

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM S-8

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

AXOGEN, INC.

(Exact name of registrant as specified in its charter)

Minnesota

41-1301878

(State or other jurisdiction of
incorporation or organization)

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

**13631 Progress Boulevard, Suite 400
Alachua, Florida**

32615

(Address of Principal Executive Offices)

(Zip Code)

AXOGEN, INC.

NON-QUALIFIED STOCK OPTION INDUCEMENT AWARD AGREEMENTS

(Full title of the plan)

**Gregory G. Freitag
General Counsel
Axogen, Inc.**

**13631 Progress Boulevard, Suite 400
Alachua, Florida 32615
(386) 462-6800**

(Name, address, telephone number,
including area code, of agent for service)

**Fahd M.T. Riaz, Esq.
DLA Piper LLP (US)
1650 Market Street, Suite 4900
Philadelphia, Pennsylvania 19103
(215) 656-3300**

(Copy to)

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock, \$0.01 par value per share	45,000	\$16.17(2)	\$727,650(2)	\$88.20
Common Stock, \$0.01 par value per share	35,000	\$16.37(3)	\$572,950(3)	\$69.45
TOTAL	80,000		\$1,300,600	\$157.65

(1) Pursuant to Rule 416(c) under the Securities Act of 1933, as amended (the “Securities Act”), this registration statement on Form S-8 (the “Registration Statement”) also covers any additional shares of common stock, par value \$0.01 per share (the “Common Stock”), of Axogen, Inc. (the “Company” or the “Registrant”) under the Axogen, Inc. Non-Qualified Stock Option Inducement Award Agreement, effective as of January 7, 2019, by and between the Registrant and Chris Crisman (the “Crisman Award Agreement”), and the Axogen, Inc. Non-Qualified Stock Option Inducement Award Agreement, effective as of January 22, 2019, by and between the Registrant and Eric Sandberg (the “Sandberg Award Agreement”), which may be offered or issued to prevent dilution resulting from adjustments as a result of stock dividends, stock splits, reverse stock splits, recapitalizations, reclassifications, mergers, split-ups, reorganizations, consolidations and other capital adjustments.

(2) Calculated in accordance with Rule 457(h) under the Securities Act, solely for the purpose of calculating the registration fee on the basis of \$16.17 per share, which represents the exercise price under the Sandberg Award Agreement.

(3) Calculated in accordance with Rule 457(h) under the Securities Act, solely for the purpose of calculating the registration fee on the basis of \$16.37 per share, which represents the exercise price under the Crisman Award Agreement.

EXPLANATORY NOTE

This registration statement on Form S-8 (the “Registration Statement”) is filed by Axogen, Inc. (the “Company” or the “Registrant”), relating to the registration of an aggregate of 80,000 shares of common stock, \$0.01 par value per share (the “Common Stock”), of the Registrant to be issuable upon exercise of a non-qualified stock option granted to (i) Chris Crisman, Vice President of U.S. Sales of the Registrant, and (ii) Eric Sandberg, Chief Commercial Officer of the Registrant, pursuant to the terms of separate Axogen, Inc. Non-Qualified Stock Option Inducement Award Agreements dated January 7, 2019 and January 22, 2019, respectively (together, the “Plan”), as an inducement material to each executive entering into employment with the Registrant.

PART I

Information Required in the Section 10(a) Prospectus

As permitted by the rules of the U.S. Securities and Exchange Commission (the “Commission”), this Registration Statement omits the information specified in Part I of Form S-8. The documents containing the information specified in Part I will be delivered to the participants in the Plan as required by Rule 428(b)(1) under the Securities Act of 1933, as amended (the “Securities Act”). Such documents are not being filed with the Commission as part of this Registration Statement or as a prospectus or prospectus supplement pursuant to Rule 424 of the Securities Act. These documents and the documents incorporated by reference in this Registration Statement pursuant to Item 3 of Part II hereof, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II

Information Required in the Registration Statement

Item 3. Incorporation of Documents by Reference

The following documents previously filed by the Registrant with the Commission are incorporated herein by reference and shall be deemed to be a part hereof:

- (1) The Company’s Annual Report on Form 10-K for the year ended December 31, 2018, filed with the Commission on February 26, 2019 (including the portions of the Registrant’s Proxy Statement on Schedule 14A, to be filed on or prior to April 30, 2019, incorporated by reference therein);
- (2) The Company’s Current Reports on Form 8-K filed with the Commission on January 3, 2019, January 7, 2019, January 15, 2019, January 16, 2019, January 18, 2019 and January 22, 2019 (provided that any portions of such reports that are deemed furnished and not filed pursuant to instructions to Form 8-K shall not be incorporated by reference into this Registration Statement); and
- (3) The description of Common Stock set forth in the Company’s Registration Statement on Form 8-A12B filed with the Commission on August 6, 2013 pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), including any amendment or report filed for the purpose of updating such description.

In addition, all documents that the Company files pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act subsequent to the effective date of this Registration Statement (except for any portions of the Company’s Current Reports on Form 8-K furnished pursuant to Item 2.02 or Item 7.01 thereof and any corresponding exhibits thereto not filed with the Commission), but prior to the filing of a post-effective amendment to this Registration Statement indicating that all securities offered hereby have been sold or which

deregisters all securities then remaining unsold shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing such documents.

For purposes of this Registration Statement, any document or statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such document or statement in such document. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities

Not applicable.

Item 5. Interests of Named Experts and Counsel

Not applicable.

Item 6. Indemnification of Directors and Officers

Minnesota Statutes, Section 302A.521, subd. 2, requires the Company to indemnify a person made or threatened to be made a party to a proceeding by reason of the former or present official capacity of the person with respect to the Company, against judgments, penalties, fines, settlements, and reasonable expenses, including attorneys' fees and disbursements, incurred by the person in connection with the proceeding if certain statutory standards are met, unless the Company amends its Amended the Restated Articles of Incorporation, or the "Articles of Incorporation," or its Amended and Restated Bylaws, or the "Bylaws," to prohibit or condition such indemnification rights. In addition, Minnesota Statutes, Section 302A.521, subd. 3 requires payment by the Company, upon written request, of reasonable expenses in advance of final disposition of the proceeding in certain circumstances unless the Company amends the Articles of Incorporation or the Bylaws to prohibit or condition such expense advancement rights. Under Section 302A.521, subd. 4, the Company may amend the Articles of Incorporation or the Bylaws to prohibit or condition such indemnification or expense advancement rights. A decision as to required indemnification is made (i) by a disinterested majority of the Company's Board of Directors present at a meeting at which a disinterested quorum is present, (ii) by a designated committee of the Board of Directors consisting of two or more disinterested directors, (iii) by special legal counsel selected by the board or a committee by vote pursuant to clause (i) or (ii) above, (iv) by an affirmative vote of the shareholders, in which the shares held by parties to the proceeding is not counted in determining the presence of a quorum and are not considered to be present and entitled to vote, or (v) by a court in Minnesota. For purposes of clauses (i) and (ii) above, a director is disinterested if he or she is not a party to the proceeding for which indemnification or expense advancement is at issue. Section 302A.521 contains detailed terms regarding such right of indemnification and reference is made thereto for a complete statement of such indemnification rights.

Article 7 of the Articles of Incorporation provides that, to the fullest extent permitted by the Minnesota Business Corporation Act as the same exists or may hereafter be amended, a director of the Company shall not be personally liable to the Company or its shareholders for monetary damages for breach of fiduciary duty as a director; provided, however, that Article 7 shall not eliminate or limit the liability of a director to the extent provided by applicable law (i) for any breach of the director's duty of loyalty to the corporation or its shareholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) under section 302A.559 or 80A.76 of the Minnesota Statutes, (iv) for any transaction from which the director derived an improper personal benefit, or (v) for any act or omission occurring prior to the effective date of Article 7 or any predecessor of this provision. Neither the amendment, modification or repeal of Article 7 nor the adoption of any provision in the Articles of Incorporation inconsistent with Article 7 shall

adversely affect any right or protection of a director or officer of the Company with respect to any act or omission that occurred prior to the time of such amendment, modification, repeal or adoption.

The Bylaws provide that the directors and officers of the Company shall have the right to indemnification provided by Minnesota Statutes, Section 302A.521, as now enacted or hereafter amended. Under Section 302A.521, subd. 2, indemnification will be available only where an officer, director or employee can establish that he or she: (i) has not been indemnified by another organization with respect to the same acts or omissions; (ii) acted in good faith; (iii) received no improper personal benefits; (iv) in the case of a criminal proceeding, had no reasonable cause to believe the conduct was unlawful; and (v) reasonably believed the conduct was in the best interests of the Company or, in certain circumstances, reasonably believed that the conduct was not opposed to the best interests of the Company.

The Company maintains, on behalf of its directors and officers, insurance protection against certain liabilities arising out of the discharge of their duties, as well as insurance covering the Company for indemnification payments made to its directors and officers for certain liabilities. The premiums for such insurance are paid by the Company.

With respect to possible indemnification of directors, officers and controlling persons of the Company for liabilities arising under the Securities Act pursuant to such provisions, the Company is aware that the Commission has publicly taken the position that such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

Item 7. Exemption from Registration Claimed

Not applicable.

Item 8. Exhibits

EXHIBIT

NUMBER DESCRIPTION

- | | |
|------|--|
| 5.1 | <u>Opinion of DLA Piper LLP (US), counsel for the Registrant, regarding the legal validity of the shares of Common Stock being registered on this Registration Statement (filed herewith).</u> |
| 10.1 | <u>Axogen, Inc. Non-Qualified Stock Option Inducement Award Agreement, effective as of January 7, 2019, by and between the Registrant and Chris Crisman (filed herewith).</u> |
| 10.2 | <u>Axogen, Inc. Non-Qualified Stock Option Inducement Award Agreement, effective as of January 22, 2019, by and between the Registrant and Eric Sandberg (incorporated by reference from Exhibit 10.2 on the Registrant's Current Report on Form 8K filed with the Commission on January 22, 2019)-.</u> |
| 23.1 | <u>Consent of DLA Piper LLP (US) (contained in Exhibit 5.1).</u> |
| 23.2 | <u>Consent of Deloitte & Touche LLP, the Registrant's Independent Registered Public Accounting Firm (filed herewith).</u> |
| 23.3 | <u>Consent of Lurie, LLP (filed herewith).</u> |
| 24.1 | <u>Power of Attorney (filed herewith).</u> |
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Item 9. Undertakings

- (a) The undersigned Registrant hereby undertakes:
- (1) to file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
 - (i) to include any prospectus required by Section 10(a)(3) of the Securities Act;
 - (ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and
 - (iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) herein do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference into the registration statement;
 - (2) That for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and
 - (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to section 13(a) or section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference into the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (h) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense
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of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

EXHIBIT INDEX

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10.2	<u>Axogen, Inc. Non-Qualified Stock Option Inducement Award Agreement, effective as of January 22, 2019, by and between the Registrant and Eric Sandberg (incorporated by reference from Exhibit 10.2 on the Registrant's Current Report on Form 8K filed with the Commission on January 22, 2019).</u> -
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23.2	<u>Consent of Deloitte & Touche LLP, the Registrant's Independent Registered Public Accounting Firm (filed herewith).</u>
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24.1	<u>Power of Attorney (filed herewith).</u>

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Alachua, State of Florida, on this 20th day of March, 2019.

Axogen, Inc.

By: /s/ Karen Zaderej

Name: Karen Zaderej

Title: Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Karen Zaderej and Peter J. Mariani his or her true and lawful attorney-in-fact, with full power of substitution and resubstitution for him or her and in his or her name, place and stead, in any and all capacities to sign any and all amendments including post-effective amendments to this Registration Statement on Form S-8 (including, without limitation, any additional registration statement filed pursuant to Rule 462 under the Securities Act of 1933), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact or his substitute, each acting alone, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement on Form S-8 has been signed by the following persons in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Karen Zaderej</u> Karen Zaderej	President and Chief Executive Officer, Chairman of the Board and Director (Principal Executive Officer)	March 20, 2019
<u>/s/ Peter J. Mariani</u> Peter J. Mariani	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 20, 2019
<u>/s/ Jamie M. Grooms</u> Jamie M. Grooms	Director	March 20, 2019
<u>/s/ Gregory G. Freitag</u> Gregory G. Freitag	Director, General Counsel	March 20, 2019
<u>/s/ Mark Gold, M.D.</u> Mark Gold, M.D.	Director	March 20, 2019
<u>/s/ Guido J. Neels</u> Guido J. Neels	Director	March 20, 2019

/s/ Robert J. Rudelius
Robert J. Rudelius

Director

March 20, 2019

/s/ Amy Wendell
Amy Wendell

Director

March 20, 2019

DLA Piper LLP (US)
51 John F. Kennedy Parkway,
Suite 120
Short Hills, New Jersey 07078
www.dlapiper.com

T: 973-520-2550
F: 973-520-2551

March 18, 2019

Axogen, Inc.
13631 Progress Boulevard, Suite 400
Alachua, Florida 32615

Re: Axogen, Inc. - Registration Statement on Form S-8

Ladies and Gentlemen:

We have acted as counsel for Axogen, Inc., a Minnesota corporation (the “Company”), in connection with the Registration Statement on Form S-8 to be filed by the Company under the Securities Act of 1933, as amended (the “Registration Statement”), and which registers an aggregate of 80,000 shares (the “Shares”) of common stock, \$0.01 par value per share, of the Company (“Common Stock”) issuable pursuant to separate Non-Qualified Stock Option Inducement Award Agreements between the Company and two individual holders (together, the “Plan”). In that capacity, we have reviewed the Company’s Amended and Restated Certificate of Incorporation (the “Charter”) and Amended and Restated Bylaws, the Registration Statement, the corporate action taken by the Company that provides for the issuance or delivery of the Shares to be issued or delivered under the Plan, and such other materials and matters as we have deemed necessary for the issuance of this opinion.

Based on the foregoing, it is our opinion that the Shares to be issued under the Plan have been duly authorized, and upon the issuance and delivery of the Shares in the manner contemplated by the Plan, and assuming the Company completes all actions and proceedings required on its part to be taken prior to the issuance and delivery of the Shares pursuant to the terms of the Plan, including, without limitation, collection of required payment for the Shares, the Shares will be validly issued, fully paid and nonassessable.

Our opinion set forth above is subject to the following general qualifications and assumptions:

- (1) The foregoing opinion is rendered as of the date hereof. We assume no obligation to update or supplement this opinion if any laws change after the date hereof or if any facts or circumstances come to our attention after the date hereof that might change this opinion.
- (2) We have made no investigation as to, and we express no opinion concerning, any laws other than the laws of the State of Minnesota.
- (3) We express no opinion as to compliance with the securities or “blue sky” laws or principles of conflicts of laws of Minnesota or any other jurisdiction.

(4) We assume that the issuance of the Shares, together with any other outstanding shares of Common Stock, will not cause the Company to issue shares of Common Stock in excess of the number of such shares authorized by the Company's Charter.

(5) This opinion is limited to the matters set forth herein, and no other opinion should be inferred beyond the matters expressly stated.

We consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our firm and to our opinion in the Registration Statement.

Very truly yours,

DLA PIPER LLP (US)

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AXOGEN, INC.
NON-QUALIFIED STOCK OPTION INDUCEMENT AWARD AGREEMENT

This **Non-Qualified Stock Option Inducement Award Agreement** (the “*Agreement*”), effective as of this 7th day of January, 2019 (the “*Effective Date*”), by and between AxoGen, Inc., a Minnesota corporation (the “*Company*”), and Chris Crisman (“*Optionee*”) is made in connection with the Optionee’s entry into employment within the meaning of Rule 5635(c)(4) of the NASDAQ Listing Rules. If and to the extent that this Agreement conflicts or is inconsistent with the terms, conditions and provisions of any employment, consulting or similar services agreement between the Optionee and the Company as may be in effect (the “*Service Agreement*”), the Service Agreement shall control, and this Agreement shall be deemed to be modified accordingly. Capitalized terms used but not defined herein shall have the meanings set forth in that certain Employment Agreement by and between the Company and the Optionee dated as of January 7, 2019 (the “*Employment Agreement*”).

WHEREAS, the Company wishes to grant this stock option (the “*Option*”) to Optionee pursuant to the terms and conditions herein contained.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. **Grant of Option.** The Company hereby grants to Optionee the right and option (the “*Option*”) to purchase all or any part of an aggregate of 35,000 shares (the “*Shares*”) of the common stock, par value \$0.01 per share (the “*Common Stock*”), of the Company at the exercise price of \$16.37 per Share on the terms and conditions set forth herein. It is understood and agreed that such price is not less than the closing price of a share of Common Stock on the NASDAQ on the Effective Date. The Option is not intended to qualify as a non-qualified stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the “*Code*”).

2. **Duration and Exercisability.** The Option is subject to the following terms and conditions:

(a) The Option may not be exercised by Optionee except as set forth herein, and the Option shall in all events terminate ten (10) years from the date hereof (the “*Termination Date*”).

(b) The Option shall not be assignable or transferable by Optionee, other than by will or the laws of descent and distribution.

(c) Subject to the Optionee’s continued employment with Company or any of its subsidiaries, the Option shall vest and may be exercised by Optionee in cumulative installments as follows, which cannot exceed 100% of the Shares subject to the Option:

On or after each of the following dates	Percentage of Shares as to which the Option is exercisable
January 7, 2021	50.0%
July 7, 2021	12.5%
January 7, 2022	12.5%
July 7, 2022	12.5%
January 7, 2023	12.5%

If the foregoing schedule would produce fractional Shares, the number of Shares for which the Option becomes exercisable shall be rounded down to the nearest whole Share. Except as otherwise described in Section 3(c) of this Agreement, during the lifetime of Optionee, the Option shall be exercisable only by Optionee. The vesting of the Option is subject to acceleration under the circumstances described in Sections 2(d) and 3(c).

(d) The Company shall have the discretion to determine the treatment of the Option upon the occurrence of a Change in Control. Notwithstanding the foregoing and the provisions of subparagraph 2(c) above, if a Change in Control occurs, the Option shall automatically accelerate and become fully exercisable in the event that

within twelve months following the Change in Control the employee is terminated without Substantial Cause or leaves the Company for Good Reason. Good Reason, except as otherwise provided in the Employment Agreement, shall mean the occurrence of any one or more of the following:

I. the assignment to Optionee of any duties inconsistent in any respect with his/her position (including status, offices, titles, and reporting requirements), authorities, duties, or other responsibilities as in effect immediately prior to the Change in Control of the Company or any other action of the Company which results in a diminishment in such position, authority, duties, or responsibilities, other than an insubstantial and inadvertent action which is remedied by the Company promptly after receipt of notice thereof given by Optionee;

II. a reduction by the Company in Optionee's base salary as in effect on the date hereof and as the same shall be increased from time to time hereafter; or

III. the failure by the Company to (A) continue in effect any material compensation or benefit plan, program, policy or practice in which Optionee was participating at the time of the Change in Control of the Company or (B) provide Optionee with compensation and benefits at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each employee benefit plan, program, policy and practice as in effect immediately prior to the Change in Control of the Company (or as in effect following the Change in Control of the Company, if greater).

(e) Optionee shall not have any rights as a stockholder with respect to the shares subject to the Option until the date of exercise.

3. **Effect of Termination of Employment with the Company.**

(a) In the event that Optionee shall cease to be employed by the Company or its subsidiaries, for any reason other than by the Company or its subsidiaries (i) for Substantial Cause (as defined below), (ii) due to Optionee's death or (iii) due to the Optionee's Disability (as defined below), Optionee shall have the right to exercise the Option at any time within 90 days after such termination of employment to the extent of the full number of Shares Optionee was entitled to purchase under the Option on the date of termination, subject to the condition that the Option shall not be exercisable after the expiration of its term.

(b) In the event that Optionee shall cease to be employed by or provide services to the Company or its subsidiaries by reason of Optionee's termination by the Company or its subsidiaries for Substantial Cause, the Option shall automatically terminate and shall not be exercisable thereafter. In addition, notwithstanding the prior provisions of this Section 3, if Optionee engages in conduct that constitutes Substantial Cause after Optionee's employment or service with the Company or its subsidiaries terminates, the Option shall immediately terminate.

(c) In the event that Optionee shall die while employed by the Company or its subsidiaries, or within 90 days after termination of his employment with the Company or its subsidiaries for any reason other than by the Company or its subsidiaries for Substantial Cause, or if Optionee's employment with the Company or its subsidiaries is terminated on account of Optionee's Disability, and Optionee shall not have fully exercised the Option, the Option may be exercised at any time within 12 months after the date of Optionee's death or termination of employment because of Disability by the legal representative or, if applicable, guardian of Optionee or by any person to whom the Option is transferred by will or the applicable laws of descent and distribution to the extent of the full number of Shares Optionee was entitled to purchase under the Option on the date of death (or termination of his employment, if earlier) or termination of Optionee's employment because of Disability and subject to the condition that the Option shall not be exercisable after the expiration of its term.

4. **Definitions.**

(a) For purposes of this Agreement, a “Change in Control” of the Company shall be deemed to have occurred if:

I. any “person” (as such term is used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”)) shall, together with his, her or its “*Affiliates*” and “*Associates*” (as such terms are defined in Rule 12b-2 promulgated under the Exchange Act), become the “*Beneficial Owner*” (as such term is defined in Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company’s then outstanding securities (any such person being hereinafter referred to as an “*Acquiring Person*”);

II. the “*Continuing Directors*” (as hereinafter defined) shall cease to constitute a majority of the Company’s Board of Director during a 12-month period s; or

III. there should occur (A) any consolidation or merger involving the Company and the Company shall not be the continuing or surviving corporation or the shares of the Company’s capital stock shall be converted into cash, securities or other property; *provided, however*, that this subclause (A) shall not apply to a merger or consolidation in which (i) the Company is the surviving corporation and (ii) the stockholders of the Company immediately prior to the transaction have the same proportionate ownership of the capital stock of the surviving corporation immediately after the transaction; or (B) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company.

(b) For purposes of this Agreement, a “*Continuing Director*” shall mean any person who is a member of the Board of Directors of the Company, while such person is a member of the Board of Directors, who is not an Acquiring Person, an Affiliate or Associate of an Acquiring Person or a representative of an Acquiring Person or of any such Affiliate or Associate and who (i) was a member of the Company’s Board of Directors on the date of grant of the Option, or (ii) subsequently became a member of the Board of Directors, upon the nomination or recommendation, or with the approval of, a majority of the Continuing Directors.

(c) For purposes of this Agreement “*Substantial Cause*” shall have the meaning as defined in the Employment Agreement.

(d) For purposes of this Agreement, the term “*Disability*” shall be defined in accordance with the meaning proscribed in Section 22(e)(3) of the Code.

5. **Manner of Exercise.**

(a) The Option may only be exercised by Optionee or other proper party within the option term by delivering written notice of exercise to the Company at its principal executive office. The notice shall state the number of Shares as to which the Option is being exercised and shall be accompanied by payment in full of the exercise price for all of the Shares designated in the notice.

(b) Payment of the exercise price shall be made by:

- certified or bank cashier’s check payable to the Company (cash);
- tender of shares of the Company’s Common Stock, which, unless the Committee provides its consent, must have been, previously owned by Optionee, having a Fair Market Value on the date of exercise equal to the exercise price of the Option, or a combination of cash and shares equal to such exercise price;
- attestation of the Company’s Common Stock valued at Fair Market Value as of the date of exercise of the Option equal to the exercise price of the Option, or a combination of cash and shares equal to such exercise price; or

net settlement of the Option, using a portion of the Shares to be obtained on exercise in payment of the exercise price of the Option (and, if applicable, any required minimum tax withholding or such greater amount permitted under FASB Accounting Standards Codification Topic 718, Compensation—Stock Compensation, and amendments thereto, for equity-classified awards).

6. **Adjustments.** In the event that any dividend or other distribution (whether in the form of cash, Common Stock, other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Common Stock or other securities of the Company, issuance of warrants or other rights to purchase Common Stock or other securities of the Company or other similar corporate transaction or event affects the Common Stock such that an adjustment is necessary in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under this Agreement, and all or any portion of the Option shall then be unexercised and not yet expired, then the Committee shall, in such manner as it may deem equitable, adjust (i) the number of Shares subject to the Option or (ii) the exercise price of the Option.

7. **Miscellaneous.**

(a) *No Rights of Shareholders.* Neither Optionee, Optionee's legal representative nor a permissible assignee of this Option shall have any of the rights and privileges of a shareholder of the Company with respect to the Shares, unless and until such Shares have been issued in the name of Optionee, Optionee's legal representative or permissible assignee, as applicable.

(b) *No Right to Continuance of Services.* This Agreement shall not confer on Optionee any right with respect to the continuance of any relationship with the Company or any subsidiary of the Company, nor will it interfere in any way with the right of the Company to terminate such relationship at any time.

(c) *Notice.* Any notice or other communication given pursuant to this Agreement shall be in writing and shall be personally delivered or mailed by United States registered or certified mail, or its non-US equivalent, postage prepaid, return receipt requested, to the Company at its principal place of business or to the Optionee at the address on the payroll records of the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing. Any such notice shall be deemed to have been given (a) on the date of postmark, in the case of notice by mail, or (b) on the date of delivery, if delivered in person.

(d) *No Liability of Committee Members.* No member of the Compensation Committee shall be personally liable by reason of any contract or other instrument executed by such member or on his behalf in his capacity as a member of the Committee nor for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless each member of the Committee and each other employee, officer or director of the Company to whom any duty or power relating to the administration or interpretation of the Agreement may be allocated or delegated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim) arising out of any act or omission to act in connection with the Agreement unless arising out of such person's own fraud or willful bad faith; provided, however, that approval of the Board shall be required for the payment of any amount in settlement of a claim against any such person. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation or By-laws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

(e) *Administration.* Any question concerning the interpretation of this Agreement or the Option, any adjustments required to be made to the Option hereunder, and any controversy that may arise with respect to the Option shall be determined by the Compensation Committee of the board of directors of the Company (the "*Compensation Committee*") in its sole and absolute discretion. All decisions by the Compensation Committee shall be final, binding and conclusive. The Compensation Committee may, in its sole discretion, establish any "blackout" period, during which transactions affecting the Option may not be effectuated, that it deems necessary or advisable.

(f) *Specified Employee Delay.* To the extent any payment under this Agreement is considered “deferred compensation” as defined by Section 409A of the Code, such payment may not be made to a specified employee (as determined in accordance with a uniform policy adopted by the Company with respect to all arrangements subject to Section 409A of the Code) upon separation from service (as defined by Section 409A of the Code and applicable regulations) before the date that is six months after the specified employee’s separation from service (or, if earlier, the specified employee’s death). Any payment that would otherwise be made during this period of delay shall be accumulated and paid on the sixth month plus one day following the specified employee’s separation from service (or, if earlier, as soon as administratively practicable after the specified employee’s death).

(g) *Governing Law.* The validity, construction and effect of this Agreement, and any rules and regulations relating to this Agreement, shall be determined in accordance with the laws of the State of Minnesota.

(h) *Severability.* If any provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify this Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of this Agreement, such provision shall be stricken as to such jurisdiction or this Agreement, and the remainder of this Agreement shall remain in full force and effect.

(i) *No Trust or Fund Created.* This Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any affiliate and Optionee or any other person.

(j) *Headings.* Headings are given to the sections and subsections of this Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Agreement or any provision thereof.

(k) *Conditions Precedent to Issuance of Shares.* Shares shall not be issued pursuant to the exercise of the Option unless such exercise and the issuance and delivery of the applicable Shares pursuant thereto shall comply with all relevant provisions of state and federal securities law, including, without limitation, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, the requirements of the NASDAQ Global Market or any other applicable stock exchange and the Minnesota Business Corporation Act. As a condition to the exercise of the Option, the Company may require that the person exercising or paying the exercise price represent and warrant that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation and warranty is required by law.

(l) *Withholding.* In order to provide the Company with the opportunity to claim the benefit of any income tax deduction which may be available to it upon the exercise of the Option and in order to comply with all applicable federal or state income tax laws or regulations, the Company may take such action as it deems appropriate to assure that, if necessary, all applicable federal or state payroll, withholding, income or other taxes are withheld or collected from Optionee.

(m) *Consultation With Professional Tax and Investment Advisors.* Optionee acknowledges that the grant, exercise, vesting or any payment with respect to this Option, and the sale or other taxable disposition of the Shares acquired pursuant to the exercise thereof, may have tax consequences pursuant to the Code or under local, state or international tax laws. Optionee further acknowledges that such Optionee is relying solely and exclusively on Optionee’s own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company or any of its employees or representatives). Finally, Optionee understands and agrees that any and all tax consequences resulting from this Option and its grant, exercise, vesting or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to this Agreement, is solely and exclusively the responsibility of Optionee without any expectation or understanding that the Company or any of its employees or representatives will pay or reimburse such holder for such taxes or other items.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, effective as of the Effective Date.

AXOGEN, INC.

By: /s/ Karen Zaderej
Name: Karen Zaderej
Its: CEO, President & Chairman

Date: January 7

OPTIONEE

/s/ Chris Crisman
Chris Crisman

Date: January 7

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated February 26, 2019, relating to the financial statements and financial statement schedule of Axogen, Inc. and the effectiveness of Axogen, Inc.'s internal control over financial reporting, appearing in the Annual Report on Form 10-K of Axogen, Inc. for the year ended December 31, 2018.

/s/ DELOITTE & TOUCHE LLP
Miami, Florida
March 20, 2019

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement of Axogen, Inc. on Form S-8 of our report dated February 26, 2018, relating to the consolidated financial statements, financial statement schedules, and the effectiveness of internal control over financial reporting of Axogen, Inc. and Subsidiaries, included in the Annual Report on Form 10-K for the year ended December 31, 2018, filed with the Securities and Exchange Commission.

/s/ LURIE, LLP

Minneapolis, Minnesota
March 20, 2019
