP**"):

(i) CGM devices, including the DexCom System and modifications thereof;

(ii) CGM Patient Interface;

(iii) CGM Interoperability Software and CGM Interoperability Inventions; and

(iv) CGM Data and Raw Data.

To the extent Insulet acquires any right, title or interest to any DexCom Project IP, Insulet hereby assigns such right, title or interest to DexCom and further agrees to execute any document or take any action reasonably required to perfect such assignment.

3.4 Insulet Project Intellectual Property. Insulet will own all rights, title and interest in, and does not grant any license (other than as set forth in this Section 3) or ownership rights in any Inventions, Software and Copyrights, and/or other Intellectual Property conceived, authored, or developed, whether solely or jointly, by the parties, their Affiliates, or their respective employees or third-party contractors in the course of the Development Program and which cover, are embedded in, or consist of, any of the following (collectively, "**Insulet Project IP**"):

(i) Insulin Delivery Device or modifications thereof;

(ii) Insulin Delivery System or modifications thereof;

(iii) Insulin Delivery Patient Interface; and

(iv) Insulin Device Interoperability Software and Insulin Device Interoperability Inventions; and

(v) Insulin Data.

To the extent DexCom acquires any right, title or interest to any Insulet Project IP, DexCom hereby assigns such right, title or interest to Insulet and further agrees to execute any document or take any action reasonably required to perfect such assignment.

3.5 Residual Project IP Owned by A Party.

3.5.1 Residual Project IP Owned by DexCom. DexCom shall own all Residual Project IP that is conceived, authored, or developed solely by DexCom, its Affiliates, or their respective employees or third-party contractors.

3.5.2 Residual Project IP Owned by Insulet. Insulet shall own all Residual Project IP that is conceived, authored, or developed solely by Insulet, its Affiliates, or their respective employees or third-party contractors.

3.6 Jointly Owned IP. Any Residual Project IP that is conceived, authored, or developed jointly by the parties, or jointly by an Affiliate of DexCom and an Affiliate of Insulet, or jointly by employees or third-party contractors of DexCom or its Affiliate and by employees or third-party contractors of Insulet or its Affiliate, and any Dual Project IP (collectively, such Residual Project IP and/or such Dual Project IP is referred to as "**Jointly-Owned IP**") shall be jointly owned by the parties, without a duty to account, subject to the provisions of this Section 3.6 and Sections 3.7 and 3.8 below. Each party shall promptly disclose to the other party any Jointly-Owned IP conceived, authored, or developed by or on behalf of such party.

3.6.1 Prosecution of Jointly-Owned IP. The parties shall [***] will have the sole responsibility for preparing, filing, prosecuting and maintaining (collectively, "**Prosecution**") Jointly-Owned IP patent applications and patents for such Jointly-Owned IP at its sole expense; provided, however, that [***] shall (i) provide [***] with sufficient advance written notice of any Prosecution deadlines and shall provide all Prosecution-related documents so that Insulet may provide input to [***] regarding such Prosecution; (ii) reasonably consider any such input provided by [***] in taking Prosecution actions; and (iii) provide advance written notice to [***] of its intention not to Prosecute, or to cease Prosecution of, any Jointly-Owned IP, whereupon [***] may, at its sole option and expense, continue such Prosecution.

3.6.2 Assistance to [***]. At the reasonable, written request of [***], Insulet shall make its Representatives reasonably available to [***] to the extent necessary to assist [***] in the preparation, filing, prosecution and maintenance of patent applications and patents concerning Jointly-Owned IP. [***] shall execute and deliver to [***] all descriptions, applications, assignments and other documents and instruments necessary in carrying out the provisions of this Section 3.6.2.

3.6.3 Statutory Prior Art Exemption. This Agreement is intended to and hereby does serve, among other things, as a "joint research agreement" for purposes of Section 102(c) of the United States Patent Act, 35 U.S.C. § 102(c), as it may be amended from time to time (the "**Patent Act**"). [***] shall provide [***] with all necessary assistance and cooperation, including the preparation and filing of any terminal disclaimers and other documents, required to procure and preserve the protections under the Patent Act for all Jointly-Owned IP.

3.6.4 Allocation of Costs for Procuring and Maintaining Jointly-Owned IP. [***] shall bear all costs and expenses relating to the preparation, filing and prosecution of patent applications claiming Jointly-Owned IP and the maintenance of any resulting patents.

3.6.5 Contested Patent Office Proceedings Concerning Jointly-Owned IP. Within [***] after learning of any request for, or any filing or declaration of, any inter partes review, post-grant review, covered business method patent review, derivation, interference, opposition or other patent office proceeding concerning any Jointly-Owned IP, the party learning of the request, filing or declaration shall inform the other party of such patent office proceeding.

[***] shall determine a course of action for the patent office proceeding, in its sole discretion. Subject to the provisions of this Section 3.6.5, [***] shall be solely responsible for participating and filing papers in the patent office proceeding for the relevant Jointly-Owned IP patent application or patent. [***] shall provide [***] with any information or assistance that may reasonably be necessary to pursue the course of action in the patent office proceeding. [***] shall: (A) deliver to [***] copies of all amendments and other documents that are filed in connection with the patent office proceeding within ten (10) business days after the filing; (B) provide a quarterly written status report to [***] concerning the patent office proceeding; (C) notify [***] of the termination and result of each such patent office proceeding within ten (10) business days after such termination; and (D) keep Insulet currently informed of the status of each such patent office proceeding. [***] shall bear the costs of each such patent office proceeding. Neither party shall initiate any reexamination, reissue or other patent office proceeding concerning any Jointly-Owned IP without the prior written consent of the other party. The parties shall provide all information and assistance as the other party may reasonably request that may be necessary in obtaining patent term restoration or supplemental protection certificates or their equivalents in any country where applicable to the Jointly-Owned IP.

3.7 Enforcement of Jointly-Owned IP.

3.7.1 A party receiving notice or having knowledge of an alleged infringement of any Jointly-Owned IP patent or is a party to a declaratory judgment action alleging the invalidity or noninfringement of any Jointly-Owned IP patent shall promptly provide written notice to the other party of the alleged infringement or declaratory judgment action, as applicable. During the [***] following the giving of any such notice, neither party will commence a suit or other proceeding to enjoin, prohibit or otherwise secure the cessation of such infringement other than jointly with the other party, unless such other party has waived its rights to join therein. Where the parties jointly commence such suit or other proceeding, they shall cooperate to:

(i) select litigation counsel to prosecute the suit;

(ii) select the forum for the suit;

(iii) bear equally all out-of-pocket costs and expenses, including reasonable attorneys' and experts' fees, incurred in commencing and maintaining such suit;

(iv) settle and compromise such suit or proceeding on terms acceptable to each party, where either such party requests the same; and

(v) share equally the balance of any settlement amount, damages or other monetary awards recovered in connection with the suit or proceeding that remains after reimbursement by the parties' respective actual out-of-pocket costs and expenses incurred; provided that, if the settlement or damage award amount does not fully reimburse the parties'

aggregate out-of-pocket litigation costs and expenses, the settlement or damage award amount shall be shared equally by the parties.

Each party shall in addition cooperate with the other in such suit or other proceeding, as reasonably requested by the such other party, including giving testimony and producing documents lawfully requested in the course of the suit or other proceeding and cause its, and its Affiliates', Representatives to cooperate with the other party in connection therewith.

3.7.2 If one of the parties elects not to proceed with a suit or other proceeding, or, having done so, elects to withdraw from such suit or other proceeding, the other party shall have the exclusive right, but is not obligated to, commence and/or maintain such suit or other proceeding as the "**Enforcing Party**" at its own cost and expense. If that party elects to proceed with the suit or other proceeding, the party electing not to proceed shall cooperate with the Enforcing Party in such suit or other proceeding, as reasonably requested by the Enforcing Party, including giving testimony and producing documents lawfully requested in the course of the suit or other proceeding and cause its, and its Affiliates', Representatives to cooperate with the Enforcing Party in connection therewith. The Enforcing Party shall reimburse the other party for all reasonable out-of-pocket litigation costs and expenses incurred and documented by the other party. The Enforcing Party shall have the exclusive right to:

(i) select and retain litigation counsel of its choosing; and

(ii) direct and control such suit or other proceeding and receive and retain all settlement amounts, damages and other monetary awards recovered in connection with it; provided that such Enforcing Party receiving such settlement amounts, damages and other monetary awards shall reimburse the other party for all reasonable expenses incurred and documented by the party that has elected not to proceed in accordance with the above.

3.7.3 If the other party is required under applicable law to join any such suit or other proceeding to enforce any ownership or other rights in, or defend the validity of, any Jointly-Owned IP, or if the failure of such other party to be a party to such suit or proceeding would risk dismissal thereof, such other party shall execute all papers and perform such other acts as may be reasonably required to permit the suit or other proceeding to be brought and conducted (including initiating a suit or proceeding before a court or tribunal at the Enforcing Party's request or permitting the Enforcing Party to initiate or maintain such suit or proceeding in the name of itself and the other party). In such event, the Enforcing Party shall reimburse the other party for its reasonable expenses relating to the other party's joinder to and participation in such suit or proceeding. If the other party is required to be joined as a party as described in this Section 3.7.3, upon the request of the Enforcing Party, the other party shall and hereby does unconditionally and irrevocably waive any objection to such joinder on any grounds, including on grounds of personal jurisdiction, venue, or forum non conveniens. The party joined to

such suit or proceeding may, at its election and on written notice to the Enforcing Party, be represented by counsel for the Enforcing Party at the Enforcing Party's cost and expense or be represented by counsel of its choice at its own cost and expense.

3.7.4 An Enforcing Party initiating or defending any suit or proceeding pursuant to Section 3.7.2 shall have the exclusive right, in its sole discretion, to settle and compromise such suit or proceeding, whether by settlement or other voluntary final disposition, without the prior written approval of the other party, provided that the terms of such resolution do not:

(i) enjoin any future action by the other party or any of its Affiliates, licensees, sublicensees or customers (including the other party, "**Affected Persons**");

(ii) derogate from or diminish any of the other party's rights or licenses under this Agreement;

(iii) require any of the Affected Persons to make any payment;

(iv) fail to grant the other party and its Affiliates a release of all claims in the suit or proceeding;

(v) require the admission or concession that any claim or aspect of any Jointly-Owned IP is invalid or unenforceable, or require any waiver or disclaimer of any rights with respect to such claim or patent; or

(vi) otherwise have a material adverse effect upon any of the Affected Persons or any of their assets, or any objectives or subject matter of this Agreement.

3.7.5 Notwithstanding the provisions of Section 3.7.4, neither party may grant any license or other rights in the Jointly-Owned IP to any person or entity who is the subject of an action, suit or proceeding brought by an Enforcing Party related to infringement of any Jointly-Owned IP. For clarity, the foregoing covenant shall not be construed to affect the validity or enforceability of any license or other rights granted before any such action, suit or proceeding is brought.

3.8 Development Licenses Granted by Insulet.

3.8.1 Insulet Granted Licenses in Software. Under Insulet's copyrights in the Insulet Software Specifications and/or Insulin Device Interoperability Software, Insulet hereby grants DexCom, subject to the terms and conditions in this Agreement, a [***] license to [***] solely to perform DexCom's obligations under the Development Program [***].

3.8.2 Insulet Granted Licenses in Inventions. Under Insulet's patent rights in the Insulin Device Interoperability Inventions, Insulet hereby grants DexCom, subject to the terms and conditions in this Agreement, [***] license to [***]

solely to perform DexCom's obligations under the Development Program [***].

3.9 Development Licenses Granted by DexCom.

3.9.1 DexCom Granted Licenses in Software. Under DexCom's rights in the DexCom Software Specifications and CGM Interoperability Software, DexCom hereby grants Insulet, subject to the terms and conditions in this Agreement, a [***] license to [***] solely to perform Insulet's obligations under the Development Program [***].

3.9.2 DexCom Granted Licenses in Inventions. Under DexCom's patent rights in the CGM Interoperability Inventions, DexCom hereby grants Insulet, subject to the terms and conditions in this Agreement, a [***] license to [***] solely to perform Insulet's obligations under the Development Program [***].

3.10 No Representations Regarding Licensed Intellectual Property. All rights granted under this Section 3 are granted "as is" with no representations or warranties made regarding the validity, utility or performance of any Intellectual Property, Inventions and Software and Copyrights licensed hereunder.

3.11 Software General License Terms and Limitations. For all Software and Copyrights, DexCom Software Specifications, and Insulet Software Specifications that are the subject of the licenses granted in Section 3 (collectively "**Licensed Software Materials**"), the owner of such Licensed Software Materials will deliver copies of the foregoing in a format to the licensee of such rights after such materials are reasonably ready to be delivered and each party who is the licensee receiving such copies agrees that such copies are Confidential Information of the other party. Each party agrees not to publicly post any Licensed Software Materials owned by the other party or reverse engineer, decompile or otherwise attempt to view the source code for any such Licensed Software Materials provided in object code format.

3.12 Sublicenses. Any sublicense rights licensed under this Section 3 shall be subject to the following requirements: (i) each sublicensee must agree to be bound by terms and restrictions, including as to the protection of Confidential Information, at least as protective of the licensor of such rights as those contained in this Agreement, (ii) any license rights may only be sublicensed for the purposes of and subject to any restrictions contained in this Section 3, and (iii) any such sublicense shall survive the termination of the license granted by the licensor and automatically be converted into a direct license from the licensor to the sublicensee, so long as such termination is not due to any fault, action, or omission by the sublicense. Notwithstanding the foregoing, neither party may grant a sublicense under rights licensed under this Section 3 to any person or entity who is the subject of an action, suit or proceeding brought by the other party related to infringement of such licensed rights. For clarity, the foregoing covenant shall not be construed to affect the validity or enforceability of any sublicense granted before any such action, suit or proceeding is brought.

3.13 All Other Rights Retained. Neither party grants to the other party any rights or license in or to any Intellectual Property, whether by implication, estoppel, or otherwise, other than the rights that are expressly granted under Sections 3.8 and 3.9.

3.14 Further Assurances. Each party agrees to sign, execute and acknowledge or cause to be signed, executed and acknowledged by its Representatives, at the other party's expense, any and all documents and perform such acts as may be necessary, useful or convenient for the purpose of securing title to Intellectual Property rights for the party in accordance with the provisions of this Agreement. Except as expressly set forth in this Section 3, neither the delivery of Confidential Information or Intellectual Property of either party, nor any provision of this Agreement, shall be deemed or construed to grant to the other party or any third party, either expressly, by implication or by way of estoppels, any right or license or other obligation with respect to a party's Intellectual Property rights or Confidential Information.

4 TESTING AND REGULATORY COMPLIANCE

4.1 Joint Testing and Regulatory Approval Responsibilities. Both parties will provide all reasonable cooperation with each other regarding the planning of testing and regulatory approval for the Platform and anything developed under this Agreement. Both parties, acting through their respective representatives on the Steering Committee and the Commercial Steering Committee (if formed) will mutually agree upon the definition and management of any clinical studies to support commercialization of the Platform.

4.2 Insulet's Testing and Regulatory Responsibilities. Insulet will be responsible for performing and leading all regulatory testing and related tasks (including all necessary clinical trials) for the Insulin Delivery System and Platform related applications, including all necessary related translations.

4.3 DexCom's Testing and Regulatory Responsibilities.

4.3.1 DexCom will be responsible for performing and leading all regulatory testing and related tasks for CGM, including the CGM Patient Interface, and all necessary related translations.

4.3.2 DexCom will designate personnel to provide all reasonable support for Insulet in testing of the CGM Patient Interface.

4.3.3 DexCom will, as reasonably requested by Insulet, participate in joint meetings with Insulet with relevant regulatory bodies as reasonably necessary to support regulatory approval of the Insulin Delivery System and Platform.

5 COMMERCIALIZATION

5.1 It is the intention of both parties to explore a commercialization relationship for all Platforms developed under this Agreement. The parties agree to use commercially reasonable efforts to negotiate a commercial agreement for the acquisition by patients of the DexCom System, to be used with the Insulin Delivery System. The parties agree that such negotiations shall be (i) in good faith and on commercially reasonable terms and conditions and (ii) occur in parallel with the Development Program by no later than [***], subject to the terms of this Section 5. The parties shall have no obligation to enter into such commercialization relationship and no such commercialization relationship shall be formed unless an amendment to this

Agreement addressing commercialization of the subject matter of the Development Program or another definitive agreement governing such relationship is entered into by the parties (such amendment or definitive agreement, if any, is referred to as the "**Future Commercialization Agreement**").

5.2 DexCom and Insulet may commercialize, market and sell the respective components of the Platform separately, unless otherwise specified in a Future Commercialization Agreement.

5.3 If the Insulin Delivery Patient Interface uses CGM Data received from a DexCom application or service, the Insulin Delivery Patient Interface shall reference the source of such CGM Data, indicating "data by DexCom" on the Insulin Delivery Patient Interface and related documentation, in a manner and using any other wording mutually acceptable to the parties. If the CGM Patient Interface uses Insulin Data received from an Insulet application or service, the CGM Patient Interface will reference the source of the data, indicating "data by Insulet" on the CGM Patient Interface and related documentation, in a manner and using any other wording mutually acceptable to the parties.

5.4 At such time, if any, as the parties agree to enter into a Future Commercialization Agreement, the parties shall form a commercial steering committee ("**Commercial Steering Committee**") to coordinate and oversee the commercialization of the Platform. As part of any Future Commercialization Agreement, the Commercial Steering Committee shall be tasked with producing a detailed commercial plan to define each party's responsibilities in the commercialization process, including but not limited to: (1) discussion of branding/co-branding of Platform, (2) the responsibilities of each party to provide training and materials, as necessary, to enable the other party's sales and clinical education forces to sell, market and train on the safe and effective utilization of CGM-capable Insulin Delivery Devices and any associated CGM Patient Interface and Insulin Delivery Patient Interface and (3) the responsibilities of each party to provide ongoing patient support for their respective technologies (e.g., DexCom to provide ongoing patient support with respect to the DexCom System and Insulet to provide ongoing patient support for the Insulin Delivery System).

5.5 Neither DexCom nor Insulet shall be obligated in any circumstance to launch its DexCom System, Insulin Delivery System, or support the Platform in geographies where it has no existing or currently planned-for commercial activity.

5.6 The parties agree that [***].

6 REPRESENTATIONS AND WARRANTIES

6.1 By Insulet. Insulet warrants and represents to DexCom that (i) Insulet has the full right and authority to enter into this Agreement and grant the rights granted herein; (ii) Insulet has not previously granted and will not grant any right in conflict with any of the rights granted herein; and (iii) to Insulet's knowledge on the Effective Date, there is no existing or threatened action, suit or claim pending against it with respect to its right to enter into and perform any of its obligations under this Agreement.

6.2 By DexCom. DexCom warrants and represents to Insulet that (i) DexCom has the full right and authority to enter into this Agreement and grant the rights granted herein; (ii) DexCom has not previously granted and will not grant any right in conflict with any of the rights granted herein; and (iii) to DexCom's knowledge on the Effective Date, there is no existing or threatened action, suit or claim pending against it with respect to its right to enter into and perform its obligations under this Agreement.

6.3 Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 6, EACH OF INSULET AND DEXCOM MAKES NO REPRESENTATIONS OR WARRANTIES UNDER THIS AGREEMENT, AND EXPRESSLY DISCLAIMS ANY WARRANTIES EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY, AND NON-INFRINGEMENT.

7 CONFIDENTIALITY

7.1 Confidential Information. Except as expressly provided in this Agreement, during the Term and for [***] thereafter, any party receiving Confidential Information, as defined below (the "**Receiving Party**"), will not publish or otherwise disclose and will not use such Confidential Information for any purpose other than carrying out Receiving Party's obligations under this Agreement and exercising the Receiving Party's rights under this Agreement. For purposes of this Agreement, "**Confidential Information**" means any information furnished by a party (the "**Disclosing Party**") pursuant to this Agreement which is confidential or proprietary to the Disclosing Party. Notwithstanding the foregoing, Confidential Information will not include information that, in each case as demonstrated by the Receiving Party with reliable written documentation:

7.1.1 was already known to the Receiving Party, other than under an obligation of confidentiality owed to the Disclosing Party, at the time of disclosure;

7.1.2 was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;

7.1.3 became generally available to the public or otherwise part of the public domain after its disclosure hereunder and other than through any act or omission of the Receiving Party in breach of this Agreement or that certain Mutual Non-Disclosure Agreement between the parties, dated as of [***] (the "Existing NDA"); or

7.1.4 was subsequently lawfully disclosed to the Receiving Party by a person without breaching a duty of confidentiality or developed by the Receiving Party without use of, reliance on, or reference to any information or materials disclosed by the Disclosing Party.

7.2 Permitted Disclosures. Notwithstanding Section 7.1, a Receiving Party may use or disclose Confidential Information solely to the extent such use or disclosure is reasonably necessary in complying with an order of a court of law, prosecuting or

defending litigation, complying with applicable governmental regulations, filing and prosecuting patent applications on Inventions owned by the Receiving Party, submitting information to tax or other governmental authorities, or conducting clinical trials; provided that if a Receiving Party is required to make any such disclosure of Confidential Information, it will give the other party reasonable advanced notice of the disclosure, and use its reasonable efforts to secure confidential treatment of the information prior to its disclosure (whether through protective orders or otherwise).

7.3 Return of Confidential Information. Within [***] after the effective date of any termination of this Agreement, each party will return to the other party (where practicable), or at the Receiving Party's option, destroy and provide written certification of the destruction of, all tangible materials that contain the Disclosing Party's Confidential Information.

7.4 Confidentiality Terms; Confidentiality of Agreement; No Press Release. Except as explicitly permitted under this Section 7.4 and to the extent required to comply with applicable law, neither party will make any disclosure to any third party (other than on a confidential basis to its Representatives, members of the party's board of directors in their capacity as such, or existing or potential investors), and no press release will issue, relating to the existence of this Agreement, any term hereof, or any transaction contemplated herein unless required in the normal course of business and under applicable law. Where a press release or other public disclosure is so required, no party shall issue a press release without first giving the other party reasonable opportunity to review and approve the proposed public disclosure or press release. Each party will not reveal any Confidential Information or information about the other party's technology or products that is not publicly known ("**Technology Information**") to anyone other than its Representatives who are performing tasks in support of such party's obligations or rights under this Agreement and who are bound by confidentiality obligations to not reveal or display such Confidential Information or Technology Information; provided that the parties agree that the fact that the parties are collaborating and the general nature of the collaboration is not Confidential Information.

8 INDEMNIFICATION AND DEFENSE OF INFRINGEMENT

8.1 DexCom will defend and indemnify Insulet, its Affiliates, and each of its directors, officers, employees, agents, successors and assigns (collectively, "**Insulet Indemnities**"), against all third-party claims, suits and proceedings, and will hold the Insulet Indemnitees harmless against all judgments, settlements, costs, liabilities and expenses (including reasonable attorneys' fees and litigation costs) (collectively, "**Losses**") payable to third parties in connection with such claims, suits and proceedings, to the extent arising from or occurring as a result of: (i) DexCom's breach of [***], (ii) the [***], or (iii) physical injury (including death) and/or property damage [***].

8.2 Insulet will defend and indemnify DexCom, its Affiliates, and each of its directors, officers, employees, agents, successors and assigns (collectively, "**DexCom Indemnitees**"), against all third-party claims, suits and proceedings, and will hold the DexCom Indemnitees harmless against all Losses payable to third parties in

connection with such claims, suits and proceedings, to the extent arising from or occurring as a result of: (i) Insulet's breach of [***], (ii) the [***], or (iii) physical injury (including death) and/or property damage [***].

8.3 Any party seeking indemnification hereunder (the "**Indemnitee**") will promptly notify the indemnifying party (the "**Indemnitor**") of any claim, loss, or expense likely to lead to a claim for indemnification, along with all material related information. The Indemnitor will have the right to manage the defense and settlement of any claim, except that the Indemnitor may not enter into any settlement that imposes any liability or obligation on the Indemnitee without the Indemnitee's prior written consent, which will not be unreasonably withheld. The Indemnitee may not enter into any settlement of any such claim without the prior written consent of Indemnitor. The Indemnitee will reasonably cooperate with the Indemnitor in the defense of any such claim. The Indemnitee may hire its own counsel, at its own expense, to monitor the defense. In addition, the Indemnitee may elect to assume control of the defense of such claim, in which case the Indemnitor will have no obligation to indemnify or further defend the Indemnitee with respect to such claim.

9 TERM AND TERMINATION

9.1 Term. The initial term of this Agreement will commence on the Effective Date and will continue unless terminated earlier pursuant to the other provisions of this Section 9 (the "**Term**").

9.2 Termination [***]. Either Insulet or DexCom may terminate this Agreement [***].

9.3 Effect of Termination.

9.3.1 Accrued Rights and Obligations. Termination of this Agreement will not relieve either party for liabilities or obligations incurred pursuant to the terms and conditions of this Agreement prior to termination.

9.3.2 Survival. In addition, Sections 1, 3, 6, 7, 8, 9, 10 and 11 will survive expiration or termination of this Agreement.

10 LIMITATION OF LIABILITY

OTHER THAN WITH RESPECT TO BREACHES OF [***], IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER OR ANY OTHER ENTITY FOR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS, LOST PROFITS, OR ANY OTHER SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY ARISING OUT OF THIS AGREEMENT WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE. THESE LIMITATIONS ARE WITHOUT PREDJUDICE TO [***] AND SHALL APPLY WHETHER OR NOT THE BREACHING PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. IF EITHER PARTY TERMINATES THIS AGREEMENT IN ACCORDANCE WITH ANY OF ITS PROVISIONS, [***].

11 MISCELLANEOUS

11.1 Subcontractors. Either party may subcontract the performance of its obligations under this Agreement to third parties, provided that such third parties are bound by terms and conditions consistent with this Agreement, including restrictions with respect to the protection and use of Confidential Information which are no less stringent than those set forth in this Agreement and each party shall be fully responsible for the performance of its subcontractor.

11.2 Force Majeure. Nonperformance of any party (except for payment obligations) will be excused to the extent that performance is rendered impossible by strike, fire, earthquake, flood, governmental acts or orders or restrictions, or any other reason where failure to perform is beyond the reasonable control of the nonperforming party.

11.3 No Implied Waivers; Rights Cumulative. No failure on the part of DexCom or Insulet to exercise and no delay in exercising any right under this Agreement, or provided by statute or at law or in equity or otherwise, will impair, prejudice or constitute a waiver of any such right, nor will any partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

11.4 Independent Contractors. Nothing contained in this Agreement is intended implicitly, or is to be construed, to constitute DexCom or Insulet as partners in the legal sense. No party hereto will have any express or implied right or authority to assume or create any obligations on behalf of or in the name of any other party or to bind any other party to any contract, agreement or undertaking with any third party.

11.5 Notices. All notices, requests and other communications hereunder will be in writing and will be personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, in each case to the respective address specified below, or such other address as may be specified in writing to the other parties hereto:

Insulet: Insulet Corporation
600 Technology Park Drive, Ste. 200,
Billerica, MA 01821
Attn: General Counsel

DexCom: DexCom, Inc.
340 Sequence Drive
San Diego, CA 92121
Attn: Legal Department
cc: [***]

11.6 Assignment. This Agreement will not be assignable by either party to any non-Affiliate third party without the prior written consent of the other party hereto, except [***].

11.7 Modifications. No amendment or modification of any provision of this Agreement will be effective unless in writing signed by all parties hereto. No provision of this Agreement will be varied, contradicted or explained by any oral agreement, course of

dealing or performance or any other matter not set forth in an agreement in writing and signed by all parties.

11.8 Severability. If any provision hereof should be held invalid, illegal or unenforceable in any jurisdiction, all other provisions hereof will remain in full force and effect in such jurisdiction and will be liberally construed in order to carry out the intentions of the parties hereto as nearly as may be possible. Such invalidity, illegality or unenforceability will not affect the validity, legality or enforceability of such provision in any other jurisdiction.

11.9 Governing Law. This Agreement and any dispute arising from the performance or breach hereof will be governed by and construed and enforced in accordance with, the laws of the [***] without regard for conflicts of laws principles. Disputes as to matters within the authority of the Steering Committee will be resolved as set forth in Section 2.2.7; provided that any dispute as to the application of such Section 2.2.7 shall be subject to this Section 11.9.

11.10 Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, and all of which together, will constitute one and the same instrument.

11.11 Interpretation. Headings used herein are for convenience only and will not in any way affect the construction of or be taken into consideration in interpreting this Agreement. The expression "including" shall be interpreted to mean "including without limitation".

11.12 Entire Agreement. This Agreement, including the Attachments attached hereto, constitutes the entire agreement with respect to the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements, whether written or oral, between DexCom and Insulet with respect to such subject matter, other than the Existing NDA, but including that certain Development Agreement made and entered into on [***] and (ii) Development and Supply Agreement made and entered into on [***], each of which is hereby terminated and of no further force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by duly authorized officers or representatives as of the date first above written.

DEXCOM, INC.
By: /s/ Steven R. Pacelli
Print Name: Steven R. Pacelli
Title: EVP, Strategy & Corp. Development
Date: 12/7/16

INSULET CORPORATION
By: /s/ Brittany Bradrick
Print Name: Brittany Bradrick
Title: VP, Strategy & Corp Development
Date: 12/7/16

Exhibit A

Preliminary Proposed Architecture

[***]

Exhibit B

Initial Milestone Plan

[***]

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. OMISSIONS ARE MARKED [***].

AMENDMENT NO. 1 TO DEVELOPMENT AGREEMENT

This Amendment No. 1 to Development Agreement (this **"Amendment No. 1")** is made and entered into November 21, 2019 (the **"Effective Date"),** by and between Insulet Corporation **("Insulet")** and DexCom, Inc. **("DexCom").**

WHEREAS, Insulet and DexCom are parties to that certain Development Agreement dated as of December 7, 2016 (the **"Agreement");** and

WHEREAS, Insulet and DexCom wish to amend the Agreement as set forth herein, effective as of the Effective Date.

NOW, THEREFOR, in consideration of these premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Agreement.

2. Section 1.23. Section 1.23 of the Agreement is hereby deleted in its entirety and replaced with the following:

> **"DexCom System"** means DexCom's fifth, sixth and seventh-generation continuous glucose monitoring systems (the DexCom *G*S Mobile, DexCom G6 and DexCom G7), and comprising some or all of the following components: receiver, sensor, transmitter, CGM Patient Interface and a communication protocol to identify, receive and display sensor information and to control the DexCom transmitter.

3. Section 3.8. Section 3.8 of the Agreement is hereby amended by replacing (a) all references to "CGM products" in Sections 3.8.1 and 3.8.2 with references to "CGM products only, and not any Insulin Delivery Devices"; and (b) all references to [***] in Sections 3.8.1 and 3.8.2 with references to [***].

4. Section 3.9. Section 3.9 of the Agreement is hereby amended by replacing (a) all references to "Insulin Delivery Devices" in Sections 3.9.1 and 3.9.2 with references to "Insulin Delivery Devices only, and not any CGM products"; and (b) all references [***] in Sections 3.9.1 and 3.9.2 with references to [***].

5. Exhibit A. Exhibit A is hereby amended by including an updated architecture for the Platform(s), which is described in more detail in Exhibit A-1 which is attached hereto and made a part hereof.

6. Exhibit B. Exhibit B is hereby amended by including updated development activities and milestones to be undertaken generally under the Development Program, which are described in more detail in Exhibit B-1 which is attached hereto and made a part hereof.

7. No Other Amendments. Except as modified herein, all other terms of the Agreement shall remain in full force and effect.

8. Conflicts. In the event of a conflict between the Agreement and this Amendment No. 1, this Amendment No. 1 shall govern.

9. Counterparts. This Amendment No. 1 may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

Signature page follows

IN WITNESS WHEREOF, this Amendment No. 1 to Development Agreement has been executed by the duly authorized representatives of Insulet and DexCom on the date first set forth above.

DEXCOM, INC.

By: /s/ Kevin R. Sayer
Name: Kevin R. Sayer
Title: CEO & President
Date: November 22, 2019

INSULET CORPORATION

By: /s/ Shacey Petrovic
Name: Shacey Petrovic
Title: President & Chief Executive Officer
Date: November 22, 2019

Exhibit A-1 Updated Architecture

[***]

Exhibit B-1 Updated Milestone Plan

[***]

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. OMISSIONS ARE MARKED [***].

COMMERCIALIZATION AGREEMENT

This Commercialization Agreement (this "**Agreement**") is made and entered into as of November 21, 2019 (the "**Effective Date**") by and between Insulet Corporation, a Delaware corporation having a principal place of business at 100 Nagog Park, Acton, MA 01720 ("**Insulet**") and DexCom, Inc., a Delaware corporation having a principal place of business at 6340 Sequence Drive, San Diego, CA 92121 ("**DexCom**"). Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Development Agreement.

RECITALS

A. DexCom is in the business of developing and commercializing continuous glucose monitoring systems and related technologies.

B. Insulet is in the business of developing and commercializing an insulin delivery system, patient interface and related technologies.

C. The parties entered into a Development Agreement dated December 7, 2016 ("**Development Agreement**") to develop an integrated solution that capitalizes on each party's existing and developing technology platforms.

D. Pursuant to the Development Program, the parties have developed an integrated solution, the Horizon System (as defined below), which the parties desire to commercialize on the terms and conditions set forth herein.

Accordingly, the parties therefore agree as follows:

AGREEMENT

1. DEFINITIONS

1.1. "**Affiliates**" means any corporation or other entity that is directly or indirectly controlling, controlled by or under common control with a party. For the purpose of this definition, "control" means the direct or indirect ownership of more than fifty percent (50%) of the capital stock of the subject entity entitled to vote in the election of directors (or, in the case of an entity that is not a corporation, interests entitled to vote in the election of the corresponding managing authority).

1.2. "**Agreed Market(s)**" means the countries or jurisdictions in which the parities have mutually agreed to commercialize the Horizon System in accordance with the Commercialization Plan, as listed on Exhibit 1.2 and updated from time to time as permitted herein.

1.3. "**Agreement**" shall have the meaning set forth in the preamble above.

1.4. "**Anti-Corruption Laws**" means the United States Foreign Corrupt Practices Act, the United States Anti-Kickback Statute, the United Kingdom Bribery Act, and any other laws of a similar nature for the prevention of *inter alia*, fraud, corruption, racketeering, money laundering and terrorism, in each case as they may be amended from time to time.

1.5. "**Applicable Law**(s)" means all applicable laws, rules and regulations, including any rules, regulations, guidance or other requirements of any Regulatory Authority, that may be in effect from time to time and are applicable to a particular activity hereunder, including but not limited to (i) regulations and guidance documents of the FDA and EMA (and national implementations thereof) and, if and as appropriate under the circumstances, International Conference on Harmonization (ICH) guidance or other comparable regulation and guidance of any applicable Regulatory Authority in the Territory; (ii) cGMP, (iii) Anti-Corruption Laws, (iv) Privacy Laws, (v) Transparency Laws, and (v) current good manufacturing practices ("**cGMP**").

1.6. "**Breached Party**" has the meaning set forth in Section 8.1(v).

1.7. "**Change of Control**" means with respect to a party:

1.7.1. that a majority of the outstanding voting securities of such party become beneficially owned directly or indirectly by any Third Party (or group of Third Parties acting in concert) that did not own a majority of the voting securities of such party as of the Effective Date;

1.7.2. possession of the power to direct or cause the direction of the management and policies of such party, whether through ownership of the outstanding voting securities, by contract or otherwise, becomes vested in one or more individuals or entities that did not possess such power as of the Effective Date;

1.7.3. that such party consolidates with or merges into another corporation or entity, or any corporation or entity consolidates with or merges into such party, in either event pursuant to a transaction in which more than fifty percent (50%) of the total voting power of the securities outstanding of the surviving entity normally entitled to vote in elections of directors is not held by the individuals or entities holding at least fifty percent (50%) of the outstanding securities of such entity preceding such consolidation or merger; or

1.7.4. that such party conveys or transfers all or substantially all of its assets or the assets to which the subject matter of this Agreement relates to any Third Party.

For clarity, a Change of Control shall not mean any action by a party that results in a change of control of a Third Party, e.g., if a party acquires all or substantially all of the assets of a Third Party.

1.8. "**CGM**" means continuous glucose monitoring in patients.

1.9. "**CGM Data**" has the meaning given to it in the Development Agreement.

1.10. "**CGM Interoperability Inventions**" has the meaning given to it in the Development Agreement.

1.11. "**CGM Interoperability Software**" has the meaning given to it in the Development Agreement.

1.12. "**CGM Patient Interface**" has the meaning given to it in the Development Agreement.

1.13. "**Commercially Reasonable Efforts**" means the carrying out of a party's obligations under this Agreement with the exercise of prudent scientific and business judgment and a level of effort and resources consistent with the efforts and resources that the party who bears the performance obligation or a similarly sized comparable Third Party in the CGM or Insulin Delivery Device industry, as applicable, would employ for products of similar strategic importance and commercial value that result from its own research efforts.

1.14. "**Commercial Steering Committee**" has the meaning set forth in Section 2.2.1.

1.15. "**Commercialization Costs**" means all costs and expenses of any kind, incurred by or on behalf of, a party in performing its obligations under the Commercialization Plan or that are otherwise directly attributable to such party with respect to commercializing the Horizon System pursuant to and in accordance with the terms and conditions of this Agreement.

1.16. "**Commercialization Plan**" has the meaning set forth in Section 2.1.1.

1.17. "**Confidential Information**" has the meaning set forth in Section 13.1.

1.18. "**Co-Promotion Material**" means all advertising, promotional and communication materials, in whatever form or medium, for marketing, advertising and/or promotion of the Horizon System in the Agreed Markets for distribution to (i) a Third Party (including potential Customers) in accordance with the terms of the Commercialization Plan and/or (ii) each party's Sales Team.

1.19. "**Copyrights**" means works of authorship and copyrightable subject matter.

1.20. "**Covered Contractors**" has the meaning set forth in Section 12.1(vi).

1.21. "**Customer**" means an individual end-user of the Horizon System, DexCom System or Insulin Delivery System, as applicable.

1.22. "**Data**" has the meaning set forth in Section 8.

1.23. "**Data Breach**" has the meaning set forth in Section 8.1(iv).

1.24. "**Data Agreement**" has the meaning set forth in Section 8 and attached hereto as Exhibit D, as amended from time to time.

1.25. "**DexCom**" shall have the meaning set forth in the preamble to this Agreement.

1.26. "**DexCom Confidential Information**" means Confidential Information of DexCom.

1.27. **"DexCom Data"** means any and all CGM Data and Raw Data.

1.28. "**DexCom Indemnitees**" has the meaning set forth in Section 14.2.

1.29. "**DexCom Project IP**" has the meaning set forth in the Development Agreement.

1.30. "**DexCom Software Specifications**" has the meaning set forth in the Development Agreement.

1.31. "**DexCom System**" has the meaning given to it in the Development Agreement;

1.32. "**DexCom Trademarks**" are set forth in Exhibit 1.32 and shall include such other DexCom trademarks or logos as DexCom may designate in writing to Insulet from time to time.

1.33. "**Direct Competitor**" has the meaning set forth in Section 15.3.

1.34. "**Disclosing Party**" has the meaning set forth in Section 13.1.

1.35. "**Effective Date**" has the meaning set forth in the preamble to this Agreement.

1.36. "**EMA**" means the European Medicines Agency or any successor agency thereto.

1.37. "**EU**" means those countries that are members of the European Union as of the date on which the relevant determination is being made.

1.38. "**Existing NDA**" has the meaning set forth in Section 13.1(iii).

1.39. "**First Commercial Launch**" means [***] that the Horizon System is made available to a potential Customer for purchase in any Agreed Market following Regulatory Approval in such Agreed Market.

1.40. "**Horizon System**" means the integrated technology solution referred to as the Omnipod Horizon™ Automated Insulin Delivery System comprised of the DexCom System and the Insulin Delivery System and approved by the Development Agreement Steering Committee on [***] for commercialization hereunder, and/or each subsequent generation or version thereof as may be developed by the parties under the Development Agreement and approved by the Development Agreement Steering Committee for commercialization hereunder. The initial architecture of the Horizon System is shown in Exhibit A hereto.

1.41. "**Horizon System Infringement Action**" has the meaning set forth in in Section 14.4.

1.42. "**Indemnitee**" has the meaning set forth in Section 14.5.

1.43. "**Indemnitor**" has the meaning set forth in Section 14.5.

1.44. "**Ineligible Person**" shall mean any individual or entity who: (a) is currently excluded, debarred or otherwise ineligible to participate in the federal health care programs or in federal procurement or non-procurement programs; or (b) has been convicted of a criminal offense related to the provision of health care items or services, but has not yet been excluded, debarred or otherwise declared ineligible.

1.45. "**Insulet**" shall have the meaning set forth in the preamble to this Agreement.

1.46. "**Insulet Confidential Information**" means Confidential Information of Insulet.

1.47. "**Insulet Indemnitees**" has the meaning set forth in Section 14.1.

1.48. "**Insulet Project IP**" has the meaning set forth in the Development Agreement.

1.49. "**Insulet Software Specifications**" has the meaning set forth in the Development Agreement.

1.50. "**Insulet Trademarks**" shall mean Insulet, Insulet Logo, Omnipod, Omnipod Logo, Omnipod View, Omnipod Display, Dash, Horizon, PodderCentral and such other Insulet trademarks as Insulet may designate in writing to DexCom from time to time.

1.51. "**Insulin Data**" has the meaning set forth in the Development Agreement.

1.52. "**Insulin Delivery Device**" has the meaning set forth in the Development Agreement.

1.53. "**Insulin Delivery Patient Interface**" has the meaning set forth in the Development Agreement.

1.54. "**Insulin Delivery System**" has the meaning set forth in the Development Agreement.

1.55. "**Insulin Device Interoperability Software**" has the meaning set forth in the Development Agreement.

1.56. "**Intellectual Property**" means, collectively: copyright rights (including the exclusive rights to reproduce, modify, distribute, publicly display and publicly perform the copyrighted work), trademark rights (including trade names, trademarks, service marks, and trade dress and associated goodwill), patent rights (including the exclusive right to make, use, sell, offer for sale and import), rights in trade secrets, rights of publicity, authors' rights, database rights, and all other intellectual property rights as may exist now and/or hereafter come into existence and all renewals and extensions thereof, including supplemental protection certificates, regardless of whether such rights arise under the laws of the United States or any other state, country or jurisdiction worldwide.

1.57. "**Inventions**" means ideas, inventions, improvements, trade secrets, know-how, algorithms, formulae, methods and any patentable subject matter.

1.58. "**Losses**" has the meaning set forth in Section 14.1.

1.59. "**Major Release**" means a new version of a product that adds material features and functionality improving overall performance, efficiency and/or usability, and designated by the provider as a replacement for a prior version, as opposed to inter-generational releases adding functionality in a backwards-compatible manner, or patch versions making backwards-compatible bug fixes ("**Minor Release**").

1.60. "**Managed Care Reimbursement**" has the meaning set forth in Section 5.2.5.

1.61. "**Marketing Team**" has the meaning set forth in Section 6.1.3.

1.62. "**Personal Data**" shall have the meaning assigned to the terms "personal information," "personal data," and/or "protected health information" under Privacy Laws (including HIPAA and GDPR) and shall, at a minimum, include any information which relates to an identified or identifiable natural person.

1.63. "**Post-Approval Clinical Study**" means any clinical study involving the administration of and/or use of the Horizon System with a human subject conducted after Regulatory Approval of the Horizon System in order to support such Regulatory Approval or as otherwise required by a Regulatory Authority.

1.64. "**Privacy Laws**" means all applicable foreign, federal, state, and local laws governing the receipt, collection, compilation, use, storage, processing, sharing, safeguarding, security, disclosure or transfer of Personal Data and other health information (including, but not limited to, electronic transaction sets, medical code sets, provider identifier, employer identifier, and patient identifier), as amended from time to time, including, without limitation, (i) the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104191 (**HIPAA**), as amended by the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009, (ii) the EU General Data Protection Regulation 2016/679 (**GDPR**), and (iii) the CAN-SPAM Act, Canada's Anti-Spam Legislation and other laws governing telemarketing, including but not limited to any such laws or regulations prohibiting unsolicited telephone calls to persons or entities listed on "Do Not Call" registries or similar lists or prohibiting unsolicited e-mails, spam or faxes to any person.

1.65. "**Product Claims**" means assertions relating to the features and/or benefits of the Horizon System excluding any assertions solely relating to the features and/or benefits of the DexCom System or Insulin Delivery System alone.

1.66. "**Publication**" has the meaning set forth in Section 4.3.4.

1.67. "**Quality Agreement**" has the meaning set forth in Section 9 and attached hereto as Exhibit C, as amended from time to time.

1.68. "**Raw Data**" has the meaning given to it in the Development Agreement.

1.69. "**Receiving Party**" has the meaning set forth in Section 13.1.

1.70. "**Regulatory Approval**" means, with respect to a country in the Territory, any and all classifications, clearances, approvals, licenses, registrations or authorizations of any Regulatory Authority (including any required approvals for reimbursement) necessary to commercially distribute, sell or market a product in such country, including, as may be applicable, a premarket notification (510(k)) or a de novo application in the United States or analogous clearance or approval in other jurisdictions, including a CE marking approval in the EU.

1.71. "**Regulatory Authority**" means the FDA, the EMA or any supranational, national or local agency, authority, department, inspectorate, ministry official, parliament or public or statutory person of any government of any country having jurisdiction over any of the activities contemplated by this Agreement or the parties, or any successor bodies thereto.

1.72. "**Regulatory Documentation**" means: all (a) applications, registrations, licenses, authorizations and approvals (including Regulatory Approvals); and (b) correspondence, reports and other submissions submitted to or received from Regulatory Authorities and all supporting documents with respect thereto, including all adverse event files and complaint files.

1.73. "**Representatives**" means the employees, officers, directors, consultants and legal, technical and business advisors of a party and its Affiliates.

1.74. "**Results**" shall have the meaning set forth in Section 4.3.4.

1.75. "**Sales Team**" means, with respect to each party, all of the party's employees or agents involved in the promotion and sale of the Horizon System, including any field based commercial representatives.

1.76. "**Senior Executive**" has the meaning set forth in Section 2.2.7.

1.77. "**Subcommittee**" has the meaning set forth in Section 2.2.1(iii).

1.78. "**System**" means (i) with respect to DexCom, the DexCom System as used in the Horizon System, and (ii) with respect to Insulet, the Insulin Delivery System as used in the Horizon System.

1.79. "**Technology Information**" has the meaning set forth in Section 13.4.

1.80. "**Term**" has the meaning set forth in Section 15.1.

1.81. "**Territory**" means worldwide.

1.82. "**Third Party**" means any entity or person other than DexCom or Insulet or their respective Affiliates.

1.83. "**Transmitter**" means a radio frequency transmitter that is a component of the DexCom System and is located on or near the skin surface and connected to the Sensor, which receives and transmits the representative glucose value measured by the Sensor to the Horizon System.

1.84. "**Transparency Laws**" has the meaning set forth in Section 7.2.

2. COMMERCIALIZATION, COMMERCIAL STEERING COMMITTEE, PARTY RESPONSIBILITIES

2.1. Commercialization Generally.

2.1.1. Commercialization Plan. As soon as reasonably practicable following the Effective Date, the parties will jointly agree on a detailed plan defining each party's responsibilities for commercializing the Horizon System in the Agreed Markets (the "**Commercialization Plan**"). The Commercialization Plan, attached hereto as Exhibit B, will include for each Agreed Market each party's respective responsibilities for, *inter alia*: (1) branding and co-promotion of the Horizon System, (2) provision of Co-Promotion Materials, as necessary, to enable the other party's Sales Team to sell, market and train on the safe and effective

utilization of the Horizon System, and (3) provision of ongoing patient support for its System as used in the Horizon System.

2.1.2. Efforts. The parties will use Commercially Reasonable Efforts to commercialize the Horizon System in the Territory, provided that neither party shall be obligated to launch its System or any component thereof, or to support the Horizon System, in countries or jurisdictions where such party has no existing or currently planned-for commercial activity, as determined by such party in its sole discretion. Each party will use Commercially Reasonable Efforts to (i) perform its obligations under the Commercialization Plan, (ii) obtain and maintain all Regulatory Approvals with respect to its System necessary to commercialize the Horizon System in each Agreed Market, and (iii) maintain commercial scale manufacturing with respect to its System sufficient to support its obligations under the Commercialization Plan.

2.1.3. Costs. Unless otherwise mutually agreed to by the parties in the Commercialization Plan, [***].

2.2. Steering Committee.

2.2.1. The parties shall establish a management team for the Commercialization Program that shall be comprised of [***] ("**Commercial Steering Committee**"). In accordance with the provisions and objectives of this Agreement and the Commercialization Plan, the Commercial Steering Committee shall:

(i) review and approve the Commercialization Plan;

(ii) oversee, coordinate and manage the parties' activities under, and implementation of, the Commercialization Plan;

(iii) exercise decision-making authority over all Commercialization Plan activities and make all such decisions and take all such other actions as are delegated to it in this Agreement, including, but not limited to, deciding upon any changes to the Agreed Markets or allocation of Commercialization Costs;

(iv) oversee the format for providing forecasts under Section 5.2.2, and receive such forecasts;

(v) coordinate continuous improvement and technology upgrades for the Horizon System with the Development Agreement Steering Committee;

(vi) establish such additional joint subcommittees as it deems necessary to achieve the objectives and intent of this Agreement (each a "**Subcommittee**"); and

(vii) oversee and perform such other functions as are appropriate to further the purposes of this Agreement as mutually determined by the parties.

2.2.2. The Commercial Steering Committee shall meet as needed but not less often than [***] during the Term (as defined below). Commercial Steering Committee meetings shall be held at times and places or in such form, such as by telephone or video conference, as the Commercial Steering Committee determines, except that in-person meetings of the

Commercial Steering Committee will alternate between the parties' offices, unless otherwise agreed in writing by the parties. Subject to Section 2.2.4, any Commercial Steering Committee member may designate by notice to the other members a qualified substitute to attend and perform the functions of that Commercial Steering Committee member at any Commercial Steering Committee meeting that such member cannot attend.

2.2.3. Subject to such persons being bound by written agreement(s) concerning confidentiality under this Agreement and proper assignment of Intellectual Property under the Development Agreement, each party may invite additional Representatives to attend Commercial Steering Committee meetings as observers or to make presentations, in each case without any voting authority, on written notice to the other party at least five (5) days before the Commercial Steering Committee meeting that the Representative will attend.

2.2.4. The Commercial Steering Committee shall appoint one (1) of the Commercial Steering Committee members to act as the initial Steering Committee chairperson during such period as the Commercial Steering Committee shall designate. At the end of each such designated period during the Term, the parties shall alternate in appointing the chairperson for the next such defined period. Where the Commercial Steering Committee chairperson cannot attend a Commercial Steering Committee meeting, the other member having been previously designated by the same party shall serve as the temporary Commercial Steering Committee chairperson for such meeting, unless neither of such party's designated Commercial Steering Committee members can attend, in which case a qualified substitute designated by the Commercial Steering Committee chairperson for such purpose shall serve as the temporary Commercial Steering Committee chairperson for such meeting.

2.2.5. The Commercial Steering Committee chairperson shall be responsible for:

(i) calling and presiding over each Commercial Steering Committee meeting during his or her tenure as chairperson;

(ii) preparing and circulating the agenda for each such meeting; and

(iii) preparing draft minutes of each such meeting and providing a copy of the draft minutes to each Commercial Steering Committee member within [***] after each such meeting for approval, which shall be deemed to have been given unless the Commercial Steering Committee member objects within [***] after receipt of the draft minutes.

2.2.6. Each Commercial Steering Committee (or Subcommittee) member shall have one (1) vote in any matter requiring the Commercial Steering Committee's (or Subcommittee's) action or approval. [***]. The Commercial Steering Committee and each Subcommittee shall make all decisions and take other actions in good faith and with due care, after consideration of the information that is reasonably available to it, with the intention that the resulting decision or action shall:

(i) not breach or conflict with any requirements or other provisions of this Agreement or the Development Agreement; and

(ii) maintain or increase the likelihood that the parties will achieve the purposes and goals of the Commercialization Plan.

2.2.7. If a Subcommittee cannot reach a [***] decision on a matter at a regularly scheduled Subcommittee meeting, the Subcommittee shall refer such matter to the Commercial Steering Committee for resolution. If the Commercial Steering Committee cannot reach a [***] decision on any matter at a regularly scheduled Commercial Steering Committee meeting or within [***] thereafter (or, in the case of a matter referred to the Commercial Steering Committee by a Subcommittee, within [***] following such referral), then either party may, by notice to the other party, have such matter referred to an Executive Vice President of DexCom, or any other person that he or she designates from time to time for such purpose, and an Executive Vice President of Insulet, or any other person that he or she designates from time to time (each, a "**Senior Executive**") for resolution by good faith discussions for a period of [***]. In the event that the Senior Executives are unable to reach agreement with respect to such matter within such [***], then the following shall apply:

(i) DexCom shall have the final decision-making authority with respect to (A) countries in which to commercialize the DexCom System as part of the Horizon System, (B) any Regulatory Documentation and Regulatory Approvals for the DexCom System, and (C) DexCom's day-to-day implementation of its responsibilities under the Commercialization Plan; and

(ii) Insulet shall have the final decision-making authority with respect to (A) countries in which to commercialize the Insulet System as part of the Horizon System, (B) any Regulatory Documentation and Regulatory Approvals for the Insulin Delivery System and Horizon System and (C) Insulet's day-to-day implementation of its responsibilities under the Commercialization Plan;

provided further, that neither party may exercise its final decision-making authority in a manner that (A) is inconsistent with the express terms of this Agreement or (B) would unilaterally impose any additional or different material obligation on the other party (including for the other party to incur or share any cost).

2.2.8. The Commercial Steering Committee has only the powers specifically delegated to it by this Agreement and has no authority to act on behalf of any party in connection with any Third Party. Without limiting the foregoing, the Commercial Steering Committee has no authority to, and shall not purport to or attempt to:

(i) amend this Agreement;

(ii) negotiate agreements on behalf of any party;

(iii) make representations or warranties on behalf of any party;

(iv) waive rights of any party;

(v) extend credit on behalf of any party; or

(vi) take or grant licenses of, transfer ownership or otherwise encumber Intellectual Property on behalf of any party.

2.2.9. The Commercial Steering Committee shall keep each party fully informed of the status of the parties' activities under the Commercialization Plan.

2.2.10. Each party shall [***] of its respective Commercial Steering Committee members and their designated substitutes related to their participation on the Commercial Steering Committee and attendance at Commercial Steering Committee meetings.

2.3. Responsibilities. Subject to the terms and conditions of this Agreement, the Commercialization Plan and Development Agreement, or unless otherwise determined by the Commercial Steering Committee, each party shall (i) [***] for the design, development, verification and validation, Regulatory Approvals, customer training, marketing, distribution, Managed Care Reimbursement, and on-going post First Commercial Launch support of its System or any component thereof, and (ii) use good faith efforts to support the other party's Customer acquisition, on-boarding, and ordering of the other party's System.

3. INTELLECTUAL PROPERTY OWNERSHIP AND LICENSES

3.1. Intellectual Property Ownership. The parties intend that all development activities related to the Horizon System, including any continuous technology upgrades to the Horizon System and integration and testing of Major Releases and Minor Releases of a party's System with the Horizon System, will be conducted under the Development Agreement and subject to the terms and conditions set forth therein. For clarity, the ownership and rights of each party with respect to Intellectual Property arising from the continued development of the Horizon System or any component thereof will be governed by the terms and conditions of the Development Agreement including, without limitation, Section 3 thereof.

3.2. Licenses Granted by Insulet.

3.2.1. Insulet Granted Licenses in Software. Under Insulet's Copyrights in the Insulet Software Specifications and/or Insulin Device Interoperability Software, Insulet hereby grants DexCom, subject to the terms and conditions in this Agreement, a [***] license during the Term to [***] Insulet Software Specifications and/or Insulin Device Interoperability Software solely to perform DexCom's obligations under the Commercialization Plan or otherwise under this Agreement.

3.2.2. Insulet Granted Licenses in Inventions. Under Insulet's patent rights in the Insulin Device Interoperability Inventions, Insulet hereby grants DexCom, subject to the terms and conditions in this Agreement, a [***] license during the Term [***] any Insulin Device Interoperability Inventions solely to perform DexCom's obligations under the Commercialization Plan or otherwise under this Agreement.

3.2.3. Insulet Granted Licenses in [***].

(i) Subject to the restrictions, limitations, reservations and conditions set forth in this Agreement and the Data Agreement, Insulet hereby grants to DexCom a [***] license during the Term to [***] perform its obligations under the Commercialization Plan or otherwise under this Agreement.

(ii) Subject to the restrictions, limitations, reservations and conditions set forth in this Agreement and the Data Agreement, Insulet hereby grants to DexCom a [***] license to [***] for all lawful purposes, except no [***] shall be used [***]; provided, however, that the foregoing shall not prevent DexCom from [***].

(iii) Notwithstanding the foregoing, DexCom shall not sell, assign, or otherwise transfer any [***] to any Third Party except to perform its obligations under the Commercialization Plan or otherwise under this Agreement.

3.2.4. Insulet Granted Licenses in Trademarks. Subject to the restrictions, limitations, reservations and conditions set forth in this Agreement, Insulet hereby grants to DexCom a [***] license for the Term to use the Insulet Trademarks solely to perform DexCom's obligations under the Commercialization Plan, in full accordance with all guidelines and instructions as Insulet may deliver to Dexcom from time to time in its sole discretion. All goodwill arising from DexCom's use of the Insulet Trademarks pursuant to the license grant in this Section 3.2.4 shall inure to Insulet.

3.3. Licenses Granted By DexCom.

3.3.1. DexCom Granted Licenses in Software. Under DexCom's Copyrights in the DexCom Software Specifications and/or CGM Interoperability Software, DexCom hereby grants Insulet, subject to the terms and conditions in this Agreement, a [***] license during the Term to [***] DexCom Software Specifications and/or CGM Interoperability Software solely to perform Insulet's obligations under the Commercialization Plan or otherwise under this Agreement.

3.3.2. DexCom Granted Licenses in Inventions. Under DexCom's patent rights in the CGM Interoperability Inventions, DexCom hereby grants Insulet, subject to the terms and conditions in this Agreement, a [***] license during the Term [***] any CGM Interoperability Inventions solely to perform Insulet's obligations under the Commercialization Plan or otherwise under this Agreement.

3.3.3. DexCom Granted Licenses in [***].

(i) Subject to the restrictions, limitations, reservations and conditions set forth in this Agreement and the Data Agreement, DexCom hereby grants to Insulet a [***] license during the Term to [***] solely to perform its obligations under the Commercialization Plan or otherwise under this Agreement.

(ii) Subject to the restrictions, limitations, reservations and conditions set forth in this Agreement and the Data Agreement, DexCom hereby grants to Insulet a [***] license to [***] for all lawful purposes, except no such [***] shall be used to [***]; provided, however, that the foregoing shall not prevent Insulet from [***].

(iii) Insulet shall not sell, assign, or otherwise transfer any [***] to any Third Party except to perform its obligations under the Commercialization Plan or otherwise under this Agreement.

3.3.4. DexCom Granted Licenses in Trademarks. Subject to terms, conditions, restrictions and approval rights set forth in this Agreement, DexCom hereby grants to Insulet a [***] license for the Term to use the DexCom Trademarks solely to perform Insulet's obligations under the Commercialization Plan, in full accordance with all guidelines and instructions as DexCom may deliver to Insulet from time to time in its sole discretion. All goodwill arising

from Insulet's use of the DexCom Trademarks pursuant to the license grant in this Section 3.3.4 shall inure to DexCom.

3.4. Mutual Granted License in Copyrights. Subject to the terms, conditions, restrictions and approval rights set forth in this Agreement, each party hereby grants to the other party under such party's Copyright interests in the Co-Promotion Materials a [***] license for the Term to use, reproduce and distribute the Co-Promotion Materials solely to perform its obligations under the Commercialization Plan.

3.5. Sublicenses. Any sublicense rights licensed under this Section 3 shall be subject to the following requirements: (i) each sublicensee must agree to be bound by terms and restrictions, including as to the protection of Confidential Information, at least as protective of the licensor of such rights as those contained in this Agreement, and (ii) any license rights may only be sublicensed for the purposes of and subject to any restrictions contained in this Agreement. Notwithstanding the foregoing, neither party may grant a sublicense under rights licensed under this Section 3 to any person or entity who is the subject of an action, suit or proceeding brought by the other party related to infringement of such licensed rights. For clarity, the foregoing covenant shall not be construed to affect the validity or enforceability of any sublicense granted before any such action, suit or proceeding is brought.

3.6. All Other Rights Retained. Except as expressly set forth in this Agreement, neither party grants to the other party any rights or license in or to any Intellectual Property owned or controlled by such party, whether by implication, estoppel, or otherwise.

3.7. No Representations Regarding Licensed Intellectual Property. All rights granted under this Section 3 are granted "as is" with no representations or warranties made regarding the validity, utility or performance of any data or Intellectual Property licensed hereunder.

4. REGULATORY COMPLIANCE

4.1. System Regulatory Responsibilities. Each party will be responsible for obtaining and maintaining all Regulatory Approvals for its System necessary to commercialize the Horizon System in the Agreed Markets, including (i) overseeing, monitoring, and coordinating all interactions with Regulatory Authorities; (ii) preparing, filing and maintaining all Regulatory Documentation; and (iii) maintaining all regulatory records as required by Applicable Law. In particular, (a) DexCom will be responsible for performing and leading all regulatory testing and related tasks, and for any Regulatory Documentation, associated with the DexCom System, including the CGM Patient Interface and all necessary related translations, and (b) Insulet will be responsible for performing and leading all regulatory testing and related tasks, and for any Regulatory Documentation, associated with the Insulet System, including the Insulin Delivery Patient Interface and all necessary related translations. Each party will provide all reasonable cooperation to the other party as may be required by the other party to obtain and maintain Regulatory Approvals for the other party's System in the Agreed Markets necessary to support commercialization of the Horizon System.

4.2. Horizon System Regulatory Responsibilities. Subject to Sections 4.1 and 4.3, Insulet will be primarily responsible for obtaining and maintaining Regulatory Approval for the Horizon System in the Agreed Markets. Both parties will provide all reasonable cooperation with each other regarding obtaining and maintaining such Regulatory Approval. With respect to this Section 4.2, [***].

4.3. Clinical Studies.

4.3.1. Conduct. In the event of any Post-Approval Clinical Studies, the parties, through the Commercial Steering Committee, will mutually agree upon the definition, management, cost and allocation of cost as between the parties of such Post-Approval Clinical Studies. Insulet shall be the sponsor of each Post-Approval Clinical Study and shall have and maintain operational control and responsibility for each such Post-Approval Clinical Study, and DexCom shall (i) use Commercially Reasonable Efforts to cooperate with Insulet to support the Post-Approval Clinical Study, (ii) use Commercially Reasonable Efforts to cooperate with Insulet on all strategic level decisions relating to the conduct of such Post-Approval Clinical Study and (iii) be responsible for its portion of the agreed costs of such Post-Approval Clinical Study. In addition, [***].

4.3.2. Supply. Each party will supply reasonable quantities of its System [***] in connection with the conduct of a Post-Approval Clinical Study, provided that:

(i) At least [***] prior to the required delivery of the DexCom System for any Post-Approval Clinical Study, Insulet shall deliver to DexCom a forecast of the number of DexCom Systems it will require for such Post-Approval Clinical Study, along with the protocol for such Post-Approval Clinical Study (to the extent not already provided).

(ii) The number of DexCom Systems to be provided by DexCom shall [***].

4.3.3. Site Agreements. The parties agree that each Post-Approval Clinical Study shall be conducted pursuant to a separate written clinical study agreement with a Third Party principal investigator and/or site that includes appropriate permissions and consents such that each party has the right to (i) use the results of the Post-Approval Clinical Study ("**Results**") in aggregate, de-identified form to support such party's podium presentations, KOL engagement, and sales and marketing materials with respect to the Horizon System or System, and (ii) publish the Results subject to Section 4.3.4 below.

4.3.4. Publication. Should a party desire to publish or present, whether in writing or by oral presentation, any Results ("**Publication**"), such party shall provide the other party with a description of the oral presentation or, in the case of a manuscript or other proposed written disclosure, a current draft of such written disclosure at least [***] before such disclosure. The non-publishing party will have the right to make any editorial changes it deems necessary to ensure such Publication is accurate and in compliance with Applicable Laws, or to protect any of its Confidential Information. In addition, the Publication may be delayed at the non-publishing party's written request for a period up to an additional [***] if it contains a disclosure of an invention(s) on which the non-publishing party desires to file for patent protection.

5. **MANUFACTURING AND DISTRIBUTION**

5.1. Manufacturing. Each party shall be solely responsible, at its own cost, for manufacturing its System, or components thereof, in connection with commercialization of the Horizon System. Each party shall manufacture its System in accordance with any agreed upon specifications for the Horizon System and all Applicable Laws (including cGMP). Upon reasonable request and at mutually agreeable times, each party will permit

representatives of the other party to have access to its relevant System manufacturing records to ensure compliance with the Quality Agreement or regulatory requirements. The parties acknowledge and agree that any such observations and all such manufacturing records shall be protected under the confidentiality provisions of Section 13.

5.2. Distribution.

5.2.1. General. Subject to the terms and conditions herein and the Commercialization Plan, each party shall be responsible for the pricing, sale and distribution of its System or components thereof to Customers in the Agreed Markets in connection with commercialization of the Horizon System. In particular, Customers will order the DexCom System or any component thereof directly from DexCom, through DexCom's established distribution channels, and Customers will order the Insulin Delivery System or any component thereof directly from Insulet, through Insulet's established distribution channels. DexCom and Insulet agree to collaborate on ways to optimize distribution [***]. For clarity, unless otherwise agreed to in a Commercialization Plan, neither party will be obligated to identify and establish new distribution channels for its System in any Agreed Market.

5.2.2. Horizon System Forecasts. At least [***] prior to the projected First Commercial Launch of the Horizon System, Insulet shall deliver to DexCom a non-binding [***] forecast of shipments of the Horizon System for the [***] period following the projected First Commercial Launch, which forecast shall be updated [***] on a rolling basis for the following [***] period until First Commercial Launch and provided to DexCom within [***] of the end of [***]. After First Commercial Launch, Insulet shall provide DexCom, within [***] of the end [***], with non-binding [***] forecasts of shipments of the Horizon System for the following [***] period. All forecasts provided under this Section 5.2.2 shall be non-binding on Insulet, but shall be in a format, subject to approval by the Commercial Steering Committee, that is sufficiently detailed to allow DexCom to adjust the manufacturing requirements of its System as appropriate (e.g., manufacturing ramp up or ramp down). Any change to the timing of such forecasts shall be (i) subject to approval by the Commercial Steering Committee and (ii) permitted only following the date that is [***] following the First Commercial Launch.

5.2.3. Ordering Process. As part of the Commercialization Plan, Insulet and DexCom agree to establish a process whereby each party will deliver its System or components thereof to Customers [***]. As part of the Commercialization Agreement, the parties may also establish customer service satisfaction metrics, as agreed to by the Commercial Steering Committee, for maintaining a minimum level of customer service satisfaction and requirements for each party to implement adjustments to its customer service practices should such metrics fall below the agreed upon threshold.

5.2.4. Labeling and Packaging. Subject to all Applicable Laws and conditions of Regulatory Approval, each party will be solely responsible for packing its System for distribution to Customers in accordance with its normal shipping practices. Except as may be set forth in the Commercialization Plan, each party shall be solely responsible for determining the labeling and packaging of its System.

5.2.5. [***]. Each party will be solely responsible for [***], provided that each party shall reasonably support the other party with respect to the other party's [***] efforts. Each party agrees that it shall not take any action, directly or indirectly, [***].

6. **MARKETING**

6.1. Marketing Plan. The parties agree to collaborate in good faith to support the commercial launch and marketing of the Horizon System in the Agreed Markets. In connection therewith, the parties will include details in the Commercialization Plan setting forth each party's responsibilities in connection with launching and promoting the Horizon System in the Agreed Markets, including details for the parties to collaborate on [***]. The Commercialization Plan will also set forth the parties' joint promotion efforts to be undertaken with respect to the Horizon System in the Agreed Markets, which joint efforts may include but are not limited to:

(i) [***];

(ii) [***];

(iii) [***];

(iv) [***];

(v) [***];

(vi) [***];

(vii) public communications and press releases regarding the Horizon System (e.g. "approved uses"), communications for investor relations, conferences, etc.;

(viii) joint presentations at trade shows; and

(ix) other aspects as jointly determined to be of benefit by the parties.

6.1.2. Supply. Each party agrees to provide the other party with reasonable quantities of samples of its System or components thereof to support the promotion of the Horizon System by the other party in accordance with the Commercialization Plan.

6.1.3. Marketing Team. Each party will designate a marketing team consisting of at least two (2) Representatives ("**Marketing Team**") to coordinate activities under the Commercialization Plan, which Marketing Team shall meet at least [***] for the first [***] after First Commercial Launch, and at least annually thereafter.

6.2. Co-Promotion Materials.

6.2.1. Approval. The parties shall prepare the Co-Promotion Materials in accordance with the Commercialization Plan with oversight by [***]. All Co-Promotion Materials will be subject to review and approval of [***] and pursuant to each party's internal policies and procedures. Each party shall and shall cause its Representatives to (i) use, reproduce and distribute only Co-Promotion Materials reviewed and approved as set forth in this Agreement; and (ii) not modify, alter, amend, adjust or mask any portion of the Co-Promotion Materials in any way. Each party will promptly notify the other party and take all necessary corrective action in the event such party learns that any such modification, alteration, amendment, adjustment or masking, or any such use or distribution of unapproved

marketing materials has taken place by it or its Representatives. [***] (a) [***], (b) [***], and (c) [***].

6.2.2. Other Materials. Except as provided in Section 6.2.1 with respect to Co-Promotion Materials, prior to a party's usage of the other party's Trademarks in connection with the marketing of its System, the party that has created such materials shall submit them to the other party for review and written approval, which may be given or withheld in the other party's sole discretion. Each party shall conduct its review of any materials submitted to it pursuant to this Section 6.2.2 within [***] of receipt. If such approval is given, the party that has created such materials may use them solely in the manner that has been approved, until such time as it receives a written notice from the other party stating that such use must stop or be modified.

6.3. Training. The parties shall, in accordance with the Commercialization Plan, collaborate in good faith to continually update and provide Co-Promotion Materials for training the parties' respective Sales Teams with respect to promoting the Horizon System in the Agreed Markets in compliance with Applicable Law. In connection therewith, each party agrees to reasonably make its relevant Sales Team available for training from time to time.

7. COMPLIANCE WITH LAWS

7.1. General. Each of DexCom and Insulet shall perform and shall procure that their respective Affiliates and its and their agents perform, their obligations under this Agreement in accordance with Applicable Law. Neither party nor any of its Affiliates shall, or shall be required to, undertake any activity pursuant to this Agreement which violates, or which it believes, in good faith, may violate, any Applicable Law or any of its internal policies and procedures.

7.2. Transparency Reporting. Each party will comply with Applicable Law relating to the tracking and reporting of payments and transfers of value provided to health care professionals, health care organizations, and other relevant individuals and entities, including, without limitation, the Physician Payments Sunshine Act (Section 6002 of the Patient Protection and Affordable Care Act) (collectively, "**Transparency Laws**"). Each party agrees to cooperate with the other in good faith to provide to the other party with all information necessary for such party to comply with any Transparency Laws.

7.3. Privacy Laws. Each party agrees to collect, process and store Personal Data in its System in strict compliance with Privacy Laws. Without limiting the generality of the foregoing, each party agrees to: (i) obtain and store all authorizations and/or lawful bases necessary to process and share Personal Data (identified and de-identified) in connection with the Horizon System, (ii) timely enter into legally required agreements with Third Parties regarding the processing of Personal Data (e.g., "Business Associate" agreements as defined by HIPAA and processor agreements as defined by GDPR); (iii) implement and maintain appropriate organizational and technical security measures to protect Personal Data; (iv) only transfer Personal Data from any jurisdiction to any other jurisdiction (the European Economic Area constituting a single jurisdiction for this purpose), pursuant to an appropriate data transfer agreement or other mechanism appropriate to comply with Applicable Law; (v) provide Customers with a mechanism to withdraw their consent for or otherwise object to/opt-out of processing for Personal Data that it controls or possesses.

7.4. Reporting of Compliance Violations; Written Certification. Each of the parties shall report to the other party hereto at the name and address listed in Section 17.6 of this Agreement, any violations of the compliance obligations set forth in this Section 7 and shall, upon written request, provide a written certification to the other party of compliance with such laws, regulations and company policies as set forth in this Section 7.

8. **DATA AGREEMENT.**

8.1. Within [***] of the Effective Date, the parties agree to use Commercially Reasonable Efforts to negotiate and enter into an agreement governing the collection, processing, storage and sharing of data (including Personal Data) collected through, or generated by, a party's System or any component thereof (or other party products) (such data the "**Data**" and such agreement the "**Data Agreement**"). Once executed, the Data Agreement shall provide that:

(i) Each party will be the owner of any Data that it directly collects from Customers through its System. With respect to Personal Data (as defined in the GDPR) collected from a party's Customers located in the European Economic Area, each party shall be an individual, separate Data Controller (as defined in the GDPR) with respect to such Personal Data. Under no circumstances will the parties be regarded as joint Data Controllers within the meaning set forth in GDPR Article 26 with respect to such Personal Data;

(ii) Each party shall be solely responsible for its compliance with Privacy Laws including, but not limited to: (a) fulfilling transparency obligations; (b) obtaining all necessary authorizations and/or lawful bases from its Customers to process their Data consistent with intended uses of the Horizon System; and (c) the fulfillment of data subject rights requests;

(iii) Each party shall only process Data shared with it for the "Permitted Purposes" as defined in the Data Agreement;

(iv) Each party shall implement and maintain administrative, physical, and technical safeguards to ensure protection of the security, confidentiality, and integrity of Data. Each party's security measures must be designed to protect Data from and against accidental or unlawful destruction, loss, alteration, or unauthorized disclosure or access (a "**Data Breach**");

(v) Each party shall maintain security incident management policies and procedures and shall promptly notify the other party without undue delay of any Data Breach that impacts or is reasonably likely to impact the other party's Data. Where a party has suffered a Data Breach ("**Breached Party**"), it shall make reasonable efforts to identify and remediate the cause of such Data Breach. The Breached Party shall be solely responsible to notify government authorities and individuals of any Data Breach experienced by it. If a Data Breach affects both parties, the parties agree to coordinate with respect to any communications or notifications that are sent regarding such Data Breach;

(vi) In the event of a dispute or claim brought by an individual or any government authority concerning Data shared under the terms of the Data Agreement against either or both parties, the parties will inform each other

about any such disputes or claims, and will cooperate with a view to resolving them within a reasonable time;

(vii) Under no circumstances shall a party use any Data that is explicitly or otherwise readily identifiable as the other party's for publication, including but not limited to posters, abstracts, clinical studies or podium presentations, without the other party's prior express written consent, which shall not be unreasonably withheld;

(viii) The parties may share [***];

(ix) No party shall make any statement, or use the other Party's Data, or data derived from such Data in a manner, that could be reasonably be expected to [***] for the other party's System (or any component thereof or services related thereto);

(x) Subject to review and approval of the Commercial Steering Committee, a party may share Data that it collects from its Customers with Third Parties (a) when necessary to perform its obligations under this Agreement or (b) when requested and consented to by the Customer, including but not limited to [***];

(xi) The parties shall develop a method to reconcile the identity management of Data records stored by each party;

(xii) The parties shall implement an [***] connection between the parties for the secure sharing of Data;

(xiii) The parties shall develop a process for the coordination of obtaining all Customer consents with respect to the sharing of Data from its System with the other party and for complying with subsequent Customer requests for modification of consent or removal of such Personal Data.

9. **QUALITY AGREEMENT.** Within [***] after the Effective Date, the parties shall enter into a quality agreement (the "**Quality Agreement**") setting forth:

(i) The process, timing and manner for the sharing and reporting of information, including adverse events, relating to the safety of the Horizon System or any component thereof, in compliance with Applicable Law;

(ii) the sharing of information resulting from, and interactions and responsibilities during, any inspection activities by a Regulatory Authority relating to the Horizon System;

(iii) the right of the parties to cross-reference, file or incorporate by reference any Regulatory Documentation filed or owned by the other party in connection with the other party's products;

(iv) the process for coordinating risk management across the Horizon System;

(v) DHF mapping;

(vi) change control and change management procedures; and

(vii) conformance and compliance to product specifications.

10. **CUSTOMER SERVICE**.

10.1. Responsibility. Each party shall be solely responsible, [***], for providing customer service support to Customers of its System or any component thereof.

10.2. Coordination. The parties shall jointly develop a system to evaluate, triage, and transfer customer support calls (or other methods of inquiry) to the appropriate party as further outlined in the Quality Agreement between the parties, Appendix 1 'Insulet-DexCom Complaint Handling Flowchart. At least [***] prior to the projected First Commercial Launch, the heads of each party's customer service team will meet to agree on such system and test it prior to First Commercial Launch.

10.3. Supply. Each party shall, in accordance with the Commercialization Plan, collaborate in good faith (i) to provide the other with a reasonable quantity of samples of its System or components thereof for customer support training and (ii) reasonably provide relevant customer support training on its System to the other party's Representatives .

11. **LIFECYCLE MANAGEMENT**

11.1. Improvements and Technology Upgrades. During the Term, the parties will collaborate on the (i) on-going development, maintenance, and support of the Horizon System, and (ii) continuous improvement and technology upgrades for the Horizon System or any component thereof. Within [***] of the Effective Date, the parties will mutually agree upon a responsibility matrix, subject to review and approval of the Commercial Steering Committee, showing allocation of responsibility between the parties for the on-going development, maintenance, and support of specific components Horizon System both pre- and post-First Commercial Launch. [***].

11.2. Version Support.

11.2.1. Each party agrees [***].

11.2.2. Beginning on the [***], each party agrees for the Term to use Commercially Reasonable Efforts to provide and support development of the Horizon System with respect to any Minor Release or Major Release of its System or component thereof [***], which development activities will be conducted by the parties under, and pursuant to, the terms and conditions of the Development Agreement. In furtherance of the foregoing, [***].

11.2.3. Beginning on the [***], each party shall provide the other party with at least [***] advance written notice with respect to [***]. Any such notice shall be treated as the releasing party's Confidential Information until the releasing party publicly announces that it is [***].

11.3. DexCom [***].

11.4. Insulet [***].

12. **REPRESENTATIONS AND WARRANTIES**

12.1. Each party hereby represents and warrants to the other party that as of the Effective Date:

(i) it is duly organized and validly existing under the laws of its jurisdiction of incorporation or formation;

(ii) it is duly authorized to execute and deliver this Agreement, the person or persons executing this Agreement on its behalf have been duly authorized to do so by all requisite corporate action, and this Agreement is legally binding upon it and enforceable in accordance with its terms;

(iii) it has full corporate right, power and authority to perform its respective obligations under this Agreement, including the right to grant the rights and licenses granted to the other party hereunder;

(iv) it will obtain and maintain all licenses, permits and other authorizations necessary to perform its obligations hereunder, and will fully cooperate in obtaining and maintaining any approvals from Regulatory Authorities necessary to implement this Agreement;

(v) it will perform its obligations hereunder in compliance with all Applicable Law, and it has in place a compliance program and internal policies and procedures for its employees and agents to comply with Applicable Law (including without limitation Anti-Corruption Law and Privacy Law) as contemplated by Section 7, including without limitation training on such policies and procedures and reporting obligations for non-compliance.

(vi) as of the Effective Date of this Agreement, neither it nor its owners, employees or agents performing under this Agreement (collectively "**Covered Contractors**"), are an Ineligible Person. During the Term of this Agreement, each party agrees to immediately disclose in writing to the other party: (i) any debarment, exclusion or other event that makes such party or its Covered Contractors, an Ineligible Person; or (ii) if such party or its Covered Contractors is charged with a criminal offense related to any federal health care program, or is proposed for exclusion from the provision of health care items or services. Each party hereto shall immediately notify the other party hereto of any threatened, proposed or actual exclusion or debarment of such party, its owners, employees or agents performing under this Agreement of which it becomes aware. In the event any party performing under this Agreement becomes an Ineligible Person, this Agreement shall, as of the effective date of such party becoming an Ineligible Person, automatically terminate. In the event any non-employee agents of the parties performing under this Agreement becomes an Ineligible Person during the Term of this Agreement, such agents shall immediately cease performing under this Agreement, and the other party shall have the option of immediately terminating this Agreement.

12.2. Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 12, EACH OF INSULET AND DEXCOM MAKES NO REPRESENTATIONS OR WARRANTIES UNDER THIS AGREEMENT, AND EXPRESSLY DISCLAIMS ANY WARRANTIES EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY, AND NON-INFRINGEMENT.

13. CONFIDENTIALITY

13.1. Confidential Information. Except as expressly provided in this Agreement, during the Term and for [***] thereafter, any party receiving Confidential Information, as defined below (the "**Receiving Party**"), will not publish or otherwise disclose and will not use such Confidential Information for any purpose other than carrying out Receiving Party's obligations under this Agreement and exercising the Receiving Party's rights under this Agreement. For purposes of this Agreement, "**Confidential Information**" means any information furnished by a party (the "**Disclosing Party**") pursuant to this Agreement, which is confidential or proprietary to the Disclosing Party, but excluding Personal Data. For the avoidance of doubt, DexCom Data constitutes Confidential Information of DexCom, and Insulin Data constitutes Confidential Information of Insulet. Notwithstanding the foregoing, Confidential Information will not include information that, in each case as demonstrated by the Receiving Party with reliable written documentation:

(i) was already known to the Receiving Party, other than under an obligation of confidentiality owed to the Disclosing Party, at the time of disclosure;

(ii) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;

(iii) became generally available to the public or otherwise part of the public domain after its disclosure hereunder and other than through any act or omission of the Receiving Party in breach of this Agreement, the Development Agreement or that certain Mutual Confidentiality and Nondisclosure Agreement between the parties, dated as of [***] (the "**Existing NDA**"); or

(iv) was subsequently lawfully disclosed to the Receiving Party by a person without breaching a duty of confidentiality or developed by the Receiving Party without use of, reliance on, or reference to any information or materials disclosed by the Disclosing Party.

13.2. Permitted Disclosures. Notwithstanding Section 13.1, a Receiving Party may use or disclose Confidential Information solely to the extent such use or disclosure is reasonably necessary in complying with an order of a court of law, prosecuting or defending litigation, complying with applicable governmental regulations, filing and prosecuting patent applications on Inventions owned by the Receiving Party, submitting information to tax or other governmental authorities, or conducting clinical trials; provided that if a Receiving Party is required to make any such disclosure of Confidential Information, it will give the other party reasonable advanced notice of the disclosure, and use its reasonable efforts to

secure confidential treatment of the information prior to its disclosure (whether through protective orders or otherwise).

13.3. Return of Confidential Information. Within [***] after the effective date of any termination of this Agreement, each party will return to the other party (where practicable), or at the Receiving Party's option, destroy and provide written certification of the destruction of, all tangible materials that contain the Disclosing Party's Confidential Information, except to the extent that retention of such Confidential Information is reasonably necessary for the Receiving Party to exploit any continuing rights it may have and/or to fulfill its obligations contemplated herein, including its obligations of non-disclosure and non-use hereunder. The return and/or destruction of such Confidential Information as provided above shall not relieve the Receiving Party of its obligations under this Agreement. The provisions of this section shall not apply to copies of electronically exchanged Confidential Information made as a matter of routine information technology backup and to Confidential Information or copies thereof which must be stored by the Receiving Party according to provisions of Applicable Law or the Receiving Party's internal policies and procedures.

13.4. Confidentiality Terms; Confidentiality of Agreement; No Press Release. Except as explicitly permitted under this Agreement and to the extent required to comply with Applicable Law, neither party will make any disclosure to any Third Party (other than on a confidential basis to its Representatives, or existing or potential investors), and no press release will issue, relating to the existence of this Agreement, any term hereof, or any transaction contemplated herein unless required in the normal course of business and under Applicable Law. Where a press release or other public disclosure is so required, or where the parties have otherwise mutually agreed to the issuance of a press release or other public disclosure, no party shall issue a press release or make such public disclosure, without first giving the other party reasonable opportunity to review and approve the proposed public disclosure or press release. Each party will not reveal any Confidential Information or information about the other party's technology or products that is not publicly known ("**Technology Information**") to anyone other than its Representatives who are performing tasks in support of such party's obligations or rights under this Agreement and who are bound by confidentiality obligations to not reveal or display such Confidential Information or Technology Information; provided that the parties agree that the fact that the parties are collaborating and the general nature of the collaboration is not Confidential Information.

14. INDEMNIFICATION AND DEFENSE OF INFRINGEMENT

14.1. DexCom will defend and indemnify Insulet, its Affiliates, and each of its directors, officers, employees, agents, successors and assigns (collectively, "**Insulet Indemnities**"), against all Third Party claims, suits and proceedings, and will hold the Insulet Indemnitees harmless against all judgments, settlements, costs, liabilities and expenses (including reasonable attorneys' fees and litigation costs) (collectively, "**Losses**") payable to Third Parties in connection with such claims, suits and proceedings, to the extent arising from or occurring as a result of: (i) DexCom's breach of [***], (ii) the [***], or (iii) physical injury (including death) and/or property damage [***].

14.2. Insulet will defend and indemnify DexCom, its Affiliates, and each of its directors, officers, employees, agents, successors and assigns (collectively, "**DexCom Indemnitees**"), against all Third Party claims, suits and proceedings, and will hold the DexCom Indemnitees harmless against all Losses payable to Third Parties in connection with such claims, suits and

proceedings, to the extent arising from or occurring as a result of: (i) Insulet's breach of [***], (ii) [***], or (iii) physical injury (including death) and/or property damage [***].

14.3. If the activities of the parties under this Agreement result in a claim, suit or proceeding in which DexCom and Insulet are both entitled to indemnification by the other party pursuant to Sections 14.1 and 14.2, then the parties will discuss in good faith their cooperation in connection with such matter, and shall discuss in good faith an equitable allocation of each party's indemnification obligations under this Section 14.

14.4. If the activities of the parties under this Agreement result in a Third Party claim, suit, allegation, action or proceeding against Insulet or DexCom alleging infringement of a claim of a patent or alleges infringement or misappropriation of some other intellectual property right of such Third Party and (i) neither DexCom nor Insulet is or (ii) both DexCom and Insulet are, [***], such party will promptly notify the other party in writing. The parties agree that in connection with a [***], they will [***], and shall [***]. The parties will consult prior to entering any settlement agreement concerning any [***] and, in the event a party [***] the other party [***].

14.5. Any party seeking indemnification hereunder (the "**Indemnitee**") will promptly notify the indemnifying party (the "**Indemnitor**") of any claim, loss, or expense likely to lead to a claim for indemnification, along with all material related information. The Indemnitor will have the right to manage the defense and settlement of any claim, except [***]. The Indemnitee may not enter into any settlement of any such claim without the prior written consent of Indemnitor. The Indemnitee will [***]. The Indemnitee [***]. In addition, the Indemnitee may [***].

14.6. Notwithstanding the foregoing, an Indemnitor under this Section 14 has no obligation for any Losses to the extent resulting from (i) [***], or (ii) [***].

15. TERM AND TERMINATION

15.1. Term. The initial term of this Agreement will commence on the Effective Date and will continue for a period of [***] from date of the first Regulatory Approval for the Horizon System, unless terminated earlier pursuant to the other provisions of this Section 15 (the "**Term**").

15.2. Termination for Material Breach. Either party shall be entitled to terminate this Agreement upon [***] prior written notice to the other party if the other party materially breaches any material term of this Agreement and, if such breach is curable within such [***] period, fails to cure such breach within such period. In the event of termination under this Section 15.2:

15.2.1. the breaching party shall, at the non-breaching party's option, continue to support all current and new Customers on the version of its System used in the Horizon System as of the effective date of termination under this Section 15.2 for [***] following such effective date of termination; and

15.2.2. this Agreement will terminate except that the license grants in Sections 3.2, 3.3, and 3.4 shall continue solely to the extent necessary for the parties to comply with their obligations in Section 15.2.1.

15.3. Termination [***], such party shall provide the other party written notice within [***] (or as soon as permitted under Applicable Law) [***]. At any time within [***] following receipt of a notice pursuant to this Section 15.3, the other party shall have the right (but not the obligation) to terminate this Agreement effective [***]. In the event of termination under this Section 15.3:

15.3.1. the terminating party shall [***] as of the effective date of termination under this Section 15.3 for [***] following such effective date of termination; and

15.3.2. this Agreement will terminate except that [***].

For clarity, [***].

For purposes of this Section 15.3, [***] means (i) with respect to DexCom, a Third Party engaged in the business of [***], and (ii) with respect to Insulet, a Third Party engaged in the business of [***].

15.4. Effect of Termination.

15.4.1. General. In the case of expiration or termination of this Agreement, all rights and obligations of the parties shall cease immediately, unless otherwise indicated in this Agreement.

15.4.2. Accrued Rights and Obligations. Expiration or termination of this Agreement shall not relieve the parties of any obligation accrued prior to such expiration or termination, nor shall expiration or any termination of this Agreement preclude either party from pursuing all rights and remedies it may have under this Agreement, at law or in equity, with respect to breach of this Agreement nor prejudice any party's right to obtain performance of any obligation.

15.4.3. Survival. In the event of any expiration or termination of this Agreement, Sections 1, 3.1, 3.2.3(ii), 3.3.3(ii), 3.6, 3.7, 4.3.4, 7, 8.2, 11.3, 11.4, 12.2 and 13-17 will survive such expiration or termination.

16. **LIMITATION OF LIABILITY**

OTHER THAN WITH RESPECT TO BREACHES OF [***], IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER OR ANY OTHER ENTITY FOR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS, LOST PROFITS, OR ANY OTHER SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY ARISING OUT OF THIS AGREEMENT WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE. THESE LIMITATIONS ARE WITHOUT PREJUDICE [***] AND SHALL APPLY WHETHER OR NOT THE BREACHING PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. IF EITHER PARTY TERMINATES THIS AGREEMENT IN ACCORDANCE WITH ANY OF ITS PROVISIONS, [***].

17. **MISCELLANEOUS**

17.1. No Exclusivity. The Agreement shall be non-exclusive for both Insulet and DexCom and shall in no way prohibit either party from working with any Third Party, including without limitation, other insulin pump, other CGM and/or data management companies. Both parties understand and agree that the other party and its Affiliates may acquire, license, design, develop, market, sell and/or distribute products that compete, directly or indirectly, with the products contemplated by this Agreement.

17.2. Subcontractors. Either party may subcontract the performance of its obligations under this Agreement to an Affiliate or Third Party, provided that such subcontractor is bound by terms and conditions consistent with this Agreement, including restrictions with respect to the protection and use of Confidential Information which are no less stringent than those set forth in this Agreement, and each party shall be fully responsible for the performance of its subcontractors.

17.3. Force Majeure. Nonperformance of any party (except for payment obligations) will be excused to the extent that performance is rendered impossible by strike, fire, earthquake, flood, governmental acts or orders or restrictions, or any other reason where failure to perform is beyond the reasonable control of the nonperforming party.

17.4. No Implied Waivers; Rights Cumulative. No failure on the part of DexCom or Insulet to exercise and no delay in exercising any right under this Agreement, or provided by statute or at law or in equity or otherwise, will impair, prejudice or constitute a waiver of any such right, nor will any partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

17.5. Independent Contractors. Nothing contained in this Agreement is intended implicitly, or is to be construed, to constitute DexCom or Insulet as partners in the legal sense. No party hereto will have any express or implied right or authority to assume or create any obligations on behalf of or in the name of any other party or to bind any other party to any contract, agreement or undertaking with any Third Party.

17.6. Notices. All notices, requests and other communications hereunder will be in writing and will be personally delivered or sent by overnight courier or registered or certified mail, return receipt requested, postage prepaid, in each case to the respective address specified below, or such other address as may be specified in writing to the other parties hereto:

Insulet: Insulet Corporation
100 Nagog Park
Acton, MA 01720
Attn: Legal Department
[***]

DexCom: DexCom, Inc.
6340 Sequence Drive
San Diego, California 92121
Attn: Legal Department
[***]

17.7. Assignment. Except as otherwise expressly provided under this Agreement, neither party may assign or otherwise transfer this Agreement or any right or obligation hereunder without the express prior written consent of the other party; provided that: either party shall

be permitted to effect such an assignment or other transfer of this Agreement in its entirety without the written consent of the other party (a) [***], or (b) [***]. Any attempt to assign or transfer this Agreement not in compliance with this Section 17.7 will be void. Subject to the foregoing, this Agreement is binding upon and will inure to the benefit of each of the parties and their respective successors and permitted assigns.

17.8. Modifications. No amendment or modification of any provision of this Agreement will be effective unless in writing signed by all parties hereto. No provision of this Agreement will be varied, contradicted or explained by any oral agreement, course of dealing or performance or any other matter not set forth in an agreement in writing and signed by all parties.

17.9. Severability. If any provision hereof should be held invalid, illegal or unenforceable in any jurisdiction, all other provisions hereof will remain in full force and effect in such jurisdiction and will be liberally construed in order to carry out the intentions of the parties hereto as nearly as may be possible. Such invalidity, illegality or unenforceability will not affect the validity, legality or enforceability of such provision in any other jurisdiction.

17.10. Governing Law. This Agreement and any dispute arising from the performance or breach hereof will be governed by and construed and enforced in accordance with, the laws of the [***] without regard for conflicts of laws principles. Disputes as to matters within the authority of the Commercial Steering Committee will be resolved as set forth in Section 2.2.7; provided that any dispute as to the application of such Section 2.2.7 shall be subject to this Section 17.10.

17.11. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, and all of which together, will constitute one and the same instrument.

17.12. Interpretation. Headings used herein are for convenience only and will not in any way affect the construction of or be taken into consideration in interpreting this Agreement. The expression “including” shall be interpreted to mean “including without limitation”.

17.13. Entire Agreement. This Agreement (including all Exhibits to this Agreement), together with the Existing NDA and Development Agreement, constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements, whether written or oral, between the parties with respect to such subject matter.

17.14. Non-Disparagement; Comparative Statements:

17.14.1. Neither party shall disparage the other party’s System (or any component thereof or services related thereto) or engage in any unfair, misleading or deceptive practices regarding the other party’s System (or any component thereof or services related thereto).

17.14.2. No party shall make any public statement (I) [***], or (II) [***].

17.15. Third Party Products.

17.15.1. Insulet shall not accept any consideration from any Third Party to [***], provided that such restriction shall not prevent Insulet from [***] if made (a) in connection

with a general advertisement not specifically targeting such replacement or (b) upon the unsolicited request of a patient or such patient's health care professional.

17.15.2. DexCom shall not accept any consideration from any Third Party [***], provided that such restriction shall not prevent DexCom from [***] if made (a) in connection with a general advertisement not specifically targeting such replacement or (b) upon the unsolicited request of a patient or such patient's health care professional.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by duly authorized officers or representatives as of the date set forth below.

DEXCOM, INC.

By: /s/ Kevin R. Sayer

Print Name: Kevin R. Sayer

Title: CEO & President

Date: November 22, 2019

INSULET CORPORATION

By: /s/ Shacey Petrovic

Print Name: Shacey Petrovi

Title: President & Chief Executive Officer

Date: November 22, 2019

Exhibit A: Horizon System Architecture
[***]

Exhibit B: Commercialization Plan
[***]

Exhibit C: Quality Agreement
[***]

Exhibit D: Data Agreement
[***]

Exhibit 1.2
Agreed Markets
[***]

Exhibit 1.32
DexCom Trademarks

DEXCOM and the DEXCOM Logo
DEXCOM CLARITY
DEXCOM FOLLOW
SHARE, or DEXCOM SHARE

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. OMISSIONS ARE MARKED [***].

DATA AGREEMENT

This Data Agreement (the "**Agreement**") is made and entered into as of May 7, 2020 (the "**Effective Date**") by and between Insulet Corporation, a Delaware corporation having a principal place of business at 100 Nagog Park, Acton, MA 01720 ("**Insulet**") and DexCom, Inc., a Delaware corporation having a principal place of business at 6340 Sequence Drive, San Diego, CA 92121 ("**DexCom**"). Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Commercialization Agreement (as defined below).

RECITALS

A. DexCom is in the business of developing and commercializing continuous glucose monitoring systems and related technologies.

B. Insulet is in the business of developing and commercializing insulin delivery systems with a patient interface and related technologies.

C. The parties entered into a Development Agreement dated December 7, 2016, amended by Amendment No. 1 on November 21, 2019 (as amended, "Development Agreement") to develop an integrated solution that capitalizes on each party's existing and developing technology platforms. The parties subsequently entered into a Commercialization Agreement dated November 21, 2019 ("Commercialization Agreement") to commercialize such integrated solution.

D. Pursuant to the Commercialization Agreement, the parties have agreed to enter into this Agreement governing the collection, processing, storage and sharing of data (including Personal Data) collected through, or generated by, a party's System or any component thereof (or other party products).

NOW, THEREFORE, in consideration of the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS

1.1. "**Agreement**" has the meaning set forth in the recitals.

1.2. "**Breached Party**" has the meaning set forth in Section 4.4(h).

1.3. "**CGM Improvements**" has the meaning set forth in Section 2.2.

1.4. "**Commercialization Agreement**" has the meaning set forth in the recitals.

1.5. "**Data Breach**" has the meaning set forth in Section 4.4(b).

1.6. "**Development Agreement**" has the meaning set forth in the recitals.

1.7. "**DexCom**" has the meaning set forth in the recitals.

1.8. "**Effective Date**" has the meaning set forth in the recitals.

1.9. "**IDD Improvements**" has the meaning set forth in Section 2.1.

1.10. "**Insulet**" has the meaning set forth in the recitals.

1.11. "**Licensed CGM Data**" has the meaning set forth in Section 2.1.

1.12. "**Licensed Data**" means (a) with respect to DexCom, Licensed Insulin Data and (b) with respect to Insulet, Licensed CGM Data.

1.13. "**Licensed Insulin Data**" has the meaning set forth in Section 2.2.

1.14. "**Licensee**" means (a) with respect to CGM Data, Insulet, and (b) with respect to Insulin Data, DexCom.

1.15. "**Licensor**" means (a) with respect to CGM Data, DexCom, and (b) with respect to Insulin Data, Insulet.

1.16. "**Licensor IP**" has the meaning set forth in Section 2.4.

1.17. "**Permitted Purposes**" means all lawful purposes, subject to the limitations and restrictions set forth in Section 2.1 or Section 2.2, as applicable to the respective parties.

1.18. "**Term**" has the meaning set forth in Section 6.1.

2. RIGHT TO RECEIVE AND USE.

2.1. License to Insulet. DexCom hereby grants to Insulet a [***] license to utilize [***] (collectively, "**Licensed CGM Data**") for all lawful purposes, except no such Licensed CGM Data shall be used to (a) [***] or (b) [***]; provided, however, that the foregoing shall not prevent Insulet from [***]. To the extent such Licensed CGM Data is used by or on behalf of Insulet to [***] must be designed, to the extent practical, to be generally interoperable with DexCom Systems; (y) such [***] must not be designed [***], and (z) Insulet shall not [***], provided, however, that with respect to the foregoing clause (z), Insulet shall not be prohibited in any way from [***]. Notwithstanding the foregoing, Insulet shall not [***], except (i) [***]; (ii) as part of the functionality of [***]; (iii) to facilitate or administer any use of [***]; or (iv) to facilitate or administer any [***]. Insulet shall not [***].

2.2. License to DexCom. Insulet hereby grants to DexCom a [***] license to utilize [***] (collectively, "**Licensed Insulin Data**") for all lawful purposes, except no such Licensed Insulin Data shall be used to (a) [***] or (b) [***]; provided, however, that the foregoing shall not prevent DexCom from making any [***]. To the extent such Licensed Insulin Data is used by or on behalf of DexCom to [***], (x) such [***] must be designed, to the extent practical, to be generally interoperable with the Insulin Delivery System; and (y) such [***] must not be designed [***], and (z) DexCom shall not [***], provided, however that with respect to the foregoing clause (z), DexCom shall not be prohibited in any way from [***]. Notwithstanding the foregoing, DexCom

shall not [***], except (i) [***]; (iii) to facilitate or administer any use of [***]; or (iv) to facilitate or administer any [***]. Notwithstanding the foregoing, DexCom shall not [***].

2.3. Additional Restrictions on Use of Licensed Data.

(a) Each Licensee may share anonymized Licensed Data (i.e., CGM Data licensed under Section 2.1 or Insulin Data licensed under Section 2.2, as applicable) with [***].

(b) Neither Licensee shall make any statement using the applicable Licensed Data, or data derived from Licensed Data in a manner, that could be reasonably be expected to [***].

(c) Neither Licensee shall share Data that it collects from its Customers with Third Parties unless otherwise approved in writing by the Commercial Steering Committee. Notwithstanding the foregoing, a party may share Data that it collects from its Customers with Third Parties (i) when necessary to perform its obligations under this Agreement, provided that in such instance such Third Parties are prohibited from [***] or (ii) when requested and consented to by the Customer, including but not limited to [***].

2.4. Ownership. Each party will be the owner of any Data that it directly collects from Customers through its System. Licensee hereby acknowledges that Licensor and its Affiliates retain all right, title and interest in and to the Licensed Data, including any updates, translations, customized versions or derivative works thereof, and all modifications, enhancements, improvements and derivative works thereto and all intellectual property rights therein (collectively, "**Licensor IP**"). No title to or ownership of the Licensor IP is transferred to Licensee. Licensee acknowledges and agrees that any unauthorized use, distribution or disclosure of the Licensed Data would result in irreparable harm to Licensor and Licensor Affiliates and shall entitle Licensor and Licensor Affiliates to seek immediate injunctive or other equitable relief. With respect to Personal Data (as defined in the GDPR) collected from a party's Customers located in the European Economic Area, each party shall be an individual, separate Data Controller (as defined in the GDPR) with respect to such Personal Data. Under no circumstances will the parties be regarded as joint Data Controllers within the meaning set forth in GDPR Article 26 with respect to such Personal Data.

2.5. Reservation of Rights. Except for the rights and licenses expressly granted in this Agreement, no other rights are granted by either party, and all other rights are expressly reserved.

3. DELIVERY AND COOPERATION.

3.1. Delivery of Data. The parties shall use commercially reasonable efforts to cooperate and collaborate to implement [***] connection between the parties for the secure sharing of Data (including Licensed Data).

3.2. Data Reconciliation. The parties shall use commercially reasonable efforts to cooperate and collaborate to develop and implement a method to reconcile the identity management of Data records stored by each party.

3.3. Customer Consents. The parties shall use commercially reasonable efforts to cooperate and collaborate to develop and implement a process for the coordination of obtaining all Customer consents with respect to the sharing of Data from its System with the other party and for complying with subsequent Customer requests for modification of consent or removal of such Personal Data.

4. LICENSEE OBLIGATIONS.

4.1. Compliance with Laws. Each party shall be solely responsible for its compliance with Privacy Laws including, but not limited to: (a) fulfilling transparency obligations; (b) obtaining all necessary authorizations and/or lawful bases from its Customers to process their Data consistent with intended uses of the Horizon System; and (c) the fulfillment of data subject rights requests. Each Licensee agrees to use the applicable Licensed Data only in accordance with all applicable federal, state, or local laws, regulations and orders which shall include without limitation, HIPAA and the GDPR. Each Licensee shall only process the applicable Licensed Data for the "Permitted Purposes."

4.2. Publication. Each Licensee may not publish (including but not limited to posters, abstracts, clinical studies or podium presentations) the Licensed Data or cite Licensor as the source of the Licensed Data in research or materials intended for external audiences without Licensor's prior, written approval, which shall not be unreasonably withheld, conditioned or delayed. If the parties agree to publication, Licensee shall furnish copies of any proposed publication or presentation to Licensor at least [***] before submission. During that time, Licensor shall have the right to review the material for Licensor's Confidential Information and use of Licensor's name. At Licensor's request, Confidential Information provided by Licensor and/or Licensor's name shall be deleted from the proposed publication or presentation. In addition to the foregoing, Licensor may make a written request within the [***] review period to delay the proposed disclosure for an additional [***] period if the proposed publication or presentation contains subject matter which may be patentable, in order to file the necessary patent applications.

4.3. No Re-identification. Each Licensee shall not re-identify any person reflected in the applicable Licensed Data, including without limitation: (a) re-identifying, or attempting to re-identify, or allowing to be re-identified any patient or individual who is the subject of Protected Health Information (as defined by HIPAA) within such Licensed Data; (b) re-identifying, or attempting to re-identify, or allowing to be re-identified any relative, family or household member of any patient or individual reflected in such Licensed Data; or (c) linking any of the facial or direct identifiers set forth in 45 C.F.R. 164.514 to any other information. In addition, each Licensee shall not engage in any research, study or any other use of the applicable Licensed Data that directly or indirectly involves developing a plan to or actually attempting to reidentify an individual. Each Licensee agrees that it shall not use the information in the applicable Licensed Data to contact any individual.

4.4. Security Requirements. Each Licensee shall:

(a) Employ procedures and processes as appropriate to monitor use of passwords or other personal credentials used to access the Licensed Data and to require any authorized users to protect their passwords and other personal credentials. Licensee shall promptly notify Licensor of any unauthorized use of or access to the Licensed Data;

(b) Implement and maintain administrative, physical, and technical safeguards to ensure protection of the security, confidentiality, and integrity of Data. Licensee's security measures shall be designed to protect Data from and against accidental or unlawful destruction, loss, alteration, or unauthorized disclosure or access (a "**Data Breach**");

(c) Maintain written risk management and security policies that cover data center operations and desktop computer and mobile device use related to the Licensed Data;

(d) Protect, through use of personal credentials, and encrypt Licensed Data on any mobile devices, including hard drives and laptops;

(e) Conduct, [***], an evaluation of its processes and systems to ensure continued compliance with obligations imposed by law, regulation or this Agreement with respect to the confidentiality, integrity, and security of the Licensed Data. Upon reasonable request, Licensee will provide to Licensor a summary of the most recent evaluation and a description of any remediation activities taken in response to such evaluations;

(f) Transmit Licensed Data using only secure means. Licensee will use [***] when transmitting Licensed Data externally or will [***];

(g) Limit access to the Licensed Data to only the minimum amount of Licensed Data as necessary; and

(h) Licensee shall maintain security incident management policies and procedures and shall promptly notify Licensor within no less than [***] without any undue delay of any Data Breach that impacts or is reasonably likely to impact the Licensed Data. Where a Licensee has suffered a Data Breach ("**Breached Party**"), it shall make reasonable efforts to identify and remediate the cause of such Data Breach. The Breached Party shall be solely responsible to notify government authorities and individuals of any Data Breach experienced by it.

4.5. Certification. Each party agrees that upon request, it shall certify in writing whether it is in compliance with the provisions of this Agreement. Within [***] after a party becomes aware of its possible or actual noncompliance with this Agreement, such party shall notify the other party in writing. Such written notice shall include the nature and period of existence of the possible or actual noncompliance and what action such party is taking or proposes to take to identify and cure such possible or actual noncompliance. After delivery of such written notice, such party shall work in good faith with the other party to address and remediate such possible or actual noncompliance.

4.6. Data Breaches. If a Data Breach affects both parties, the parties agree to coordinate with respect to any communications or notifications that are sent regarding such Data Breach. In the event of a dispute or claim brought by an individual or any government authority concerning Licensed Data against either or both parties, the parties will inform each other about any such disputes or claims, and will cooperate with a view to resolving them within a reasonable time.

5. CONFIDENTIAL INFORMATION. Section 13 of the Commercialization Agreement is hereby incorporated by reference as if set forth herein in full, *mutatis mutandis*.

6. TERM AND TERMINATION

6.1. Term. The term of this Agreement will commence upon the Effective Date and will, unless terminated as provided for below, continue until the expiration or termination of the Commercialization Agreement (the "**Term**").

6.2. Termination for Breach. Either party may terminate this Agreement upon [***] written notice if the other party is in material breach of any of its obligations under this Agreement and such party fails to remedy the breach within such [***] period.

6.3. Suspension. Each Licensor reserves the right to suspend delivery of or access to the applicable Licensed Data or any portion thereof upon its reasonable belief that tortious, criminal or otherwise improper or prohibited activity may be associated with Licensee's utilization of such Licensed Data or in the event that Licensee is in default of any obligation hereunder. Licensor shall provide written notice to Licensee explaining the reason for any such suspension and Licensee shall immediately suspend such access. Licensor may condition any restoration of access upon satisfaction of such conditions directly associated with the suspension of service as Licensor reasonably determines are appropriate.

6.4. Effect of Termination or Expiration. In the event of any termination of this Agreement, (a) with respect to any Licensed CGM Data or Licensed Insulin Data, as applicable, that was provided to the applicable Licensee prior to such termination, all licenses and rights thereto granted hereunder will continue in effect perpetually, provided that [***]; and (b) with respect to any Licensed CGM Data or Licensed Insulin Data, as applicable, that is first provided to the applicable Licensee after such termination, (i) all [***], and (ii) all licenses and rights thereto granted hereunder to commercialize and maintain products that utilize such Licensed Data shall, upon such termination, be [***]. Notwithstanding the foregoing, each party will return to the other party or destroy all materials (in written, electronic or other form) constituting such other party's Confidential Information, including any copies and extracts thereof, and will not use such Confidential Information in any way for any purpose.

6.5. Survival. The following provisions will survive any expiration or termination of this Agreement: 1, 5, 6.4, 8, 9, 10.

7. REPRESENTATIONS AND WARRANTIES

7.1. Mutual Representations and Warranties. Each party hereby represents and warrants to the other that: (a) it possesses full power and authority to enter into this Agreement and to fulfill its obligations hereunder; (b) the performance of this Agreement and of its obligations hereunder will not breach any separate agreement by which it is bound; (c) it will comply with all applicable laws, rules and regulations when performing or receiving Services under this Agreement, including without limitation HIPAA; (d) it will not violate rights of any third party in performing obligations under this Agreement; (e) it has obtained or will obtain all necessary institutional and regulatory approvals necessary to perform any Services, including, without limitation, any institutional review board approval; and (f) the Services performed by such party, and/or work product provided by such party to the other party, do not and will not infringe the rights of any third party.

7.2. Licensor Additional Representations and Warranties. Licensor additionally represents and warrants that: (a) Licensor has all rights, power and authority that are necessary for Licensor's collection, use, processing, and disclosure of Licensor Data as contemplated by this Agreement; and (b) Licensee's use of the applicable Licensed Data pursuant to this Agreement will not violate any Intellectual Property Rights, rights of publicity or privacy, other proprietary rights, or any applicable local, state or federal laws, regulations, orders or rules.

7.3. Limitations. THE RESPECTIVE REPRESENTATIONS AND WARRANTIES OF LICENSEE AND LICENSOR AS SET FORTH IN THIS AGREEMENT ARE THE SOLE AND

EXCLUSIVE REPRESENTATIONS AND WARRANTIES MADE BY THE PARTIES. EACH PARTY EXPRESSLY DISCLAIMS, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL OTHER REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

8. INDEMNIFICATION. Section 14 of the Commercialization Agreement is hereby incorporated by reference as if set forth herein in full, *mutatis mutandis*

9. LIMITATION ON LIABILITY. OTHER THAN WITH RESPECT TO BREACHES OF [***], IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER OR ANY OTHER ENTITY FOR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS, LOST PROFITS, OR ANY OTHER SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY ARISING OUT OF THIS AGREEMENT WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE. THESE LIMITATIONS ARE WITHOUT PREJUDICE TO THE PARTIES' [***] AND SHALL APPLY WHETHER OR NOT THE BREACHING PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. IF EITHER PARTY TERMINATES THIS AGREEMENT IN ACCORDANCE WITH ANY OF ITS PROVISIONS, [***].

10. GENERAL.

10.1. Miscellaneous. Sections 17.1-17.6, 17.8-17.10, 17.12, 17.4, and 17.15 of the Commercialization Agreement are hereby incorporated by reference as if set forth herein in full, *mutatis mutandis*.

10.2. Assignment. Except as otherwise expressly provided under this Agreement, neither party may assign or otherwise transfer this Agreement or any right or obligation hereunder without the express prior written consent of the other party; provided that: either party shall be permitted to effect such an assignment or other transfer of this Agreement in its entirety [***] (a) [***], or (b) [***], but solely, in each case (a) and (b), in connection with the assignment or other transfer of the Commercialization Agreement, and solely to the assignee or other transferee of the Commercialization Agreement. Any attempt to assign or transfer this Agreement not in compliance with this Section 10.2 will be void. Subject to the foregoing, this Agreement is binding upon and will inure to the benefit of each of the parties and their respective successors and permitted assigns.

10.3. Nonexclusive Remedy. Except as expressly set forth in this Agreement, the exercise by either party of any of its remedies under this Agreement will be without prejudice to its other remedies under this Agreement or otherwise.

10.4. Entire Agreement. This Agreement (including all Exhibits to this Agreement), together with the Existing NDA, Development Agreement, Commercialization Agreement and Quality Agreement, constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements, whether written or oral, between the parties with respect to such subject matter. In the event of conflicts among the terms of the foregoing agreements, the order of precedence shall be the Commercialization Agreement, the Quality Agreement, this Agreement, the Development

Agreement, and the Existing NDA; provided, however that with respect to any matter related to Licensed Data, this Agreement shall control.

10.5. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, and all of which together, will constitute one and the same instrument.

10.6. Waiver. The parties hereby waive the requirement of Section 8.1 of the Commercialization Agreement, requiring execution of this Agreement within [***] of the effective date of the Commercialization Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Data Agreement and have rendered it effective as of the Effective Date.

DEXCOM, INC.

By: /s/ Jereme Sylvain

Print Name: Jereme Sylvain

Title: VP, Finance

Date: 5/8/2020

INSULET CORPORATION

By: /s/ Brittany Bradrickc

Print Name: Brittany Bradrick

Title: VP, Strategy & Corporate Development

Date: 5/8/2020

[*Signature Page to Data Agreement*]

CERTIFICATION

I, James R. Hollingshead, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Insulet Corporation;
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.

/s/ James R. Hollingshead
James R. Hollingshead
Chief Executive Officer

Date: August 4, 2022

CERTIFICATION

I, Wayde McMillan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Insulet Corporation;
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.

/s/ Wayde McMillan
Wayde McMillan
Chief Financial Officer

Date: August 4, 2022

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of Insulet Corporation, a Delaware corporation (the "Company"), does hereby certify with respect to the Quarterly Report of the Company on Form 10-Q for the period ended June 30, 2022, as filed with the Securities and Exchange Commission (the "Report") that, to their 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 Company.

/s/ James R. Hollingshead
James R. Hollingshead
Chief Executive Officer

Date: August 4, 2022

/s/ Wayde McMillan
Wayde McMillan
Chief Financial Officer

Date: August 4, 2022