Table of Contents

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2015

or

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

For the transition period from to

Commission file number: 001-34180

FLUIDIGM CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**77-0513190**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

7000 Shoreline Court, Suite 100
South San Francisco, California 94080
(Address of principal executive offices) (Zip Code)

(650) 266-6000
(Registrant's telephone number, including area code)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post 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" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

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

As of October 30, 2015, there were 28,792,350 shares of the Registrant's common stock outstanding.

FLUIDIGM CORPORATION

TABLE OF CONTENTS

		Page
PART I.	FINANCIAL INFORMATION	
Item 1.	Financial Statements (Unaudited)	3
	Condensed Consolidated Balance Sheets - September 30, 2015 and December 31, 2014	3
	Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2015 and 2014	4
	Condensed Consolidated Statements of Comprehensive Loss for the three and nine months ended September 30, 2015 and 2014	4
	Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2015 and 2014	6
	Notes to Condensed Consolidated Financial Statements	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	17
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	29
Item 4.	Controls and Procedures	30
PART II.	OTHER INFORMATION	
Item 1.	Legal Proceedings	32
Item 1A.	Risk Factors	32
Item 5.	Other Information	56
Item 6.	Exhibits	56
SIGNATURES		57
EXHIBIT LIST		58

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

FLUIDIGM CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)
(Unaudited)

	September 30, 2015	December 31, 2014 (Note 2)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 28,817	$ 33,713
Short-term investments	68,253	81,588
Accounts receivable (net of allowances of $88 at September 30, 2015 and $120 at December 31, 2014)	26,248	22,384
Inventories	19,141	15,991
Prepaid expenses and other current assets	2,991	2,221
Total current assets	145,450	155,897
Long-term investments	17,033	27,499
Property and equipment, net	14,358	13,889
Other non-current assets	3,688	3,966
Developed technology, net	93,850	102,200
Goodwill	104,108	104,108
Total assets	$ 378,487	$ 407,559
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 6,303	$ 5,919
Accrued compensation and related benefits	3,586	6,874
Other accrued liabilities	9,413	9,664
Deferred revenue, current portion	8,179	6,928
Total current liabilities	27,481	29,385
Convertible notes, net	195,626	195,455
Deferred tax liability, net	24,118	26,152
Deferred revenue, net of current portion	4,999	4,357
Other non-current liabilities	2,137	1,791
Total liabilities	254,361	257,140
Commitments and contingencies (see Note 7)		
Stockholders' equity:		
Preferred stock, $0.001 par value, 10,000 shares authorized, no shares issued and outstanding at September 30, 2015 and December 31, 2014	—	—
Common stock, $0.001 par value, 200,000 shares authorized at September 30, 2015 and December 31, 2014; 28,786 and 28,341 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	29	28
Additional paid-in capital	475,504	461,362
Accumulated other comprehensive loss	(794)	(794)
Accumulated deficit	(350,613)	(310,177)
Total stockholders' equity	124,126	150,419
Total liabilities and stockholders' equity	$ 378,487	$ 407,559

See accompanying notes.

FLUIDIGM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenue:				
Product revenue	$ 25,101	$ 27,291	$ 74,749	$ 76,326
Service revenue	3,487	2,273	9,043	6,166
License revenue	55	71	198	257
Grant revenue	—	—	—	217
Total revenue	28,643	29,635	83,990	82,966
Costs and expenses:				
Cost of product revenue	10,463	10,558	31,512	27,759
Cost of service revenue	967	863	2,529	2,321
Research and development	9,444	12,687	29,524	31,707
Selling, general and administrative	19,558	18,574	60,874	52,486
Acquisition-related expenses	—	—	—	10,696
Gain on escrow settlement	(3,986)	—	(3,986)	—
Total costs and expenses	36,446	42,682	120,453	124,969
Loss from operations	(7,803)	(13,047)	(36,463)	(42,003)
Gain from sale of investment in Verinata	—	332	—	332
Interest expense	(1,451)	(1,453)	(4,355)	(3,894)
Other expense, net	(377)	(338)	(889)	(308)
Loss before income taxes	(9,631)	(14,506)	(41,707)	(45,873)
Benefit from income taxes	362	716	1,271	3,987
Net loss	$ (9,269)	$ (13,790)	$ (40,436)	$ (41,886)
Net loss per share, basic and diluted	$ (0.32)	$ (0.49)	$ (1.41)	$ (1.52)
Shares used in computing net loss per share, basic and diluted	28,758	28,085	28,677	27,613

See accompanying notes.

FLUIDIGM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net loss	$ (9,269)	$ (13,790)	$ (40,436)	$ (41,886)
Other comprehensive (loss) income, net of tax				
Unrealized gain on available-for-sale securities	$ 11	$ 35	$ 86	$ (5)
Foreign currency translation adjustment	$ (108)	$ (137)	$ (86)	$ (67)
Other comprehensive loss, net of tax	(97)	(102)	—	(72)
Total comprehensive loss	$ (9,366)	$ (13,892)	$ (40,436)	$ (41,958)

See accompanying notes.

FLUIDIGM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2015	2014
Operating activities		
Net loss	$ (40,436)	$ (41,886)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,030	2,922
Stock-based compensation expense	12,850	15,280
Amortization of developed technology	8,400	7,000
Acquisition-related share-based awards acceleration expense	—	2,648
Non-cash charges for sale of inventory revalued at the date of acquisition	—	798
Gain from escrow settlement	(3,986)	—
Gain from sale of investment in Verinata	—	(332)
Loss on disposal of property and equipment	87	—
Other non-cash items	136	83
Changes in assets and liabilities:		
Accounts receivable, net	(3,571)	1,650
Inventories	(4,568)	(6,450)
Prepaid expenses and other current assets	(728)	(564)
Other non-current assets	(116)	(662)
Accounts payable	702	1,453
Deferred revenue	2,000	2,944
Other current liabilities	(3,441)	146
Other non-current liabilities	(1,688)	(4,128)
Net cash used in operating activities	(30,329)	(19,098)
Investing activities		
Acquisition, net of cash acquired	—	(113,190)
Purchases of investments	(53,704)	(106,672)
Proceeds from sales and maturities of investments	77,319	41,412
Proceeds from sale of investment in Verinata	—	332
Purchase of intangible assets	(170)	—
Purchases of property and equipment	(2,545)	(5,919)
Net cash provided by (used in) investing activities	20,900	(184,037)
Financing activities		
Proceeds from issuance of convertible notes, net	—	195,212
Proceeds from exercise of stock options	5,272	4,084
Net cash provided by financing activities	5,272	199,296
Effect of foreign exchange rate fluctuations on cash and cash equivalents	(739)	(483)
Net decrease in cash and cash equivalents	(4,896)	(4,322)
Cash and cash equivalents at beginning of period	33,713	35,261
Cash and cash equivalents at end of period	$ 28,817	$ 30,939
Supplemental cash flow information:		
Issuance of common stock and options related to acquisition	$ —	$ 78,196

See accompanying notes.

FLUIDIGM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Description of Business

Fluidigm Corporation (we, our, or us) was incorporated in the State of California in May 1999 to commercialize microfluidic technology initially developed at the California Institute of Technology. In July 2007, we were reincorporated in Delaware. Our headquarters are located in South San Francisco, California.

We create, manufacture, and market innovative technologies and life-science tools focused on the exploration and analysis of single cells, as well as the industrial application of genomics, based upon our core microfluidics and mass cytometry technologies. We sell instruments and consumables, including integrated fluidic circuits (IFCs), assays, and reagents, to academic institutions, clinical laboratories, and pharmaceutical, biotechnology, and agricultural biotechnology (Ag-Bio) companies.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and following the requirements of the Securities and Exchange Commission (SEC) for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by U.S. GAAP have been condensed or omitted, and accordingly the balance sheet as of December 31, 2014 has been derived from audited consolidated financial statements at that date but does not include all of the information required by U.S. GAAP for complete financial statements. These financial statements have been prepared on the same basis as our annual financial statements and, in the opinion of management, reflect all adjustments (consisting only of normal recurring adjustments) that are necessary for a fair statement of our financial information. The results of operations for the three and nine months ended September 30, 2015 are not necessarily indicative of the results to be expected for the year ending December 31, 2015 or for any other interim period or for any other future year. All intercompany accounts and transactions have been eliminated upon consolidation.

The preparation of these condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. On an ongoing basis, we evaluate our estimates, including critical accounting policies or estimates related to revenue recognition, income tax provisions, stock-based compensation, inventory valuation, allowances for doubtful accounts, and useful lives of long-lived assets. We base our estimates on historical experience and on various relevant assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ significantly from these estimates.

The accompanying condensed consolidated financial statements and related financial information should be read in conjunction with the audited consolidated financial statements and the accompanying notes in Item 8 of Part II "Financial Statements and Supplementary Data" for the year ended December 31, 2014 included in our Annual Report on Form 10-K.

Prior Period Reclassifications

Certain prior period amounts were reclassified to conform with the current period presentation for service revenue and cost of service revenue within our condensed consolidated statement of operations. These reclassifications do not affect total revenue, total costs and expenses, loss from operations, or net loss.

Net Loss per Share

Our basic and diluted net loss per share is calculated by dividing net loss by the weighted-average number of shares of common stock outstanding for the period. Restricted stock units and options to purchase common stock are considered to be potentially dilutive common shares but have been excluded from the calculation of diluted net loss per share as their effect is anti-dilutive for all periods presented.

The following potentially dilutive common shares were excluded from the computation of diluted net loss per share for the interim periods presented because they would have been anti-dilutive (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Stock options, restricted stock units and restricted stock awards	$ 3,839	$ 3,900	$ 3,839	$ 3,900
Convertible notes	3,598	3,598	3,598	3,598
Total	$ 7,437	$ 7,498	$ 7,437	$ 7,498

Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss, net of tax, for the three and nine months ended September 30, 2015 are summarized as follows (in thousands):

	Net Unrealized Gain (Loss) on Marketable Securities	Foreign Currency Translation Adjustment	Accumulated Other Comprehensive Loss
Balance at December 31, 2014	$ (49)	$ (745)	$ (794)
Other comprehensive income	55	139	194
Balance at March 31, 2015	$ 6	$ (606)	$ (600)
Other comprehensive (loss) income	20	(117)	(97)
Balance at June 30, 2015	$ 26	$ (723)	$ (697)
Other comprehensive (loss) income	11	(108)	(97)
Balance at September 30, 2015	$ 37	$ (831)	$ (794)

Investment, at cost

In February 2013, Illumina, Inc. acquired Verinata Health, Inc. (Verinata) for $350 million in cash and up to an additional $100 million in milestone payments through December 2015. In March 2013, we received cash proceeds of $3.1 million in exchange for our ownership interest in Verinata resulting in a gain of $1.8 million. If a final milestone is met on or before December 31, 2015, we could receive up to $3.2 million in additional proceeds. During the third quarter of 2014, we received cash proceeds of $0.3 million from the escrow account related to our investment in Verinata. We recorded the proceeds as "Gain from sale of investment in Verinata" in the accompanying condensed consolidated statements of operations for the three and nine months ended September 30, 2014.

Business Combinations

Assets acquired and liabilities assumed as part of a business acquisition are generally recorded at their fair value at the date of acquisition. The excess of purchase price over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Determining fair value of identifiable assets, particularly intangibles, and liabilities acquired also requires management to make estimates, which are based on all available information and in some cases assumptions with respect to the timing and amount of future revenues and expenses associated with an asset. Accounting for business acquisitions requires management to make judgments as to whether a purchase transaction is a multiple element contract, meaning that it includes other transaction components such as a settlement of a preexisting relationship. This judgment and determination affects the amount of consideration paid that is allocable to assets and liabilities acquired in the business purchase transaction (See Note 4).

Long-lived Assets, including Goodwill

Goodwill and intangible assets with indefinite lives are not subject to amortization, but are tested for impairment on an annual basis during the fourth quarter or whenever events or changes in circumstances indicate the carrying amount of these assets may not be recoverable. We first conduct an assessment of qualitative factors to determine whether it is more likely than not that the fair value of our reporting unit is less than its carrying amount. If we determine that it is more likely than not that the fair value of our reporting unit is less than its carrying amount, we then conduct a two-step test for impairment of goodwill. In the first step, we compare the fair value of our reporting unit to its carrying value. If the fair value of our reporting unit exceeds its carrying value, goodwill is not considered impaired and no further analysis is required. If the carrying value of the reporting

unit exceeds its fair value, then the second step of the impairment test must be performed in order to determine the implied fair value of the goodwill. If the carrying value of the goodwill exceeds its implied fair value, then an impairment loss equal to the difference would be recorded.

We evaluate our finite lived intangible assets for indicators of possible impairment when events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. If any indicator of impairment exists, we assess the recoverability of the affected intangible assets by determining whether the carrying value of the asset can be recovered through undiscounted future operating cash flows. If impairment is indicated, we estimate the asset's fair value using future discounted cash flows associated with the use of the asset, and adjust the carrying value of the asset accordingly.

Recent Accounting Pronouncements

With the exception of those discussed below, there have not been any recent changes in accounting pronouncements issued by the Financial Accounting Standards Board (FASB) during the nine months ended September 30, 2015 that are of significance or potential significance to us.

In April 2015, the FASB issued Accounting Standards Update No. 2015-03 (ASU-2015-03), Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs. This guidance is intended to simplify the presentation of debt issuance costs. These amendments require that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. It will be effective for our interim and annual financial statements beginning in the first quarter of 2016 and early adoption is permitted. We will apply the guidance in ASU 2015-03 in our financial statements commencing in the first quarter of 2016, which will result in a reclassification of approximately $1.0 million from Other assets to a reduction of Convertible notes, net.

In May 2014, the FASB issued Accounting Standards Update 2014-09 (ASU 2014-09) regarding ASC Topic 606 Revenue from Contracts with Customers. ASU 2014-09 provides principles for recognizing revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. On July 7, 2015, the FASB amended ASU 2014-09 to defer the effective date by one year with early adoption permitted as of the original effective date. ASU 2014-09 will be effective for our fiscal year beginning January 1, 2018 unless we elect the earlier date of January 1, 2017. We are currently evaluating the accounting, transition, and disclosure requirements of the standard. We have not yet determined whether we will elect early adoption of the standard and cannot currently estimate the financial statement impact of adoption.

In July 2015, the FASB issued Accounting Standards Update 2015-11, Inventory (Topic 330): Simplifying the Measurement of Inventory (ASU 2015-11) which changes the measurement principle for inventory from the lower of cost or market to the lower of cost and net realizable value. ASU 2015-11 defines net realizable value as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. It will be effective for our interim and annual financial statements beginning in the first quarter of 2017 and early adoption is permitted. We are currently evaluating the adoption of the provisions of ASU 2015-11 and cannot currently estimate the financial statement impact of adoption.

3. Convertible Notes

On February 4, 2014, we closed an underwritten public offering of $201.3 million aggregate principal amount of our 2.75% Senior Convertible Notes due 2034 (Notes) pursuant to an underwriting agreement, dated January 29, 2014. The Notes accrue interest at a rate of 2.75% per year, payable semi-annually in arrears on February 1 and August 1 of each year, commencing August 1, 2014. The Notes will mature on February 1, 2034, unless earlier converted, redeemed, or repurchased in accordance with the terms of the Notes. The initial conversion rate of the Notes is 17.8750 shares of our common stock, par value $0.001 per share, per $1,000 principal amount of Notes (which is equivalent to an initial conversion price of approximately $55.94 per share). The conversion rate will be subject to adjustment upon the occurrence of certain specified events. Holders may surrender their Notes for conversion at any time prior to the stated maturity date. On or after February 6, 2018 and prior to February 6, 2021, we may redeem any or all of the Notes in cash if the closing price of our common stock exceeds 130% of the conversion price for a specified number of days, and on or after February 6, 2021, we may redeem any or all of the Notes in cash without any such condition. The redemption price of the Notes will equal 100% of the principal amount of the Notes plus accrued and unpaid interest. Holders may require us to repurchase all or a portion of their Notes on each of February 6, 2021, February 6, 2024, and February 6, 2029 at a repurchase price in cash equal to 100% of the principal amount of the Notes plus accrued and unpaid

interest. If we undergo a fundamental change, as defined in the terms of the Notes, holders may require us to repurchase the Notes in whole or in part for cash at a repurchase price equal to 100% of the principal amount of the Notes plus accrued and unpaid interest.

In February 2014, we received $195.2 million, net of underwriting discounts, from the issuance of the Notes and incurred approximately $1.1 million in offering-related expenses. We used $113.2 million of the net proceeds to fund the cash portion of the consideration payable by us in connection with our acquisition of DVS Sciences, Inc. (now Fluidigm Sciences Inc.) (DVS) (See Note 4). Interest expense related to the Notes was approximately $1.5 million and $4.4 million for the three and nine months ended September 30, 2015. Interest expense related to the Notes was approximately $1.5 million and $3.9 million for the three and nine months ended September 30, 2014. Approximately $5.5 million of accrued interest under the Notes became due and was paid during the nine months ended September 30, 2015.

4. Acquisition

On February 13, 2014 (Acquisition Date), we acquired DVS primarily to broaden our addressable single-cell biology market opportunity and complement our existing product offerings. DVS develops, manufactures, markets, and sells high-parameter single-cell protein analysis systems and related reagents and data analysis tools. DVS's principal market is the life sciences research market consisting of drug development companies, government research centers, and universities worldwide.

The contractual price for the acquisition was $207.5 million, subject to certain adjustments as specified in the merger agreement. The measurement period for the acquisition ended on February 12, 2015. The aggregate purchase price was determined to be $199.9 million, as detailed in the table below (in thousands):

	Estimated Fair Value
Cash	$ 126,048
Issued 1,759,007 shares of Fluidigm common stock	76,805
Acquisition consideration paid at Acquisition Date	202,853
Accelerated stock compensation (1)	(6,690)
Estimated fair value of vested Fluidigm equivalent stock options (2)	4,039
Working capital adjustment	(269)
Aggregate purchase price	**$ 199,933**

(1) As a part of the acquisition, we accelerated vesting of certain DVS stock options and shares of restricted stock, and incurred a $6.7 million expense, based upon the per share consideration paid to holders of shares of DVS common stock as of February 13, 2014. This expense is accounted for as a separate transaction and reflected in the acquisition-related expenses line of the condensed consolidated statements of operations.

(2) In conjunction with the acquisition, we assumed all outstanding DVS stock options and unvested shares of restricted stock and converted, as of the Acquisition Date, the unvested stock options outstanding under the DVS stock option plan into unvested stock options to purchase approximately 143,000 shares of Fluidigm common stock and the unvested DVS restricted stock into approximately 186,000 shares of restricted Fluidigm common stock, retaining the original vesting schedules. The fair value of all converted share-based awards was $14.6 million, of which $4.0 million was attributed to the pre-combination service period and was included in the calculation of the purchase price. The remaining fair value will be recognized over the awards' remaining vesting periods subsequent to the acquisition. The fair value of the Fluidigm equivalent share-based awards as of the Acquisition Date was estimated using the Black-Scholes valuation model.

Approximately 885,000 shares of Fluidigm common stock, with a fair value of $38.6 million as of the Acquisition Date, representing 50.3030% of the shares otherwise payable to the former stockholders of DVS, were deposited into escrow (Escrowed Shares). The Escrowed Shares comprised a portion of the merger consideration and were being held in escrow to secure indemnification obligations under the merger agreement, if any, for a period of 13 to 18 months following the Acquisition Date, subject to any then pending indemnification claims. Under the terms of the merger agreement, fifty percent (50.0%) of the aggregate shares subject to the indemnification escrow were eligible for release on March 13, 2015 (Initial Release Date), and the balance of the shares were eligible for release on August 13, 2015, provided that in each case shares would have continued to be held in escrow in amounts that we reasonably determined in good faith to be necessary to satisfy any claims for which we had delivered a notice of claim which had not been fully resolved between us and the representative of the former stockholders of DVS (Stockholder Representative). Prior to the Initial Release Date, we submitted escrow claim notices under the terms of the

merger agreement. On April 9, 2015, the Stockholder Representative provided notices objecting to our claims. In July 2015, we entered into a settlement agreement with the Stockholder Representative regarding the claims (Settlement Agreement). Pursuant to the terms of the Settlement Agreement, the parties agreed to release approximately 80% of the Escrowed Shares to the former stockholders of DVS, and the remaining approximately 20% of the Escrowed Shares, or 170,107 shares, to us, which were canceled and returned to the status of authorized and unissued shares. Additionally, the parties agreed to, among other things, release various claims and waive certain rights with respect to the merger agreement. On the settlement date, the 170,107 shares had a value of approximately $4.0 million, which was recorded as gain on escrow settlement during the quarter ended September 30, 2015.

Net Assets Acquired

The transaction has been accounted for using the acquisition method of accounting which requires that assets acquired and liabilities assumed be recognized at their fair values as of the Acquisition Date. The following table summarizes the assets acquired and liabilities assumed as of the Acquisition Date (in thousands):

	Allocation of purchase price
Cash and cash equivalents	$ 8,405
Accounts receivable, net	7,698
Inventories	3,489
Prepaid expenses and other current assets	1,482
Property and equipment, net	1,202
Developed technology	112,000
Goodwill	104,108
Other non-current assets	88
Total assets acquired	238,472
Accounts payable	(1,114)
Accrued compensation and related benefits	(761)
Other accrued liabilities	(1,204)
Deferred revenue, current portion	(1,844)
Tax payable	(45)
Deferred tax liability	(31,942)
Deferred revenue, net of current portion	(1,629)
Net assets acquired	**$ 199,933**

The following table provides details of intangible assets acquired in connection with the DVS acquisition as of September 30, 2015 (in thousands, except years):

	Gross	Accumulated Amortization	Net	Useful Life (years)
Developed technology	$ 112,000	$ (18,200)	$ 93,800	10

We recognized $2.8 million and $8.4 million in intangible asset amortization expense during the three and nine months ended September 30, 2015, respectively. We recognized $2.8 million and $7.0 million in intangible asset amortization expense during the three and nine months ended September 30, 2014, respectively. Intangible asset amortization expense is recorded in cost of product revenue.

The $104.1 million of goodwill recognized as part of the transaction is attributable primarily to expected synergies and other benefits from the acquisition, including expansion of our addressable market from the single-cell genomics market to the larger single-cell biology market and the ability to leverage our larger global commercial sales organization and infrastructure to expand awareness of DVS's products and technology. Goodwill is not deductible for income tax purposes. There were no changes in goodwill between December 31, 2014 and September 30, 2015.

Acquisition Costs

Acquisition-related expenses were $10.7 million for the nine months ended September 30, 2014 and primarily included accelerated vesting of certain DVS restricted stock and options, and consulting, legal, and investment banking fees. These costs are included within the acquisition-related expenses line of the condensed consolidated statements of operations. No such costs were incurred in the three and nine months ended September 30, 2015.

5. Balance Sheet Details

Inventories

Inventories consist of the following (in thousands):

	September 30, 2015	December 31, 2014
Raw materials	$ 6,842	$ 4,670
Work-in-process	3,765	3,524
Finished goods	8,534	7,797
	$ 19,141	$ 15,991

Property and Equipment, net

Property and equipment, net consisted of the following (in thousands):

	September 30, 2015	December 31, 2014
Computer equipment and software	$ 4,795	$ 3,905
Laboratory and manufacturing equipment	21,110	17,592
Leasehold improvements	5,738	4,988
Office furniture and fixtures	1,580	1,804
	33,223	28,289
Less accumulated depreciation and amortization	(19,351)	(16,360)
Construction-in-progress	486	1,960
Property and equipment, net	$ 14,358	$ 13,889

Intangible Assets

The total intangible assets, which includes developed technology as a result of the DVS acquisition and other intangible assets included in Developed technology, net and Other non-current assets, was $95.3 million as of September 30, 2015. The estimated future amortization expense of intangible assets as of September 30, 2015 is as follows (in thousands):

	Amount
2015 (remainder of year)	$ 2,876
2016	11,504
2017	11,489
2018	11,424
2019	11,333
Thereafter	46,667
	$ 95,293

6. Fair Value of Financial Instruments

As a basis for considering fair value, we follow a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level I: observable inputs such as quoted prices in active markets;

Level II: inputs other than quoted prices in active markets that are observable either directly or indirectly; and

Level III: unobservable inputs in which there is little or no market data, which requires us to develop our own assumptions.

Our cash equivalents, which include money market funds, are classified as Level I because they are valued using quoted market prices. Our investments are generally classified as Level II because their value is based on valuations using significant inputs derived from or corroborated by observable market data. Depending on the security, the income and market approaches are used in the model driven valuations. Inputs of these models include recently executed transaction prices in securities of the issuer or comparable issuers and yield curves.

The following table sets forth our financial instruments that were measured at fair value by level within the fair value hierarchy (in thousands):

	September 30, 2015				December 31, 2014			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Assets								
Money market funds	$ 10,836			$ 10,836	$ 10,220	$ —	$ —	$ 10,220
U.S. government and agency securities		85,286		85,286	—	109,087	—	109,087
Total assets measured at fair value	$ 10,836	$ 85,286	$ —	$ 96,122	$ 10,220	$ 109,087	$ —	$ 119,307

There were no transfers in and out of Level I and Level II fair value measurement categories during the nine months ended September 30, 2015 and 2014, and there were no changes in the valuation techniques used.

The following is a summary of investments at September 30, 2015 and December 31, 2014 (in thousands):

	September 30, 2015			
	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value
U.S. government and agency securities	$ 85,249	$ 37	$ —	$ 85,286

	December 31, 2014			
	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value
U.S. government and agency securities	$ 109,136	$ 3	$ (52)	$ 109,087

The contractual maturity dates of $68.3 million of our investments are within one year from September 30, 2015. The contractual maturity dates of our remaining securities are less than eighteen months from September 30, 2015.

Based on an evaluation of securities that were in a loss position, we did not recognize any other-than-temporary impairment charges for the three and nine months ended September 30, 2015 and 2014. None of these investments have been in a continuous loss position for more than 12 months. Our conclusion that these losses are not “other-than-temporary” is based on the high credit quality of the securities, their short remaining maturity periods, and our intent and ability to hold such securities until the date of recovery of their respective market values or maturity.

The estimated fair value of the Notes is based on a market approach. The estimated fair value was approximately $144.0 million (par value $201.3 million) as of September 30, 2015 and represents a Level II valuation. When determining the estimated fair value of our long-term debt, we used a commonly accepted valuation methodology and market-based risk measurements that are indirectly observable, such as credit risk.

The following is a summary of our cash and cash equivalents (in thousands):

	September 30, 2015	December 31, 2014
Cash	$ 17,981	$ 23,493
Money market funds	10,836	10,220
Cash and cash equivalents	$ 28,817	$ 33,713

7. Commitments and Contingencies

Operating Leases

On April 9, 2013, we entered into an amendment (the 2013 Amendment) to the lease agreement dated September 14, 2010 (as amended, the Lease) relating to the lease of office and laboratory space at our corporate headquarters located in South San Francisco, California. The 2013 Amendment provided for an expansion of the premises covered under the Lease, effective April 1, 2014; an extension of the term of the Lease to April 30, 2020 with an option to renew for an additional five years; payment of base rent with rent escalation; and payment of certain operating expenses during the term of the Lease. The 2013 Amendment also provided for an allowance of approximately $0.7 million for tenant improvements, $0.5 million of which was used for tenant improvements and $0.2 million of which was used to offset base rent obligations in the quarter ended September 30, 2015, and an additional allowance of approximately $0.5 million for tenant improvements, which, if used, will be repaid in equal monthly payments with interest at a rate of 9% per annum over the remaining term of the Lease. We did not use the additional allowance as of September 30, 2015. The total future minimum lease payments for the additional space, which will be paid through April 2020, are approximately $7.1 million as of September 30, 2015.

On June 4, 2014, we entered into an additional amendment to the Lease (the June 2014 Amendment), which provided for an expansion of the premises covered under the Lease by approximately 13,000 square feet, effective October 1, 2014; payment of base rent with rent escalation; and payment of certain operating expenses during the term of the Lease. The June 2014 Amendment also provided for an allowance of approximately $0.2 million for tenant improvements, which was fully utilized by March 31, 2015, and an additional allowance of approximately $0.1 million for tenant improvements, which, if used, will be repaid in equal monthly payments with interest at a rate of 9% per annum over the remaining term of the Lease. The total future minimum lease payments for the additional space, which will be paid through April 2020, are approximately $2.1 million as of September 30, 2015.

On September 15, 2014, we entered into an additional amendment to the Lease (the September 2014 Amendment), which provided for an expansion of the premises covered under the Lease by approximately 9,000 square feet, effective October 1, 2014; payment of base rent with rent escalation; and payment of certain operating expenses during the term of the Lease. The September 2014 Amendment also provided for an allowance of approximately $0.2 million for tenant improvements. The total future minimum lease payments for the additional space, which will be paid through April 2020, are approximately $1.4 million as of September 30, 2015.

On October 14, 2013, Fluidigm Singapore Pte. Ltd., our wholly-owned subsidiary (Fluidigm Singapore), accepted an offer of tenancy (Singapore Lease) from HSBC Institutional Trust Services (Singapore) Limited, as trustee of Ascendas Real Estate Investment Trust (Landlord), relating to the lease of a new facility located in Singapore. Pursuant to the terms of the Singapore Lease, Fluidigm Singapore took possession of the facility commencing on March 3, 2014 for a term of 99 months, and the Singapore Lease and rental obligations thereunder commenced on June 3, 2014. The Singapore Lease also provides Fluidigm Singapore with an option to renew the Singapore Lease for an additional 60 months at the then prevailing market rent, and on similar terms as the existing Singapore Lease. In June 2014, Fluidigm Singapore leased additional space of approximately 2,400 square feet in the same building as the new facility on the same terms as the Singapore Lease (the June 2014 Singapore Lease). We completed the consolidation of our Singapore manufacturing operations in the new space in July 2014 and the site qualification was completed in August 2014. The leases relating to our prior manufacturing facility in Singapore terminated on August 31, 2014. In April 2015, Fluidigm Singapore leased additional space of approximately 10,000 square feet in the same building on the same terms as the Singapore Lease (the April 2015 Singapore Lease). In connection with the April 2015 Singapore Lease, Fluidigm Singapore terminated the June 2014 Singapore Lease as of June 30, 2015. The total future minimum lease payments for the facility, which will be paid through June 2022, are approximately $4.1 million as of September 30, 2015.

In connection with our acquisition of DVS (See Note 4), we acquired the operating leases for facilities in Sunnyvale, California and Markham, Ontario, Canada, which expire in July 2016 and April 2016, respectively. The Canada lease includes an option to renew the lease for an additional five years at the then prevailing market rent, and on similar terms as the existing lease. We recognize rent expense on a straight-line basis over the non-cancelable lease term. The total future minimum lease payments for the operating leases in Sunnyvale, California and Markham, Ontario, Canada are approximately $235,000 as of September 30, 2015.

On August 18, 2015, we, Fluidigm Canada Inc., our wholly-owned subsidiary (Fluidigm Canada), and Rodick Equities, Inc. (the "Landlord") entered into an office lease dated as of August 17, 2015 (the New Canada Lease), relating to the lease of approximately 41,145 square feet of office, laboratory, and warehouse space at a facility in Markham, Ontario, Canada. Pursuant to the terms of the New Canada Lease, Fluidigm Canada was in possession of the new space commencing on or about August 27, 2015, and rental obligations thereunder will commence on April 1, 2016 for a term of ten years. The New Canada Lease provided for an allowance for tenant improvements, an option to renew the Lease for an additional five years, and a right of first offer on certain additional space in the building. The total future minimum lease payments for the New Canada Lease, which will be paid through March 31, 2026, are approximately $4.5 million as of September 30, 2015.

Warranty

We accrue for estimated warranty obligations at the time of product shipment. Management periodically reviews the estimated fair value of its warranty liability and records adjustments based on the terms of warranties provided to customers, historical and anticipated warranty claim experience. Activity for our warranty accrual for the three and nine months ended September 30, 2015 and 2014, which is included in other accrued liabilities, is summarized below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Beginning balance	$ 1,052	$ 1,095	$ 1,178	$ 344
Acquired warranty obligation from DVS				791
Warranty accrual, net	(36)	199	(162)	159
Ending balance	$ 1,016	$ 1,294	$ 1,016	$ 1,294

Legal Matters

From time to time, we may be subject to various legal proceedings and claims arising in the ordinary course of business. We assess contingencies to determine the degree of probability and range of possible loss for potential accrual in our financial statements. An estimated loss contingency is accrued in the financial statements if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

Pursuant to the terms of a patent cross license agreement with Applied Biosystems, LLC (a subsidiary of Life Technologies Corporation, or Life, and now part of Thermo Fisher Scientific), we were obligated to make a $1.0 million payment to Life upon satisfaction of certain conditions. We do not believe that the conditions triggering the payment obligation have been met; however, on October 16, 2013, Life provided notice that the $1.0 million payment was due and payable under the license agreement. We accrued a loss contingency of $1.0 million on September 30, 2013 and on January 30, 2014, we paid Life the amount due while reserving our rights with respect to such matter. Among other reasons, we made the payment to avoid what would have been, in our view, an improper termination of our license to certain Life patent filings under the agreement, which could have subjected our relevant product lines to risks associated with patent infringement litigation.

8. Stock-Based Compensation

During the three and nine months ended September 30, 2015, we granted certain employees options to purchase 72,000 and 399,000 shares of common stock, respectively. The options granted during the three months ended September 30, 2015 had exercise prices ranging from $8.11 to $20.59 and a total grant date fair value of $0.5 million. The options granted during the nine months ended September 30, 2015 had exercise prices ranging from $8.11 to $44.20 and a total grant date fair value of $6.6 million.

During the three and nine months ended September 30, 2015, we granted certain employees 104,000 and 492,000 restricted stock units, respectively. The restricted stock units granted during the three months ended September 30, 2015 had fair market

values ranging from $8.11 to $20.03 and a total grant date fair value of $1.4 million. The restricted stock units granted during the nine months ended September 30, 2015 had fair market values ranging from $8.11 to $44.20 and a total grant date fair value of $16.8 million. The fair value of restricted stock units is determined based on the value of the underlying common stock on the date of grant.

The expenses relating to these options and restricted stock units will be recognized over their respective four-year vesting periods.

We recognized stock-based compensation expense of $4.1 million and $6.0 million during the three months ended September 30, 2015 and 2014, respectively. We recognized stock-based compensation expense of $12.9 million and $15.3 million during the nine months ended September 30, 2015 and 2014, respectively. As of September 30, 2015, we had $13.6 million and $20.4 million of unrecognized stock-based compensation costs related to stock options and restricted stock units, respectively, which are expected to be recognized over a weighted average period of 2.3 years and 3.0 years, respectively.

In conjunction with the DVS acquisition, we assumed all outstanding DVS stock options and unvested shares of restricted stock (See Note 4). As of September 30, 2015, we had $0.4 million of unrecognized stock-based compensation costs related to the assumed stock options, which are expected to be recognized over a remaining weighted average period of 1.3 years.

9. Income Taxes

The provision or benefit for income taxes for the periods presented differs from the 34% U.S. Federal statutory rate primarily due to maintaining a valuation allowance for U.S. losses and tax assets, which we do not consider to be realizable. We recorded a tax benefit of $0.4 million and $1.3 million for the three and nine months ended September 30, 2015, respectively, which was primarily attributable to the amortization of our acquisition-related deferred tax liability, partially offset by tax provision and provision for uncertain tax liabilities related to our foreign operations. The tax benefit of $0.7 million and $4.0 million for the three and nine months ended September 30, 2014, respectively, was primarily attributable to the release of the valuation allowance associated with our California deferred tax assets upon recording the foreign and California deferred tax liabilities arising from the DVS acquisition and the deferred tax liabilities arising from amortization of acquired intangible assets.

10. Information about Geographic Areas

We operate in one reporting segment, which is the development, manufacturing, and commercialization of life science analytical and preparatory systems consisting of instruments and consumables for academic institutions, clinical laboratories, and pharmaceutical, biotechnology, and Ag-Bio companies in growth markets, such as single-cell biology and production genomics.

The following table presents our product and service revenue by geography of our customers for each period presented (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
United States	$ 13,571	$ 16,711	$ 41,501	$ 42,149
Europe	10,049	8,077	25,977	21,991
Japan	1,218	958	4,027	5,670
Asia-Pacific	2,316	2,792	8,430	9,496
Other	1,434	1,026	3,857	3,186
Total	$ 28,588	$ 29,564	$ 83,792	$ 82,492

Our license and grant revenues are primarily generated in the United States. No individual customer represented more than 10% of our revenues for the three and nine months ended September 30, 2015 and 2014.

11. Subsequent Events

Some of the intellectual property rights covering our mass cytometry products were subject to a license agreement (the Original License Agreement) between Fluidigm Canada Inc. (Fluidigm Canada) and PerkinElmer Health Sciences, Inc. (PerkinElmer). Under the Original License Agreement, Fluidigm Canada received an exclusive, royalty bearing, worldwide license to certain patents owned by PerkinElmer in the field of ICP-based mass cytometry, including the analysis of elemental tagged materials in connection therewith (the Patents), and a non-exclusive license for reagents outside the field of ICP-based

mass cytometry. On November 4, 2015, we entered into a patent purchase agreement with PerkinElmer pursuant to which we purchased the Patents for a purchase price of $6.5 million and a patent assignment agreement pursuant to which PerkinElmer transferred and assigned to us all rights, title, privileges, and interest in and to the Patents and the Original License Agreement. Accordingly, we have no further financial obligations to PerkinElmer under the Original License Agreement. Contemporaneously with the purchase of the Patents, we entered into a license agreement with PerkinElmer pursuant to which we granted PerkinElmer a worldwide, non-exclusive, fully paid-up license to the Patents in fields other than (i) ICP-based mass analysis of atomic elements associated with a biological material, including any elements that are unnaturally bound, directly or indirectly, to such biological material (Mass Analysis) and (ii) the development, design, manufacture, and use of equipment or associated reagents for such Mass Analysis. The license will terminate on the last expiration date of the Patents, currently expected to be in December 2025, unless earlier terminated pursuant to the terms of the license agreement.

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

The following discussion and analysis should be read together with our condensed consolidated financial statements and the notes to those statements included elsewhere in this Form 10-Q. This Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or Exchange Act, that are based on our management's beliefs and assumptions and on information currently available to our management. The forward-looking statements are contained principally in the section entitled "Risk Factors" and this Management's Discussion and Analysis of Financial Condition and Results of Operations. Forward-looking statements include information concerning our possible or assumed future cash flow, revenue, sources of revenue and results of operations, operating and other expenses, unit sales, business strategies, financing plans, expansion of our business, competitive position, industry environment, potential growth opportunities, and the effects of competition. Forward-looking statements include statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would," or similar expressions and the negatives of those terms.

Forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. We discuss these risks in greater detail in Part II, Item 1A, "Risk Factors," elsewhere in this Form 10-Q, and in our Annual Report on Form 10-K filed with the Securities and Exchange Commission, or SEC. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of this Form 10-Q.

Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. You should read this Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect.

"Fluidigm," the Fluidigm logo, "Access Array," "Biomark," "C1," "Callisto," "CyTOF," "Delta Gene," "EP1," "Helios," "Juno," "Polaris," and "SNP Type," are trademarks or registered trademarks of Fluidigm Corporation. Other service marks, trademarks, and trade names referred to in this Form 10-Q are the property of their respective owners.

In this Form 10-Q, "we," "us," and "our" refer to Fluidigm Corporation and its subsidiaries.

Overview

We create, manufacture, and market innovative technologies and life-science tools focused on the exploration and analysis of single cells, as well as the industrial application of genomics, based upon our core microfluidics and mass cytometry technologies. We sell instruments and consumables, including integrated fluidic circuits, or IFCs, assays, and reagents, to academic institutions, clinical laboratories, and pharmaceutical, biotechnology, and agricultural biotechnology, or Ag-Bio, companies.

We distribute our systems through our direct sales force and support organizations located in North America, Europe, and Asia-Pacific, and through distributors or sales agents in several European, Latin American, Middle Eastern, and Asia-Pacific countries. Our manufacturing operations are primarily located in Singapore and Canada. Our facility in Singapore manufactures our genomics instruments, several of which are assembled at facilities of our contract manufacturers in Singapore, with testing and calibration of the assembled products performed at our Singapore facility. All of our IFCs for commercial sale and some IFCs for our research and development purposes are also fabricated at our Singapore facility. Our proteomics analytical instruments are manufactured at our facility in Canada. We also manufacture IFCs for research and development, assays, and reagents at our facilities in South San Francisco, California.

Our total revenue grew from $71.2 million in 2013 to $116.5 million in 2014 (including $20.7 million in revenue from the sales of CyTOF 2 systems and related consumables following our acquisition of DVS Sciences, Inc., or DVS, in February 2014), and for the nine months ended September 30, 2015, our total revenue was $84.0 million. We have incurred significant net losses since our inception in 1999 and, as of September 30, 2015, our accumulated deficit was $350.6 million.

Critical Accounting Policies, Significant Judgments and Estimates

Our condensed consolidated financial statements and the related notes included elsewhere in this Form 10-Q are prepared in accordance with accounting principles generally accepted in the United States. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue,

costs, and expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Changes in accounting estimates may occur from period to period. Accordingly, actual results could differ significantly from the estimates made by our management. We evaluate our estimates and assumptions on an ongoing basis. To the extent there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected.

Except as otherwise disclosed, there have been no material changes in our critical accounting policies and estimates in the preparation of our condensed consolidated financial statements during the three and nine months ended September 30, 2015 compared to those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC on February 26, 2015.

Recent Accounting Pronouncements

See Note 2 — "Summary of Significant Accounting Policies" in the notes to our condensed consolidated financial statements.

Results of Operations

The following table presents our historical condensed consolidated statements of operations data for the three and nine months ended September 30, 2015 and 2014, and as a percentage of total revenue for the respective periods ($ in thousands):

	Three Months Ended September 30,				Nine months ended September 30,			
	2015	2015	2014	2014	2015	2015	2014	2014
Revenue:								
Total revenue	$ 28,643	100 %	$ 29,635	100 %	$ 83,990	100 %	$ 82,966	100 %
Costs and expenses:								
Cost of product revenue	10,463	37	10,558	35	31,512	38	27,759	33
Cost of service revenue	967	3	863	3	2,529	3	2,321	3
Research and development	9,444	33	12,687	43	29,524	35	31,707	38
Selling, general and administrative	19,558	68	18,574	63	60,874	72	52,486	63
Acquisition-related expenses	—	—	—	—	—	—	10,696	13
Gain on escrow settlement	(3,986)	(14)	—	—	(3,986)	(5)	—	—
Total costs and expenses	36,446	127	42,682	144	120,453	143	124,969	150
Loss from operations	(7,803)	(27)	(13,047)	(44)	(36,463)	(43)	(42,003)	(50)
Gain from sale of investment in Verinata	—	—	332	1	—	—	332	-
Interest expense	(1,451)	(5)	(1,453)	(5)	(4,355)	(5)	(3,894)	(5)
Other expense, net	(377)	(2)	(338)	(1)	(889)	(2)	(308)	—
Loss before income taxes	(9,631)	(34)	(14,506)	(49)	(41,707)	(50)	(45,873)	(55)
Benefit from income taxes	362	2	716	2	1,271	2	3,987	5
Net loss	$ (9,269)	(32)%	$ (13,790)	(47)%	$ (40,436)	(48)%	$ (41,886)	(50)%

Revenue

We generate revenue from sales of our products and services, license agreements, and government grants. Our product revenue consists of sales of instruments and consumables, including IFCs, assays, and other reagents. Our service revenue consists of post-warranty service contracts, preventive maintenance plans, installation, and training. We have entered into license agreements and have received government grants to conduct research and development activities.

The following table presents our revenue by source for each period presented (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenue:				
Instruments	$ 15,057	$ 15,576	$ 42,757	$ 42,161
Consumables	10,044	11,715	31,992	34,165
Product revenue	25,101	27,291	74,749	76,326
Service revenue	3,487	2,273	9,043	6,166
License revenue	55	71	198	257
Grant revenue	—	—	—	217
Total revenue	$ 28,643	$ 29,635	$ 83,990	$ 82,966

The following table presents our product and service revenue by geography and as a percentage of total product and service revenue, respectively, by geography of our customers for each period presented ($ in thousands):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2015		2014		2015		2014	
United States	$ 13,571	48%	$ 16,711	57%	$ 41,501	50%	$ 42,149	51%
Europe	10,049	35	8,077	27	25,977	31	21,991	27
Japan	1,218	4	958	3	4,027	5	5,670	7
Asia-Pacific	2,316	8	2,792	9	8,430	10	9,496	11
Other	1,434	5	1,026	4	3,857	4	3,186	4
Total	$ 28,588	100%	$ 29,564	100%	$ 83,792	100%	$ 82,492	100%

Our customers include academic research institutions, clinical laboratories, and pharmaceutical, biotechnology, and Ag-Bio companies worldwide. Total revenue, excluding license and grant revenue, from our five largest customers comprised 13% and 13% of our total revenue in the three and nine months ended September 30, 2015, respectively, and 15% and 16% in the three and nine months ended September 30, 2014, respectively.

We currently expect revenues for 2015 to be lower than 2014.

Comparison of the Three Months Ended September 30, 2015 and September 30, 2014

Total Revenue

Total revenue decreased by $1.0 million, or 3%, to $28.6 million for the three months ended September 30, 2015, compared to $29.6 million for the three months ended September 30, 2014.

Product Revenue

Product revenue decreased by $2.2 million, or 8%, to $25.1 million for the three months ended September 30, 2015, compared to $27.3 million for the three months ended September 30, 2014.

Instrument revenue decreased by $0.5 million, or 3%, to $15.1 million, primarily driven by a decrease in unit sales of Biomark HD, C1, and Access Array systems, as well as negative effects of foreign currency of $1.0 million. This decrease was partially offset by increased unit sales of our CyTOF/Helios systems and, to a lesser extent, contribution from new products, such as the Juno, Polaris, and Callisto systems.

Consumables revenue decreased by $1.7 million, or 14%, to $10.0 million, primarily due to a decrease in unit sales from production genomics applications, as well as negative effects of foreign currency, which reduced consumables revenues by $0.5 million. Annualized IFC pull-through for our genomics analytical systems was within our revised range of $25,000 and $35,000 per system per year, compared to a range of $40,000 to $50,000 per system per year in 2014. IFC pull-through for our genomics

preparatory systems was within our expected range of $15,000 to $25,000 per system per year, and consumables pull-through for our proteomics analytical systems was within the historical range of $50,000 to $70,000 per system per year. IFC pull-through is determined by dividing the applicable IFC revenue for a specific period by the number of genomics analytical or preparatory systems, as applicable, in our installed base at the beginning of the period. Similarly, consumables pull-through for proteomics analytical systems is determined by dividing the related consumables revenue for a specific period by the number of proteomics analytical systems in our installed base at the beginning of the period. The IFC and consumables pull-through amounts are annualized by multiplying the pull-through amounts by a ratio, the numerator of which equals 12 and the denominator of which equals the number of months in the specific period.

We expect total unit sales of both instruments and consumables to increase over time as we continue our efforts to grow our customer base, expand our geographic market coverage, and launch new products. However, we expect the average selling prices of our products to fluctuate over time based on market conditions, product mix, and currency fluctuations.

Service Revenue

Service revenue increased by $1.2 million, or 53%, to $3.5 million for the three months ended September 30, 2015, compared to $2.3 million for the three months ended September 30, 2014, primarily due to increased sales of post-warranty service contracts and increased installation and training for our CyTOF/Helios systems. Service revenue for prior periods, which were previously recorded in product revenue within our condensed consolidated statement of operations, have been reclassified to conform with the current period presentation.

Cost of Product and Service Revenue

The following table presents our cost of product revenue, cost of service revenue, product margin, and service margin for each period presented ($ in thousands), respectively:

	Three Months Ended September 30,	
	2015	2014
Cost of product revenue	$ 10,463	$ 10,558
Product margin	58%	61%
Cost of service revenue	967	863
Service margin	72%	62%

Cost of product revenue includes manufacturing costs incurred in the production process, including component materials, labor and overhead, packaging, and delivery costs. In addition, cost of product revenue includes amortization of developed technology, royalty costs for licensed technologies included in our products, warranty, provisions for slow-moving and obsolete inventory, and stock-based compensation expense. Cost of service revenue includes direct labor hours, overhead, and instrument parts. Costs related to license and grant revenue are included in research and development expense.

Cost of product revenue decreased by $0.1 million, or 1%, to $10.5 million for the three months ended September 30, 2015 from $10.6 million for the three months ended September 30, 2014. Cost of product revenue for the three months ended September 30, 2015 and 2014 includes $2.8 million of amortization of acquired intangible assets resulting from our acquisition of DVS. Overall cost of product revenue as a percentage of related revenue was 42% and 39%, including 11% and 10% related to these charges, for the three months ended September 30, 2015 and 2014, respectively. Product margins declined 3 percentage points during the three months ended September 30, 2015 compared to the corresponding period in 2014, primarily due to the impact of higher consumables manufacturing costs driven by overall lower volume of production, and a change in sales mix.

Cost of service revenue increased by $0.1 million, or 12%, to $1.0 million for the three months ended September 30, 2015 from $0.9 million for the three months ended September 30, 2014. Overall cost of service revenue as a percentage of related revenue was 28% and 38% for the three months ended September 30, 2015 and 2014, respectively. The service margins increased 10 percentage points during the three months ended September 30, 2015 compared to the corresponding period in 2014 mainly due to a decrease in instrument parts. Cost of service revenue for prior periods, which were previously recorded in cost of product revenue within our condensed consolidated statement of operations, have been reclassified to conform with the current period presentation.

Operating Expenses

The following table presents our operating expenses for each period presented (in thousands):

	Three Months Ended September 30,	
	2015	2014
Research and development	$ 9,444	$ 12,687
Selling, general and administrative	19,558	18,574
Total	$ 29,002	$ 31,261

Research and Development

Research and development expense consists primarily of personnel and independent contractor costs, prototype and material expenses, and other allocated facilities and information technology expenses. We have made substantial investments in research and development since our inception. Our research and development efforts have focused primarily on enhancing our technologies and supporting development and commercialization of new and existing products and services.

Research and development expense decreased $3.2 million, or 26%, to $9.4 million for the three months ended September 30, 2015, compared to $12.7 million for the three months ended September 30, 2014, primarily due to a decrease in stock-based compensation expenses of $2.0 million resulting from the vesting in 2014 of a substantial portion of the equity awards issued in connection with the DVS acquisition according to their vesting terms; lower project-related costs of $0.6 million; reduced outside services costs of $0.4 million; and reduced bonus expense of $0.7 million; partially offset by higher headcount and compensation-related costs of $0.3 million.

We believe that our continued investment in research and development is essential to our long-term competitive position and these expenses may increase in future periods.

Selling, General and Administrative

Selling, general and administrative expense consists primarily of personnel costs for our sales and marketing, business development, finance, legal, human resources, and general management, as well as professional services, such as legal and accounting services.

Selling, general and administrative expense for the three months ended September 30, 2015 increased $1.0 million, or 5%, to $19.6 million, compared to $18.6 million for the three months ended September 30, 2014, primarily driven by higher headcount and compensation-related costs of $1.4 million; increased legal and other outside services costs of $0.7 million; and increased facilities expenses of $0.3 million; partly offset by reduced bonus expense of $1.0 million and decreased marketing and tradeshow expenses of $0.3 million.

We expect selling, general and administrative expense to increase in future periods as we continue to grow our sales, technical support, marketing, and administrative headcount, support increased product sales, broaden our customer base, and incur additional costs to support our expanding global footprint and the overall growth in our business.

Gain on Escrow Settlement

Approximately 885,000 shares of Fluidigm common stock were deposited into escrow, or Escrowed Shares, in connection with our acquisition of DVS in February 2014. The Escrowed Shares comprised a portion of the merger consideration and were being held in escrow to secure indemnification obligations under the merger agreement, if any, for a period of 13 to 18 months following the acquisition, subject to any then pending indemnification claims. Under the terms of the merger agreement, fifty percent (50.0%) of the aggregate shares subject to the indemnification escrow were eligible for release on March 13, 2015, or the Initial Release Date, and the balance of the shares were eligible for release on August 13, 2015, provided that in each case shares would have continued to be held in escrow in amounts that we reasonably determined in good faith to be necessary to satisfy any claims for which we had delivered a notice of claim which had not been fully resolved between us and the representative of the former stockholders of DVS, or Stockholder Representative. Prior to the Initial Release Date, we submitted escrow claim notices under the terms of the merger agreement, which were objected to by the Stockholder Representative. In July 2015, we entered into a settlement agreement with the Stockholder Representative regarding the claims pursuant to which the parties agreed to release approximately 80% of the Escrowed Shares to the former stockholders of DVS, and the remaining

approximately 20% of the Escrowed Shares, or 170,107 shares, to us, which were canceled and returned to the status of authorized and unissued shares. On the settlement date, the 170,107 shares had a value of approximately $4.0 million, which was recorded to gain on escrow settlement during the quarter ended September 30, 2015.

Gain from Sale of Investment in Verinata

In February 2013, Illumina, Inc. acquired Verinata Health, Inc., or Verinata, for $350 million in cash and up to an additional $100 million in milestone payments through 2015. In March 2013, we received cash proceeds of $3.1 million in exchange for our ownership interest in Verinata resulting in a gain of $1.8 million. During the third quarter of 2014, we received cash proceeds of $0.3 million from the escrow account related to Verinata. We recorded the proceeds as Gain from sale of investment in Verinata in the accompanying condensed consolidated statements of operations for the three and nine months ended September 30, 2014.

Interest Expense and Other Income and Expense, Net

We have incurred interest expense and amortization of debt discount related to our long-term debt. The following table presents interest expense and other (expense) income, net for each period presented (in thousands):

	Three Months Ended September 30,	
	2015	2014
Interest expense	$ (1,451)	$ (1,453)
Other expense, net	(377)	(338)
Total	$ (1,828)	$ (1,791)

On February 4, 2014, we closed an underwritten public offering of $201.3 million aggregate principal amount of our 2.75% Senior Convertible Notes due 2034, or the Notes. The Notes accrue interest at a rate of 2.75% per year, payable semi-annually in arrears on February 1 and August 1 of each year, commencing August 1, 2014. The Notes will mature on February 1, 2034, unless earlier converted, redeemed, or repurchased in accordance with the terms of the Notes.

Benefit from Income Taxes

We recorded a tax benefit of $0.4 million for the three months ended September 30, 2015. The tax benefit was primarily attributable to the amortization of our acquisition-related deferred tax liability, partially offset by tax provision from our foreign operations. The tax benefit of $0.7 million for the three months ended September 30, 2014 was primarily attributable to amortization of our acquisition-related deferred tax liability and income tax benefit from our foreign operations.

Comparison of the Nine Months Ended September 30, 2015 and September 30, 2014

Total Revenue

Total revenue increased by $1.0 million, or 1%, to $84.0 million for the nine months ended September 30, 2015, compared to $83.0 million for the nine months ended September 30, 2014.

Product Revenue

Product revenue decreased by $1.6 million, or 2%, to $74.7 million for the nine months ended September 30, 2015, compared to $76.3 million for the nine months ended September 30, 2014.

Instrument revenue increased by $0.6 million, or 1%, to $42.8 million, primarily due to an increase in unit sales of CyTOF/Helios systems and, to a lesser extent, contribution from new products, including the Juno, Polaris, and Callisto systems. These revenue increases were partially offset by decreases in unit sales of Biomark HD, C1, and Access Array systems, as well as negative effects of foreign currency of $2.8 million.

Consumables revenue decreased by $2.2 million, or 6%, to $32.0 million, primarily due to a decrease in unit sales of analytical IFCs and, to a lesser extent, a decrease in unit sales of Access Array IFCs and assays. These decreases were partially offset by an increase in sales of C1 IFCs; antibodies in line with increased unit sales of CyTOF/Helios systems; and reagents. In addition, negative impacts of foreign currency reduced consumables revenues by $1.8 million.

Service Revenue

Service revenue increased by $2.9 million, or 47%, to 9.0 million for the nine months ended September 30, 2015, compared to $6.2 million for the nine months ended September 30, 2014, primarily due to increased sales of post-warranty service contracts and increased installation and training for our CyTOF/Helios systems. Service revenue for prior periods, which were previously recorded in product revenue within our condensed consolidated statement of operations, have been reclassified to conform with the current period presentation.

Grant Revenue

Grant revenue consists of a grant from California Institute for Regenerative Medicine, or CIRM. Our CIRM grant was awarded in 2011 in the amount of $1.9 million to be earned over a three-year period which ended in April 2014. The CIRM grant revenue is recognized as the related research and development services are performed and costs associated with the grants are recognized as research and development expense during the period incurred.

We did not receive any grant revenue for the nine months ended September 30, 2015. Grant revenue was $0.2 million for the nine months ended September 30, 2014.

Cost of Product and Service Revenue

The following table presents our cost of product revenue, cost of service revenue, product margin, and service margin for each period presented ($ in thousands), respectively:

	Nine Months Ended September 30,	
	2015	2014
Cost of product revenue	$ 31,512	$ 27,759
Product margin	58%	64%
Cost of service revenue	2,529	2,321
Service margin	72%	62%

Cost of product revenue includes manufacturing costs incurred in the production process, including component materials, labor and overhead, packaging, and delivery costs. In addition, cost of product revenue includes amortization of developed technology, royalty costs for licensed technologies included in our products, warranty, provisions for slow-moving and obsolete inventory, and stock-based compensation expense. Cost of service revenue includes direct labor hours, overhead, and instrument parts. Costs related to license and grant revenue are included in research and development expense.

Cost of product revenue increased by $3.8 million, or 14%, to $31.5 million for the nine months ended September 30, 2015 from $27.8 million for the nine months ended September 30, 2014. Cost of product revenue for the nine months ended September 30, 2015 includes $8.4 million of amortization of acquired intangible assets resulting from our acquisition of DVS, an increase of $1.4 million when compared to the comparable period in 2014, partially offset by charges from inventory step-up expensed during 2014 related to the acquisition of approximately $0.8 million. Overall cost of product revenue as a percentage of related revenue was 42% and 36%, including 11% and 10% related to these charges, for the nine months ended September 30, 2015 and 2014, respectively. Product margin declined 6 percentage points during the nine months ended September 30, 2015 compared to the corresponding period in 2014 mainly due to higher IFC and reagent manufacturing costs driven by overall lower volume of production, lower average instrument selling prices, and a change in sales mix.

Cost of service revenue increased by $0.2 million, or 9%, to $2.5 million for the nine months ended September 30, 2015 from $2.3 million for the nine months ended September 30, 2014. Overall cost of service revenue as a percentage of related revenue was 28% and 38% for the nine months ended September 30, 2015 and 2014, respectively. The service margin increased 10 percentage points during the nine months ended September 30, 2015 compared to the corresponding period in 2014 mainly due to a decrease in instrument parts. Cost of service revenue for prior periods, which were previously recorded in cost of product revenue within our condensed consolidated statement of operations, have been reclassified to conform with the current period presentation.

Operating Expenses

The following table presents our operating expenses for each period presented (in thousands):

	Nine months ended September 30,	
	2015	2014
Research and development	$ 29,524	$ 31,707
Selling, general and administrative	60,874	52,486
Total	$ 90,398	$ 84,193

Research and Development

Research and development expense consists primarily of personnel and independent contractor costs, prototype and material expenses, and other allocated facilities and information technology expenses. We have made substantial investments in research and development since our inception. Our research and development efforts have focused primarily on enhancing our technologies and supporting development and commercialization of new and existing products and services.

Research and development expense decreased $2.2 million, or 7%, to $29.5 million for the nine months ended September 30, 2015, compared to $31.7 million for the nine months ended September 30, 2014, primarily due to a decrease in stock-based compensation expenses of $3.9 million resulting from the vesting in 2014 of a substantial portion of the equity awards issued in connection with the DVS acquisition according to their vesting terms, and reduced bonus expense of $1.0 million, partially offset by higher headcount and compensation-related costs of $1.9 million, and increased allocated and other costs of $1.0 million.

Selling, General and Administrative

Selling, general and administrative expense consists primarily of personnel costs for our sales and marketing, business development, finance, legal, human resources, and general management, as well as professional services, such as legal and accounting services.

Selling, general and administrative expense for the nine months ended September 30, 2015 increased $8.4 million, or 16%, to $60.9 million, compared to $52.5 million for the nine months ended September 30, 2014, primarily driven by an increase in stock-based compensation expenses of $1.3 million; higher headcount and compensation-related costs of $4.0 million; increased legal and other outside services costs of $4.3 million; and depreciation and amortization of $0.6 million; partly offset by reduced bonus expense of $1.7 million and decreased marketing, tradeshow, and travel expenses of $0.2 million.

Acquisition-Related Expenses

Acquisition-related expenses of $10.7 million incurred during the nine months ended September 30, 2014 primarily included accelerated vesting of certain DVS restricted stock and stock options, and consulting, legal, and investment banking fees relating to our acquisition of DVS.

Gain on escrow settlement

Approximately 885,000 shares of Fluidigm common stock were deposited into escrow, or Escrowed Shares, in connection with our acquisition of DVS in February 2014. The Escrowed Shares comprised a portion of the merger consideration and were being held in escrow to secure indemnification obligations under the merger agreement, if any, for a period of 13 to 18 months following the acquisition, subject to any then pending indemnification claims. Under the terms of the merger agreement, fifty percent (50.0%) of the aggregate shares subject to the indemnification escrow were eligible for release on March 13, 2015, or the Initial Release Date, and the balance of the shares were eligible for release on August 13, 2015, provided that in each case shares would have continued to be held in escrow in amounts that we reasonably determined in good faith to be necessary to satisfy any claims for which we had delivered a notice of claim which had not been fully resolved between us and the representative of the former stockholders of DVS, or Stockholder Representative. Prior to the Initial Release Date, we submitted escrow claim notices under the terms of the merger agreement, which were objected to by the Stockholder Representative. In July 2015, we entered into a settlement agreement with the Stockholder Representative regarding the claims pursuant to which the parties agreed to release approximately 80% of the Escrowed Shares to the former stockholders of DVS, and the remaining approximately 20% of the Escrowed Shares, or 170,107 shares, to us, which were canceled and returned to the status of

authorized and unissued shares. On the settlement date, the 170,107 shares had a value of approximately $4.0 million, which was recorded to gain on escrow settlement during the quarter ended September 30, 2015.

Gain from sale of investment in Verinata

On February 2013, Illumina, Inc. acquired Verinata Health, Inc., or Verinata, for $350 million in cash and up to an additional $100 million in milestone payments through 2015. In March 2013, we received cash proceeds of $3.1 million in exchange for our ownership interest in Verinata resulting in a gain of $1.8 million. During the third quarter of 2014, we received cash proceeds of $0.3 million from the escrow account related to Verinata. We recorded the proceeds as "Gain from sale of investment in Verinata" in the accompanying condensed consolidated statements of operations for the three and nine months ended September 30, 2014.

Interest Expense and Other Income and Expense, Net

We have incurred interest expense and amortization of debt discount related to our long-term debt. The following table presents interest expense and other (expense) income, net for each period presented (in thousands):

	Nine months ended September 30,	
	2015	2014
Interest expense	$ (4,355)	$ (3,894)
Other expense	(889)	(308)
Total	$ (5,244)	$ (4,202)

On February 4, 2014, we closed an underwritten public offering of $201.3 million aggregate principal amount of our 2.75% Senior Convertible Notes due 2034, or the Notes. The Notes accrue interest at a rate of 2.75% per year, payable semi-annually in arrears on February 1 and August 1 of each year, commencing August 1, 2014. The Notes will mature on February 1, 2034, unless earlier converted, redeemed, or repurchased in accordance with the terms of the Notes.

Interest expense for the nine months ended September 30, 2015 increased by $0.5 million compared to the nine months ended September 30, 2014 due to accrual of interest under the terms of the Notes for the nine months of 2015, as compared to a partial comparable period in 2014.

Other expense for the nine months ended September 30, 2015 increased by $0.6 million compared to the nine months ended September 30, 2014 primarily due to losses from revaluation of certain foreign currency denominated assets and liabilities during the first nine months of 2015 compared to 2014.

Benefit from Income Taxes

We recorded a tax benefit of $1.3 million for the nine months ended September 30, 2015. The tax benefit was primarily attributable to the amortization of our acquisition-related deferred tax liability, partially offset by tax provision and provision for uncertain tax liabilities related to our foreign operations. The tax benefit of $4.0 million for the nine months ended September 30, 2014 was primarily attributable to the release of the valuation allowance associated with our California deferred tax assets upon recording the foreign and California deferred tax liabilities arising from the DVS acquisition and the deferred tax liabilities arising from amortization of acquired intangible assets.

Liquidity and Capital Resources

Sources of Liquidity

As of September 30, 2015, our principal sources of liquidity consisted of $28.8 million of cash and cash equivalents and $85.3 million of investments. As of September 30, 2015, our working capital excluding deferred revenue totaled $126.1 million.

The following table presents our cash flow summary for each period presented (in thousands):

	Nine Months Ended September 30,	
	2015	2014
Cash flow summary		
Net cash used in operating activities	$ (30,329)	$ (19,098)
Net cash provided by (used in) investing activities	20,900	(184,037)
Net cash provided by financing activities	5,272	199,296
Net decrease in cash and cash equivalents	(4,896)	(4,322)

Net Cash Used in Operating Activities

We derive cash flows from operations primarily from cash collected from the sale of our products and services, license agreements, and grants from certain government entities. Our cash flows from operating activities are also significantly influenced by our use of cash for operating expenses to support the growth of our business. We have historically experienced negative cash flows from operating activities as we have expanded our business and built our infrastructure domestically and internationally, and this may continue in the future.

Net cash used in operating activities for the nine months ended September 30, 2015 was $30.3 million, and consisted of net loss of $40.4 million, less non-cash adjustments of $21.5 million, plus net change in assets and liabilities of $11.4 million. Non-cash items primarily included stock-based compensation expense of $12.9 million, depreciation and amortization of $4.0 million, and amortization of developed technology of $8.4 million, partially offset by $4.0 million in gain on escrow settlement. The net change in assets and liabilities was primarily driven by increases in inventory and accounts receivable, and decreases in long-term liabilities; partially offset by an increase in deferred revenue.

Net cash used in operating activities for the nine months ended September 30, 2014, was $19.1 million, and consisted of net loss of $41.9 million, less non-cash adjustments of $28.4 million, plus net change in assets and liabilities of $5.6 million. Non-cash items primarily included stock-based compensation expense of $ 15.3 million, amortization of developed technology of $7.0 million, depreciation and amortization of $2.9 million, and $3.4 million of acquisition-related charges. The net change in assets and liabilities was primarily driven by increases in inventory and other long-term liabilities; partially offset by increases in deferred revenue and accounts payable, and a decrease in accounts receivable.

Net Cash Provided by (Used in) Investing Activities

Our primary investing activities consist of purchases, sales, and maturities of our short-term and long-term investments, and capital expenditures for manufacturing, laboratory, and computer equipment and software to support our expanding infrastructure and work force. We expect to continue to expand our manufacturing capability, including improvements in manufacturing productivity, and expect to incur additional costs for capital expenditures related to these efforts in future periods. In addition, we expect to continue to incur costs for capital expenditures for demonstration units and loaner equipment to support our sales and service efforts, and computer equipment and software to support our growth.

Net cash provided by investing activities was $20.9 million during the nine months ended September 30, 2015. Net cash provided by investing activities primarily consisted of $77.3 million of proceeds from sales and maturities of investments, partially offset by purchases of investments of $53.7 million, capital expenditures of $2.5 million and the purchase of intangible assets of $0.2 million primarily to support growth in our employee base worldwide and manufacturing operations.

Net cash used in investing activities was $184.0 million during the nine months ended September 30, 2014. Net cash used by investing activities primarily consisted of $113.2 million related to the acquisition of DVS, net of acquired cash of $8.4 million, and excluding $4.1 million attributed to the acceleration of DVS share-based awards and classified as used in operating activities; purchases of investment of $106.7 million; and capital expenditures of $5.9 million primarily to support growth in our

manufacturing operations; partially offset by proceeds from sales and maturities of investments of $41.4 million, and additional proceeds from the 2013 sale of our investment in Verinata of $0.3 million.

Net Cash Provided by Financing Activities

Net cash provided by financing activities was $5.3 million during the nine months ended September 30, 2015 and consists of proceeds received in connection with the exercise of options for our common stock.

Net cash provided by financing activities was $199.3 million during the nine months ended September 30, 2014 and consists of net proceeds of $195.2 million from the issuance of the Notes and $4.1 million from proceeds received in connection with the exercise of options for our common stock.

Capital Resources

At September 30, 2015, our working capital excluding deferred revenue was $126.1 million, including cash, cash equivalents, and short-term investments of $97.1 million. On November 4, 2015, we purchased certain patents from PerkinElmer Health Sciences, Inc. for a cash purchase price of $6.5 million. (See Note 11 to our unaudited consolidated financial statements for additional information regarding the purchase). We believe our existing cash, cash equivalents, and investments will be sufficient to meet our working capital and capital expenditure needs for at least the next 18 months. However, we may experience lower than expected cash generated from operating activities or greater than expected capital expenditures, cost of revenue, or operating expenses, and we may need to raise additional capital to expand the commercialization of our products, expand and fund our operations, further our research and development activities, or acquire or invest in a business. Our future funding requirements will depend on many factors, including market acceptance of our products, the cost of our research and development activities, the cost of filing and prosecuting patent applications, the cost associated with litigation or disputes relating to intellectual property rights or otherwise, the cost and timing of regulatory clearances or approvals, if any, the cost and timing of establishing additional sales, marketing, and distribution capabilities, the cost and timing of establishing additional technical support capabilities, and the effect of competing technological and market developments. In the future, we may acquire businesses or technologies from third parties, and we may decide to raise additional capital through debt or equity financing to the extent we believe this is necessary to successfully complete these acquisitions. We currently have no material commitments or agreements relating to any such acquisitions.

If we require additional funds in the future, we may not be able to obtain such funds on acceptable terms, or at all. If we raise additional funds by issuing equity securities, our stockholders may experience dilution. Debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. Any debt or additional equity financing that we raise may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish some rights to our technologies or our products, or grant licenses on terms that are not favorable to us. If we are unable to raise adequate funds, we may have to liquidate some or all of our assets, or delay, reduce the scope of or eliminate some or all of our development programs. If we do not have, or are not able to obtain, sufficient funds, we may have to delay development or commercialization of our products or license to third parties the rights to commercialize products or technologies that we would otherwise seek to commercialize. We also may have to reduce marketing, customer support, research and development, or other resources devoted to our products or cease operations.

Off-Balance Sheet Arrangements

As of September 30, 2015, we did not have any off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K promulgated under the Exchange Act.

Contractual Obligations and Commitments

On April 9, 2013, we entered into an amendment (the 2013 Amendment) to the lease agreement dated September 14, 2010 (as amended, the Lease) relating to the lease of office and laboratory space at our corporate headquarters located in South San Francisco, California. The 2013 Amendment provided for an expansion of the premises covered under the Lease, effective April 1, 2014; an extension of the term of the Lease to April 30, 2020 with an option to renew for an additional five years; payment of base rent with rent escalation; and payment of certain operating expenses during the term of the Lease. The 2013 Amendment also provided for an allowance of approximately $0.7 million for tenant improvements, $0.5 million of which was used for tenant improvements and $0.2 million of which was used to offset base rent obligations in the quarter ended September 30, 2015, and an additional allowance of approximately $0.5 million for tenant improvements, which, if used, will be repaid in equal monthly payments with interest at a rate of 9% per annum over the remaining term of the Lease. The total future minimum lease payments for the additional space, which will be paid through April 2020, are approximately $7.1 million as of September 30, 2015.

On June 4, 2014, we entered into an additional amendment to the Lease (the June 2014 Amendment), which provided for an expansion of the premises covered under the Lease by approximately 13,000 square feet, effective October 1, 2014; payment of base rent with rent escalation; and payment of certain operating expenses during the term of the Lease. The June 2014 Amendment also provided for an allowance of approximately $0.2 million for tenant improvements, which was fully utilized by March 31, 2015, and an additional allowance of approximately $0.1 million for tenant improvements, which, if used, will be repaid in equal monthly payments with interest at a rate of 9% per annum over the remaining term of the Lease. The total future minimum lease payments for the additional space, which will be paid through April 2020, are approximately $2.1 million as of September 30, 2015.

On September 15, 2014, we entered into an additional amendment to the Lease (the September 2014 Amendment), which provided for an expansion of the premises covered under the Lease by approximately 9,000 square feet, effective October 1, 2014; payment of base rent with rent escalation; and payment of certain operating expenses during the term of the Lease. The September 2014 Amendment also provided for an allowance of approximately $0.2 million for tenant improvements. The total future minimum lease payments for the additional space, which will be paid through April 2020, are approximately $1.4 million as of September 30, 2015.

On October 14, 2013, Fluidigm Singapore Pte. Ltd., our wholly-owned subsidiary (Fluidigm Singapore), accepted an offer of tenancy (Singapore Lease) from HSBC Institutional Trust Services (Singapore) Limited, as trustee of Ascendas Real Estate Investment Trust (Landlord), relating to the lease of a new facility located in Singapore. Pursuant to the terms of the Singapore Lease, Fluidigm Singapore took possession of the facility commencing on March 3, 2014 for a term of 99 months, and the Singapore Lease and rental obligations thereunder commenced on June 3, 2014. The Singapore Lease also provides Fluidigm Singapore with an option to renew the Singapore Lease for an additional 60 months at the then prevailing market rent, and on similar terms as the existing Singapore Lease. In June 2014, Fluidigm Singapore leased additional space of approximately 2,400 square feet in the same building as the new facility on the same terms as the Singapore Lease (the June 2014 Singapore Lease). We completed the consolidation of our Singapore manufacturing operations in the new space in July 2014 and the site qualification was completed in August 2014. The leases relating to our prior manufacturing facility in Singapore terminated on August 31, 2014. In April 2015, Fluidigm Singapore leased additional space of approximately 10,000 square feet in the same building on the same terms as the Singapore Lease (the April 2015 Singapore Lease). In connection with the April 2015 Singapore Lease, Fluidigm Singapore terminated the June 2014 Singapore Lease as of June 30, 2015. The total future minimum lease payments for the facility, which will be paid through June 2022, are approximately $4.1 million as of September 30, 2015.

In connection with our acquisition of DVS, we acquired the operating leases for facilities in Sunnyvale, California and Markham, Ontario, Canada, which expire in July 2016 and April 2016, respectively. (See Note 4 to our unaudited consolidated financial statements for additional information regarding the acquisition). The Canada lease includes an option to renew the lease for an additional five years at the then prevailing market rent, and on similar terms as the existing lease. We recognize rent expense on a straight-line basis over the non-cancelable lease term. The total future minimum lease payments for the operating leases in Sunnyvale, California and Markham, Ontario, Canada are approximately $235,000 as of September 30, 2015.

On August 18, 2015, we, Fluidigm Canada Inc., our wholly-owned subsidiary of the Company (Fluidigm Canada), and Rodick Equities, Inc. (Landlord) entered into an office lease dated as of August 17, 2015 (the New Canada Lease), relating to the lease of approximately 41,145 square feet of office, laboratory, and warehouse space at a facility in Markham, Ontario, Canada. Pursuant to the terms of the New Canada Lease, Fluidigm Canada was in possession of the new space commencing on or about August 27, 2015, and rental obligations thereunder will commence on April 1, 2016 for a term of ten years. The New Canada Lease provides for an allowance for tenant improvements, an option to renew the Lease for an additional five years, and a right of first offer on certain additional space in the Building. The total future minimum lease payments for the New Canada Lease, which will be paid through March 31, 2026, are approximately $4.5 million as of September 30, 2015.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in foreign currency exchange rates and interest rates. We do not hold or issue financial instruments for trading purposes.

Foreign Currency Exchange Risk

As we expand internationally, our results of operations and cash flows will become increasingly subject to fluctuations due to changes in foreign currency exchange rates. Our revenue is generally denominated in the local currency of the contracting

party. Historically, the majority of our revenue has been denominated in U.S. dollars. Our expenses are generally denominated in the currencies in which our operations are located, which is primarily in the United States, with a portion of expenses incurred in Singapore and Canada where our manufacturing facilities are located. Our results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates. The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. We have experienced and will continue to experience fluctuations in our net loss as a result of transaction gains or losses related to revaluing certain current asset and current liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded. We experienced foreign currency losses of $1.2 million for the nine months ended September 30, 2015 primarily due to the strengthening of the U.S. dollar, whereas the impact of foreign currency fluctuations in the nine months ended September 30, 2014 was not material. To date, we have not entered into any foreign currency hedging contracts although we may do so in the future. As our international operations grow, we will continue to reassess our approach to manage our risk relating to fluctuations in currency rates.

Interest Rate Sensitivity

We had cash and cash equivalents of $28.8 million at September 30, 2015. These amounts were held primarily in cash on deposit with banks and cash equivalents. We had $85.3 million in investments at September 30, 2015 held primarily in U.S. government and agency securities. The contractual maturity dates of $68.3 million of our U.S. government and agency securities are within one year from September 30, 2015. The contractual maturity dates of our remaining U.S. government and agency securities are less than eighteen months from September 30, 2015. Cash and cash equivalents and investments are held for working capital purposes. Due to the short-term nature of these investments, we believe that we do not have any material exposure to changes in the fair value of our investment portfolio as a result of changes in interest rates. Declines in interest rates, however, will reduce future investment income. If overall interest rates had decreased by 10% during the periods presented, our interest income would not have been materially affected.

Fair Value of Financial Instruments

We do not have material exposure to market risk with respect to investments. We do not use derivative financial instruments for speculative or trading purposes. However, we may adopt specific hedging strategies in the future.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2015. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to

allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of September 30, 2015, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Control systems, no matter how well conceived and operated, are designed to provide a reasonable, but not an absolute, level of assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Because of the inherent limitations in any control system, misstatements due to error or fraud may occur and not be detected.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently engaged in any material legal proceedings.

Item 1A. Risk Factors.

We operate in a rapidly changing environment that involves numerous uncertainties and risks. The following risks and uncertainties may have a material and adverse effect on our business, financial condition, or results of operations. You should consider these risks and uncertainties carefully, together with all of the other information included or incorporated by reference in this Form 10-Q. If any of the risks or uncertainties we face were to occur, the trading price of our securities could decline, and you may lose all or part of your investment.

Risks Related to Fluidigm's Business and Strategy

Market opportunities may not develop as quickly as we expect, limiting our ability to successfully sell our products, or our product development and strategic plans may change and our entry into certain markets may be delayed, if it occurs at all.

The application of our technologies to single-cell biology (across genomics and proteomics) and production genomics applications are emerging market opportunities. We believe these opportunities will take several years to develop or mature and we cannot be certain that these market opportunities will develop as we expect. The future growth of the single-cell biology market and the success of our products depend on many factors beyond our control, including recognition and acceptance by the scientific community, and the growth, prevalence, and costs of competing methods of genetic and protein analysis. If the market for single-cell biology and production genomics do not develop as we expect, our business may be adversely affected. Additionally, our success in these markets may depend to a large extent on our ability to successfully sell products using our technologies. If we are not able to successfully market and sell our products, or to achieve the revenue or margins we expect, our operating results may be harmed and we may not recover our product development and marketing expenditures. In addition, our product development and strategic plans may change, which could delay or impede our entry into these markets.

Our financial results and revenue growth rates have varied significantly from quarter-to-quarter and year-to-year due to a number of factors, and a significant variance in our operating results or rates of growth, if any, could lead to substantial volatility in our stock price.

Our revenue, results of operations, and revenue growth rates have varied in the past and may continue to vary significantly from quarter-to-quarter or year-to-year. For example, in 2011, 2012, and 2014, we experienced higher sales in the fourth quarter than in the first quarter of the next fiscal year. Although this was not the case in the fourth quarter of 2013 compared to the first quarter of 2014, this historical trend resumed in 2015, and we expect it to continue. Additionally, for the quarters ended March 31, 2015 and June 30, 2015, we experienced year-over-year revenue growth rates that were substantially lower than revenue growth rates experienced in other periods since our initial public offering, and we experienced a year-over-year decline in revenue for the quarter ended September 30, 2015. We currently expect revenue for 2015 to be lower than 2014. We may experience substantial variability in our product mix from period-to-period as revenue from sales of our instruments relative to sales of our consumables may fluctuate or deviate significantly from expectations. Variability in our quarterly or annual results of operations, mix of product revenue, or rates of revenue growth, if any, may lead to volatility in our stock price as research analysts and investors respond to these fluctuations. These fluctuations are due to numerous factors that are difficult to forecast, including: fluctuations in demand for our products; changes in customer budget cycles and capital spending; seasonal variations in customer operations; tendencies among some customers to defer purchase decisions to the end of the quarter; the large unit value of our systems; changes in our pricing and sales policies or the pricing and sales policies of our competitors; our ability to design, manufacture, market, sell, and deliver products to our customers in a timely and cost-effective manner; quality control or yield problems in our manufacturing operations; our ability to timely obtain adequate quantities of the materials or components used in our products, which in certain cases are purchased through sole and single source suppliers; new product introductions and enhancements by us and our competitors; unanticipated increases in costs or expenses; our complex, variable and, at times, lengthy sales cycle; global economic conditions; and fluctuations in foreign currency exchange rates. Additionally, we have certain customers who have historically placed large orders in multiple quarters during a calendar year. A significant reduction in orders from one or more of these customers could adversely affect our revenue and operating results, and if these customers defer

or cancel purchases or otherwise alter their purchasing patterns, our financial results and actual results of operations could be significantly impacted. Other unknown or unpredictable factors also could harm our results.

The foregoing factors, as well as other factors, could materially and adversely affect our quarterly and annual results of operations and rates of revenue growth, if any. We have experienced significant revenue growth in the past but we may not achieve similar growth rates in future periods. We currently expect revenues for 2015 to be lower than 2014. You should not rely on our operating results for any prior quarterly or annual period as an indication of our future operating performance. If we are unable to maintain adequate revenue growth, our operating results could suffer and our stock price could decline. In addition, a significant amount of our operating expenses are relatively fixed due to our manufacturing, research and development, and sales and general administrative efforts. Any failure to adjust spending quickly enough to compensate for a shortfall relative to our anticipated revenue could magnify the adverse impact of such shortfalls on our results of operations. We expect that our sales will continue to fluctuate on an annual and quarterly basis and that our financial results for some periods may be below those projected by securities analysts, which could significantly decrease the price of our common stock.

We have incurred losses since inception, and we may continue to incur substantial losses for the foreseeable future.

We have a limited operating history and have incurred significant losses in each fiscal year since our inception, including net losses of $40.4 million, $41.9 million, and $11.9 million during the nine months ended September 30, 2015 and years 2014 and 2013, respectively. As of September 30, 2015, we had an accumulated deficit of $350.6 million. These losses have resulted principally from costs incurred in our research and development programs, and from our manufacturing costs and selling, general, and administrative expenses. We believe that our continued investment in research and development, sales, and marketing is essential to our long-term competitive position and future growth, and we expect these expenses will increase in future periods. We also expect that our selling, general, and administrative expenses will continue to increase due to the additional operational costs associated with the growth of our business. Until we are able to generate additional revenue to support our level of operating expenses, we will continue to incur operating and net losses and negative cash flow from operations. Because of the numerous risks and uncertainties associated with our commercialization efforts and future product development, we are unable to predict when we will become profitable, and we may never become profitable. Even if we do achieve profitability, we may not be able to sustain or increase our profitability.

The carrying value of long-lived and intangible assets may become impaired and result in an impairment charge.

As of September 30, 2015, we had approximately $199.4 million of intangible assets, net of amortization, and goodwill. In addition, if in the future we acquire additional complementary businesses or technologies, a substantial portion of the value of such assets may be recorded as intangible assets or goodwill. The carrying amounts of intangible assets and goodwill are affected whenever events or changes in circumstances indicate that the carrying amount of any asset may not be recoverable. Such events or changes might include a significant decline in market share, a significant decline in revenues, a significant increase in losses or decrease in profits, rapid changes in technology, failure to achieve the benefits of capacity increases and utilization, significant litigation arising out of an acquisition, or other matters. Adverse events or changes in circumstances may affect the estimated undiscounted future operating cash flows expected to be derived from intangible assets and goodwill. If at any time we determine that an impairment has occurred, we will be required to reflect the impaired value as a charge, resulting in a reduction in earnings in the quarter such impairment is identified and a corresponding reduction in our net asset value. The potential recognition of impairment in the carrying value, if any, could have a material and adverse effect on our financial condition and results of operations.

If our research and product development efforts do not result in commercially viable products within anticipated timelines, if at all, our business and results of operations will be adversely affected.

Our business is dependent on the improvement of our existing products, our development of new products to serve existing markets, and our development of new products to create new markets and applications that were previously not practical with existing systems. We intend to devote significant personnel and financial resources to research and development activities designed to advance the capabilities of our technology. We have developed design rules for the implementation of our technology that are frequently revised to reflect new insights we have gained about the technology. In addition, we have discovered that biological or chemical reactions sometimes behave differently when implemented on our systems rather than in a standard laboratory environment. Furthermore, many such reactions take place within the confines of single cells, which have also demonstrated unexpected behavior when grown and manipulated within microfluidic environments. As a result, research and development efforts may be required to transfer certain reactions and cell handling techniques to our systems. In the past, product

development projects have been significantly delayed when we encountered unanticipated difficulties in implementing a process on our systems. We may have similar delays in the future, and we may not obtain any benefits from our research and development activities. Any delay or failure by us to develop and release new products or product enhancements would have a substantial adverse effect on our business and results of operations.

If one or more of our manufacturing facilities become unavailable or inoperable, we will be unable to continue manufacturing our instruments, IFCs, assays, and/or reagents and, as a result, our business will be harmed until we are able to secure a new facility.

We manufacture all of our genomics analytical and preparatory instruments and integrated fluidic circuits, or IFCs, for commercial sale at our facility in Singapore, our proteomics analytical instruments for commercial sale at our facility in Canada, and our assays and reagents for commercial sale at our facility in South San Francisco. No other manufacturing facilities are currently available to us, particularly facilities of the size and scope required by our Singapore and Canada operations. Our facilities and the equipment we use to manufacture our instruments, IFCs, assays, and reagents would be costly to replace and could require substantial lead time to repair or replace. Our facilities may be harmed or rendered inoperable by natural or man-made disasters, which may render it difficult or impossible for us to manufacture our products for some period of time. If any of our facilities become unavailable to us, we cannot provide assurances that we will be able to secure a new manufacturing facility on acceptable terms, if at all. The inability to manufacture our products, combined with our limited inventory of manufactured supplies, may result in the loss of customers or harm our reputation, and we may be unable to reestablish relationships with those customers in the future. Although we possess insurance for damage to our property and the disruption of our business, this insurance may not be sufficient to cover all of our potential losses and may not continue to be available to us on acceptable terms, or at all. If our manufacturing capabilities are impaired, we may not be able to manufacture and ship our products in a timely manner, which would adversely impact our business.

We may experience development or manufacturing problems or delays that could limit the growth of our revenue or increase our losses.

We may encounter unforeseen situations in the manufacturing and assembly of our products that would result in delays or shortfalls in our production. For example, our production processes and assembly methods may have to change to accommodate any significant future expansion of our manufacturing capacity, which may increase our manufacturing costs, delay production of our products, reduce our product margin, and adversely impact our business.

Additionally, all of our IFCs for commercial sale are manufactured at our facility in Singapore. Production of the elastomeric block that is at the core of our IFCs is a complex process requiring advanced clean rooms, sophisticated equipment, and strict adherence to procedures. Any contamination of the clean room, equipment malfunction, or failure to strictly follow procedures can significantly reduce our yield in one or more batches. We have in the past experienced variations in yields due to such factors. A drop in yield can increase our cost to manufacture our IFCs or, in more severe cases, require us to halt the manufacture of our IFCs until the problem is resolved. Identifying and resolving the cause of a drop in yield can require substantial time and resources.

Furthermore, developing an IFC for a new application may require developing a specific production process for that type of IFC. While all of our IFCs are produced using the same basic processes, significant variations may be required to ensure adequate yield of any particular type of IFC. Developing such a process can be very time consuming, and any unexpected difficulty in doing so can delay the introduction of a product.

If our manufacturing activities are adversely impacted, or if we are otherwise unable to keep up with demand for our products by successfully manufacturing, assembling, testing, and shipping our products in a timely manner, our revenue could be impaired, market acceptance for our products could be adversely affected and our customers might instead purchase our competitors' products.

We are dependent on single and sole source suppliers for some of the components and materials used in our products, and the loss of any of these suppliers could harm our business.

We rely on single and sole source suppliers for certain components and materials used in our products. Additionally, several of our instruments are assembled at the facilities of contract manufacturers in Singapore. We do not have long term contracts with our suppliers of these components and materials or our assembly service providers. The loss of a single or sole source supplier of

any of the following components and/or materials would require significant time and effort to locate and qualify an alternative source of supply, if at all:

- The IFCs used in our microfluidic systems are fabricated using a specialized polymer, and other specialized materials, that are available from a limited number of sources. In the past, we have encountered quality issues that have reduced our manufacturing yield or required the use of additional manufacturing processes.
- Specialized pneumatic and electronic components for our C1, Callisto, Juno, and Polaris systems are available from a limited number of sources.
- The electron multiplier detector included in the CyTOF and Helios systems and certain metal isotopes used with the CyTOF and Helios systems are purchased from sole source suppliers.
- The nickel sampler cone used with the CyTOF and Helios systems is purchased from single source suppliers and is available from a limited number of sources.
- The raw materials for our Delta Gene and SNP Type assays and Access Array target-specific primers are available from a limited number of sources.

Our reliance on single and sole source suppliers and assembly service providers also subjects us to other risks that could harm our business, including the following:

- we may be subject to increased component or assembly costs;
- we may not be able to obtain adequate supply or services in a timely manner or on commercially reasonable terms;
- our suppliers or service providers may make errors in manufacturing or assembly of components that could negatively affect the efficacy of our products or cause delays in shipment of our products; and
- our suppliers or service providers may encounter capacity constraints or financial hardships unrelated to our demand for components or services, which could inhibit their ability to fulfill our orders and meet our requirements.

We have in the past experienced quality control and supply problems with some of our suppliers, such as manufacturing errors, and may again experience problems in the future. We may not be able to quickly establish additional or replacement suppliers, particularly for our single source components, or assembly service providers. Any interruption or delay in the supply of components or materials or assembly of our instruments, or our inability to obtain components, materials, or assembly services from alternate sources at acceptable prices in a timely manner, could impair our ability to meet the demand of our customers and cause them to cancel orders or switch to competitive products.

If our products fail to achieve and sustain sufficient market acceptance, our revenue will be adversely affected.

Our success depends, in part, on our ability to develop and market products that are recognized and accepted as reliable, enabling and cost-effective. Most of our potential customers already use expensive research systems in their laboratories and may be reluctant to replace those systems. Market acceptance of our systems will depend on many factors, including our ability to convince potential customers that our systems are an attractive alternative to existing technologies. Compared to some competing technologies, our technology is relatively new, and most potential customers have limited knowledge of, or experience with, our products. Prior to adopting our systems, some potential customers may need to devote time and effort to testing and validating our systems. Any failure of our systems to meet these customer benchmarks could result in customers choosing to retain their existing systems or to purchase systems other than ours.

In addition, it is important that our systems be perceived as accurate and reliable by the scientific and medical research community as a whole. Historically, a significant part of our sales and marketing efforts has been directed at convincing industry leaders of the advantages of our systems and encouraging such leaders to publish or present the results of their evaluation of our system. If we are unable to continue to induce leading researchers to use our systems, or if such researchers are unable to achieve and publish or present significant experimental results using our systems, acceptance and adoption of our systems will be slowed and our ability to increase our revenue would be adversely affected.

Our future success is dependent upon our ability to expand our customer base and introduce new applications.

Our customer base is primarily composed of academic institutions, clinical laboratories that use our technology to develop tests, and pharmaceutical, biotechnology, and agricultural biotechnology, or Ag-Bio, companies that perform analyses for research and commercial purposes. Our success will depend, in part, upon our ability to increase our market share among these customers, attract additional customers outside of these markets, and market new applications to existing and new customers as we develop such applications. Attracting new customers and introducing new applications require substantial time and expense. For example, it may be difficult to identify, engage, and market to customers who are unfamiliar with the current applications of our systems. Any failure to expand our existing customer base or launch new applications would adversely affect our ability to increase our revenue.

The life science research and applied markets are highly competitive and subject to rapid technological change, and we may not be able to successfully compete.

The markets for our products are characterized by rapidly changing technology, evolving industry standards, changes in customer needs, emerging competition, new product introductions, and strong price competition. We compete with both established and development stage life science research companies that design, manufacture, and market instruments and consumables for gene expression analysis, single-cell targeted gene expression or protein expression analysis, single nucleotide polymorphism genotyping, or SNP genotyping, polymerase chain reaction, or PCR, digital PCR, other nucleic acid detection, flow cytometry, cell imaging, and additional applications using well established laboratory techniques, as well as newer technologies such as bead encoded arrays, microfluidics, nanotechnology, high-throughput DNA sequencing, microdroplets, and photolithographic arrays. Most of our current competitors have significantly greater name recognition, greater financial and human resources, broader product lines and product packages, larger sales forces, larger existing installed bases, larger intellectual property portfolios, and greater experience and scale in research and development, manufacturing, and marketing than we do. For example, companies such as Affymetrix, Inc., Agena Bioscience, Inc., Agilent Technologies, Inc., Becton, Dickinson and Company, Bio-Rad Laboratories, Inc., Cellular Research, Inc., Danaher Corporation, Illumina, Inc., Life Technologies Corporation (now part of Thermo Fisher Scientific Inc.), LGC Limited, Luminex Corporation, Millipore Corporation, NanoString Technologies, Inc., PerkinElmer, Inc. (through its acquisition of Caliper Life Sciences, Inc.), RainDance Technologies, Inc., Roche Diagnostics Corporation, Sony Corporation, Thermo Fisher Scientific Inc., and WaferGen Bio-systems, Inc. have products that compete in certain segments of the market in which we sell our products.

Competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards, or customer requirements. In light of these advantages, even if our technology is more effective than the product or service offerings of our competitors, current or potential customers might accept competitive products and services in lieu of purchasing our technology. We anticipate that we will face increased competition in the future as existing companies and competitors develop new or improved products and as new companies enter the market with new technologies. Increased competition is likely to result in pricing pressures, which could reduce our profit margins and increase our sales and marketing expenses. In addition, mergers, consolidations, or other strategic transactions between two or more of our competitors, or between our competitor and one of our key customers, could change the competitive landscape and weaken our competitive position, adversely affecting our business.

Our business depends on research and development spending levels of academic, clinical, and governmental research institutions, and pharmaceutical, biotechnology, and Ag-Bio companies, a reduction in which could limit our ability to sell our products and adversely affect our business.

We expect that our revenue in the foreseeable future will be derived primarily from sales of our systems and IFCs to academic institutions, clinical laboratories that use our technology to develop tests, and pharmaceutical, biotechnology, and Ag-Bio companies worldwide. Our success will depend upon their demand for and use of our products. Accordingly, the spending policies of these customers could have a significant effect on the demand for our technology. These policies may be based on a wide variety of factors, including concerns regarding any future federal government budget sequestrations, the availability of resources to make purchases, the spending priorities among various types of equipment, policies regarding spending during recessionary periods, and changes in the political climate. In addition, academic, governmental, and other research institutions that fund research and development activities may be subject to stringent budgetary constraints that could result in spending reductions, reduced allocations, or budget cutbacks, which could jeopardize the ability of these customers to purchase our products. Our operating results may fluctuate substantially due to reductions and delays in research and development expenditures

by these customers. For example, reductions in capital and operating expenditures by these customers may result in lower than expected sales of our systems and IFCs. These reductions and delays may result from factors that are not within our control, such as:

- changes in economic conditions;
- natural disasters;
- changes in government programs that provide funding to research institutions and companies;
- changes in the regulatory environment affecting life science and Ag-Bio companies engaged in research and commercial activities;
- differences in budget cycles across various geographies and industries;
- market-driven pressures on companies to consolidate operations and reduce costs;
- mergers and acquisitions in the life science and Ag-Bio industries; and
- other factors affecting research and development spending.

Any decrease in our customers' budgets or expenditures, or in the size, scope, or frequency of capital or operating expenditures, could materially and adversely affect our operations or financial condition.

We may not be able to develop new products or enhance the capabilities of our existing systems to keep pace with rapidly changing technology and customer requirements, which could have a material adverse effect on our business, revenue, financial condition, and operating results.

Our success depends on our ability to develop new products and applications for our technology in existing and new markets, while improving the performance and cost-effectiveness of our systems. New technologies, techniques, or products could emerge that might offer better combinations of price and performance than our current or future product lines and systems. Existing markets for our products, including single-cell biology and production genomics, as well as potential markets for our products such as high-throughput DNA sequencing and molecular diagnostics applications, are characterized by rapid technological change and innovation. It is critical to our success for us to anticipate changes in technology and customer requirements and to successfully introduce new, enhanced, and competitive technology to meet our customers' and prospective customers' needs on a timely and cost-effective basis. Developing and implementing new technologies will require us to incur substantial development costs and we may not have adequate resources available to be able to successfully introduce new applications of, or enhancements to, our systems. We cannot guarantee that we will be able to maintain technological advantages over emerging technologies in the future. While we typically plan improvements to our systems, we may not be able to successfully implement these improvements. If we fail to keep pace with emerging technologies, demand for our systems will not grow and may decline, and our business, revenue, financial condition, and operating results could suffer materially. In addition, if we introduce enhanced systems but fail to manage product transitions effectively, customers may delay or forgo purchases of our systems and our operating results may be adversely affected by product obsolescence and excess inventory. Even if we successfully implement some or all of these planned improvements, we cannot guarantee that our current and potential customers will find our enhanced systems to be an attractive alternative to existing technologies, including our current products.

Being regulated as a medical device manufacturer by the U.S. Food and Drug Administration, or FDA, and foreign regulatory authorities, and seeking approval and/or clearance for our products, will take significant time and expense and may not result in FDA clearance or approval for the intended uses we believe are commercially attractive. If our products are successfully approved and/or cleared, we will be subject to ongoing and extensive regulatory requirements, which would increase our costs and divert resources away from other projects. If we fail to comply with these requirements, our business and financial condition could be adversely impacted.

Our products are currently labeled, promoted and sold to academic institutions, life sciences laboratories, and pharmaceutical, biotechnology, and Ag-Bio companies for research purposes only, or RUO, and cannot be used for diagnostic tests or as medical devices as currently marketed. Before we can begin to label and market our products for use as, or in the

performance of, clinical diagnostics in the United States, thereby subjecting them to FDA regulation as medical devices, we would be required to obtain premarket 510(k) clearance or pre-market approval from the FDA, unless an exception applies.

We recently announced our plan to register with the FDA as a medical device manufacturer and list some of our products with the FDA pursuant to an FDA Class I listing for general purpose laboratory equipment within the next 12 months. While this regulatory classification is exempt from certain FDA requirements, such as the need to submit a premarket notification commonly known as a 510(k), and most of the requirements of the FDA's Quality System Regulations, or QSRs, we will be subject to ongoing FDA "general controls," which include compliance with FDA regulations for labeling, inspections by the FDA, complaint evaluation, corrections and removals reporting, promotional restrictions, reporting adverse events or malfunctions for our products, and general prohibitions against misbranding and adulteration.

In addition, we plan to submit 510(k) premarket notifications to the FDA to obtain FDA clearance of certain of our products on a selected basis. Although we plan to submit 510(k)s, it is possible that the FDA will take the position that a more burdensome premarket application, such as a premarket approval application or a de novo application is required for some of our products. If such applications are required, greater time and investment would be required to obtain FDA approval. Even if the FDA agrees that a 510(k) is appropriate, FDA clearance can be expensive and time consuming. It generally takes a significant amount of time to prepare a 510(k), including conducting appropriate testing on our products, and several months to years for the FDA to review a submission. Notwithstanding the effort and expense, FDA clearance or approval may be denied for some or all of our products. Even if we were to obtain regulatory approval or clearance, it may not be for the uses we believe are important or commercially attractive.

If we receive regulatory clearance or approval for our products, we will be subject to ongoing FDA obligations and continued regulatory oversight and review, including the general controls listed above and the FDA's QSRs for our manufacturing operations. In addition, we may be required to obtain a new 510(k) clearance before we can introduce subsequent modifications or improvements to our products. We may also be subject to additional FDA post-marketing obligations, any or all of which would increase our costs and divert resources away from other projects. If we are not able to maintain regulatory compliance with applicable laws, we may be prohibited from marketing our products for use as, or in the performance of, clinical diagnostics and/or may be subject to enforcement actions, including warning letters and adverse publicity, fines, injunctions, and civil penalties; recall or seizure of products; operating restrictions; and criminal prosecution.

We intend to seek similar regulatory clearance or approval for our products in countries outside of the United States. Sales of our products outside the United States will be subject to foreign regulatory requirements, which vary greatly from country to country. As a result, the time required to obtain clearances or approvals outside the United States may differ from that required to obtain FDA clearance or approval and we may not be able to obtain foreign regulatory approvals on a timely basis or at all. Clearance or approval by the FDA does not ensure approval by regulatory authorities in other countries, and approval by one foreign regulatory authority does not ensure approval by regulatory authorities in other countries or by the FDA. In addition, the FDA regulates exports of medical devices. Failure to comply with these regulatory requirements or obtain required approvals could impair our ability to commercialize our products for diagnostic use outside of the United States.

Our products could become subject to regulation as medical devices by the FDA or other regulatory agencies, before we have obtained regulatory clearance or approval to market our products for diagnostic purposes, which would adversely impact our ability to market and sell our products and harm our business.

As products that are currently labeled, promoted and intended for RUO, our products are not currently subject to regulation as medical devices by the FDA or comparable agencies of other countries. However, the FDA or comparable agencies of other countries could disagree with our conclusion that our products are currently intended for research use only or deem our current marketing and promotional efforts as being inconsistent with research use only products. For example, our customers may elect to use our research use only labeled products in their own laboratory developed tests, or LDTs, for clinical diagnostic use. The FDA has historically exercised enforcement discretion in not enforcing the medical device regulations against laboratories offering LDTs. However, on October 3, 2014, the FDA issued two draft guidance documents that set forth the FDA's proposed risk-based framework for regulating LDTs, which are designed, manufactured, and used within a single laboratory. The draft guidance documents provide the anticipated details through which the FDA would propose to establish an LDT oversight framework, including premarket review for higher-risk LDTs, such as those that have the same intended use as FDA-approved or cleared companion diagnostics currently on the market. The FDA held a public workshop and accepted comments on the two draft guidance documents and is currently assessing next steps for implementing the framework for regulating LDTs. At the same time, various legislative proposals have been floated that would take differing approaches to the regulation of LDTs. It is also

possible that companies or associations will attempt to bring litigation against the FDA arguing that the FDA lacks legal authority over LDTs. We cannot predict how these various efforts will be resolved, how FDA will regulate LDTs in the future, or how that regulatory system will impact our business.

Additionally, on November 25, 2013, the FDA issued Final Guidance "Distribution of In Vitro Diagnostic Products Labeled for Research Use Only." The guidance emphasizes that the FDA will review the totality of the circumstances when it comes to evaluating whether equipment and testing components are properly labeled as RUO. The final guidance states that merely including a labeling statement that the product is for research purposes only will not necessarily render the device exempt from the FDA's clearance, approval, and other regulatory requirements if the circumstances surrounding the distribution of the product indicate that the manufacturer knows its product is, or intends for its product to be, used for clinical diagnostic purposes. These circumstances may include written or verbal marketing claims or links to articles regarding a product's performance in clinical applications and a manufacturer's provision of technical support for clinical applications.

If the FDA modifies its approach to our products labeled and intended for RUO, or otherwise determines our products or related applications should be subject to additional regulation as in vitro diagnostic devices based upon our customers' use of our products for clinical diagnostic or therapeutic purposes, before we have obtained regulatory clearance or approval to market our products for diagnostic purposes, our ability to market and sell our products could be impeded and our business, prospects, results of operations and financial condition may be adversely affected. In addition, if the FDA determines that our products labeled for RUO were intended, based on a review of the totality of circumstances, for use in clinical investigation or diagnosis, those products could be considered misbranded or adulterated under the Federal Food, Drug, and Cosmetic Act and subject to recall and/or other enforcement action.

Compliance or the failure to comply with current and future regulations, such as environmental regulations enacted in the European Union, could cause us significant expense and adversely impact our business.

We are subject to many federal, state, local, and foreign regulations relating to various aspects of our business operations. Governmental entities at all levels are continuously enacting new regulations, and it is difficult to identify all applicable regulations and anticipate how such regulations will be implemented and enforced. We continue to evaluate the necessary steps for compliance with applicable regulations. To comply with applicable regulations, we have and will continue to incur significant expense and allocate valuable internal resources to manage compliance-related issues. In addition, such regulations could restrict our ability to expand or equip our facilities, or could require us to acquire costly equipment or to incur other significant expenses to comply with the regulations. For example, the Restriction on the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Directive, or RoHS, and the Waste Electrical and Electronic Equipment Directive, or WEEE, enacted in the European Union, regulate the use of certain hazardous substances in, and require the collection, reuse, and recycling of waste from, products we manufacture. Certain of our products sold in these countries are subject to WEEE requirements and may become subject to RoHS requirements. These and similar regulations that have been or are in the process of being enacted in other countries may require us to redesign our products, use different types of materials in certain components, or source alternative components to ensure compliance with applicable standards, and may reduce the availability of parts and components used in our products by negatively impacting our suppliers' ability to source parts and components in a timely and cost-effective manner. Any such redesigns, required use of alternative materials, or limited availability of parts and components used in our products may detrimentally impact the performance of our products, add greater testing lead times for product introductions, reduce our product margins, or limit the markets for our products, and if we fail to comply with any present and future regulations, we could be subject to future fines, penalties, and restrictions, such as the suspension of manufacturing of our products or a prohibition on the sale of products we manufacture. Any of the foregoing could adversely affect our business, financial condition, or results of operations.

If we are unable to recruit and retain key executives, scientists, and technical support personnel, we may be unable to achieve our goals. We may have difficulty attracting, motivating, and retaining executives and other key employees in light of our recent acquisition.

Our performance is substantially dependent on the performance of our senior management, particularly Gajus V. Worthington, our president and chief executive officer. Additionally, to expand our research and product development efforts, we need key scientists skilled in areas such as molecular and cellular biology, assay development, and manufacturing. We also need highly trained technical support personnel with the necessary scientific background and ability to understand our systems at a technical level to effectively support potential new customers and the expanding needs of current customers. Competition for these people is intense. Because of the complex and technical nature of our systems and the dynamic market in which we

compete, any failure to attract and retain a sufficient number of qualified employees could materially harm our ability to develop and commercialize our technology.

The loss of the services of any member of our senior management or our scientific or technical support staff might significantly delay or prevent the development of our products or achievement of other business objectives by diverting management's attention to transition matters and identification of suitable replacements, if any, and could have a material adverse effect on our business. In addition, our research and product development efforts could be delayed or curtailed if we are unable to attract, train, and retain highly skilled employees, particularly, senior scientists and engineers. We do not maintain fixed term employment contracts or significant key man life insurance with any of our employees.

If we are unable to integrate future acquisitions successfully, our operating results and prospects could be harmed.

In addition to our acquisition of DVS, we may make additional acquisitions to improve our product offerings or expand into new markets. Our future acquisition strategy will depend on our ability to identify, negotiate, complete, and integrate acquisitions and, if necessary, to obtain satisfactory debt or equity financing to fund those acquisitions. Mergers and acquisitions are inherently risky, and any transaction we complete may not be successful. Our acquisition of DVS was our first acquisition of another company. Any merger or acquisition we may pursue would involve numerous risks, including but not limited to the following:

- difficulties in integrating and managing the operations, technologies, and products of the companies we acquire;
- diversion of our management's attention from normal daily operation of our business;
- our inability to maintain the key business relationships and the reputations of the businesses we acquire;
- our inability to retain key personnel of the acquired company;
- uncertainty of entry into markets in which we have limited or no prior experience and in which competitors have stronger market positions;
- our dependence on unfamiliar affiliates and customers of the companies we acquire;
- insufficient revenue to offset our increased expenses associated with acquisitions;
- our responsibility for the liabilities of the businesses we acquire, including those which we may not anticipate; and
- our inability to maintain internal standards, controls, procedures, and policies.

We may be unable to secure the equity or debt funding necessary to finance future acquisitions on terms that are acceptable to us. If we finance acquisitions by issuing equity or convertible debt securities, our existing stockholders will likely experience dilution, and if we finance future acquisitions with debt funding, we will incur interest expense and may have to comply with financial covenants and secure that debt obligation with our assets.

Adverse conditions in the global economy and disruption of financial markets may significantly harm our revenue, profitability, and results of operations.

The global credit and financial markets have in recent years experienced volatility and disruptions, including diminished liquidity and credit availability, increased concerns about inflation and deflation, and the downgrade of U.S. debt and exposure risks on other sovereign debts, decreased consumer confidence, lower economic growth, volatile energy costs, increased unemployment rates, and uncertainty about economic stability. Volatility and disruption of financial markets could limit our customers' ability to obtain adequate financing or credit to purchase and pay for our products in a timely manner or to maintain operations, which could result in a decrease in sales volume that could harm our results of operations. General concerns about the fundamental soundness of domestic and international economies may also cause our customers to reduce their purchases. Changes in governmental banking, monetary, and fiscal policies to address liquidity and increase credit availability may not be effective. Significant government investment and allocation of resources to assist the economic recovery of sectors which do not include our customers may reduce the resources available for government grants and related funding for life science, Ag-Bio, and clinical

research and development. Continuation or further deterioration of these financial and macroeconomic conditions could significantly harm our sales, profitability, and results of operations.

We generate a substantial portion of our revenue internationally and are subject to various risks relating to such international activities, which could adversely affect our sales and operating performance. In addition, any disruption or delay in the shipping or off-loading of our products, whether domestically or internationally, may have an adverse effect on our financial condition and results of operations.

During the nine months ended September 30, 2015 and years 2014 and 2013, approximately 50%, 52%, and 46%, respectively, of our product revenue was generated from sales to customers located outside of the United States. We believe that a significant percentage of our future revenue will come from international sources as we expand our international operations and develop opportunities in other countries. Engaging in international business inherently involves a number of difficulties and risks, including:

- required compliance with existing and changing foreign regulatory requirements and laws that are or may be applicable to our business in the future, such as the WEEE and RoHS directives, which regulate the use of certain hazardous substances in, and require the collection, reuse, and recycling of waste from, products we manufacture;
- required compliance with anti-bribery laws, such as the U.S. Foreign Corrupt Practices Act and U.K. Bribery Act, data privacy requirements, labor laws, and anti-competition regulations;
- export or import restrictions;
- laws and business practices favoring local companies;
- longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems;
- unstable economic, political, and regulatory conditions;
- potentially adverse tax consequences, tariffs, customs charges, bureaucratic requirements, and other trade barriers;
- difficulties and costs of staffing and managing foreign operations; and
- difficulties protecting or procuring intellectual property rights.

If one or more of these risks occurs, it could require us to dedicate significant resources to remedy, and if we are unsuccessful in finding a solution, our financial results will suffer.

In addition, a majority of our product sales are currently denominated in U.S. dollars and fluctuations in the value of the U.S. dollar relative to foreign currencies could decrease demand for our products and adversely impact our financial performance. For example, if the value of the U.S. dollar increases relative to foreign currencies, our products could become more costly to the international consumer and therefore less competitive in international markets, or if the value of the U.S. dollar decreases relative to the Singapore dollar or the Canadian dollar, it would become more costly in U.S. dollars for us to manufacture our products in Singapore and/or in Canada. Additionally, our expenses are generally denominated in the currencies of the countries in which our operations are located, which is primarily in the United States, with a portion of expenses incurred in Singapore and Canada where a significant portion of our manufacturing operations are located. Our results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates. The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. We have experienced and will continue to experience fluctuations in our net income or loss as a result of transaction gains or losses related to revaluing certain current asset and current liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded. For example, we experienced foreign currency losses of $1.2 million, $1.1 million, and $0.5 million for the nine months ended September 30, 2015 and years ended December 31, 2014 and 2013, respectively. Fluctuations in currency exchange rates could have an adverse impact on our financial results in the future.

We rely on shipping providers to deliver products to our customers globally. Labor, tariff, or World Trade Organization-related disputes, piracy, physical damage to shipping facilities or equipment caused by severe weather or terrorist incidents, congestion at shipping facilities, inadequate equipment to load, dock, and offload our products, energy-related tie-ups, or other factors could disrupt or delay shipping or off-loading of our products domestically and internationally. Such disruptions or delays may have an adverse effect on our financial condition and results of operations.

We are subject to risks related to taxation in multiple jurisdictions and if taxing authorities disagree with our interpretations of existing tax laws or regulations, our effective income tax rate could be adversely affected and we could have additional tax liability.

We are subject to income taxes in both the United States and certain foreign jurisdictions. Significant judgments based on interpretations of existing tax laws or regulations are required in determining the provision for income taxes. For example, we have made certain interpretations of existing tax laws or regulations based upon the operations of our business internationally and we have implemented intercompany agreements based upon these interpretations and related transfer pricing analyses. If the U.S. Internal Revenue Service or other taxing authorities disagree with the positions, our effective income tax rate could be adversely affected and we could have additional tax liability, including interest and penalties. We recently completed a review of our European corporate structure and tax positions and, based upon our existing business operations, we plan to restructure our European intercompany transactions, which is likely to increase our income tax liability. From time to time, we may review our corporate structure and tax positions in other international jurisdictions and such review may result in additional changes to how we structure our international business operations, which may adversely impact our effective income tax rate. Our effective income tax rate could also be adversely affected by changes in the mix of earnings in tax jurisdictions with different statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in existing tax laws or tax rates, changes in the level of non-deductible expenses (including share-based compensation), changes in our future levels of research and development spending, mergers and acquisitions, or the result of examinations by various tax authorities. Payment of additional amounts upon final adjudication of any disputes could have a material impact on our results of operations and financial position.

If we are unable to manage our anticipated growth effectively, our business could be harmed.

The rapid growth of our business has placed a significant strain on our managerial, operational, and financial resources and systems. To execute our anticipated growth successfully, we must continue to attract and retain qualified personnel and manage and train them effectively. We must also upgrade our internal business processes and capabilities to create the scalability that a growing business demands.

We believe our facilities located in Singapore, Canada, and California, are sufficient to meet our short-term manufacturing needs. The current lease for our manufacturing facility in Singapore expires in June 2022. In the event that we need to add to our existing manufacturing space in Singapore or move our manufacturing facility to a new location in Singapore, such a move will involve significant expense and efforts in connection with the establishment of new clean rooms and the recommissioning of key manufacturing equipment. The current lease for our facility in Canada expires in April 2016. In August 2015, we entered into a lease for new office, laboratory, and warehouse space in Canada and expect to relocate our Canada operations to the new space in April 2016. A move of any of our manufacturing facilities may delay or otherwise adversely affect our manufacturing activities and business.

Further, our anticipated growth will place additional strain on our suppliers and manufacturing facilities, resulting in an increased need for us to carefully monitor quality assurance. Any failure by us to manage our growth effectively could have an adverse effect on our ability to achieve our development and commercialization goals.

Our products could have unknown defects or errors, which may give rise to claims against us, adversely affect market adoption of our systems, and adversely affect our business, financial condition, and results of operations.

Our systems utilize novel and complex technology and such systems may develop or contain undetected defects or errors. We cannot assure you that material performance problems, defects, or errors will not arise, and as we increase the density and integration of our systems, these risks may increase. We generally provide warranties that our systems will meet performance expectations and will be free from defects. We also provide warranties relating to other parts of our systems. The costs incurred in correcting any defects or errors may be substantial and could adversely affect our operating margins.

In manufacturing our products, including our systems, IFCs, and assays, we depend upon third parties for the supply of various components, many of which require a significant degree of technical expertise to produce. In addition, we purchase certain products from third-party suppliers for resale. If our suppliers fail to produce components to specification or provide defective products to us for resale and our quality control tests and procedures fail to detect such errors or defects, or if we or our suppliers use defective materials or workmanship in the manufacturing process, the reliability and performance of our products will be compromised.

If our products contain defects, we may experience:

- a failure to achieve market acceptance or expansion of our product sales;
- loss of customer orders and delay in order fulfillment;
- damage to our brand reputation;
- increased cost of our warranty program due to product repair or replacement;
- product recalls or replacements;
- inability to attract new customers;
- diversion of resources from our manufacturing and research and development departments into our service department; and
- legal claims against us, including product liability claims, which could be costly and time consuming to defend and result in substantial damages.

In addition, certain of our products are marketed for use with products sold by third parties. For example, our Access Array system is marketed as compatible with all major next-generation DNA sequencing instruments. If such third-party products are not produced to specification, are produced in accordance with modified specifications, or are defective, they may not be compatible with our products. In such case, the reliability and performance of our products may be compromised.

The occurrence of any one or more of the foregoing could negatively affect our business, financial condition, and results of operations.

To use our products, our Biomark, CyTOF, EP1, and Helios systems in particular, customers typically need to purchase specialized reagents. Any interruption in the availability of these reagents for use in our products could limit our ability to market our products.

Our products, our Biomark, CyTOF, EP1, and Helios systems in particular, must be used in conjunction with one or more reagents designed to produce or facilitate the particular biological or chemical reaction desired by the user. Many of these reagents are highly specialized and available to the user only from a single supplier or a limited number of suppliers. Although we sell reagents for use with certain of our products, our customers may purchase these reagents directly from third-party suppliers, and we have no control over the supply of those materials. In addition, our products are designed to work with these reagents as they are currently formulated. We have no control over the formulation of reagents sold by third-party suppliers, and the performance of our products might be adversely affected if the formulation of these reagents is changed. If one or more of these reagents were to become unavailable or were reformulated, our ability to market and sell our products could be materially and adversely affected.

In addition, the use of a reagent for a particular process may be covered by one or more patents relating to the reagent itself, the use of the reagent for the particular process, the performance of that process, or the equipment required to perform the process. Typically, reagent suppliers, who are either the patent holders or their authorized licensees, sell the reagents along with a license or covenant not to sue with respect to such patents. The license accompanying the sale of a reagent often purports to restrict the purposes for which the reagent may be used. If a patent holder or authorized licensee were to assert against us or our customers that the license or covenant relating to a reagent precluded its use with our systems, our ability to sell and market our products could be materially and adversely affected. For example, our Biomark system involves real-time quantitative PCR, or

qPCR. Leading suppliers of reagents for real-time qPCR reactions include Life Technologies Corporation (now part of Thermo Fisher Scientific) and Roche Diagnostics Corporation, who are our direct competitors, and their licensees. These real-time qPCR reagents are typically sold pursuant to limited licenses or covenants not to sue with respect to patents held by these companies. We do not have any contractual supply agreements for these real-time qPCR reagents, and we cannot assure you that these reagents will continue to be available to our customers for use with our systems, or that these patent holders will not seek to enforce their patents against us, our customers, or suppliers.

If we are unable to expand our direct sales and marketing force or distribution capabilities to adequately address our customers' needs, our business may be adversely affected.

We may not be able to market, sell, and distribute our products effectively enough to support our planned growth. We sell our products primarily through our own sales force and through distributors in certain territories. Our future sales will depend in large part on our ability to develop and substantially expand our direct sales force and to increase the scope of our marketing efforts. Our products are technically complex and used for highly specialized applications. As a result, we believe it is necessary to develop a direct sales force that includes people with specific scientific backgrounds and expertise, and a marketing group with technical sophistication. Competition for such employees is intense. We may not be able to attract and retain personnel or be able to build an efficient and effective sales and marketing force, which could negatively impact sales of our products and reduce our revenue and profitability.

In addition, we may continue to enlist one or more sales representatives and distributors to assist with sales, distribution, and customer support globally or in certain regions of the world. If we do seek to enter into such arrangements, we may not be successful in attracting desirable sales representatives and distributors, or we may not be able to enter into such arrangements on favorable terms. If our sales and marketing efforts, or those of any third-party sales representatives and distributors, are not successful, our technologies and products may not gain market acceptance, which would materially and adversely impact our business operations.

If we fail to maintain effective internal control over financial reporting in the future, the accuracy and timing of our financial reporting may be impaired, which could adversely affect our business and our stock price.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective internal control over financial reporting and disclosure controls and procedures. In particular, we must perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on the effectiveness of our internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. Our testing may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses.

Our compliance with Section 404 requires that we incur substantial accounting expense and expend significant management time on compliance-related issues. We currently do not have an internal audit group, and we continue to evaluate our need for additional accounting and financial staff with appropriate public company experience and technical accounting knowledge. Moreover, if we do not comply with the requirements of Section 404, or if we or our independent registered public accounting firm identify deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of our stock could decline and we could be subject to sanctions or investigations by the NASDAQ Global Select Market, or NASDAQ, the SEC or other regulatory authorities, which would require additional financial and management resources.

Risks associated with a company-wide implementation of an enterprise resource planning, or ERP, system may adversely affect our business and results of operations or the effectiveness of internal control over financial reporting.

We have been implementing a company-wide ERP system to handle the business and financial processes within our operations and corporate functions. ERP implementations are complex and time-consuming projects that involve substantial expenditures on system software and implementation activities that can continue for several years. ERP implementations also require transformation of business and financial processes in order to reap the benefits of the ERP system. Our business and results of operations may be adversely affected if we experience operating problems and/or cost overruns during the ERP implementation process, or if the ERP system and the associated process changes do not give rise to the benefits that we expect. If we do not effectively implement the ERP system as planned or if the system does not operate as intended, our business, results of operations, and internal controls over financial reporting may be adversely affected.

Our future capital needs are uncertain and we may need to raise additional funds in the future, which may cause dilution to stockholders or may be upon terms that are not favorable to us.

We believe that our existing cash and cash equivalents will be sufficient to meet our anticipated cash requirements for at least the next 18 months. However, we may need to raise substantial additional capital for various purposes, including:

- expanding the commercialization of our products;
- funding our operations;
- furthering our research and development; and
- acquiring other businesses or assets and licensing technologies.

Our future funding requirements will depend on many factors, including:

- market acceptance of our products;
- the cost of our research and development activities;
- the cost of filing and prosecuting patent applications;
- the cost of defending, in litigation or otherwise, any claims that we infringe third-party patents or violate other intellectual property rights;
- the cost and timing of regulatory clearances or approvals, if any;
- the cost and timing of establishing additional sales, marketing, and distribution capabilities;
- the cost and timing of establishing additional technical support capabilities;
- the effect of competing technological and market developments; and
- the extent to which we acquire or invest in businesses, products, and technologies, although we currently have no commitments or agreements relating to any of these types of transactions.

We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity securities, our stockholders may experience dilution. Debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. Any debt or additional equity financing that we raise may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish some rights to our technologies or our products, or grant licenses on terms that are not favorable to us. If we are unable to raise adequate funds, we may have to liquidate some or all of our assets, delay development or commercialization of our products, or license to third parties the rights to commercialize products or technologies that we would otherwise seek to commercialize. We also may have to reduce marketing, customer support, or other resources devoted to our products, or cease operations. Any of these factors could harm our operating results.

Our ability to use net operating losses to offset future taxable income may be subject to certain limitations.

In general, under Section 382 of the Internal Revenue Code, a corporation that undergoes an “ownership change” is subject to limitations on its ability to utilize its pre-change net operating losses, or NOLs, to offset future taxable income. If we undergo one or more ownership changes, our ability to utilize NOLs could be limited by Section 382 of the Internal Revenue Code. Future changes in our stock ownership, some of which are outside of our control, could result in an ownership change under Section 382 of the Internal Revenue Code.

Risks Related to Intellectual Property

Our ability to protect our intellectual property and proprietary technology through patents and other means is uncertain.

Our commercial success depends in part on our ability to protect our intellectual property and proprietary technologies. We rely on patent protection, where appropriate and available, as well as a combination of copyright, trade secret, and trademark laws, and nondisclosure, confidentiality, and other contractual restrictions to protect our proprietary technology. However, these legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. We apply for patents covering our products and technologies and uses thereof, as we deem appropriate. However, we may fail to apply for patents on important products and technologies in a timely fashion or at all. Our pending U.S. and foreign patent applications may not issue as patents or may not issue in a form that will be sufficient to protect our proprietary technology and gain or keep our competitive advantage. Any patents we have obtained or do obtain may be subject to re-examination, reissue, opposition, or other administrative proceeding, or may be challenged in litigation, and such challenges could result in a determination that the patent is invalid or unenforceable. In addition, competitors may be able to design alternative methods or devices that avoid infringement of our patents. Both the patent application process and the process of managing patent disputes can be time consuming and expensive.

Furthermore, the laws of some foreign countries may not protect our intellectual property rights to the same extent as do the laws of the United States, and many companies have encountered significant problems in protecting and defending such rights in foreign jurisdictions. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business. Changes in either the patent laws or in interpretations of patent laws in the United States or other countries may diminish the value of our intellectual property. We cannot predict the breadth of claims that may be allowed or enforced in our patents or in third-party patents. For example:

- We might not have been the first to make the inventions covered by each of our pending patent applications;
- We might not have been the first to file patent applications for these inventions;
- The patents of others may have an adverse effect on our business; and
- Others may independently develop similar or alternative products and technologies or duplicate any of our products and technologies.

To the extent our intellectual property, including licensed intellectual property, offers inadequate protection, or is found to be invalid or unenforceable, our competitive position and our business could be adversely affected.

We may be involved in lawsuits to protect or enforce our patents and proprietary rights, to determine the scope, coverage and validity of others' proprietary rights, or to defend against third party claims of intellectual property infringement, any of which could be time-intensive and costly and may adversely impact our business or stock price.

Litigation may be necessary for us to enforce our patent and proprietary rights, determine the scope, coverage, and validity of others' proprietary rights, and/or defend against third party claims of intellectual property infringement against us as well as against our suppliers, distributors, customers, and other entities with whom we do business. Litigation could result in substantial legal fees and could adversely affect the scope of our patent protection. The outcome of any litigation or other proceeding is inherently uncertain and might not be favorable to us, and we might not be able to obtain licenses to technology that we require. Even if such licenses are obtainable, they may not be available at a reasonable cost. We could therefore incur substantial costs related to royalty payments for licenses obtained from third parties, which could negatively affect our product margins or financial position. Further, we could encounter delays in product introductions, or interruptions in product sales, as we develop alternative methods or products.

As we move into new markets and applications for our products, incumbent participants in such markets may assert their patents and other proprietary rights against us as a means of impeding our entry into such markets or as a means to extract substantial license and royalty payments from us. Our commercial success may depend in part on our non-infringement of the patents or proprietary rights of third parties. Numerous significant intellectual property issues have been litigated, and will likely continue to be litigated, between existing and new participants in our existing and targeted markets. For example, some of our products provide for the testing and analysis of genetic material, and patent rights relating to genetic materials remain a

developing area of patent law. A recent U.S. Supreme Court decision held, among other things, that claims to isolated genomic DNA occurring in nature are not patent eligible, while claims relating to synthetic DNA may be patent eligible. We expect the ruling will result in additional litigation in our industry. In addition, third parties may assert that we are employing their proprietary technology without authorization. For example, on June 4, 2008 we received a letter from Applied Biosystems, Inc., a wholly-owned subsidiary of Life Technologies Corporation (now part of Thermo Fisher Scientific Inc. and collectively referred to as Life), asserting that our Biomark system for gene expression analysis infringes upon U.S. Patent No. 6,814,934, or the '934 patent, and its foreign counterparts in Europe and Canada. In June 2011, we resolved this dispute by entering into license agreements with Life which, among other matters, granted us a non-exclusive license to the '934 patent and its foreign counterparts.

Our customers have been sued for various claims of intellectual property infringement in the past, and we expect that our customers will be involved in additional litigation in the future. In particular, our customers may become subject to lawsuits claiming that their use of our products infringes third-party patent rights, and we could become subject to claims that we contributed to or induced our customer's infringement. In addition, our agreements with some of our suppliers, distributors, customers, and other entities with whom we do business may require us to defend or indemnify these parties to the extent they become involved in infringement claims against us, including the claims described above. We could also voluntarily agree to defend or indemnify third parties in instances where we are not obligated to do so if we determine it would be important to our business relationships. If we are required or agree to defend or indemnify any of these third parties in connection with any infringement claims, we could incur significant costs and expenses that could adversely affect our business, operating results, or financial condition.

We depend on certain technologies that are licensed to us. We do not control these technologies and any loss of our rights to them could prevent us from selling our products, which would have an adverse effect on our business.

We rely on licenses in order to be able to use various proprietary technologies that are material to our business, including our core IFC, multi-layer soft lithography, and mass cytometry technologies. In some cases, we do not control the prosecution, maintenance, or filing of the patents to which we hold licenses, or the enforcement of these patents against third parties. Additionally, our business and product development plans anticipate and may substantially depend on future in-license agreements with additional third parties, some of which are currently in the early discussion phase. For example, Fluidigm Canada Inc., or Fluidigm Canada, an Ontario corporation and wholly-owned subsidiary of Fluidigm Sciences, was party to an interim license agreement, now expired, with Nodality, Inc., or Nodality, under which Nodality granted Fluidigm Canada a worldwide, non-exclusive, research use only, royalty bearing license to certain cytometric reagents, instruments, and other products. We have had prior discussions with Nodality to reinstate the license agreement. We cannot provide assurances that we will be able to reinstate the license agreement with Nodality or secure a new license agreement with Nodality or other third parties on acceptable terms, if at all.

In-licensed intellectual property rights that are fundamental to the business being operated present numerous risks and limitations. For example, all or a portion of the license rights granted may be limited for research use only, and in the event we attempt to expand into diagnostic applications, we would be required to negotiate additional rights, which may not be available to us on commercially reasonable terms, if at all.

Our rights to use the technology we license are also subject to the negotiation and continuation of those licenses. Certain of our licenses contain provisions that allow the licensor to terminate the license upon specific conditions. Our rights under the licenses are subject to our continued compliance with the terms of the license, including the payment of royalties due under the license. Because of the complexity of our products and the patents we have licensed, determining the scope of the license and related royalty obligation can be difficult and can lead to disputes between us and the licensor. An unfavorable resolution of such a dispute could lead to an increase in the royalties payable pursuant to the license. If a licensor believed we were not paying the royalties due under the license or were otherwise not in compliance with the terms of the license, the licensor might attempt to revoke the license. If such an attempt were successful and the license is terminated, we might be barred from marketing, producing, and selling some or all of our products, which would have an adverse effect on our business. For example, pursuant to the terms of a license agreement entered into with Life in June 2011, we were obligated to make a $1.0 million payment to Life upon satisfaction of certain conditions. On October 16, 2013, Life provided notice that the $1.0 million payment was due and payable under the license agreement. We believe that at least one of the conditions of the milestone payment remains unmet; however, we paid Life the amount due while reserving our rights with respect to such matter to, among other reasons, avoid what would have been, in our view, an improper termination of our license to certain Life patent filings under the agreement, which could have subjected our relevant product lines to risks associated with patent infringement litigation.

Potential disputes between us and one of our existing licensors concerning the terms or conditions of the applicable license agreement could result, among other risks, in substantial management distraction; increased expenses associated with litigation or efforts to resolve disputes; substantial customer uncertainty concerning the direction of our product lines; potential infringement claims against us and/or our customers, which could include efforts by a licensor to enjoin sales of our products; customer requests for indemnification by us; and, in the event of an adverse determination, our inability to operate our business as currently operated. Termination of material license agreements could prevent us from manufacturing and selling our products unless we can negotiate new license terms or develop or acquire alternative intellectual property rights that cover or enable similar functionality. Any of these factors would be expected to have a material adverse effect on our business, operating results, and financial condition and could result in a substantial decline in our stock price.

We are subject to certain manufacturing restrictions related to licensed technologies that were developed with the financial assistance of U.S. governmental grants.

We are subject to certain U.S. government regulations because we have licensed technologies that were developed with U.S. government grants. In accordance with these regulations, these licenses provide that products embodying the technologies are subject to domestic manufacturing requirements. If this domestic manufacturing requirement is not met, the government agency that funded the relevant grant is entitled to exercise specified rights, referred to as “march-in rights,” which if exercised would allow the government agency to require the licensors or us to grant a non-exclusive, partially exclusive, or exclusive license in any field of use to a third party designated by such agency. All of our microfluidic systems revenue is dependent upon the availability of our IFCs, which incorporate technology developed with U.S. government grants. All of our instruments, including microfluidic systems, and IFCs for commercial sale are manufactured at our facility in Singapore. The federal regulations allow the funding government agency to grant, at the request of the licensors of such technology, a waiver of the domestic manufacturing requirement. Waivers may be requested prior to any government notification. We have assisted the licensors of these technologies with the analysis of the domestic manufacturing requirement, and, in December 2008, the sole licensor subject to the requirement applied for a waiver of the domestic manufacturing requirement with respect to the relevant patents licensed to us by this licensor. In July 2009, the funding government agency granted the requested waiver of the domestic manufacturing requirement for a three-year period commencing in July 2009. In June 2012, the licensor requested a continued waiver of the domestic manufacturing requirement with respect to the relevant patents, but the government agency has not yet taken any action in response to this request. If the government agency does not grant the requested waiver or the government fails to grant additional waivers of such requirement that may be sought in the future, then the U.S. government could exercise its march-in rights with respect to the relevant patents licensed to us. In addition, the license agreement under which the relevant patents are licensed to us contains provisions that obligate us to comply with this domestic manufacturing requirement. We are not currently manufacturing instruments and IFCs in the United States that incorporate the relevant licensed technology. If our lack of compliance with this provision constituted a material breach of the license agreement, the license of the relevant patents could be terminated or we could be compelled to relocate our manufacturing of microfluidic systems and IFCs to the United States to avoid or cure a material breach of the license agreement. Any of the exercise of march-in rights, the termination of our license of the relevant patents or the relocation of our manufacturing of microfluidic systems and IFCs to the United States could materially adversely affect our business, operations and financial condition.

We are subject to certain obligations and restrictions relating to technologies developed in cooperation with Canadian government agencies.

Some of our Canadian research and development is funded in part through government grants and by government agencies. The intellectual property developed through these projects is subject to rights and restrictions in favor of government agencies and Canadians generally. In most cases the government agency retains the right to use intellectual property developed through the project for non-commercial purposes and to publish the results of research conducted in connection with the project. This may increase the risk of public disclosure of information relating to our intellectual property, including confidential information, and may reduce its competitive advantage in commercializing intellectual property developed through these projects. In certain projects, we have also agreed to use commercially reasonable efforts to commercialize intellectual property in Canada, or more specifically in the province of Ontario, for the economic benefit of Canada and the province of Ontario. These restrictions will limit our choice of business and manufacturing locations, business partners and corporate structure and may, in certain circumstances, restrict our ability to achieve maximum profitability and cost efficiency from the intellectual property generated by these projects. In one instance, a dispute with the applicable government funded entity may require mediation, which could lead to unanticipated delays in our commercialization efforts to that project. One of our Canadian government funded projects is also subject to certain limited "march-in" rights in favor of the government of the Province of Ontario, under which we may be required to grant a license to our intellectual property, including background intellectual property developed outside the scope of the project, to a responsible applicant on reasonable terms in circumstances where the government determines that such a license is necessary in order to alleviate emergency or extraordinary health or safety needs or for public use. In addition, we must provide reasonable assistance to the government in obtaining similar licenses from third parties required in connection with the use of its intellectual property. Instances in which the government of the Province of Ontario has exercised similar "march-in" rights are rare; however, the exercise of such rights could materially adversely affect our business, operations and financial condition.

We may be subject to damages resulting from claims that we or our employees have wrongfully used or disclosed alleged trade secrets of our employees' former employers or other institutions or third parties with whom such employees may have been previously affiliated.

Many of our employees were previously employed at universities or other life science or Ag-Bio companies, including our competitors or potential competitors. Although no claims against us are currently pending, we have in the past received notices from third parties alleging potential disclosures of confidential information. We may become subject to claims that our employees or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers or other third parties or institutions with whom our employees may have been previously affiliated. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. A loss of key research personnel work product could hamper or prevent our ability to commercialize certain potential products, which could severely harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

Risks Related to Our Common Stock

Our stock price may fluctuate significantly, particularly if holders of substantial amounts of our stock attempt to sell, and holders may have difficulty selling their shares based on current trading volumes of our stock. In addition, numerous other factors could result in substantial volatility in the trading price of our stock.

Our stock is currently traded on NASDAQ, but we can provide no assurance that we will be able to maintain an active trading market on NASDAQ or any other exchange in the future. The trading volume of our stock tends to be low relative to our total outstanding shares, and we have several stockholders who hold substantial blocks of our stock. As of September 30, 2015, we had 28,785,710 shares of common stock outstanding, and stockholders holding at least 5% of our stock, individually or with affiliated persons or entities, collectively beneficially owned or controlled approximately 59% of such shares. Sales of large numbers of shares by any of our large stockholders could adversely affect our trading price, particularly given our relatively small historic trading volumes. If stockholders holding shares of our common stock sell, indicate an intention to sell, or if it is perceived that they will sell, substantial amounts of their common stock in the public market, the trading price of our common stock could decline. Moreover, if there is no active trading market or if the volume of trading is limited, holders of our common stock may have difficulty selling their shares.

In addition, the trading price of our common stock may be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. These factors include:

- actual or anticipated quarterly variation in our results of operations or the results of our competitors;
- announcements or communications by us or our competitors relating to, among other things, new commercial products, technological advances, significant contracts, commercial relationships, capital commitments, acquisitions or sales of businesses, and/or misperceptions in or speculation by the market regarding such announcements or communications;
- issuance of new or changed securities analysts' reports or recommendations for our stock;
- developments or disputes concerning our intellectual property or other proprietary rights;
- commencement of, or our involvement in, litigation;
- market conditions in the life science, Ag-Bio, and clinical research sectors;
- failure to complete significant sales;
- manufacturing disruptions that could occur if we were unable to successfully expand our production in our current or an alternative facility;
- any future sales of our common stock or other securities in connection with raising additional capital or otherwise;
- any major change to the composition of our board of directors or management; and
- general economic conditions and slow or negative growth of our markets.

The stock market in general, and market prices for the securities of technology-based companies like ours in particular, have from time to time experienced volatility that often has been unrelated to the operating performance of the underlying companies. These broad market and industry fluctuations may adversely affect the market price of our common stock regardless of our operating performance. In several recent situations where the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders were to bring a lawsuit against us, the defense and disposition of the lawsuit could be costly and divert the time and attention of our management and harm our operating results.

If securities or industry analysts publish unfavorable research about our business or cease to cover our business, our stock price and/or trading volume could decline.

The trading market for our common stock may rely, in part, on the research and reports that equity research analysts publish about us and our business. We do not have any control of the analysts or the content and opinions included in their reports. The price of our stock could decline if one or more equity research analysts downgrade our stock or issue other unfavorable commentary or research. If one or more equity research analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our stock could decrease, which in turn could cause our stock price or trading volume to decline.

Our directors, executive officers, and large stockholders have substantial control over and could limit your ability to influence the outcome of key transactions, including changes of control.

As of September 30, 2015, our current executive officers and directors beneficially owned (determined in accordance with the rules of the U.S. Securities & Exchange Commission) approximately 4% of the outstanding shares of our common stock. Additionally, stockholders holding at least 5% of our outstanding stock, and their respective affiliates, collectively beneficially owned or controlled approximately 59% of the outstanding shares of our common stock. Accordingly, these executive officers, directors, large stockholders, and their respective affiliates, acting as a group, can have substantial influence over the outcome of corporate actions requiring stockholder approval, including the election of directors, any merger, consolidation or sale of all or substantially all of our assets, or any other significant corporate transactions. These stockholders may also delay or prevent a change of control of us, even if such a change of control would benefit our other stockholders. The significant concentration of stock ownership may adversely affect the trading price of our common stock due to investors' perception that conflicts of interest may exist or arise.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Provisions in our certificate of incorporation and bylaws may have the effect of delaying or preventing a change of control or changes in our management, including provisions that:

- authorize our board of directors to issue, without further action by the stockholders, up to 10,000,000 shares of undesignated preferred stock;
- require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent;
- specify that special meetings of our stockholders can be called only by our board of directors, the chairman of the board, the chief executive officer or the president;
- establish an advance notice procedure for stockholder approvals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors;
- establish that our board of directors is divided into three classes, Class I, Class II, and Class III, with each class serving staggered three year terms;
- provide that our directors may be removed only for cause;
- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum;
- specify that no stockholder is permitted to cumulate votes at any election of directors; and
- require a super-majority of votes to amend certain of the above-mentioned provisions.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which limits the ability of stockholders owning in excess of 15% of our outstanding voting stock to merge or combine with us.

We have never paid dividends on our capital stock, and we do not anticipate paying any cash dividends in the foreseeable future.

We have paid no cash dividends on any of our classes of capital stock to date, have contractual restrictions against paying cash dividends, and currently intend to retain our future earnings to fund the development and growth of our business. As a result, capital appreciation, if any, of our common stock will be stockholders' sole source of gain for the foreseeable future.

Risks Related to Our Outstanding 2.75% Senior Convertible Notes due 2034

Our outstanding 2.75% senior convertible notes due 2034 are effectively subordinated to our secured debt and any liabilities of our subsidiaries.

Our outstanding 2.75% senior convertible notes due 2034, which we refer to as our "notes", rank:

- senior in right of payment to any of our indebtedness that is expressly subordinated in right of payment to the notes;
- equal in right of payment to all of our liabilities that are not so subordinated;

- effectively junior in right of payment to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and
- structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries.

In February 2014, we completed our offering of notes with an aggregate outstanding principal amount of $201.3 million. In the event of our bankruptcy, liquidation, reorganization, or other winding up, our assets that secure debt ranking senior in right of payment to the notes will be available to pay obligations on the notes only after the secured debt has been repaid in full from these assets, and the assets of our subsidiaries will be available to pay obligations on the notes only after all claims senior to the notes have been repaid in full. There may not be sufficient assets remaining to pay amounts due on any or all of the notes then outstanding. The indenture governing the notes does not prohibit us from incurring additional senior debt or secured debt, nor does it prohibit our subsidiaries from incurring additional liabilities.

The notes are our obligations only and some of our operations are conducted through, and a portion of our consolidated assets are held by, our subsidiaries.

The notes are our obligations exclusively and are not guaranteed by any of our operating subsidiaries. A portion of our consolidated assets is held by our subsidiaries. Accordingly, our ability to service our debt, including the notes, depends in part on the results of operations of our subsidiaries and upon the ability of such subsidiaries to provide us with cash, whether in the form of dividends, loans, or otherwise, to pay amounts due on our obligations, including the notes. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to make payments on the notes or to make any funds available for that purpose. In addition, dividends, loans, or other distributions to us from such subsidiaries may be subject to contractual and other restrictions and are subject to other business and tax considerations.

Recent and future regulatory actions and other events may adversely affect the trading price and liquidity of the notes.

We expect that many investors in, and potential purchasers of, the notes will employ, or seek to employ, a convertible arbitrage strategy with respect to the notes. Investors would typically implement such a strategy by selling short the common stock underlying the notes and dynamically adjusting their short position while continuing to hold the notes. Investors may also implement this type of strategy by entering into swaps on our common stock in lieu of or in addition to short selling the common stock. As a result, any specific rules regulating equity swaps or short selling of securities or other governmental action that interferes with the ability of market participants to effect short sales or equity swaps with respect to our common stock could adversely affect the ability of investors in, or potential purchasers of, the notes to conduct the convertible arbitrage strategy that we believe they will employ, or seek to employ, with respect to the notes. This could, in turn, adversely affect the trading price and liquidity of the notes.

The SEC and other regulatory and self-regulatory authorities have implemented various rules and taken certain actions, and may in the future adopt additional rules and take other actions, that may impact those engaging in short selling activity involving equity securities (including our common stock). Such rules and actions include Rule 201 of SEC Regulation SHO, the adoption by the Financial Industry Regulatory Authority, Inc. and the national securities exchanges of a “Limit Up-Limit Down” program, the imposition of market-wide circuit breakers that halt trading of securities for certain periods following specific market declines, and the implementation of certain regulatory reforms required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Although the direction and magnitude of the effect that Regulation SHO, FINRA, securities exchange rule changes, and implementation of the Dodd-Frank Act may have on the trading price and the liquidity of the notes will depend on a variety of factors, many of which cannot be determined at the date of this report, past regulatory actions (such as certain emergency orders issued by the SEC in 2008 prohibiting short sales of stock of certain financial services companies) have had a significant impact on the trading prices and liquidity of convertible debt instruments. Any governmental or regulatory action that restricts the ability of investors in, or potential purchasers of, the notes to effect short sales of our common stock, borrow our common stock, or enter into swaps on our common stock or increases the costs of implementing an arbitrage strategy could adversely affect the trading price and the liquidity of the notes.

Volatility in the market price and trading volume of our common stock could adversely impact the trading price of the notes.

The stock market in recent years has experienced significant price and volume fluctuations that have often been unrelated to the operating performance of companies. The market price of our common stock could fluctuate significantly for many reasons,

including in response to the risks described in this report, or for reasons unrelated to our operations, such as reports by industry analysts, investor perceptions or negative announcements by our customers, competitors or suppliers regarding their own performance, as well as industry conditions and general financial, economic and political instability. The market price of our common stock could also decline as a result of sales of a large number of shares of our common stock in the market, particularly sales by our directors, executive officers, employees, and significant stockholders, and the perception that these sales could occur may also depress the market price of our common stock. A decrease in the market price of our common stock would likely adversely impact the trading price of the notes. The market price of our common stock could also be affected by possible sales of our common stock by investors who view the notes as a more attractive means of equity participation in us and by hedging or arbitrage trading activity that we expect to develop involving our common stock. This trading activity could, in turn, affect the trading price of the notes.

We may still incur substantially more debt or take other actions which would intensify the risks discussed above.

We are not restricted under the terms of the indenture governing the notes from incurring additional debt, securing existing or future debt, recapitalizing our debt, or taking a number of other actions that are not limited by the terms of the indenture governing the notes that could have the effect of diminishing our ability to make payments on the notes when due. Any failure by us or any of our significant subsidiaries to make any payment at maturity of indebtedness for borrowed money in excess of $15 million or the acceleration of any such indebtedness in excess of $15 million would, subject to the terms of the indenture governing the notes, constitute a default under the indenture. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the notes when required.

We may not have the ability to raise the funds necessary to repurchase the notes upon specified dates or upon a fundamental change, and our future debt may contain limitations on our ability to repurchase the notes.

Holders of the notes have the right to require us to repurchase all or a portion of their notes on certain dates or upon the occurrence of a fundamental change at a repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest, if any. We may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of notes surrendered therefor.

In addition, our ability to repurchase the notes may be limited by law, regulatory authority, or agreements governing our future indebtedness. Our failure to repurchase notes at a time when the repurchase is required by the indenture would constitute a default under the indenture. A default under the indenture or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the notes when required.

Holders of notes are not entitled to any rights with respect to our common stock, but they are subject to all changes made with respect to them to the extent our conversion obligation includes shares of our common stock.

Holders of notes are not entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock) prior to the conversion date with respect to any notes they surrender for conversion, but they are subject to all changes affecting our common stock. For example, if an amendment is proposed to our certificate of incorporation or bylaws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to the conversion date with respect to any notes surrendered for conversion, then the holder surrendering such notes will not be entitled to vote on the amendment, although such holder will nevertheless be subject to any changes affecting our common stock.

We have made only limited covenants in the indenture governing the notes, and these limited covenants may not protect a noteholder's investment.

The indenture governing the notes does not:

- require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flows, or liquidity and, accordingly, does not protect holders of the notes in the event that we experience adverse changes in our financial condition or results of operations;

- limit our subsidiaries' ability to guarantee or incur indebtedness that would rank structurally senior to the notes;
- limit our ability to incur additional indebtedness, including secured indebtedness;
- restrict our subsidiaries' ability to issue securities that would be senior to our equity interests in our subsidiaries and therefore would be structurally senior to the notes;
- restrict our ability to repurchase our securities;
- restrict our ability to pledge our assets or those of our subsidiaries; or
- restrict our ability to make investments or pay dividends or make other payments in respect of our common stock or our other indebtedness.

Furthermore, the indenture governing the notes contains only limited protections in the event of a change of control. We could engage in many types of transactions, such as acquisitions, refinancings, or certain recapitalizations, that could substantially affect our capital structure and the value of the notes and our common stock but may not constitute a "fundamental change" that permits holders to require us to repurchase their notes or a "make-whole fundamental change" that permits holders to convert their notes at an increased conversion rate. For these reasons, the limited covenants in the indenture governing the notes may not protect a noteholder's investment in the notes.

The increase in the conversion rate for notes converted in connection with a make-whole fundamental change or provisional redemption may not adequately compensate noteholders for any lost value of the notes as a result of such transaction or redemption.

If a make-whole fundamental change occurs prior to February 6, 2021 or upon our issuance of a notice of provisional redemption, under certain circumstances, we will increase the conversion rate by a number of additional shares of our common stock for notes converted in connection with such events. The increase in the conversion rate for notes converted in connection with such events may not adequately compensate noteholders for any lost value of the notes as a result of such transaction or redemption. In addition, if the price of our common stock in the transaction is greater than $180.00 per share or less than $39.96 per share (in each case, subject to adjustment), no additional shares will be added to the conversion rate. Moreover, in no event will the conversion rate per $1,000 principal amount of notes as a result of this adjustment exceed 25.0250 shares of common stock, subject to adjustment.

Our obligation to increase the conversion rate for notes converted in connection with such events could be considered a penalty, in which case the enforceability thereof would be subject to general principles of reasonableness and equitable remedies.

The conversion rate of the notes may not be adjusted for all dilutive events.

The conversion rate of the notes is subject to adjustment for certain events, including, but not limited to, the issuance of certain stock dividends on our common stock, the issuance of certain rights or warrants, subdivisions, combinations, distributions of capital stock, indebtedness, or assets, cash dividends and certain issuer tender or exchange offers. However, the conversion rate will not be adjusted for other events, such as a third-party tender or exchange offer or an issuance of common stock for cash, that may adversely affect the trading price of the notes or our common stock. An event that adversely affects the value of the notes may occur, and that event may not result in an adjustment to the conversion rate.

Some significant restructuring transactions may not constitute a fundamental change, in which case we would not be obligated to offer to repurchase the notes.

Upon the occurrence of a fundamental change, a holder of notes has the right to require us to repurchase the notes. However, the fundamental change provisions will not afford protection to holders of notes in the event of other transactions that could adversely affect the notes. For example, transactions such as leveraged recapitalizations, refinancings, restructurings, or acquisitions initiated by us may not constitute a fundamental change requiring us to repurchase the notes. In the event of any such transaction, the holders would not have the right to require us to repurchase the notes, even though each of these transactions could increase the amount of our indebtedness, or otherwise adversely affect our capital structure or any credit ratings, thereby adversely affecting the holders of notes.

In addition, absent the occurrence of a fundamental change or a make-whole fundamental change as described under changes in the composition of our board of directors will not provide holders with the right to require us to repurchase the notes or to an increase in the conversion rate upon conversion.

We cannot assure noteholders that an active trading market will develop or be maintained for the notes.

We do not intend to apply to list our outstanding convertible notes on any securities exchange or to arrange for quotation on any automated dealer quotation system. In addition, the liquidity of the trading market in the notes and the market price quoted for the notes may be adversely affected by changes in the overall market for this type of security and by changes in our financial performance or prospects or in the prospects for companies in our industry generally. As a result, we cannot assure noteholders that an active trading market will develop or be maintained for the notes. If an active trading market does not develop or is not maintained, the market price and liquidity of the notes may be adversely affected. In that case, noteholders may not be able to sell the notes at a particular time or at a favorable price.

Any adverse rating of the notes may cause their trading price to fall.

We do not intend to seek a rating on the notes. However, if a rating service were to rate the notes and if such rating service were to lower its rating on the notes below the rating initially assigned to the notes or otherwise announces its intention to put the notes on credit watch, the trading price of the notes could decline.

Holders of notes may be subject to tax if we make or fail to make certain adjustments to the conversion rate of the notes even though they do not receive a corresponding cash distribution.

The conversion rate of the notes is subject to adjustment in certain circumstances, including the payment of cash dividends. If the conversion rate is adjusted as a result of a distribution that is taxable to our common stockholders, such as a cash dividend, a noteholder may be deemed to have received a dividend subject to U.S. federal income tax without the receipt of any cash. In addition, a failure to adjust (or to adjust adequately) the conversion rate after an event that increases a noteholder's proportionate interest in us could be treated as a deemed taxable dividend to you. If a make-whole fundamental change occurs prior to February 6, 2021 or we provide notice of a provisional redemption, under some circumstances, we will increase the conversion rate for notes converted in connection with the make-whole fundamental change or provisional redemption. Such increase may also be treated as a distribution subject to U.S. federal income tax as a dividend. For a non-U.S. holder, any deemed dividend would be subject to U.S. federal withholding tax at a 30% rate, or such lower rate as may be specified by an applicable treaty, which may be set off against subsequent payments on the notes.

Any conversions of the notes will dilute the ownership interest of our existing stockholders, including holders who had previously converted their notes.

Any conversion of some or all of the notes will dilute the ownership interests of our existing stockholders. Any sales in the public market of our common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. In addition, the existence of the notes may encourage short selling by market participants because the conversion of the notes could depress the price of our common stock.

Item 5. Other Information.

Some of the intellectual property rights covering our mass cytometry products were subject to a license agreement (the Original License Agreement) between Fluidigm Canada Inc. (Fluidigm Canada) and PerkinElmer Health Sciences, Inc. (PerkinElmer). Under the Original License Agreement, Fluidigm Canada received an exclusive, royalty bearing, worldwide license to certain patents owned by PerkinElmer in the field of ICP-based mass cytometry, including the analysis of elemental tagged materials in connection therewith (the Patents), and a non-exclusive license for reagents outside the field of ICP-based mass cytometry. On November 4, 2015, we entered into a patent purchase agreement with PerkinElmer pursuant to which we purchased the Patents for a purchase price of $6.5 million and a patent assignment agreement pursuant to which PerkinElmer transferred and assigned to us all rights, title, privileges, and interest in and to the Patents and the Original License Agreement. Accordingly, we have no further financial obligations to PerkinElmer under the Original License Agreement. Contemporaneously with the purchase of the Patents, we entered into a license agreement with PerkinElmer pursuant to which we granted

PerkinElmer a worldwide, non-exclusive, fully paid-up license to the Patents in fields other than (i) ICP-based mass analysis of atomic elements associated with a biological material, including any elements that are unnaturally bound, directly or indirectly, to such biological material (Mass Analysis) and (ii) the development, design, manufacture, and use of equipment or associated reagents for such Mass Analysis. The license will terminate on the last expiration date of the Patents, currently expected to be in December 2025, unless earlier terminated pursuant to the terms of the license agreement.

Item 6. Exhibits.

Exhibit Number	Description	Incorporated by Reference From Form	Incorporated by Reference From Exhibit Number	Date Filed
10.1†	Office lease by and among Rodick Equities Inc., Fluidigm Canada Inc., and the registrant dated August 17, 2015	Filed herewith		
31.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of President and Chief Executive Officer	Filed herewith		
31.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Chief Financial Officer	Filed herewith		
32.1(1)	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of President and Chief Executive Officer	Furnished herewith		
32.2(1)	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of Chief Financial Officer	Furnished herewith		
101.INS	XBRL Instance Document	Filed herewith		
101.SCH	XBRL Taxonomy Extension Schema Document	Filed herewith		
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith		
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	Filed herewith		
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith		
101.DEF	XBRL Taxonomy Extension Definition Document	Filed herewith		

† Portions of the exhibit have been omitted pursuant to an order granted by the Securities and Exchange Commission for confidential treatment.

(1) In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release No. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

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

FLUIDIGM CORPORATION

Dated: November 9, 2015

By: /s/ Gajus V. Worthington

Gajus V. Worthington

President and Chief Executive Officer

Dated: November 9, 2015

By: /s/ Vikram Jog

Vikram Jog

Chief Financial Officer

EXHIBIT LIST

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101.INS	XBRL Instance Document	Filed herewith		
101.SCH	XBRL Taxonomy Extension Schema Document	Filed herewith		
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith		
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	Filed herewith		
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith		
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OFFICE LEASE

RODICK EQUITIES INC.

(Landlord)

- and -

FLUIDIGM CANADA INC.

(Tenant)

- and -

FLUIDIGM CORPORATION

(Indemnifier)

SUITES 400 AND 401
ON THE FOURTH FLOOR OF THE OFFICE COMPONENT
AND A PORTION OF THE WAREHOUSE COMPONENT
1380 RODICK ROAD
MARKHAM, ONTARIO

Rentable Area: approximately **41,145** square feet

Date: **August 17, 2015**

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

I N D E X

ARTICLE I - FUNDAMENTAL PROVISIONS

1.1 Landlord 5
1.2 Tenant 5
1.3 Building 5
1.4 Premises 5
1.5 Term 5
1.6 Basic Rent 6
1.7 Additional Rent 7
1.8 Deposit 7
1.9 Rent Commencement Date 7
1.10 Indemnifier 7
1.11 Fundamental Provisions 7

ARTICLE II - PREMISES

2.1 Lease 8
2.2 Use: 8
2.3 Rules and Regulations: 8
2.4 Observance of Law: 9
2.5 No Waste or Nuisance: 9
2.6 Common Areas: 9
2.7 Easements: 10
2.8 Covenants of Landlord and Tenant: 10

ARTICLE III - TERM - POSSESSION

3.1 Term: 10
3.2 Tenant Fixturing: 10
3.3 Delay in Possession: 11
3.4 Surrender: 11
3.5 Overholding: 11
3.6 Effect of Termination: 11
3.7 Acceptance of Premises: 11
3.8 Demolition: Intentionally Deleted 11
3.9 Relocation: Intentionally Deleted 11

ARTICLE IV - RENT

4.1 Payment: 12
4.2 Basic Rent: 12
4.3 Deposit: 12
4.4 Proportionate Share of Realty Taxes and Operating Costs: 13
4.5 Utilities - Light Fixtures: 14
4.6 Additional Services: 14
4.7 General Provisions: 15

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

ARTICLE V - TAXES

5.1 Taxes Payable by the Landlord: 15
5.2 Business and Other Taxes Payable by the Tenant: 16
5.3 Contesting Taxes: 16
5.4 Alternate Methods of Taxation: 16

ARTICLE VI - MAINTENANCE, REPAIRS AND ALTERATIONS

6.1 General Statement: 16
6.2 Responsibility of Tenant: 16
6.3 Tenant Not Responsible: 17
6.4 Responsibility of Landlord: 17
6.5 Inspection, Entry and Notice: 17
6.6 Notify the Landlord: 18
6.7 Alterations or Improvements: 18
6.8 Removal and Restoration: 20
6.9 External Changes: 21
6.10 Trade Fixtures: 21
6.11 Tenant's Signs: 22
6.12 Directory Board: 23
6.13 Landlord's Signs: 23
6.14 Environmental Provisions: 23
6.15 Landlord's Alterations: 29

ARTICLE VII - STANDARD SERVICES

7.1 Heating and Air-Conditioning: 29
7.2 Cleaning: 30
7.3 Elevators: 31
7.4 Security and Information: 31
7.5 Utilities: 31
7.6 Interruption or Delay of Services: 31
7.7 Public Policy: 32

ARTICLE VIII - ASSIGNMENT AND SUBLETTING

8.1 Assignment, Subletting: 32
8.2 Landlord's Consent: 33
8.3 Requests for Consent: 33
8.4 Assignment by Landlord: 34
8.5 Liability of Tenant after Transfers: 34

ARTICLE IX - INSURANCE AND INDEMNIFICATION

9.1 Tenant's Insurance: 34
9.2 Policy Requirements: 35
9.3 Proof of Insurance: 36
9.4 Failure to Maintain: 36
9.5 Damage to Leasehold Improvements: 36
9.6 Increase in Insurance Premiums/Cancellation: 36

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

9.7 Landlord's Insurance: 37
9.8 Non-Liability for Loss, Injury or Damage: 37
9.9 Indemnification of the Landlord: 37
9.10 Extension of Rights and Remedies: 38

ARTICLE X - DAMAGE
10.1 Damage to Premises: 38
10.2 Damage to the Building: 39
10.3 Architect's Certificate: 40

ARTICLE XI - UNAVOIDABLE DELAY
11.1 Unavoidable Delay: 41

ARTICLE XII - LANDLORD'S REMEDIES
12.1 Landlord May Perform Tenant's Covenants: 41
12.2 Re-Entry: 41
12.3 Right to Distrain: 45
12.4 Landlord May Follow Chattels: 45
12.5 Rights Cumulative: 45
12.6 Acceptance of Rent Non-Waiver: 45

ARTICLE XIII - STATUS STATEMENT, ATTORNMENT AND SUBORDINATION
13.1 Certification: 44
13.2 Attornment: 44
13.3 Subordination: 44
13.4 Rights of Mortgagees: 45

ARTICLE XIV - MISCELLANEOUS
14.1 Joint and Several Liability: 45
14.2 Landlord and Tenant Relationship: 45
14.3 Planning Act: 45
14.4 No Waiver: 45
14.5 Expropriation: 46
14.6 Notice: 46
14.7 Net Lease: 47
14.8 Non Merger: 47
14.9 Lease Entire Agreement: 48
14.10 Registration: 48
14.11 Name of Building: 48
14.12 Governing Law: 48
14.13 Survival of Tenant's Covenants: 48
14.14 Quiet Enjoyment: 48
14.15 Binding on Successors: 49
14.16 Limitation on Use: 49

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

14.17 Corporate Ownership: 49
14.18 Assignment and Subletting: 49
14.19 Several Liability: 49
14.20 Time of the Essence: 49
14.21 Counterparts: 49

ARTICLE XV - DEFINITIONS - INTERPRETATION
15.1 Definitions: 50
15.2 Interpretation: 59

SCHEDULE "A" - LEGAL DESCRIPTION
SCHEDULE "B" - FLOOR PLAN **OF THE OFFICE PREMISES**
SCHEDULE "B-1" - FLOOR PLAN OF THE WAREHOUSE PREMISES
SCHEDULE "C" - LANDLORD'S & TENANT'S WORK
SCHEDULE "C1"- DEMOLITION PLANS
SCHEDULE "D" - RULES AND REGULATIONS
SCHEDULE "E" - SPECIAL PROVISIONS
SCHEDULE "F" - FLOOR PLAN SHOWING THE FOURTH FLOOR ROFO SPACE
SCHEDULE "G"- FLOOR PLAN SHOWING WAREHOUSE ROFO SPACE
SCHEDULE "H" - CONTAMINANTS LIST
SCHEDULE "I" - INDEMNITY AGREEMENT

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THIS LEASE is made the 17th **day of August, 2015**

between the Landlord, Tenant and Indemnifier, if any, listed below.

ARTICLE I - FUNDAMENTAL PROVISIONS

1.1 Landlord:

RODICK EQUITIES INC., a company incorporated under the laws of the Province of Ontario and having a mailing address for the purposes of this Lease at 40 University Avenue, Suite 1200, Toronto, Ontario M5J 1T1.

1.2 Tenant:

FLUIDIGM CANADA INC.

1.3 Building:

1380 Rodick Road, Markham, Ontario, situate upon the lands described in Schedule "A" of this Lease.

1.4 Premises (Section 2.1)

An aggregate area of approximately forty-one thousand, one hundred and forty-five (41,145) square feet in the Building, comprised of: (i) the Office Premises, cross hatched in blue on Schedule "B" of this Lease, designated as Suites 400 and 401, located on the **fourth floor** of the **Office Component** and having a **Rentable Area of thirty thousand and nineteen (30,019) square feet; and (ii) the Warehouse Premises cross hatched in blue on Schedule "B-1" of this Lease, located on the ground floor, in the Warehouse Component, comprised of a Rentable Area of approximately eleven thousand, one hundred and twenty-six (11,126) square feet.** The Rentable Area of the **Office Premises** includes a Proportionate Share of Common Areas of the Building. **The Office Premises** has been measured in accordance with BOMA. **The Warehouse Premises shall be measured by the Landlord's space planner in accordance with BOMA / SIOR 2009 Method B and all Rents will be adjusted to reflect the actual Rentable Area, retroactively if necessary. Except as otherwise specifically set out herein, the Office Premises and the Warehouse Premises are hereinafter collectively referred to herein as the "Premises".**

1.5 Term: (Section 3.1)

Ten (10) years having a Term Commencement Date of **April 1, 2016** and ending **March 31, 2026.**

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1.6 Basic Rent: (Section 4.2)

The Tenant will, throughout the Term, pay to the Landlord or to the Manager as the Landlord directs, at its head office, or at any other place designated by the Landlord or the Manager, as the case may be, in Canadian funds, without demand and without deduction, abatement, set-off or compensation as Basic Rent, as follows:

(A) Office Premises Basic Rent

(i) during the period from and including April 1, 2016 to and including March 31, 2021, the annual sum of [*****] **($**[*****]**) payable in equal consecutive monthly instalments of** [*****] **($**[*****]**) each in advance on the first day of each calendar month during the aforesaid period based on an annual rate of** [*****] **($**[*****]**) per square foot of the Rentable Area of the Office Premises;**

(ii) during the period from and including April 1, 2021 to and including March 31 2023, the annual sum of [*****] **($**[*****]**) payable in equal consecutive monthly instalments of** [*****] **($**[*****]**) each in advance on the first day of each calendar month during the aforesaid period based on an annual rate of** [*****] **($**[*****]**) per square foot of the Rentable Area of the Office Premises; and**

(iii) during the period from and including April 1, 2023 to and including March 31, 2026, the annual sum of [*****] **($**[*****]**) payable in equal consecutive monthly instalments of** [*****] **($**[*****]**) each in advance on the first day of each calendar month during the aforesaid period based on an annual rate of** [*****] **($**[*****]**) per square foot of the Rentable Area of the Office Premises.**

(B) Warehouse Premises Basic Rent

(i) during the period from and including April 1, 2016 to and including March 31, 2021, the annual sum of [*****] **($**[*****]**) payable in equal consecutive monthly instalments of** [*****] **($**[*****]**) each, in advance, on the first day of each calendar month, during the aforesaid period based on an annual rate of** [*****] **($**[*****]**) per square foot of the Rentable Area of the Warehouse Premises; and**

(ii) **during the period from and including April 1, 2021 to and including March 31, 2026, the annual sum of** [*****] **($**[*****]**) payable in equal consecutive monthly instalments of** [*****] **($**[*****]**) each, in advance, on the first day of each calendar month, during the aforesaid period based on an annual rate of** [*****] **($**[*****]**) per square foot of the Rentable Area of the Warehouse Premises.**

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1.7 Additional Rent:

The following additional payments are due as rent payable as of and from the Rent Commencement Date:

(a) Proportionate Share of Realty Taxes and Operating Costs (Section 4.4)

(b) Utilities for Premises (Section 4.5)

(c) Additional Services, if any (Section 4.6)

1.8 Deposit:

The Landlord acknowledges that the Tenant has deposited the sum of [*****] **($**[*****]), **with CBRE Limited,** to be applied as provided in Section 4.3 hereof.

1.9 Rent Commencement Date: (Section 4.1)

All Rent payments will commence April 1, 2016.

1.10 Indemnifier:

To induce the Landlord to enter into this Lease, Fluidigm Corporation, will, jointly and severally, indemnify the Landlord with respect to the Tenant's observance and performance of its obligations under this Lease. The Indemnifier will execute the Landlord's standard form of Indemnity Agreement, attached hereto as Schedule "I", upon terms reasonably acceptable to both parties, concurrently with the execution of this Lease.

1.11 Fundamental Provisions:

Each reference in this Lease to any of the Fundamental Provisions listed above shall be read as having the same dates, quantities and other meanings as specified in this Article I. Certain words and phrases recurring throughout this Lease have defined meanings as set out in Article 15, unless the subject matter or context requires otherwise.

ARTICLE II - PREMISES

2.1 Lease:

In consideration of the Rent to be paid, the Landlord hereby leases to the Tenant the premises cross hatched in blue on Schedule "B" and Schedule "B-1"of this Lease, (the "Premises") described in Section 1.4 hereof, together with the rights and privileges as contained in this Lease, and the Tenant hereby

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leases and accepts the Premises from the Landlord, to have and to hold during the Term, subject to the terms, covenants and conditions set out in this Lease. The area of the Premises will be measured by the Landlord, and the Rent will be adjusted in accordance with the certified area. The Landlord will advise the Tenant in writing of the area measurement, and the parties agree to be bound thereby.

2.2 Use:

The Tenant covenants to use: (i) the **Office** Premises for general office and administrative purposes **and as a facility for research and testing of bio-analytical instruments and reagents for the Tenant's business; and (ii) the Warehouse Premises for general distribution and warehousing activities, and the testing, development, production and manufacturing of bio-analytical instruments and reagents for the Tenant's business. The Tenant shall use the Premises** in compliance with all **applicable** laws, including without limitation, the bylaws and applicable zoning of the municipality in which the Premises is located. The Premises shall not be used for any other purpose or business. The Premises shall only be used in accordance with the standards of a first-class office building of similar age and in a similar location, and subject in any event to the limitations on use set forth in Section 14.16 hereof. **The use, storage, handling, mixing, or disposal of any items used, researched, tested, manufactured, produced, developed or disposed in or from the Office Premises and Warehouse Premises (as the case may be) shall be conducted in accordance with all Environmental Laws. The Tenant shall indemnify Landlord and the Landlord Beneficiaries for all costs and expenses related to, arising out of or based upon any act, event, condition or circumstance resulting in any Contaminants in, at, above, on or migrating from the Premises by the Tenant or by the Tenant's Parties.**

The Tenant shall take possession of the Premises no later than the Term Commencement Date, unless the Landlord otherwise consents in writing, which consent shall not be unreasonably withheld.

2.3 Rules and Regulations:

The Tenant covenants to abide by the Rules and Regulations as set out in Schedule "D" annexed hereto, and to cause those for whom it is responsible to observe such Rules and Regulations. The Landlord, acting reasonably, may make changes to the Rules and Regulations from time to time, provided that the Landlord shall not be liable in any way for either a failure to enforce such observance, or a failure on the part of other tenants to so observe.

2.4 Observance of Law:

The Tenant is responsible at all times to comply with and to keep the Premises, the Leasehold Improvements and Trade Fixtures, and to otherwise conduct its business, in accordance with the requirements of all applicable laws, directions, rules, regulations or codes of the Landlord and every governmental authority having jurisdiction and of any insurer by which the Landlord or the Tenant is insured and affecting the operation, condition, maintenance, use or occupation of the Premises and Trade Fixtures or the making of any repair or alteration including, without limitation, compliance with each Environmental Law and**, to the extent known by the Tenant,** any agreements with adjoining owners and or third parties affecting the Premises and the Building. The Tenant shall not allow or cause any act

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or omission to occur in or about the Premises which may result in an illegal use or causes any breach of or non-compliance with such laws, directions, rules, regulations and codes. If, due to the Tenant's acts, omissions or use of the Premises, repairs, alterations or improvements to the Premises or the Building are necessary to comply with any of the foregoing or with the requirements of insurance carriers, the Tenant will pay the entire cost thereof.

2.5 No Waste or Nuisance:

The Tenant shall not commit or permit any waste or damage to the Premises or the Building, or commit or permit anything which may disturb the quiet enjoyment of any occupant of the Building or which may interfere with the operation of the Building. The Tenant will not cause or permit any nuisance or hazard in or about the Premises and Tenant will not permit the **unlawful** storage of any Contaminant or any **unlawful** Discharge in or about the Premises or the Building and will keep the Premises free of **unlawful** Contaminants, debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any noxious or strong noises or odours or anything which may disturb the enjoyment of the Building and the Common Areas by customers and other tenants of the Building. The Tenant shall ensure that its Leasehold Improvements, Trade Fixtures or other equipment do not disrupt, adversely affect, or interfere with providers of telecommunication services in the Building or with any other tenant’s or occupant’s use or operation of communications, computer or other equipment or facilities in the Building; and should such disruption, adverse **e**ffect or interference occur, the Tenant shall immediately cease operation of the relevant facilities or equipment until the problem is corrected. Without limiting the generality of the foregoing: (a) the Tenant shall not use or permit the use of any equipment or device such as, without limitation, loudspeakers, stereos, public address systems, sound amplifiers, radios, televisions or VCR's which is in any manner audible or visible outside of the Premises; and (b) no noxious or strong odours shall be allowed to permeate outside the Premises; and (c) no boot trays or other items may be placed outside the Premises; in each case without the prior written consent of the Landlord which may be arbitrarily withheld or withdrawn on 24 hours’ **written** notice to the Tenant.

2.6 Common Areas:

The Landlord agrees that the Tenant, in common with all others entitled thereto including the general public in concourse areas, may use and have access through the Common Areas for their intended purposes during Normal Business Hours and in accordance with the Rules and Regulations only; provided however, that in an emergency or in the case of the Landlord making repairs, the Landlord may temporarily close or restrict the use of any part of the Common Areas, although the Landlord shall, in such instances, endeavour not to prevent access to the Premises.

2.7 Easements:

The Tenant acknowledges that the Landlord and any persons authorized by the Landlord may, **after delivery of at least forty-eight (48) hours’ prior written notice to the Tenant (except in the case of an emergency real or apprehended in which case no notice shall be required),** install, maintain and repair pipes, wires and other conduits or facilities through the Common Areas and the Premises. Any

such installing, maintaining and repairing shall be done as quickly as possible and in a manner that will minimize inconvenience to the Tenant.

2.8 Covenants of Landlord and Tenant:

The Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by the Landlord under this Lease. The Tenant covenants to promptly pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by the Tenant under this Lease.

ARTICLE III - TERM - POSSESSION

3.1 Term:

This Lease shall be for the Term set out in Section 1.5 unless earlier terminated as provided in this Lease, and nothing hereafter contained in this Article III shall postpone the Term Commencement Date, or extend the Term.

3.2 Tenant Fixturing:

Provided the Lease has been executed by the Tenant on or before August 17, 2015 in a form acceptable to the Landlord, the Tenant will be given access to the Office Premises, on an "as is" basis, for the purpose of construction of its Leasehold Improvements, fixturing the Office Premises and carrying on the Tenant's business, within three (3) Business Days of the execution of this Lease by both parties and receipt of the Tenant's certificates of insurance, to and including the day immediately preceding the Term Commencement Date (the "Fixturing Period").

Provided the Lease has been executed by the Tenant on or before August 17, 2015 in a form acceptable to the Landlord, the Tenant will be granted possession of the Warehouse Premises on the later of: (i) the date the Landlord's Work in respect of the Warehouse Premises is sufficiently complete or (ii) October 31, 2015, to and including the day immediately preceding the Term Commencement Date (the "Warehouse Fixturing Period").

The Tenant's occupation of the Office Premises and Warehouse Premises during the Fixturing Period and Warehouse Fixturing Period (as the case maybe) will be governed by all terms and conditions of this Lease, [*****]**.**

3.3 Delay in Possession:

Should the Tenant be delayed by fault of the Landlord in taking possession of the Premises on the Term Commencement Date, then and only then shall the payment of Rent be postponed for the same number of days that the Tenant is so delayed in taking possession of the Premises. The Tenant hereby acknowledges and agrees that such postponement of the payment of Rent shall be in full settlement for any claims it might have against the Landlord for being delayed in its taking possession of the Premises.

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3.4 Surrender:

The Tenant shall surrender possession of the Premises upon termination of this Lease by expiration of the Term or operation of the terms hereof.

3.5 Overholding:

If the Tenant remains in possession of the Premises following termination of this Lease by expiration of the Term or operation of the terms hereof, with or without objection by the Landlord, and without any written agreement otherwise providing, the Tenant shall be deemed to be a monthly tenant upon the same terms and conditions as are contained in this Lease except as to the Term, and except as to Basic Rent which shall be equal to [*****]. This provision shall not authorize the Tenant to so overhold where the Landlord has objected**. Notwithstanding the foregoing, the Tenant shall be permitted upon the Landlord's written permission to hold over its occupancy of the Premises beyond the expiration of the Term,** [*****] **for a period of** [*****]**.**

3.6 Effect of Termination:

The expiry or termination of this Lease whether by elapse of time or by the exercise of any right of either the Landlord or the Tenant pursuant to this Lease shall be without prejudice to the right of the Landlord to recover arrears of rent and the right of each party to recover damages for an antecedent default by the other.

3.7 Acceptance of Premises:

Taking possession of all or any portion of the Premises by the Tenant will be conclusive evidence as against the Tenant that the Premises or such portion thereof are in satisfactory condition on the date of taking possession, subject only to latent defects and to those deficiencies (if any) listed in writing in a notice delivered by the Tenant to the Landlord not more than ~~ten (10~~ **thirty (30**) days after the later of the date of taking possession and the Term Commencement Date.

3.8 Demolition: Intentionally Deleted

~~Notwithstanding any other provision of this Lease, the Landlord may terminate the Lease at any time during the Term if the Landlord decides to demolish, alter or renovate the Building. The Landlord will give the Tenant not less than six months notice of termination of the Lease pursuant to this provision. The six months' notice specified above need not expire at the end of any year or at the end of any month, and if the day fixed for termination of the Lease expires on some day other than the last day of a month, the Rent for such month shall be apportioned on a per diem basis for the broken period.~~

3.9 Relocation: Intentionally Deleted

~~If at any time during the Term the Landlord requires possession of the Premises in order to carry out or complete any alterations to the Building or the Common Areas provided for in Section 6.15, Landlord,~~

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~~on not less than 3 months' notice to the Tenant, may require the Tenant to vacate the Premises on the date specified in such notice and relocate into other premises in the Building. The lease insofar as it relates to the Premises shall terminate on such specified date. Such other premises shall be comparable in all material respects to the Premises and shall be available for occupancy not later than 6 months after the date that the Tenant is required to vacate the Premises. The Landlord shall pay all direct costs of preparing such other premises for occupation by the Tenant and of relocating the Tenant and all Tenant property therein. The Landlord shall not be liable for any other or any consequential costs, damages or losses of the Tenant. From and after the specified vacating date such other premises shall be deemed to be the Premises for all purposes of this Lease and such rent as is affected by a change in area shall be adjusted so that the same rent per square foot per annum shall be payable with respect to such other premises as had been payable with respect to the premises from which the Tenant has relocated.~~

ARTICLE IV - RENT

4.1 Payment:

From and after the Rent Commencement Date, the Tenant shall pay to the Landlord the Basic Rent and the Additional Rent as set out in this Lease.

4.2 Basic Rent:

The Tenant shall pay Basic Rent in the amount set out in Section 1.6, which shall be payable without demand in advance in equal consecutive monthly instalments on the first of each month commencing on the Rent Commencement Date. Rent is subject to adjustment upon certification of the Rentable Area of the Premises.

4.3 Deposit:

The Landlord acknowledges that the Tenant has paid the following amounts, in trust, to CBRE Limited, the Landlord's broker:

(A) Office Premises

(a) Rental Deposit - The sum of [*****] **($**[*****]) **(the "Rental Deposit"). The Rental Deposit shall be held, without interest, and applied against first months' Rent with respect to the Office Premises, (Basic Rent, Tenant's Proportionate Share of Operating Costs, Realty Taxes, Premises hydro and HST) as it first falls due and payable by the Tenant under this Lease; and**

(b) Security Deposit - The sum of [*****] **($**[*****])**equal to the last months' Rent with respect to the Office Premises (Basic Rent, Tenant's Proportionate Share of Operating Costs, Realty Taxes, Premises hydro and HST), (the "Security Deposit"), which shall be held, by the Landlord, without interest, and applied against the Tenant's faithful performance of its**

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obligations under this Lease and, if not applied to remedy a default, returned to the Tenant within thirty (30) days after the expiry of this Lease or any extension thereof.

(B) Warehouse Premises

(a) Rental Deposit - the sum of [*****] **($**[*****]**) (the "Warehouse Rental Deposit"), which will be held, without interest, and applied on account of the first month's Rent with respect to the Warehouse Premises (Basic Rent, Tenant's Proportionate Share of Operating Costs, Realty Taxes, and HST) as it first falls due and payable by the Tenant under this Lease; and**

(b) Security Deposit - the sum of [*****]**($**[*****]**) (the "Warehouse Security Deposit") equal to the last months' Rent with respect to the Warehouse Premises (Basic Rent, Tenant's Proportionate Share of Operating Costs, Realty Taxes, and HST), which will be held, without interest, by the Landlord as security against the Tenant's faithful performance of its obligations under this Lease and if not applied to remedy a default, shall be returned to the Tenant within thirty (30) days after the expiry of this Lease or any extension thereof.**

4.4 Proportionate Share of Realty Taxes and Operating Costs:

(a) The Tenant shall pay to the Landlord its Proportionate Share of Realty Taxes and Operating Costs commencing on the Rent Commencement Date. The Tenant will also pay a share of all Realty Taxes levied, assessed or allocated by the Landlord in respect to the Common Areas, if applicable. On or before the Term Commencement Date and the commencement of any Fiscal Period in which the Term falls, the Landlord shall estimate the Realty Taxes and Operating Costs and the Tenant's Proportionate Share thereof. The Tenant shall pay to the Landlord in equal monthly instalments in advance on the first day of each month a sum on account of its Proportionate Share of Realty Taxes and Operating Costs based on the Landlord's estimates.

(b) The Landlord may from time to time re-estimate the amount of projected Realty Taxes and Operating Costs for the then current Fiscal Period and re-estimate the Tenant's Proportionate Share thereof for the remainder of the Fiscal Period and the Tenant shall change its monthly instalments to conform with the revised estimates.

(c) After the end of each Fiscal Period the Landlord shall determine the actual Tenant's Proportionate Share of Realty Taxes and Operating Costs and the difference between such actual determination and the amount already billed to the Tenant in instalments. If the aggregate of the Tenant's instalments for the Fiscal Period in question was less than the actual determination, then the Tenant shall pay the difference to the Landlord forthwith, or if the aggregate of such instalments was more than the actual determination, the Landlord shall credit the difference to the Tenant's rental account.

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

4.5 Utilities - Light Fixtures:

(a) Except where the Tenant is purchasing Utilities directly from a supplier, the Tenant shall pay to the Landlord the cost of Utilities supplied to the Premises commencing on the Rent Commencement Date, as reasonably determined by the Landlord, and billed monthly, in advance. The amount of such cost shall be based on the Landlord's reasonable estimates for the quantities of Utilities supplied multiplied by the average unit costs to the Landlord for such utilities. The Tenant shall if requested by the Landlord or may, if it desires, install at the Tenant's own expense meters to measure the amount of any utilities supplied, and the Landlord shall employ the resulting metered quantities in lieu of estimated consumption. The Tenant shall also pay to the Landlord the cost of cleaning, maintaining and servicing all electric light fixtures in the Premises, including the cost of replacing light bulbs, tubes, starters and ballasts.

Landlord will install, at the Tenant's cost and expense, check meters to measure the Tenant's hydro consumption in the Office Premises and Warehouse Premises, the cost of which at Tenant's option, may be subtracted from the Tenant's Allowance for Tenant's Leasehold Improvements or shall be payable to the Landlord as Additional Rent under this Lease, prior to the Term Commencement Date, upon written demand.

(b) Where the Tenant is purchasing utilities directly from a supplier, it shall only deal with such suppliers that have obtained a license or other form of approval from the Landlord to run service for such utility through the Building.

4.6 Additional Services:

(a) The Tenant may from time to time request Additional Services from the Landlord and the Tenant shall pay to the Landlord, the Landlord's charge for such Additional Services, payable forthwith upon receipt of the Landlord's invoice therefor.

(b) The Tenant shall not install in the Premises, without the Landlord's prior written consent, equipment (including telephone equipment) which generates sufficient heat to affect the temperature otherwise maintained in the Premises by the air conditioning system as normally operated. The Landlord may install supplementary air conditioning units, facilities or services in the Premises, or modify its air conditioning system, as may in the Landlord's reasonable opinion be required to maintain proper temperature levels, and the Tenant shall pay the Landlord within ten (10) days of receipt of any invoice for the cost thereof, including, without limitation, installation, operation and maintenance expenses, plus 15% of such cost to cover the Landlord's costs of administration.

(c) If the Landlord shall from time to time reasonably determine that the use of electricity or any other utility or service in the Premises is disproportionate to the use of other tenants in the Building the Landlord may adjust the Tenant's share of the cost thereof from a date reasonably determined by the Landlord to take equitable account of the disproportionate use and may separately charge the Tenant for such excess cost, plus 15% of such excess cost to cover the Landlord's costs of administration. At the Landlord's request, the Tenant shall install and

maintain at the Tenant's expense metering devices for checking the use of any such utility or service in the Premises. In all cases the Tenant shall reimburse the Landlord in the same manner in which the Landlord is charged including any demand or energy charges.

4.7 General Provisions:

(a) No Delay in Payment of Rent: Nothing contained in this Lease shall suspend or delay the payment of any money at the time it becomes due and payable. The Tenant agrees that the Landlord may, at its option, apply any sums received against any amounts due and payable under this Lease in such manner as the Landlord sees fit.

(b) Interest on Arrears: If any amount of Rent is in arrears it shall bear interest at the Interest Rate.

(c) Partial Periods: If the Rent Commencement Date is any day other than the first day of a calendar month, or if the Term ends on a day other than the last day of a calendar month, then Basic Rent and Additional Rent, as the case may be, will be adjusted for the months affected, pro rata based on a 365 day year.

(d) Estimated Amounts: Where the Landlord estimates or re-estimates the costs of Realty Taxes, Operating Costs and the amount of Utilities supplied, it shall do so acting reasonably and shall provide the Tenant with statements of such estimates in reasonable detail.

(e) Audited Statement: Invoices for the actual determination of the Tenant's Proportionate Share of Operating Costs shall be accompanied by an audited statement of such Operating Costs.

(f) General: All amounts payable by the Tenant to the Landlord pursuant to this Lease shall be deemed to be Rent. The Tenant agrees to pay all Rent together with Rental Taxes, if applicable, in advance on the first day of each month without deduction or abatement, except as expressly provided in this Lease, and without set-off, and where payments due have been invoiced, such amounts shall be paid within ten (10) days of delivery of such invoice. All Rent shall be paid in lawful money of Canada.

ARTICLE V - TAXES

5.1 Taxes Payable by the Landlord:

The Landlord shall pay before delinquency all Realty Taxes. The Landlord covenants that at all appropriate times it shall declare itself a public school supporter for purposes of determining the amounts of any Realty Taxes payable.

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5.2 Business and Other Taxes Payable by the Tenant:

The Tenant shall pay before delinquency all business taxes, and any other taxes, charges, rates, duties and assessments levied, rated, imposed, charged or assessed against or in respect of any use or occupancy of the Premises or in respect of the personal property, Leasehold Improvements, Trade Fixtures, fixtures and facilities of the Tenant or the business or income of the Tenant on or from the Premises. The Tenant shall pay to the Landlord any increase or incremental amount of Realty Taxes or other taxes which the Landlord, acting reasonably, has determined to be attributable to an act by the Tenant (for example declaring itself a separate school supporter) or attributable to the Leasehold Improvements and Trade Fixtures.

5.3 Contesting Taxes:

(a) The Tenant may, at its expense, appeal or contest the taxes, assessments and other amounts payable as described in Section 5.2 hereof, but such appeal or contest shall be limited to the assessment of the Premises alone and not to any other part of the Building or the Lands provided it first gives the Landlord written notice of its intention to do so, and consults with the Landlord, and obtains the Landlord's prior written approval, **which shall not be unreasonably withheld.**

(b) The Landlord reserves the right to appeal or contest any taxes payable by the Landlord.

5.4 Alternate Methods of Taxation:

If, during the Term, the method of taxation shall be altered, so that the whole or any part of the Realty Taxes now levied, on real estate and improvements are levied wholly or partially as a capital levy or on the rents received or reserved or otherwise, or if any new or other tax, assessment, levy, imposition or charge in lieu thereof, shall be imposed upon the Landlord, related in any way to the Building, the Lands or the income therefrom, then all such taxes, assessments, levies, impositions and charges shall be included when determining the Realty Taxes. If, during the Term, the method of taxation shall be altered, so that the whole or any part of the business taxes formerly payable in respect of any use or occupancy of the Premises is merged into a comprehensive realty tax, the Landlord shall have the right to allocate and collect such component of the comprehensive realty tax (as would have been formerly business taxes) in the manner or on the same basis as would have been employed.

ARTICLE VI - MAINTENANCE, REPAIRS AND ALTERATIONS

6.1 General Statement:

The Landlord and Tenant agree to carry out their respective responsibilities for maintenance and repair as detailed in this Lease in accordance with general standards for comparable office buildings in the City of Markham, of similar age and in a similar location.

6.2 Responsibility of Tenant:

Without notice or demand from the Landlord, the Tenant shall:

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(a) Maintain and keep in a good state of repair and in good appearance compatible with the Building, the Premises including the interior faces of any demising walls and permanent building walls, columns and covers for heating units along the exterior walls.

(b) Maintain and keep in a good state of repair, the Leasehold Improvements, the Trade Fixtures and any signage, or other fixtures, attachments or installations in any part of the Building permitted by this Lease to be installed by or on behalf of the Tenant, whether or not located in the Premises.

(c) Keep the Premises in a clean and tidy condition, and not permit wastepaper, garbage, ashes, waste or objectionable material to accumulate thereon or in or about the Building, other than in areas designated by the Landlord.

(d) Repair all damage in the Premises resulting from any misuse, excessive use or installation, alteration, or removal of Leasehold Improvements, Trade Fixtures, fixtures, furnishings or equipment.

6.3 Tenant Not Responsible:

Notwithstanding Section 6.2 hereof, the Tenant shall not be responsible for:

(a) Reasonable wear and tear. ~~which does not affect the proper use and enjoyment of the Premises.~~

(b) The obligations of the Landlord as set out in Section 6.4 hereof.

6.4 Responsibility of Landlord:

The Landlord shall maintain and keep in a good state of repair:

(a) The Building structure, roof, and permanent building walls (except for interior faces facing into the Premises).

(b) Equipment installed by the Landlord to heat, ventilate, and air-condition the Building.

(c) Systems installed by the Landlord for the distribution of Utilities.

(d) The Common Areas including the elevators.

(e) The Landlord's Improvements in the Premises.

6.5 Inspection, Entry and Notice:

(a) The Landlord, or its agents, may, from time to time, acting reasonably and where practical in a manner that will not substantially disrupt the Tenant's business, **after delivery of**

at least forty-eight (48) hours' prior written notice to the Tenant (except in the case of an emergency real or apprehended in which case no notice shall be required), enter the Premises and inspect the state of maintenance, repair and decoration, and **after twenty-four (24) hours'** ~~upon reasonable~~ prior notice to the Tenant, show the Premises to prospective purchasers, tenants and existing or prospective Mortgagees.

(b) The Landlord may give **written** notice to the Tenant requiring it to perform in accordance with Section 6.2 hereof, and the Tenant shall rectify any failure to perform within the time period set out in Section 12.1 hereof. Should the Tenant fail to commence such remedy within the allotted time, or having so commenced, fail to diligently continue such remedy to conclusion, the Landlord may carry out such remedy without further notice to the Tenant, and charge the Tenant for such remedy as if it were an Additional Service requested by the Tenant.

(c) If the Tenant is not present to open and permit any entry into the Premises when for any reason an entry shall be necessary in the case of emergency, the Landlord or its agents may, using reasonable force, enter the same without rendering the Landlord or such agents liable therefor, and without affecting the obligations and covenants of Tenant under this Lease.

(d) Nothing in this Lease shall make the Landlord liable for any actions, notices or inspections as described in this Section 6.5, nor is the Landlord required to inspect the Premises, give notice to the Tenant (**except as otherwise specifically provided in this Lease)** or carry out remedies on the Tenant's behalf, nor is the Landlord under any obligation for the care, maintenance or repair of the Premises, except as specifically provided in this Lease.

6.6 Notify the Landlord:

The Tenant covenants to immediately notify the Landlord of any defect, damage or malfunction affecting the Premises or other parts of the Building of which the Tenant is aware.

6.7 Alterations or Improvements:

(a) Following approval by the Landlord, the Tenant shall install its initial Leasehold Improvements and Trade Fixtures in accordance with the provisions of Schedule "C" annexed hereto and the "Design Criteria Manual" (if applicable) prepared by the Landlord and provided to the Tenant.

(b) Following installation of such initial Leasehold Improvements, and Trade Fixtures the Tenant shall not make any alterations, repairs, changes, replacements, additions, installations or improvements (the "Alterations") to any part of the Premises or Leasehold Improvements and Trade Fixtures without the Landlord's prior written approval, which approval shall not be unreasonably withheld, unless the Alteration may affect a structural part of the Building or may affect the mechanical, electrical, communications, air control or other basic systems of the Building or the capacities thereof, in which instance the Landlord's approval may be arbitrarily withheld. The Tenant shall submit to the Landlord details of any proposed work, including complete working drawings and specifications prepared by qualified designers and conforming to good engineering practice.

(c) The installation of all Leasehold Improvements shall:

- be performed expeditiously and at the sole risk and expense of the Tenant;
- be performed by competent workmen whose labour union affiliations, if any, are compatible with others employed by the Landlord and its contractors, and who will not interfere with work being performed by the Landlord;
- be performed in a good and workmanlike manner and only in accordance with the drawings and specifications which the Landlord has approved; and
- be performed in compliance with the applicable requirements of all Authorities, evidence of which shall be provided to the Landlord, and be subject to the supervision and direction of the Landlord.

(d) Any Leasehold Improvements made by the Tenant without the prior written consent of the Landlord or which are not in accordance with the drawings and specifications approved by the Landlord shall, if requested by the Landlord, be promptly removed by the Tenant at the Tenant's expense, and the Premises shall be restored to their previous condition.

(e) The Tenant shall reimburse the Landlord for the cost of technical evaluation of the Tenant's plans and specifications and shall revise such plans and specifications, as the Landlord deems necessary.

(f) In carrying out any Alterations or Leasehold Improvements in the Premises, the Tenant, at its expense, shall pay to the Landlord with respect to such work the cost to the Landlord of all Utilities supplied to the Premises with respect to such work and the cost of any Additional Services including the cost of any necessary cutting or patching or repairing of any damage to the Building or the Premises, any cost to the Landlord of removing refuse, cleaning, hoisting of materials and any other costs of the Landlord which can be reasonably allocated as a direct expense relating to the conduct of such work.

(g) If a request is made by the Tenant with respect to Alterations which may affect the structure or matters which affect the mechanical, electrical, communications, air control or other basic systems of the Building or the capacities thereof, which is approved by the Landlord, the Landlord may require that such work be designed by consultants designated by it and that it be performed by the Landlord or its contractors. If the Landlord or its contractors perform such work, it shall be at the Tenant's expense in an amount equal to the Landlord's total cost of such work or the contract price therefor plus ten (10%) percent, payable following completion upon demand. Notwithstanding the foregoing, if the Tenant requests the Landlord to alter or install any Leasehold Improvements or Trade Fixtures such work will be considered as an Additional Service.

(h) No Leasehold Improvements by or on behalf of the Tenant shall be permitted which may adversely affect the condition or operation of the Building or any of its systems or the Premises or diminish the value thereof or restrict or reduce the Landlord's coverage for municipal zoning purposes.

(i) During the construction and installation of Leasehold Improvements the Tenant shall keep the Building clean from any debris related thereto, and in any event after construction is completed the Tenant shall do an adequate "first clean" to the Premises.

(j) The Tenant shall promptly pay all its contractors and suppliers and shall do all things necessary to prevent a lien attaching to the Lands or Building and should any such lien be made or filed, the Tenant shall discharge or vacate such lien immediately. If the Tenant shall fail to discharge or vacate any lien, then in addition to any other right or remedy of the Landlord, the Landlord may discharge or vacate the lien by paying into Court the amount required by statute to be paid to obtain a discharge, and the amount so paid by the Landlord together with all costs and expenses including solicitor's fees (on a solicitor and his client basis) incurred in connection therewith shall be due and payable by the Tenant to the Landlord on demand together with interest at the Interest Rate, calculated from the date of payment by the Landlord until all of such amounts have been paid by the Tenant to the Landlord.

6.8 Removal and Restoration:

(a) The Leasehold Improvements shall immediately upon installation become the property of the Landlord without compensation to the Tenant.

(b) ~~Unless the Landlord by notice in writing requests otherwise, the Tenant shall at its expense, at the end of the Term or earlier termination of this Lease, remove all (or part, as designated by the Landlord) of the Leasehold Improvements, and, subject only to reasonable wear and tear, restore the Premises to the base building standard with the basic systems of the Building, including the reconstruction necessary to reinstate the Premises original structure in the event structural changes were undertaken.~~

Upon the expiration or earlier termination of the Lease, the Tenant:

(A) shall surrender the Premises in the condition and state of repair in which the Tenant is required to maintain the Premises, reasonable wear and tear excepted;

(B) shall remove all of its trade fixtures, trade equipment, furniture, workstations, security systems, personal property, hazardous substances, chemicals, Contaminants, and contamination; and

(C) shall not be required to remove any Leasehold Improvements from the Premises, other than those:

(i) specified by the Landlord in writing at the time Landlord gave its consent to their installation.

(ii) Non-Standard Leasehold Improvements (as defined below) that the Landlord may require to be removed. The term "Non-Standard Leasehold Improvements" means, but shall not be limited to: generators, computer rooms and/or any other raised-floor environments; staircases; laboratory

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rooms; non-standard heating, ventilating and air conditioning systems installed for the specific use of the Premises; custom lighting and electrical installations; dry-wall ceilings; telecommunication equipment (including all cabling, wiring, and conduits which have been installed by or on behalf of the Tenant); safes, vaults, fume hoods, clean rooms, argon storage tanks (including any necessary accessories, such as by way of example, piping, the 12 foot by 13 foot concrete pad, concrete bollards and fencing), exhaust fans, roof penetrations, air makeup units, showers, wash stations, water lines, and ducting for the Tenant's specific use; or

(iii) installed by or on behalf of the Tenant without the Landlord's prior consent; and

(D) shall be required to restore the tbar ceiling grid and ceiling tiles which were removed from the office portion of the Warehouse Premises, at the Tenant's request, in accordance with the Landlord's Work.

The Tenant must repair any damage caused to the Premises or the Building by the removal of the items described in paragraph (B) above and, in the case of paragraphs (C) and (D) above, restore the applicable part of the Premises to the condition they were in prior to the relevant installation or removal, reasonable wear and tear excepted.

(c) Any damage to the Premises or to the Building caused by the installation or removal by the Tenant or by others on its behalf of Leasehold Improvements or trade fixtures shall be repaired forthwith by the Tenant at its expense (except that in the case of damage to areas outside of the Premises or to any structural or base building system or component, such repairs shall be made by the Landlord at the Tenant's expense).

6.9 External Changes:

The Tenant agrees that it shall not erect, affix or attach to any roof, exterior walls or surfaces of the Building any antennae, sign or fixture of any kind, nor shall it make any opening in or alteration to the roof, walls, or structure of the Premises, or install in the Premises or Building free standing air-conditioning units, without the prior written consent of the Landlord which may be arbitrarily withheld.

6.10 Trade Fixtures:

The Tenant may, at the end of the Term, if not in default, remove its Trade Fixtures, and the Tenant shall, in the case of every installation or removal of Trade Fixtures, make good any damage caused to the Premises or the Building by such installation or removal. ~~Any Trade Fixtures removed during the Term will be contemporaneously replaced with Trade Fixtures of equal or better quality.~~ Any Trade Fixtures and equipment belonging to the Tenant, if not removed at the termination or expiry of this Lease, shall, if the Landlord so elects, be deemed abandoned and become the property of the Landlord without

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compensation to the Tenant. If the Landlord shall not so elect, the Landlord may remove such Trade Fixtures from the Premises and store them at the Tenant's risk and expense and the Tenant shall save the Landlord harmless from all damage to the Premises caused by such removal, whether by the Tenant or by the Landlord.

6.11 Tenant's Signs:

The Tenant shall not at any time cause or permit any sign, picture, advertisement, notice, lettering, flag, decoration or direction (hereinafter collectively called "Signs") to be painted, displayed, inscribed, placed, affixed or maintained within the Premises and visible outside the Premises or in or on any windows or the exterior of the Premises (including glass demising walls facing onto Common Areas), nor anywhere else on or in the Building, without the prior ~~and continuous~~ consent of the Landlord which consent may, with respect to proposed signage on the main floor of the Building, or which can be seen from outside the Premises, be arbitrarily withheld, but otherwise shall not be unreasonably withheld, provided that the copy and style of any Signs shall be consistent with the first-class nature of the Building and in accordance with the Landlord's sign criteria. No hand-written signs will be permitted. The Landlord may at any time prescribe a uniform pattern of identification signs for tenants to be placed on the outside of the Premises and other premises. Any breach by the Tenant of this provision may be immediately rectified by the Landlord at the Tenant's expense and in this connection, the Landlord shall be entitled to enter the Premises and remove any Signs contravening this provision and charge the Tenant the costs thereof, and same shall not constitute a re-entry under this Lease and the Landlord shall not be liable for any damages caused thereby, whether or not arising from its own negligence.

Notwithstanding the foregoing, the Landlord will, at the expense of the Tenant, supply and install: (a) a sign bearing the name of the Tenant which will be located on or near the entrance door of the Office Premises; (b) identification and/or directional signage on the floor the Tenant's Office Premises are located; (c) one entry in the Building directory board (if any) located in the Building lobby; and (d) one sign between the two elevator doors near the warehouse entrance.

Notwithstanding the foregoing, provided the Tenant is Fluidigm Canada Inc., is itself in occupation of all of the Premises initially leased to Tenant under this Lease, and is not and has not been in default of any provision of this Lease, then Tenant shall be entitled to install at its sole cost and expense, including all costs associated with, maintenance, repair and restoration thereof, a sign on the top fascia of one (1) side of the Building, in an area to be mutually agreed upon by the Landlord and Tenant. Said signage shall be of a design and quality appropriate to the image of the Building, in keeping with the architectural integrity of the Building, and shall be subject to the prior written approval of Landlord of its design and specifications. All costs of maintaining this signage, including, without limitation, all costs of electricity consumed by the sign, will be paid for by Tenant to Landlord upon receipt of an invoice therefor, with Tenant's next installment of monthly Rent, as an item of Additional Rent. Tenant's insurance coverage shall include the sign. Such signage shall be in conformance with the building code, zoning by-laws and the regulations of any other bodies having jurisdiction and Tenant shall obtain, at its sole expense, all necessary permits and approvals. At the earlier of (i) expiration or earlier termination of the Lease, and any renewal or extension thereof, or (ii) the date upon which Tenant ceases to occupy the entirety of the Premises initially leased to it under this Lease, if requested by the Landlord in writing, Tenant shall, at its sole cost and expense, remove all such signage from the Building and make good any

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damage caused thereby. If required by Landlord, the installation and removal of the sign shall be performed by Landlord's contractors at Tenant's cost which cost shall be payable as an item of Additional Rent with the next monthly installment of Additional Rent.

6.12 Directory Board:

The Landlord may erect and maintain (as an Operating Cost) a directory board in the main lobby of the Building which shall indicate the name of the Tenant and the location of the Premises within the Building. The Tenant shall pay the Landlord's cost of changes thereto, and any other signage with respect to the Premises. Should sufficient space exist on the directory board, the Landlord may provide to the Tenant, at the Tenant's expense, additional entries as requested. The directory board shall be for identification only and not for advertising. The Landlord's acceptance of any name for listing on the directory board will not be deemed, nor will it substitute for, the Landlord's consent, as required by this Lease, to any sublease, assignment or other occupancy of the Premises.

6.13 Landlord's Signs:

In addition to the Landlord's right to install general information and direction signs in and about the Building as would be customary for comparable office building in the City of Markham, the Landlord shall have the right at any time to place upon the Building a notice of reasonable dimensions, reasonably placed so as not to interfere with the Tenant's business, stating that the Building is for sale, or that areas of the Building are for lease, as the case may be, and at any time during the last six (6) months of the Term, that the Premises are for rent and the Tenant shall not remove such notices or signs.

6.14 Environmental Provisions:

(a) Notwithstanding any other provision of this Lease, the Tenant and the Tenant's Parties shall fully comply with all Environmental Laws applicable to the Premises, Building and Lands and the Tenant's use and occupation thereof, including but not limited to the delivery, handling and disposal of Contaminants on the Premises, Lands and or Building, in the care, custody and or control of the Tenant and or the Tenant's Parties.

(b) If the Landlord or Tenant, and or the Tenant's Parties, receives an order, notice or directive under an Environmental Law ("Offence"), and or is convicted of an Offence, which relates to Contaminants, and or Contaminant Activities at the Premises, Lands or the Building, **and such Offence is not rectified in accordance with Environmental Laws, forthwith, by the Tenant, then** the Landlord shall have the option, at its sole discretion, to:

(i) **take reasonable steps to** remedy such Offence, at the sole cost and expense of the Tenant, and such costs incurred by the Landlord shall be deemed to be Rent under this Lease and shall be immediately due and owing by the Tenant to the Landlord upon receipt of an invoice for same delivered to the Tenant from the Landlord; or

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(ii) **if the Offence has an adverse impact on the Premises, Building or Lands,** terminate this Lease, in the event the Tenant is unable or unwilling to remedy the Offence, as set out in the first paragraph of (~~i~~b) above, forthwith by notice in writing, and the Landlord shall not be liable for any losses or damages of any kind however caused arising out of such termination, and the Tenant shall indemnify, defend with counsel, and hold Landlord and the Landlord Beneficiaries, harmless from and against any and all claims, damages, costs, expenses and liabilities arising out of any attempt by the Landlord to remedy such Offence, and this indemnity shall survive the termination of the Lease, for the period of time allowable in law.

(c) The Tenant shall obtain and comply with the terms of all licenses, certificates of approval, permits, orders, directives and other requirements under applicable Environmental Law for the safe and lawful conduct of its business at or from the Premises, Buildings and Lands.

(d) The Tenant will not use pesticides in the Premises or the Building unless the Tenant has first obtained prior written consent from the Landlord to do so and has obtained all necessary permits or approvals required under applicable Environmental Law.

(e) The Tenant, and the Tenant's Parties, shall not cause or allow any Contaminant to be used, generated, transported, stored, discharged, spilled, emitted to air or disposed of on, under, above or about, or transported to or from, the Building, Lands, the Common Areas and or the Premises (collectively the " Contaminant Activities") except in strict compliance, at the Tenant's expense, with all applicable Environmental Laws and the **reasonable** requirements of the Landlord, and using all necessary and appropriate precautions which a cautious, diligent and prudent operator would exercise.

(f) The Landlord shall not be liable to the Tenant for any Contaminant Activities conducted or permitted by the Tenant or the Tenant's Parties in or about the Building, the Common Areas, Lands and or the Premises during the Term and any extensions and or renewals thereof, however caused, whether or not consented to by the Landlord. The Tenant, shall indemnify, defend with counsel, and hold the Landlord and those for whom the Landlord is responsible in law and contract harmless from and against any claims, damages, costs, expenses and or liabilities arising out of any and all such Contaminant Activities conducted or permitted by the Tenant, and the Tenant's Parties (including without limitation the full amount of all legal and consultants' fees and expenses and the costs of removal, treatment, storage and disposal of Contaminants and remediation of the Premises and any adjacent property), and this indemnity shall survive the termination of the Lease, for the period of time allowable in law.

(g) The Tenant shall immediately notify the Landlord both by telephone and in writing of any actual, alleged or suspected Discharge and the Landlord, its representatives and employees may enter the Premises at any time during the Term to inspect the Tenant's compliance herewith.

(h) The Tenant shall also be responsible for proper disposal of all Contaminants and other materials which require special disposal measures, including oil, kitchen waste and grease.

The Tenant shall also, if required by the Landlord, refrigerate all garbage, such that it does not constitute a nuisance or health hazard. The Tenant will store and dispose of all of its waste in a lawful manner. In particular, the Tenant will use the garbage collection service provided by the Landlord only to dispose of solid waste (which is not Hazardous Waste) which can lawfully be transported to, and dumped at, a landfill site without requiring payment of surcharges or penalties, and will use the sewers only to dispose of liquid waste (which is not Hazardous Waste) which may be lawfully, and in full compliance with all applicable Environmental Laws, discharged into the municipal sewer. All other wastes shall be disposed of by the Tenant, at its sole cost and expense, at least once every month, using a properly licensed waste hauler, to take away all or part of the Tenant's waste to an appropriately licensed landfill. The Tenant acknowledges and agrees that regardless of whether the waste hauler is retained by the Landlord or the Tenant, the Tenant, and not the Landlord, shall be deemed to be the generator of the Tenant's waste.

(i) Where the Landlord provides separate waste collection facilities for different types of non-hazardous waste, the Tenant will separate such waste and will deliver each such waste to the appropriate facility. If contamination of such separated waste occurs as a result of Tenant's failure to comply with the foregoing sentence, the Tenant will indemnify the Landlord for all damages, loss, expense and costs incurred by the Landlord with respect to such contamination, together with an administration fee equal to **fifteen (15%) percent** ~~twenty per cent (20%)~~ of such costs. The Tenant shall comply with any non-hazardous waste reduction work plan prepared by Landlord from time to time (if any), at Tenant's cost. The Tenant shall comply with all reasonable requirements imposed by Landlord with respect to the implementation of a system for the storage, disposal, and separation of non-hazardous waste at the Building as contemplated by this Section 6.14.

(j) The Tenant will not authorize, cause or permit a Discharge except in accordance with Environmental Law.

(k) ~~The Tenant will fully comply with all orders of an Authority which may be directed to the Landlord or the Tenant and which relate to the Premises or the Building in relation to the Premises, including orders to provide financial assurance, to perform studies, to improve pollution control, to remove waste, to conduct investigations or to prepare or perform an environmental cleanup of the Premises or the Building. Should an order or direction of an Authority be issued to the Landlord or the Tenant, requiring the Landlord or the Tenant to do anything in relation to an environmental problem caused or contributed to by the Tenant, the Tenant will, upon receipt of written notice from the Landlord, satisfy the requirements of the order or direction at the Tenant's expense~~.

(l) ~~If the Tenant fails or refuses to promptly and fully satisfy the requirements of an order or direction referred to in this Section, or if, in the Landlord's opinion the Tenant is not competent to satisfy the requirements of the order or direction, the Landlord may elect in writing (but is not obligated) to satisfy the whole or any part of the requirements of the order or direction at the Tenant's expense.~~

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(m) ~~If the Tenant fails or refuses to promptly and fully satisfy the requirements of any such order or direction the Landlord will have the option, at its sole discretion, to terminate this Lease forthwith by notice in writing, and Landlord will not be liable for any losses or damages of any kind however caused arising out of such termination~~.

(n) Commercial building materials commonly include the use or presence of Contaminants. The Landlord has policies, procedures and programs in place to manage Contaminants known to be present within the Building in accordance with Environmental Laws. The Landlord will take reasonable steps to abate or remove known Contaminants that are in the Landlord's care, custody and or control and as required by Environmental Laws or deemed necessary by the Landlord. In the event the Tenant undertakes construction during the Fixturing Period, the Warehouse Fixturing Period and/or throughout the Term, the Landlord will provide to the Tenant a designated substances survey prior to the commencement of such construction activities. Additionally, the Landlord will provide any available asbestos containing material information, as it pertains to the Tenant's occupancy in the Building.

(o) The Tenant shall not be liable for Contaminants which do not comply with applicable Environmental Laws and which (i) are present, or discharged, released or otherwise placed at the Premises, Building or Lands or which migrated to the Premises, Building or Lands from other lands, and (ii) were not brought upon, stored, kept, used, introduced or Discharged by the Tenant and or the Tenant's Parties or otherwise caused, contributed to or made worse by the Tenant and or the Tenant's Parties, be it before or after the Commencement Date or the end of the Term, but this shall not preclude the Landlord from including in Operating Costs any expenses or costs that pertain to Contaminants at the Building or Lands in Operating Costs except as expressly precluded under the definition of "Operating Costs" in Article XV of this Lease..

(p) The Tenant and the Tenant's Parties shall not bring or allow to be present in the Premises any Contaminants, other than those Contaminants, if any, which the Tenant requires for the proper operation of its business operations in the Premises, being those listed on Schedule "H". The Tenant shall notify the Landlord in writing of any proposed changes to Schedule "H" (including without limitation, the volume of the items listed on Schedule "H"). **If Landlord objects to any such change, Landlord shall make commercially reasonable efforts to provide Tenant with written notice of its objection to any such change within ten (10) Business Days of receipt of Tenant's written notice, which objection(s) shall be made only upon a reasonable basis. Failure of the Landlord to deliver notice to the Tenant within such ten (10) Business Day period advising of the Landlord's objection shall not be deemed to be an acceptance by the Landlord of the Tenant's proposed changes to Schedule "H".** Within 20 days of being requested to do so by the Landlord, the Tenant shall provide the Landlord with a written statement describing:

(i) the procedures used by the Tenant to contain and handle such Contaminants; and

(ii) the procedures used by the Tenant to contain and deal with spills of Contaminants.

(q) Tenant shall ensure that, at all times during the Term, and any extensions thereof, Landlord is in receipt of a copy of the Tenant's emergency preparedness plans prepared by the Tenant in connection with the use of the Premises which include references to, or which require the involvement of other tenants in the Building.

6.14A **Tenant's Responsibility**

(a) The Tenant shall be solely responsible and liable for any clean-up and remediation required by the Landlord or any Authority having jurisdiction of any Contaminants which the Tenant, the Tenant's Parties or any Transferee caused or allowed to be Discharged, released onto or into the air, the Premises, the Building, other lands and/or the groundwater or surface waters under or on the Lands or any other lands. Upon the occurrence of any such Discharge, the Tenant shall ~~immediately~~ give **prompt** written notice to the Landlord and take all steps necessary to remedy the situation giving rise to such Discharge.

(b) If any such clean-up or remediation is required in accordance with section 6.14A (a), the Tenant shall, at its sole cost, prepare all necessary studies, plans and proposals and submit them to the Landlord for approval, provide all bonds and other security required by any lawful Authorities and carry out the work required. In carrying out such work, the Tenant shall keep the Landlord fully informed of the progress of the work. The Landlord may, in its sole discretion, elect to carry out all such work, or any part of it, and, if the Landlord does so, the Tenant shall pay for all costs in connection therewith, together with an administrative fee equal to 15% of such costs, within 15 days of written demand being made by the Landlord.

(c) All Contaminants brought or allowed onto the Premises, Building or Lands during the Term, or any extensions thereof, by the Tenant, the Tenant's Parties or a Transferee shall, despite any other provision of this Lease to the contrary and any expiry, termination or disclaimer of this Lease, be and remain the property and sole responsibility of the Tenant regardless of the degree or manner of affixation of such Contaminants to the Premises. In addition, and at the option of the Landlord, anything contaminated by such Contaminants shall become the property of the Tenant. This affirmation of the Tenant's interest in the Contaminants or the goods containing the Contaminants shall not, however, prohibit the Landlord from dealing with such material as otherwise provided in this Lease.

(d) If the Tenant is required by any applicable Environmental Laws to maintain environmental and operating documents and records, including, without limitation, permits and licenses (collectively, "Environmental Records"), the Tenant shall maintain all requisite Environmental Records in accordance with all applicable Environmental Laws. The Landlord may inspect all Environmental Records at any time during Term on **forty-eight (48)** ~~24~~ hours' prior written notice, but no prior notice shall be required in the case of an emergency, real or apprehended.

The Tenant shall promptly notify the Landlord in writing of:

(i) any notice or investigation by any Authority alleging non-compliance or a possible violation of or with respect to any Environmental Laws in connection with operations or activities in the Premises;

(ii) any charges laid by any Authority alleging non-compliance or a violation by the Tenant, the Tenant's Parties or a Transferee of any Environmental Laws;

(iii) any orders, made against the Tenant pursuant to any Environmental Laws; and

(iv) any notices, action, claim or other proceeding received by the Tenant from any person concerning any Discharge or alleged Discharge of any Contaminants from the Premises.

6.14B Landlord's Audit Right

(a)The Landlord may, at any time during or after the Term require the Tenant to cause an **independent** environmental audit of the Premises to be carried out. **The scope and breadth of such environmental audit shall be reasonably agreed between the Landlord and the Tenant, however, the Tenant shall, at a minimum conduct a Phase 1 environmental site assessment of the Premises. Tenant shall provide Landlord with an original duplicate copy of any environmental audit report in respect of the Premises, including any notice of compliance delivered by any Authority and or as a result of the environmental audit of the Premises within 10 days of the Tenant receiving same.** The Tenant shall be responsible for the cost of any such audit.

(b)If any audit reveals any breach by the Tenant of the Tenant's obligations and covenants contained in this Lease, the Tenant shall immediately take such steps as are necessary so as to rectify such breach.

(c)The Landlord may, at any time during or after the Term, **make enquiries of a senior officer of the Tenant with respect to Tenant's compliance with any Environmental Laws and such officer shall reply to such enquiries in a commercially reasonable fashion and with reasonable particularity within a reasonable period of time following receipt of such enquiry.**

6.14C Survival of Obligations

For greater certainty, the obligations of the Tenant under Sections 6.14, 6.14A and 6.14B relating to Contaminants, (including without limitation the Tenant's indemnity) shall survive the expiry, repudiation or earlier termination of this Lease. To the extent that the performance of such obligation requires access to or entry upon the Premises or the Lands, or any part thereof, following such expiry, repudiation or earlier termination:

(a) the Tenant shall have such entry and access only at such times and upon such terms and conditions as the Landlord may from time to time specify; and/or

(b) the Landlord may undertake the performance of any necessary work in order to complete such obligations of the Tenant, but having commenced such work, the Landlord shall have no obligation to the Tenant to complete such work and may require the Tenant to do so. All costs incurred by the Landlord in undertaking such work, together with an administrative fee of 15%, shall be paid by the Tenant to the Landlord within 20 days following delivery to the Tenant of an invoice for such work.

6.14D Phase 1 Environmental Assessment

The Landlord has conducted a Phase 1 environmental site assessment, ("Entry Report"), dated March 24, 2015, a copy of which will be delivered to the Tenant, upon its written request. The parties hereto agree to use the Entry Report as a baseline if the Tenant is required to perform any type of clean up or remediation work.

6.15 Landlord's Alterations:

Notwithstanding any other provision of this Lease, the Landlord shall have the right, at any time, to add buildings, additions and parking structures on the Lands or to make additions to, or subtractions from, or to change, rearrange or relocate any part of the Common Areas, the Lands or the Building including the Premises, provided that in the case of the Premises, the premises, as rearranged or relocated shall in all material respects be comparable to the Premises and the Landlord shall give the Tenant at least sixty (60) days prior written notice of such rearrangement or relocation and shall pay all reasonable direct costs of construction and moving expenses in connection therewith. The Landlord shall also have the right to enclose any open area, and to grant, modify or terminate easements and other agreements pertaining to the use and maintenance of all or any part of the Building, Common Areas or the Lands, and to close all or any part of the Lands, Common Areas or the Building to such extent as the Landlord considers reasonably necessary to prevent accrual of any rights therein to any persons at any time. The Landlord is entitled to make changes to the parking areas and to make any changes or additions to the systems, pipes, conduits, Utilities or other building services within or serving the Premises or any other premises in the Building; provided that access to the Premises will at all times be available from the elevator lobby of the Building.

In doing any of the foregoing, the Landlord shall have the right, **after delivery of at least forty-eight (48) hours' prior written notice to the Tenant (except in the case of an emergency real or apprehended in which case no notice shall be required),** to enter upon the Premises and same shall not constitute a re-entry hereunder. The Landlord shall not be liable for any damage caused to the Tenant's property, whether or not due to the negligence or wilful misconduct of the Landlord or those for whom the Landlord is in law responsible. No claim for compensation shall be made by the Tenant by reason of inconvenience, nuisance or discomfort arising from such changes or the Landlord's entry. The Landlord shall make such changes as expeditiously as is reasonably possible. All Common Areas shall at all times be subject to the exclusive control and management of the Landlord or as the Landlord may direct from time to time. The Tenant shall cooperate with the Landlord in any of its programmes to improve or make more efficient the operation of the Lands and Building.

ARTICLE VII - STANDARD SERVICES

7.1 Heating and Air-Conditioning:

(a)The Landlord shall provide heat to the Premises and the interior Common Areas (excluding any areas below the main floor and in the penthouse) sufficient to maintain reasonable temperatures during Normal Business Hours. It is understood and accepted by the Tenant that the Landlord may reduce the degree of heating provided after Normal Business Hours in a manner comparable to other comparable office buildings in the City of Markham of a similar age and in a similar location. The Landlord may enter the Premises at any time in order to inspect, control or regulate the operation of any heating, ventilating and air-conditioning facilities and equipment.

(b)The Landlord shall provide ventilation and air-conditioning to the Premises and interior Common Areas (excluding any areas below the main floor and in the penthouse) during

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Normal Business Hours. The systems furnished and operated by the Landlord for air conditioning and ventilation to the Premises are designed for a reasonable density of persons and for general office purposes based on window shading being fully closed where windows are exposed to direct sunlight. Arrangement of partitions, equipment or special purpose areas, or the installation of equipment with high levels of heat production by the Tenant may require alteration of the portion of the air-conditioning and ventilation systems located within the Premises. Any alterations that can be accommodated by the Landlord's equipment shall be made at the Tenant's expense and in accordance with Section 6.7 hereof. Balancing of the system within the Premises shall be at the Tenant's expense. The Tenant acknowledges that the heating, air-conditioning and ventilation system serving the Premises or the Building may require initial balancing or that alterations made from time to time whether inside the Premises or in other areas of the Building, may temporarily cause imbalance of the heating, air-conditioning and ventilation system, and the Tenant shall allow a reasonable amount of time for such readjustment and rebalancing.

(c) Should the Landlord fail to provide sufficient heat or air-conditioning or chilled water at any time it shall not be liable for direct, indirect, or consequential damages, or for personal discomfort or illness.

7.2 <u>Cleaning</u>:

The Landlord shall, provide janitorial services to the **Office** Premises at such times and in such manner as is consistent with prevailing practices in comparable office buildings in the City of Markham of similar age and in a similar location. The Landlord shall periodically clean both sides of exterior windows so as to maintain the Building to the standard of a comparable office building in the City of Markham of similar age and in a similar location. The Tenant acknowledges that the Landlord may clean the windows during Normal Business Hours and the Tenant agrees to allow the Landlord and its contractors entry into the Premises for this purpose. The Landlord shall keep those portions of the Common Areas accessible to the public in a clean and orderly fashion, and keep the sidewalks and driveways located on the Lands reasonably clear of excessive build-up of snow.

Notwithstanding anything contained in this Lease, it is understood and agreed that the Tenant shall be responsible for providing its own janitorial services to the Warehouse Premises and emptying the garbage receptacles, not allowing garbage or waste to accumulate in or about the Warehouse Premises, all on a daily basis and at regular intervals as prescribed by the Landlord. The Tenant shall further, at its expense, keep the Warehouse Premises free of insects, rodents, vermin and other pests. If the Tenant does not maintain a standard of cleanliness and repair satisfactory to the Landlord (acting reasonably) or fails to keep the Warehouse Premises free of insects, rodents, vermin and other pets in the Landlord’s reasonable opinion, then the Landlord shall have the right, after twenty-four (24) hours’ prior ~~oral or~~ written notice to the Tenant within which the Tenant fails to perform such cleaning or repair, to perform or cause to be performed the cleaning or repair and to require the Tenant to pay for such cost together with an administration fee of 15% thereon as Additional Rent under this Lease (payable immediately upon its receipt of an invoice). Further, should there be a repeated breach by the Tenant of its cleaning or repair obligations in the Landlord’s sole determination, then the Landlord shall have the right, upon written notice to the Tenant, to assume the Tenant’s ongoing obligations at the expense of the Tenant plus the administration fee of 15%, all as Additional Rent payable under this Lease.

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7.3 Elevators:

The Landlord shall provide operatorless elevator passenger service during Normal Business Hours. The Landlord may reduce the number of elevators in service after Normal Business Hours. The Landlord retains the right to regulate the use of elevators for the purpose of carrying freight.

7.4 Security and Information:

The Landlord may provide a security guard or receptionist in the main lobby of the Building to provide general information to visitors and to control traffic in and out of the Building. The Landlord may from time to time elect to substitute such services with automated systems and other devices that may from time to time seem appropriate for a comparable office building in the City of Markham. It is acknowledged by the Tenant that such services are intended for the general benefit of the Building and are not intended to specifically protect or otherwise serve the Tenant or the Premises.

7.5 Utilities:

(a) Electrical Power: The Landlord will supply to the Premises sufficient electrical power to operate the standard lighting fixtures supplied by the Landlord plus circuits sufficient to deliver power to the Premises as set out in Schedule "C" of this Lease. If the Tenant requires electrical power at a different voltage or at a greater capacity than the Landlord's system can deliver, then any additional systems required, if available, shall be installed operated and maintained at the Tenant's cost.

(b) Water and Sewage Connections: The Landlord shall provide to the floor(s) on which the Premises is located water for drinking fountains, hot and cold or tempered water for washroom facilities and the necessary sewer connections. Any connections made to Leasehold Improvements or special facilities by the Tenant shall be made at the Tenant's cost and in accordance with Section 6.7.

(c) The obligation of the Landlord to furnish Utilities as set out in this Section 7.5 shall be subject to the rules and regulations of the supplier of such utility and/or municipal or other governmental authority regulating the business or providing any of these Utilities.

7.6 Interruption or Delay of Services:

The Landlord may slow down, interrupt, delay, or shut down any of the services outlined in this Article VII on account of repairs, maintenance or alterations to any equipment or other parts of the Building and where practical, the Landlord shall schedule such interruptions, delays, slow downs, or stoppage so as to minimize any inconvenience to the Tenant. The Landlord shall not be held responsible for any direct, indirect or consequential damages, losses, or injuries caused.

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7.7 Public Policy:

The Landlord shall be deemed to have observed and performed the terms and conditions to be performed by the Landlord under this Lease, including those relating to the provision of Utilities, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority acting in the fields of energy, communications, conservation, waste management and disposal, security or other area of public interest.

ARTICLE VIII - ASSIGNMENT AND SUBLETTING

8.1 Assignment, Subletting:

The Tenant shall not assign this Lease, nor sublet all or any part of the Premises (together a "Transfer") without the prior consent in writing of the Landlord, which consent shall, subject to Section 8.2 hereof, not be unreasonably withheld; provided however, that such consent to any assignment or subletting, shall not relieve the Tenant from its obligation to pay Rent and to perform all of the covenants, terms and conditions herein contained. If this Lease is assigned or any part of the Premises is occupied by any person other than the Tenant, the Landlord may collect Rent or sums on account of Rent from the assignee, subtenant or transferee, and apply the net amount collected to the Rent payable hereunder but no such assignment, subletting, transfer of possession or collection or the acceptance of the assignee, subtenant or transferee as tenant shall be deemed a waiver of this covenant.

8.1A Permitted Transfer

Notwithstanding the provisions of Section 8.1, so long as the Tenant is Fluidigm Canada Inc., is in physical occupancy of the whole of the Premises and is not and has not been in material default of any of its covenants, obligations, or agreements under this Lease which default has not been cured within the applicable cure period, the Landlord agrees that the Tenant may, without the Landlord's consent (a "Permitted Transfer") but upon fifteen (15) days' prior written notice, assign this Lease or sublet the Premises to an "affiliate" of the Tenant (as such term is defined in the Canada Business Corporations Act), (hereinafter referred to as a "Permitted Transferee") but only so long as such affiliate remains an affiliate of the Tenant and if it does not, a transfer shall be deemed to have occurred under this Lease that requires the Landlord's consent and all of the provisions of Article VIII of this Lease shall apply. If requested by the Landlord, the Tenant will, within fifteen (15) days of its receipt of such request, provide the Landlord with a statutory declaration sworn by a director or officer of the Tenant stating that such Transferee remains an affiliate of the Tenant.

The Permitted Transfer shall not become effective unless and until :

(1) such Permitted Transferee shall carry on only the same business as is permitted to be carried on by the Tenant under Section 2.2 of this Lease;

(2) the Landlord receives satisfactory evidence that the Permitted Transferee qualifies as being a Permitted Transferee;

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(3) the Tenant delivers to the Landlord a copy of the document giving effect to the Permitted Transfer; and

(4) all the provisions of this Lease shall apply in respect of the Permitted Transfer including, without limitation, the requirement that the Tenant and the Permitted Transferee execute the Landlord's form of documentation in which the Permitted Transferee covenants directly with the Landlord to observe and perform each of the covenants, obligations and agreements of the Tenant under this Lease and in which the Tenant remains liable under this Lease for the performance and observance of all of the covenants, obligations and agreements of the Tenant under this Lease.

8.2 Landlord's Consent:

If the Tenant desires to assign this Lease, or to sublet the Premises, then and so often as such event shall occur, the Tenant shall make its request to the Landlord in writing, and the Landlord shall, within ten (10) Business Days after receipt of all information requested by the Landlord, notify the Tenant in writing **that** the Landlord consents or does not consent. ~~either that; (a). as the case may be, or (b) the Landlord elects to cancel and terminate this Lease if the request is to assign this Lease or to sublet all of the Premises, or if the request is to sublet a portion of the Premises only, to cancel and terminate this Lease with respect to such portion. If the Landlord elects to cancel this Lease as aforesaid, and so advises the Tenant in writing, the Tenant shall then notify the Landlord in writing within fifteen (15) days thereafter of the Tenant's intention either to refrain from such assigning or subletting or to accept the cancellation of this Lease (in whole, or in part). Failure of the Tenant to deliver notice to the Landlord within such fifteen (15) day period advising of the Tenant's intention to refrain from such assigning or subletting, shall be deemed to be an acceptance by the Tenant of the Landlord's cancellation of this Lease (in whole, or in part, as the case may be). Any cancellation of this Lease pursuant to this Section 8.2 shall be effective on the later of the date originally proposed by the Tenant as being the effective date of transfer or the last day of the month which is not less than sixty (60) days following the date of the Landlord's notice to cancel this Lease~~.

8.3 Requests for Consent:

Requests by the Tenant to assign this Lease or sublet all, or part of the Premises shall be in writing to the Landlord accompanied with such information as the Landlord may reasonably require and shall include an original copy of the proposed assignment or sublease, as the case may be. Prior to any consent being given by the Landlord to the Tenant's request, the Landlord must be satisfied as to the following, inter alia: (a) that the liability of the Tenant in fulfilling the terms, covenants and conditions of this Lease shall remain; (b) the financial ability, good credit rating and business reputation and standing of the proposed assignee, subtenant or transferee, as the case may be; (c) that the Tenant has regularly and duly paid Rent and performed all of the covenants contained in this Lease; (d) that any Mortgagee will consent to such request; and (e) that the proposed assignee or subtenant has, or will enter into an agreement with the Landlord agreeing to be bound by all of the terms, covenants and conditions of this Lease. Prior to receiving any consent pursuant to this Section 8.3, the Tenant will pay the Landlord's administrative fee of $1,000.00 plus applicable taxes in connection with the review by the Landlord and/or its solicitors of the Tenant's request, and the preparation and review of any documentation in

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respect thereof. If the Tenant receives consent pursuant to this Section 8.3, it shall be conditional on the Tenant paying to the Landlord as Additional Rent, any profit (net of all reasonable costs incurred by the Tenant in connection therewith) earned by the Tenant in assigning this Lease or subletting all or any part of the Premises.

8.4 Assignment by Landlord:

In the event of the sale or lease by the Landlord of its interest in the Lands or Building or any part or parts thereof and in conjunction therewith the assignment by the Landlord of this Lease or any interest of the Landlord herein, the Landlord shall be relieved of all liability under this Lease, **to the extent that the purchaser or transferee agrees with the Landlord to assume the Landlord's obligations under this Lease**.

8.5 Liability of Tenant after Transfers:

No Transfer or other disposition by the Tenant of this Lease or of any interest under this Lease shall release the Tenant from the performance of any of its covenants under this Lease and the Tenant shall continue to be bound by and liable under this Lease. The Tenant's liability under this Lease after any Transfer of the Tenant's interest will continue notwithstanding the bankruptcy, insolvency, dissolution or liquidation of any transferee of this Lease or the termination of this Lease for default or the termination, disclaimer, surrender or repudiation of this Lease pursuant to any statute or rule of law. Furthermore, if after any Transfer of the Tenant's interest, this Lease is terminated for default or is terminated, disclaimed, surrendered or repudiated pursuant to any statute or rule of law, then, in addition to and without limiting the Tenant's liability under this Lease, the Tenant, upon notice from the Landlord given within ninety (90) days after any such termination, disclaimer, surrender or repudiation, shall enter into a new lease with the Landlord for a term commencing on the effective date of such termination, disclaimer, surrender or repudiation and expiring on the date this Lease would have expired but for such termination, disclaimer, surrender or repudiation and otherwise upon the same terms and conditions as are contained in this Lease with respect to the period after such termination, disclaimer, surrender or repudiation.

ARTICLE IX - INSURANCE AND INDEMNIFICATION

9.1 Tenant's Insurance:

The Tenant shall, at its sole cost and expense, take out and maintain in full force and effect at all times throughout the Term the following insurance:

(a) "All Risks" **or special form** insurance (including flood, ~~earthquake~~, sewer back-up and collapse) upon property of every description and kind owned by the Tenant, or for which the Tenant is legally liable, or which is installed by or on behalf of the Tenant, within the Premises or on the Lands or Building, including, without limitation, stock in trade, furniture, equipment, partitions, Trade Fixtures and Leasehold Improvements in an amount not less than the full replacement cost thereof from time to time; In the event that there shall be a dispute as

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to the amount of full replacement cost, the decision of **an independent insurance advisor** ~~the Landlord or the Mortgagee~~ shall be conclusive;

(b) General liability and property damage insurance, including personal injury liability, contractual liability, tenants' legal liability, **sudden and accidental release of pollutants insurance, hostile fire coverage,** non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Premises and the Common Areas, which coverage shall include the business operations conducted by the Tenant and any other person on the Premises. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than Five Million Dollars ($5,000,000.00) **which is satisfied through the combination of primary and excess liability limits**. ~~or such higher limits as the Landlord or the Mortgagee may require from time to time;~~

(c) Business interruption insurance including loss of profits; and

(d) Any **other** form of insurance as the Tenant, the Landlord or the Mortgagee may reasonably require from time to time in amounts and for insurance risks against which a prudent tenant would protect itself.

9.2 Policy Requirements:

Each policy of insurance taken out by the Tenant in accordance with this Lease shall be taken out with insurers, and shall be in such form and on such terms as are **reasonably** satisfactory to the Landlord, and each such policy shall name the Landlord and any others designated by the Landlord as additional ~~named~~ insureds, as their respective interests may appear, and each of such policies shall contain, in form **reasonably** satisfactory to the Landlord:

(a) the standard mortgage clause as required by the Mortgagee;

(b) a waiver by the insurer of any rights of subrogation or indemnity or any other claim over, to which such insurer might otherwise be entitled against the Landlord, the Manager, the Mortgagee, any owner of the freehold interest to the Building or Lands (if different from the Landlord) and those for whom all and any of them are or is in law responsible, whether or not the damage is caused by their act, omission or negligence;

(c) an undertaking by the insurer to notify the Landlord and the Mortgagee in writing not less than thirty (30) days prior to any proposed material change, cancellation or other termination thereof;

(d) a provision that the Tenant's insurance is primary and shall not call into contribution any other insurance available to the Landlord; and

(e) a severability of interests clause and a cross-liability clause, where applicable.

9.3 Proof of Insurance:

The Tenant shall provide to the Landlord and the Mortgagee on demand, and from time to time, satisfactory evidence that the policies of insurance required to be maintained by the Tenant in accordance with this Lease are in fact being maintained, which evidence shall be in the form of certificates of insurance, or if required by the Landlord or the Mortgagee, certified copies of each such insurance policy.

9.4 Failure to Maintain:

If the Tenant fails to take out or keep in force any insurance referred to in this Article IX, or should any such insurance not be approved by either the Landlord or the Mortgagee and should the Tenant not rectify the situation within forty-eight (48) hours following receipt by the Tenant of written notice from the Landlord (stating, if the Landlord or the Mortgagee do not approve of such insurance, the reasons therefor), the Landlord shall have the right, without assuming any obligation in connection therewith, to effect such insurance at the sole cost of the Tenant and all outlays by the Landlord shall be payable by the Tenant to the Landlord and shall be due on the first day of the next month following said payment by the Landlord without prejudice to any other rights and remedies of the Landlord under this Lease.

9.5 Damage to Leasehold Improvements:

In case of damage to the Leasehold Improvements, or any material part thereof, the proceeds of insurance in respect thereto shall be payable to the Landlord, and such proceeds shall be released to the Tenant (provided that the Tenant is not in default hereunder) upon the Tenant's written request for progress payments, at stages determined by a certificate of the Architect stating that repairs to each such stage have been satisfactorily completed free of liens by the Tenant or by the Tenant's contractors. In the event the Tenant defaults in making such repairs, the Landlord may, but shall not be obliged to, perform the repairs and the proceeds may be applied by the Landlord to the cost thereof. If this Lease expires or is terminated at a time when the Premises or Leasehold Improvements are damaged or destroyed as a result of a peril required to be insured against by the Tenant, the Tenant shall pay or assign to the Landlord, free of any encumbrance, an amount equal to the proceeds or the proceeds of insurance required to be maintained by the Tenant with respect to such damage or destruction.

9.6 Increase in Insurance Premiums/Cancellation:

The Tenant shall not do or permit anything to be done upon the Premises which **the Tenant reasonably should know would** ~~shall~~ cause the premium rate of insurance on the Building to be increased. If the premium rate of insurance on the Building shall be increased by reason of any use made of the Premises, the Tenant shall pay to the Landlord on demand the amount of such premium increase. In the event of an actual or threatened cancellation of any insurance on the Building or any adverse change thereto by the insurer by reason of the use or occupation of the Premises, and if the Tenant has failed to remedy the situation, use, condition, occupancy or other factor giving rise to such actual or threatened cancellation or adverse change within twenty-four (24) hours after **written** notice thereof by the Landlord, then the Landlord may terminate this Lease by notice in writing to the Tenant or remedy the situation, use, condition, occupancy or other factor giving rise to such actual or threatened cancellation or change, all at the cost of the Tenant to be paid forthwith on demand, and for such purposes the Landlord shall have the right to enter upon the Premises without further notice.

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9.7 Landlord's Insurance:

The Landlord agrees to insure the Building and the machinery, boilers and equipment therein owned by the Landlord (specifically excluding any property which the Tenant is obliged to insure under this Article IX) against damage by fire and extended perils coverage in such reasonable amounts as would be carried by a prudent owner of an office building in the City of Markham of similar age and in a similar location. The Landlord will also carry public liability and property damage insurance with respect to the operation of the Building in such reasonable amounts as would be carried by a prudent owner, and any other forms of insurance as it or the Mortgagee may reasonably determine advisable. Notwithstanding that the Tenant shall be contributing to the Landlord's costs and premiums respecting such insurance, the Tenant shall not have any insurable or other interest in any of the Landlord's insurance other than the rights, if any, expressly set forth in this Lease, and in any event, the Tenant shall not have any interest in, nor any right to recover any proceeds under any of the Landlord's insurance policies.

9.8 Non-Liability for Loss, Injury or Damage:

The Tenant acknowledges and agrees that the Landlord and the Landlord Beneficiaries referred to in Section 9.10 below shall not be liable for any death or injury arising from or out of any occurrence in, upon, at or relating to the Lands or Building or for any loss of, or damage to, or loss of use of, property of the Tenant or of others that is located on or in the Premises or on or in any other part of the Building or Lands (whether or not such property has been entrusted to the Landlord or any of the Landlord Beneficiaries) or for any indirect or consequential loss or damage, ~~whether or not~~ **unless** the death, injury, loss or damage results from the act, omission, **gross** negligence or **wilful** misconduct of the Landlord or of any of the Landlord Beneficiaries. ~~Without limiting the general intent of the preceding sentence,~~ **Subject to the foregoing,** the Landlord and the Landlord Beneficiaries will not be liable for death, injury or damage to persons or property resulting from (a) fire, explosion, steam, water, rain, snow or gas which may leak into or issue or flow from any part of the Building or from the water, steam or drainage pipes or plumbing works of the Building or from any other place or quarter, (b) the operation, faulty operation, interruption, breakdown, condition or arrangement of any base building systems or other services provided by the Landlord under this Lease (including, without limitation, the electrical, mechanical, telecommunications and all utility systems and security services), or (c) the act, omission, negligence or misconduct of any tenant or occupant of space in the Building or Lands or on property adjacent to the Building or the Lands, or of the public or any person in or on the Building or the Lands. Without limiting the foregoing in any way, the Tenant hereby releases the Landlord and the Landlord Beneficiaries from all losses, damages and claims of any kind in respect of which the Tenant is required to maintain insurance under this Lease or is otherwise insured (including that part of any such loss, damage or claim below the level of the Tenant’s insurance deductibles).

9.9 Indemnification of the Landlord:

Except to the extent resulting from the Landlord’s or Landlord Beneficiaries’ gross negligence or wilful misconduct, the Tenant shall indemnify the Landlord and the Landlord Beneficiaries referred to in Section 9.10 below and save them harmless from all losses, liabilities, damages, claims, demands, expenses and actions of any kind or nature (including loss of Rent payable by the Tenant under this Lease) in connection with any breach, violation or non-performance by the Tenant of any covenant, term or provision of this Lease, or in connection with loss of life, personal injury, damage to, or loss of, or loss of use of, the property of any person or entity (including the Landlord and the Landlord Beneficiaries) or any other loss or injury arising from any occurrence on the Premises or arising from the

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occupancy or use by the Tenant or any of its agents, contractors, employees, servants, licensees, concessionaires or invitees of the Premises, the Lands or the Building or of anyone permitted to be on the Premises by the Tenant, and against and from all reasonable costs, expenses and claim or action or proceeding brought thereon. In case the Landlord or any of the Landlord Beneficiaries, without fault on their part, is made a party to any litigation commenced by or against the Tenant, the Tenant shall hold the Landlord and the Landlord Beneficiaries harmless in connection with such litigation.

9.10 Extension of Rights and Remedies:

It is agreed that every indemnity, exclusion or release of liability and waiver of subrogation contained in this Lease or in any of the Tenant's insurance policies shall extend to and benefit each and every of the Landlord, any Mortgagee, the Manager and all of their respective servants, agents, directors, officers, employees and those for whom the Landlord and such other entities or persons are in law responsible (collectively, the "Landlord Beneficiaries"), it being understood and agreed that the Landlord is the agent or trustee of the Landlord Beneficiaries solely to the extent necessary for the Landlord Beneficiaries to take the benefit of this Section. The Landlord shall be under no obligation whatsoever to take any steps or actions on behalf of the Landlord Beneficiaries to enable them to obtain the benefits of this Section unless it chooses to do so in its sole and absolute discretion.

ARTICLE X - DAMAGE

10.1 Damage to Premises:

It is understood and agreed that, notwithstanding any other provision of this Lease, should the Premises at any time be partially or wholly destroyed or damaged by any cause whatsoever or should demolition of the Premises be necessitated thereby or should the Premises become unfit for occupancy by the Tenant:

(a) Subject as hereinafter provided in this Section 10.1, the Landlord shall, to the extent of the insurance proceeds available for reconstruction and actually received by the Landlord from its insurers following an election by the Mortgagee to apply all or any portion of such insurance proceeds against the debt owing to the Mortgagee, expeditiously reconstruct the Premises in accordance with the Landlord's obligations to repair under the provisions of Section 6.4 hereof. Upon substantial completion of the Landlord's work, the Landlord shall notify the Tenant, and the Tenant shall forthwith commence and expeditiously complete reconstruction and repair of the Premises, Leasehold Improvements and Trade Fixtures in accordance with the Tenant's obligations to repair under the provisions of Section 6.2 hereof;

(b) Rent shall not abate unless the Premises are rendered wholly or partially unfit for occupancy by such occurrence and in such event Rent, as of the date of such occurrence shall abate proportionately as to the portion of the Premises rendered unfit for occupancy, until thirty (30) days following receipt by the Tenant of the Landlord's notice given to the Tenant as provided in Subsection 10.1(a) hereof, at which time Rent shall recommence;

(c) If, in the opinion of the Architect, such opinion to be given to the Landlord and the Tenant within thirty (30) days of the date of such damage, the Premises cannot be repaired and made fit for occupancy within one hundred and eighty (180) days next following any occurrence, or if **either: (i)** thirty percent (30%) or more of the **Office** Premises; **or (ii) thirty percent (30%)**

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or more of the Warehouse Premises, are damaged or destroyed, the Landlord may, by written notice to the Tenant within thirty (30) days of receipt of such opinion of the Architect, terminate this Lease and Rent shall cease and be adjusted as of the date of such occurrence, and the Tenant shall immediately vacate the Premises and surrender same to the Landlord; and

(d) In no event, including termination of this Lease in accordance with the provisions of Subsection 10.1(c) hereof, shall the Landlord be liable to reimburse the Tenant for damage to, or replacement or repair of any Leasehold Improvements, Trade Fixtures or any of the Tenant's property.

(e) Provided the damage and destruction to the Office Premises or the Warehouse Premises is not due to the Tenant's negligence or the Tenant's Parties negligence, and the Tenant is Fluidigm Canada Inc., then:

(i) if: [*****] **or more of the Rentable Area of either the Office Premises or Warehouse Premises is at any time damaged or destroyed and the damaged or destroyed area specifically includes** [*****]**; and**

(ii) in the opinion of the Architect, the Office Premises or Warehouse Premises cannot be repaired with reasonable diligence within [*****] **of receipt of permits to repair such damage or destruction, then, the Tenant may, at its option,** [*****]**. If in the opinion of the Architect, the Office Premises or Warehouse Premises can be repaired with reasonable diligence within** [*****] **of receipt of permits to repair such damage or destruction,** [*****]**, the Tenant may, at its option,** [*****]**.**

The Tenant will execute whatever documents may be required by the Landlord in order that all proceeds of insurance relating to the Leasehold Improvements shall be released to the Landlord. In such event, the Tenant shall have no recourse against the Landlord or the Landlord Beneficiaries for damages or otherwise.

10.2 Damage to the Building:

It is understood and agreed that, notwithstanding the other provisions of this Lease, should the Building at any time be partially or wholly destroyed or damaged by any cause whatsoever, or should demolition of the Building, or any part thereof, be necessitated thereby:

(a) Subject as hereinafter provided in this Section 10.2, the Landlord shall, to the extent of the insurance proceeds available for reconstruction and actually received by the Landlord from its insurers following any election by the Mortgagee to apply all or any portion of such insurance proceeds against the debt owing to the Mortgagee as the case may be, expeditiously reconstruct and repair the Building, and to the extent necessary, the Premises, in accordance

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with the Landlord's obligations to repair under the provisions of Section 6.4 hereof. Upon substantial completion of the Landlord's work as it relates to the Premises the Landlord shall notify the Tenant, and the Tenant shall forthwith commence and expeditiously complete reconstruction and repair of the Premises, Leasehold Improvements and Trade Fixtures to the extent they are so affected, in accordance with the Tenant's obligations to repair under the provisions of Section 6.2 hereof;

(b) Rent shall not abate unless the Premises are rendered wholly or partially unfit for occupancy by such occurrence, and in such event, Rent, as of the date of such occurrence shall abate proportionately as to the portion of the Premises rendered unfit for occupancy until thirty (30) days following receipt by the Tenant of the Landlord's notice given to the Tenant as provided in Subsection 10.2(a) hereof, at which time Rent shall recommence;

(c) If in the opinion of the Architect, such opinion to be given to the Landlord and the Tenant within thirty (30) days of the date of such damage **either: (i)** thirty percent (30%) or more of the Total Rentable Area of the **Office Component**; **or (ii) thirty percent (30%) or more of the Total Rentable Area of the Warehouse Component,** is at any time destroyed or damaged in whole or in part by any cause whatsoever, or by demolition caused or necessitated thereby, notwithstanding that the Premises may be unaffected by such occurrence, the Landlord may, at its option, by written notice to the Tenant, within thirty (30) days of receipt of such opinion of the Architect, elect to terminate this Lease and the Tenant shall within thirty (30) days vacate the Premises and Rent will abate as of the thirtieth (30^{th}) day after the Landlord's notice so long as Tenant has vacated the Premises;

(d) In repairing, reconstructing or rebuilding the Building or any part thereof, the Landlord may use designs, plans and specifications, other than those used in the original construction of the Building, and the Landlord may alter or relocate, or both, any or all buildings, facilities and improvements, including the Premises, provided that the Premises as altered or relocated shall be substantially the same size and shall be in all material respects reasonably comparable to the Premises; and

(e) In no event, including termination of this Lease in accordance with the provisions of Subsection 10.2(c) hereof, shall the Landlord be liable to reimburse the Tenant for damage to, or replacement or repair of any Leasehold Improvements, Trade Fixtures or of any of the Tenant's property.

10.3 Architect's Certificate:

It is understood and agreed by the Tenant that wherever a certificate of the Architect is required or deemed appropriate by the Landlord, the certificate of the Architect shall bind the parties hereto as to completion of construction of the Premises and the availability of services, the percentage of the Premises or Building destroyed or damaged and the number of days required to make repairs or reconstruct the state of tenantability of the Premises, and the state of completion of any work or repair of either the Landlord or the Tenant.

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ARTICLE XI - UNAVOIDABLE DELAY

11.1 Unavoidable Delay:

Whenever and to the extent that the Landlord or Tenant shall be unable to fulfil or shall be delayed or restricted in the fulfilment of any obligation hereunder in respect of the supply or provision of any service or utility or the doing of any work or the making of any repairs by reason of being unable to obtain the material, goods, equipment, service, utility or labour required to enable it to fulfil such obligation or by reason of any strike, work stoppage, statute, law or order in council or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administrator, controller or board, or any governmental department or officer or other authority, or by reason of not being able to obtain any permission or authority required thereby, or by reason of any other cause beyond its control whether of the foregoing character or not, the Landlord or Tenant shall be entitled to extend the time for fulfilment of such obligation by a time equal to the duration of such delay or restriction and the Landlord or Tenant shall not be entitled to any compensation for any inconvenience, nuisance or discomfort thereby occasioned. The provisions of this Section 11.1 shall not operate to excuse the Tenant from prompt payment of all sums required to be paid pursuant to the terms of this Lease.

ARTICLE XII - LANDLORD'S REMEDIES

12.1 Landlord May Perform Tenant's Covenants:

If the Tenant is in default of any of its covenants, obligations or agreements under this Lease (other than its covenant to pay Rent) and such default shall have continued for a period of ten (10) consecutive days after **written** notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied (or, if by reason of the nature thereof, such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such ten (10) day period, if the Tenant shall fail to proceed promptly to cure the same or shall thereafter fail to prosecute the curing of such default with due diligence), the Landlord, without prejudice to any other rights which it may have with respect to such default, may remedy such default and the cost thereof to the Landlord together with Interest thereon from the date such cost was incurred by the Landlord until repaid by the Tenant shall be treated as Additional Rent and added to the Rent due on the next succeeding date on which Basic Rent is payable. Notwithstanding the above, if the nature of the default is such that it can be wholly cured in less than ten (10) days, then the Landlord's notice shall stipulate such reasonable lesser period, and if the default is not remedied within the time period set out, the Landlord may remedy the default as set out above.

12.2 Re-Entry:

When:

(a) the Tenant fails to pay when due any Rent, **and fails to correct such non-payment within five (5) days after receipt of the Landlord's written notice;** ~~whether lawfully demanded or not;~~

(b) the Tenant is in default of any of its covenants, obligations or agreements under this Lease (other than its covenant to pay Rent) and such default has continued for a period of ten (10) consecutive days (or such shorter period set out in the Landlord's notice as may be reasonable in the circumstances) after **written** notice by the Landlord to the Tenant specifying with

reasonable particularity the nature of such default and requiring the same to be remedied, or, if by reason of the nature thereof, such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such ten (10) day period, if the Tenant has failed to proceed promptly to cure the same or has thereafter failed to prosecute the curing of such failure with due diligence;

(c) an execution issues against any property of the Tenant or any guarantor or indemnifier of this Lease and remains outstanding for more than ten (10) days, or any receiver of any property of the Tenant or any guarantor or indemnifier of this Lease is appointed, or the Tenant or any guarantor or indemnifier of this Lease becomes insolvent or makes application for relief from creditors under the provisions of any statute now or hereafter in force or, under the Bankruptcy and Insolvency Act, files a notice of intention or a proposal, makes an assignment in bankruptcy, has a receiving order made against it or otherwise becomes bankrupt, or any action, steps or proceedings whatever, are taken with a view to the winding up, dissolution or liquidation of the Tenant or any guarantor or indemnifier of this Lease, or with a view to the restructuring or compromise of any debt or other obligation of the Tenant or any guarantor or indemnifier of this Lease;

(d) any insurance policy is cancelled or not renewed by any insurer by reason of any particular use or occupation of the Premises;

(e) the Premises have been abandoned, or have become vacant or have remained unoccupied for a period of five (5) consecutive days without the consent of the Landlord (which consent shall not be unreasonably withheld), or the Premises have been used by any other person or persons other than the Tenant or any person permitted by Article VIII hereof; or

(f) the Tenant or any company with which the Tenant is affiliated or associated (as those terms are defined in the Business Corporations Act, 1990 of Ontario, or any successor legislation thereto) is in default of any of its covenants, obligations or agreements under any lease or other written agreement between it and the Landlord (as owner or as manager) or any company with which the Landlord is affiliated or associated (as those terms are defined in the Business Corporations Act, 1990 of Ontario, or any successor legislation thereto), and such default shall have continued for such period of time that the Landlord's (or such affiliated or associated company's) remedies have become exercisable thereunder;

then, and in any of such cases, the then current month's Rent together with the Rent for the three (3) months next ensuing shall immediately become due and payable, and at the option of the Landlord the Term shall become forfeited and void, and the Landlord without notice or any form of legal process whatever may forthwith re-enter the Premises or any part thereof in the name of the whole and repossess the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding. The Landlord may expel all persons and remove all property from the Premises and such property may be removed and sold or disposed of by the Landlord as it deems advisable or may be stored in a public warehouse or elsewhere at the cost and for the account of the Tenant without the Landlord being considered guilty of trespass or conversion or becoming liable for any loss or damage which may be occasioned thereby, provided, however, that such forfeiture shall be wholly without prejudice to the right of the Landlord to recover arrears of rent and damages for any antecedent default by the Tenant of its

covenants under this Lease. Should the Landlord at any time terminate this Lease by reason of any such event, then, in addition to any other remedies it may have, it may recover from the Tenant all damages it may incur as a result of such termination.

12.3 Right to Distrain:

The Tenant agrees that the Landlord shall have the right to distrain for any arrears of Rent without notice to the Tenant, in addition to the other rights reserved to it. For such purpose the Landlord shall have the right to enter the Premises as agent of the Tenant either by force or otherwise without being liable for any prosecution therefor and to take possession of any goods and chattels whatever on the Premises, and to sell the same at public or private sale and apply the proceeds of such sale on account of the Rent or in satisfaction of the breach of any covenant, obligation or agreement of the Tenant under this Lease and the Tenant shall remain liable for the deficiency, if any. Notwithstanding anything contained in the Commercial Tenancies Act (Ontario), or any successor legislation or other statute which may hereafter be passed to take the place of the said act or to amend the same, none of the goods and chattels of the Tenant at any time during the continuance of the Term shall be exempt from levy by distress for Rent and the Tenant hereby waives all and every benefit that it could or might have under such act. Upon any claim being made for such exemption by the Tenant, or on distress being made by the Landlord, this provision may be pleaded as an estoppel against the Tenant in any action brought to test the right to the levying of distress upon any such goods.

12.4 Landlord May Follow Chattels:

In case of removal by the Tenant of the goods or chattels of the Tenant from the Premises, the Landlord may follow the same for thirty (30) days in the same manner as is provided for in the Commercial Tenancies Act, or any successor legislation or other statute which may hereafter be passed to take the place of the said act or to amend the same.

12.5 Rights Cumulative:

The rights and remedies given to the Landlord in this Lease are distinct, separate and cumulative, and no one of them, whether or not exercised by the Landlord shall be deemed to be in exclusion of any other rights or remedies provided in this Lease or by law or in equity.

12.6 Acceptance of Rent Non-Waiver:

No receipt of monies by the Landlord from the Tenant after the termination of this Lease shall reinstate, continue or extend the Term, or affect any notice previously given to enforce the payment of Rent then due or thereafter falling due or operate as a waiver of the right of the Landlord to recover possession of the Premises by proper action, proceeding or other remedy; it being agreed that, after the service of a notice to cancel this Lease and after the commencement of any action, proceeding or other remedy, or after a final order or judgment for possession of the Premises, the Landlord may demand, receive and collect any monies due, or thereafter falling due without in any manner affecting such notice, action, proceeding, order or judgment; and any and all such monies so collected shall be deemed payments on account of the use and occupation of the Premises or at the election of the Landlord on account of the Tenant's liability hereunder.

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ARTICLE XIII - STATUS STATEMENT, ATTORNMENT AND SUBORDINATION

13.1 Certification:

The Landlord and Tenant respectively agree that within ten (10) days after a written request therefor, they shall execute and deliver to the other or to such person as may be identified in the written request (but in no event more than twice in any year) a written statement certifying that this Lease is unmodified and is in full force and effect (or if modified stating the modifications and that this Lease is in full force and effect as modified), the amount of the Basic Rent and the date to which it as well as all other charges under this Lease have been paid, whether or not there is any existing default on the part of the Landlord or the Tenant of which the person signing the certificate has notice and giving as well such further information as the person requesting the certificate shall reasonably require.

13.2 Attornment:

If proceedings are brought for foreclosure, or if there is exercise of the power of sale or if there is an entry into possession of the Building or any part thereof pursuant to any mortgage, charge, deed of trust or any lien resulting from any other method of financing or refinancing made by the Landlord covering the Premises and the Building, the Tenant shall attorn to the mortgagee, chargee, lessee, trustee, other encumbrancer or the purchaser upon any such foreclosure or sale and recognize such mortgagee, chargee, lessee, trustee, other encumbrancer or the purchaser as the Landlord under this Lease **provided that such mortgagee, chargee, lessee, trustee, other encumbrancer or purchaser grants to the Tenant a non-disturbance agreement in a form reasonably satisfactory to the parties.**

13.3 Subordination:

The Tenant shall postpone and subordinate its rights under this Lease to the Mortgagee, and any mortgage or mortgages, or any lien resulting from any other method of financing or refinancing, now or hereafter in force against the Lands and Building or any part or parts thereof as it exists from time to time, and to all advances made or hereafter to be made upon the security thereof, **provided that such Mortgagee grants to the Tenant a non-disturbance agreement in a form reasonably satisfactory to the parties.**

13.3A Non-Disturbance Agreement

Provided the Tenant is Fluidigm Canada Inc., or a Permitted Transferee, or an assignee of the Lease consented to by the Landlord, upon the written request of the Tenant, the Landlord shall use its reasonable efforts to obtain, at the Tenant's sole cost and expense, an agreement from any existing Mortgagee of the Building, in a form reasonably acceptable to such Mortgagee and the Tenant, to the effect that so long as the Tenant performs and observes all of the terms and conditions of this Lease and is not in default under this Lease and provided the Tenant shall attorn to such Mortgagee, the Tenant shall be permitted to remain in possession of the Premises without interruption or disturbance from such Mortgagee; or at the option of such Mortgagee, shall be entitled to obtain a new lease for the unexpired Term of this Lease, on the same terms and conditions as contained in this Lease. The Tenant shall (i) promptly execute such documents as may be required by the Landlord to give effect to the foregoing, and (ii) indemnify the Landlord

from and against all reasonable costs including legal costs incurred by the Landlord in connection with obtaining and preparing any such agreement.

13.4 Rights of Mortgagees:

If at any time during the currency of a mortgage of the interest of the Landlord in the Premises or Building, notice of which has been given to the Tenant, the Landlord shall be in default under this Lease and such default would give rise to a right in the Tenant to terminate this Lease, the Tenant, before becoming entitled as against the holder of such mortgage to exercise any right to terminate this Lease, shall give to such Mortgagee notice in writing of such default. Such Mortgagee shall have sixty (60) days after the giving of such notice, or such longer period as may be reasonable in the circumstances, within which to remedy such default, and if such default is remedied within such time the Tenant shall not by reason thereof terminate this Lease. The rights and privileges granted to any such Mortgagee by virtue of this Section shall not be deemed to alter, affect or prejudice any of the rights and remedies available to the Tenant as against the Landlord. Any notice to be given to such Mortgagee shall be deemed to have been properly given if mailed by registered mail to its most recent address of which the Tenant has notice.

ARTICLE XIV - MISCELLANEOUS

14.1 Joint and Several Liability:

If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) sign this Lease as the Tenant, the liability of each such individual, corporation, partnership or other business association to pay Rent and to perform all other obligations hereunder shall be deemed to be joint and several. In like manner, if the Tenant is a partnership or other business association, the members of which are, by virtue of statute or general law, subject to personal liability, the liability of each such member shall be joint and several. The Tenant warrants and represents that it is duly formed and in good standing, and has full corporate or partnership authority, as the case may be, to enter into this Lease, and has taken all corporate or partnership action, as the case may be, necessary to make this Lease a valid and binding obligation, enforceable in accordance with its terms.

14.2 Landlord and Tenant Relationship:

No provision of this Lease is intended to nor creates a joint venture or partnership or any other similar relationship between the Landlord and Tenant, it being agreed that the only relationship created by this Lease is that of landlord and tenant.

14.3 Planning Act:

It is an express condition of this Lease that the provisions of the Planning Act, R.S.O 1990 c.P.13 and amendments thereto be complied with.

14.4 No Waiver:

No condoning or waiver by either the Landlord or Tenant of any default or breach by the other at any time or times in respect of any of the terms, covenants and conditions contained in this Lease to be performed or observed by the other shall be deemed to operate as a waiver of the Landlord's or Tenant's rights under this Lease, as the case may be, in respect of any continuing or subsequent default or breach nor so as to defeat or affect in any way the rights or remedies of the Landlord or the Tenant under this Lease, as the case may be, in respect of any such continuing or subsequent default or breach. Unless

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expressly waived in writing, the failure of the Landlord or the Tenant to insist in any case upon the strict performance of any of the terms, covenants or conditions contained in this Lease to be performed or observed by the other shall not be deemed to operate as a waiver of the future strict performance or observance of such terms, covenants and conditions.

14.5 Expropriation:

The Landlord and the Tenant shall co-operate in respect of any expropriation of all or any part of the Premises or the Lands and Building so that each party may receive the maximum award to which it is entitled in law. If the whole or any part of the Premises or of the Lands and Building are expropriated, as between the parties hereto, their respective rights and obligations under this Lease shall continue until the day on which the expropriating authority takes possession thereof. If, in the case of partial expropriation of the Premises this Lease is not frustrated by operation of governing law and such expropriation does not render the remaining part of the Premises untenantable for the purposes of this Lease, the Tenant and the Landlord shall restore the part not so taken in accordance with their respective repair obligations under the provisions of Article VI of this Lease. In this Section the word "expropriation" shall include a sale by the Landlord to any authority with powers of expropriation, in lieu of or under threat of expropriation.

14.6 Notice:

Any notice required or contemplated by any provision of this Lease shall be given in writing and shall be signed by the party giving the notice, addressed, in the case of the Landlord to its Manager:

Triovest Realty Advisors Inc.
40 University Avenue, Suite 1200,
Toronto, Ontario
M5J 1T1
Attention: President; and

In addition to the foregoing address, for the purposes only of any notice required under Sections 6.14, 6.14A and 6.14 B the Tenant shall also send a copy to:

Triovest Realty Management Inc.
40 University Avenue, Suite 1200,
Toronto, Ontario
M5J 1T1
Attention: Director, Environmental Health & Safety, IRES; and

Triovest Realty Advisors Inc.
5750 Explorer Drive, Suite 402
Mississauga ON L4W 0A9
Attention: Property Manager for 1380 Rodick Road, and

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in the case of notice to the Tenant: **Fluidigm Canada Inc.** to it at the Premises; **with a copy to:**

Fluidigm Corporation
7000 Shoreline Court, Suite 100
South San Francisco, CA 94080
Attention: General Counsel

in the case of notice to the Indemnifier to:

Fluidigm Corporation
7000 Shoreline Court, Suite 100
South San Francisco, CA 94080
Attention: General Counsel

delivered or sent by facsimile, ~~or by~~ registered mail, postage prepaid, return receipt requested **or overnight/international courier, as applicable.** The time of giving of such notice ~~if mailed~~ shall be conclusively deemed to be : **(i) if mailed,** the fifth (5th) Business Day after the day of such mailing unless regular mail service is interrupted by strikes or other irregularities , (ii) ~~such notice,~~ if delivered or sent by facsimile, ~~shall be conclusively deemed to have been given and received~~ at the time of such delivery or the time of sending by facsimile unless received after 5:00 p.m. in which event such notice shall be deemed to have been given and received on the next Business Day, **provided that the sender obtains confirmation of transmission and such notice is also provided by another means, (iii) if by overnight courier (for domestic delivery only), the next Business Day after the notice is deposited with the courier if before 5:00 pm and the following Business Day if after 5:00 p.m., and (iv) if by international courier, the second Business Day after the notice is deposited with the courier if before 5:00 pm and the third Business Day if after 5:00 p.m.** If in this Lease two or more persons are named as Tenant, such notice shall be delivered personally to any one of such persons. Either party may, by notice to the other, from time to time designate another address in Canada to which notices mailed more than ten (10) days thereafter shall be addressed. Any notice to be given by the Landlord may be signed and given by the Landlord or by the Manager.

14.7 Net Lease:

It is the purpose and intent of the Landlord and the Tenant that the Basic Rent shall be absolutely net and carefree to the Landlord, so that this Lease shall yield, the Basic Rent specified in each year during the Term without notice or demand, and free of any charges, assessments, impositions or deductions of any kind and without abatement, deduction or set-off and under no circumstances or conditions whether now existing or hereafter arising whether beyond the present contemplation of the parties is the Landlord to be expected or required to make any payment of any kind whatsoever or to be subject to any other obligation or liability hereunder. All expenses and obligations of every kind and nature whatsoever relating to the Premises which may arise or become due during the Term of this Lease shall be paid by the Tenant and the Tenant shall indemnify and save harmless the Landlord from all costs of same.

14.8 Non Merger:

There shall be no merger of this Lease nor of the leasehold estate created hereby with the fee estate in the Lands or any part thereof by reason of the fact that the same person, firm, corporation or entity may acquire or own or hold directly or indirectly: (a) this Lease or the leasehold estate created hereby or any

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interest in this Lease or any such leasehold estate; and (b) the fee estate in the Lands or any part thereof or any interest in such fee estate. No such merger shall occur unless and until the Landlord, the Tenant and the Mortgagees (including a trustee for bondholders) shall join in a written instrument effecting such merger and shall duly record the same.

14.9 Lease Entire Agreement:

There are no covenants, representations, warranties, agreements or conditions expressed or implied, collateral or otherwise forming part of or in any way affecting or relating to this Lease or the Premises save as expressly set out in this Lease and this Lease constitutes the entire agreement between the Landlord and the Tenant and may not be amended or modified except by subsequent agreement in writing of equal formality executed by the Landlord and the Tenant. The submission of this Lease for examination does not constitute a reservation of or option for the Premises, and this Lease becomes effective as a lease only upon execution and delivery thereof by both the Landlord and the Tenant.

14.10 Registration:

The Tenant shall not register this Lease on the title to the Lands. However, the Tenant may register a Notice of Lease on title to the Lands, at its sole cost, provided such Notice of Lease shall describe only the parties, the Premises and the Term. Such Notice of Lease shall be prepared by the Tenant's solicitors, and shall be subject to the prior written approval of Landlord and its solicitors, and shall be registered at the Tenant's expense. Upon expiry or termination of this Lease, the Tenant shall forthwith remove or discharge from title to the Lands any such Notice of Lease.

14.11 Name of Building:

The Tenant shall not refer to the Building by any name other than that, if any, designated from time to time, **in writing,** by the Landlord, and the Tenant may use such designated name of the Building for the business address of the Tenant but for no other purpose.

14.12 Governing Law:

This Lease shall be governed by and construed in accordance with the laws of the Province of Ontario.

14.13 Survival of Tenant's Covenants:

All agreements, covenants and indemnifications in this Lease made by the Tenant shall survive the expiration or earlier termination of this Lease, anything to the contrary in this Lease notwithstanding.

14.14 Quiet Enjoyment:

The Landlord agrees that upon the Tenant duly paying the Rent hereby reserved and duly observing and performing the agreements, terms and conditions herein on its part to be observed and performed, the Tenant shall and may peaceably possess and enjoy the Premises for the Term without any hindrance, interruption or disturbance from the Landlord. If the Landlord is in default, the Tenant shall not have or exercise any right or remedy with respect thereto unless such default continues for 10 days or such longer period as may be reasonably required in the circumstances to cure such default after notice by the Tenant to the Landlord specifying reasonable details of the default and requiring it to be remedied but in no event may the Tenant withhold, delay, offset or deduct from payments of Rent due under this Lease.

14.15 Binding on Successors:

This Lease and everything herein contained shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors, assigns and other legal representatives, as the case may be, of each and every one of the parties hereto, subject to the granting of consent by the Landlord to any Transfer, **if required pursuant to the terms of this Lease.**

14.16 Limitation on Use:

The Tenant acknowledges and agrees that it will not, nor will it permit the Premises (or any part thereof) to be used for any purpose except the use specifically provided for in this Lease and for no purpose which is not permitted in the Building by any Authority or the Landlord.

14.17 Corporate Ownership:

The transfer or issue by sale, assignment, bequest, inheritance, operation of law, or other disposition, or by subscription, of any part or all of the corporate shares of the Tenant, so as to result in any change in the present effective voting control of the Tenant by the party or parties holding such voting control at the date of commencement of this Lease shall be deemed to be an assignment of this Lease, and the provision of Article VIII hereof shall apply mutatis mutandis. The Tenant shall make available to the Landlord, such books and records of the Tenant for inspection at all reasonable times, in order to ascertain whether there has, in effect, been a change in control.

14.18 Assignment and Subletting:

The terms "assignment", "subletting" and “Transfer” in this Lease shall include the mortgaging or encumbering of this Lease, the Tenant's interest herein or the Premises or any part thereof and the occupation or parting with or sharing possession of all or any part of the Premises by any person, firm, partnership, or corporation, or any group or combination thereof. An assignment or transfer shall be construed so as to include an assignment or transfer by operation of law. "Sublease" means any transaction other than an assignment whereby any right of use, occupancy or possession (whether exclusive, non-exclusive, permanent or temporary) relating to the whole or any part of the Premises is conferred upon anyone (whether immediately, conditionally or contingently) and includes but is not limited to any sublease, sub-sublease, concession, franchise, licence agreement or any other arrangement (such as but not limited to a management agreement) conferring any such right of use, occupancy or possession and whether or not Tenant is a party thereto.

14.19 Several Liability:

If two or more corporations, partnerships or other business associations (or any combination of two or more thereof) constitute the Landlord in this Lease, the liability of each such corporation, partnership or other business association hereunder is several. In the event of default by the Landlord under this Lease, the Tenant agrees that should it proceed against such corporations, partnerships or other business associations, it shall do so only in accordance with their several interests, as they may be from time to time.

14.20 Time of the Essence:

Time shall be of the essence for this Lease and for every part hereof.

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

14.21 Counterparts:

This Lease may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original and all executed counterparts taken together shall constitute one agreement. Each of the parties hereto may execute this agreement by signing any such counterpart. This Lease may also be executed either in original, faxed and/or PDF form and the parties shall adopt any signatures received by a receiving fax machine and/or by PDF as original signatures of the parties.

ARTICLE XV - DEFINITIONS - INTERPRETATION

15.1 Definitions:

In this Lease, unless there is something in the subject matter or context inconsistent therewith:

"Additional Rent" means the Proportionate Share of Realty Taxes and Operating Costs, payments for Utilities and light fixtures, and all other payments for Additional Services, and such other sums, excluding Basic Rent, otherwise payable by the Tenant in accordance with the terms of this Lease.

"Additional Services" means any service and/or supervision provided to the Tenant and supplied by the Landlord or by anyone authorized by the Landlord and not otherwise expressly provided for as a standard service under this Lease, including by way of example, steam cleaning of carpets, moving furniture, alterations to Leasehold Improvements, or providing air-conditioning or ventilation for periods in excess of Normal Business Hours are each Additional Services.

"Architect" means the architect, surveyor or engineer from time to time appointed by the Landlord.

"Authority" means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over, the Landlord, the Tenant, the Building, the Lands or the Premises including the businesses carried on therein;

"Basic Rent" means the basic rent payable by the Tenant pursuant to this Lease.

"BOMA" means the Standard Method for Measuring Floor Area in Office Buildings - American National Standard, as approved June 7, 1996 and known as BOMA ANSI Z65.1-1996.

"Building" means the buildings, structures, and improvements from time to time during the Term erected on the Lands together with all fixtures, sprinklers, elevators, escalators, heating, ventilating, air-conditioning and mechanical and electrical equipment and machinery and water, gas, sewage, telephone and other communication facilities and electrical power services and Utilities comprised therein, belonging thereto, connected therewith or used in the operation thereof, and now or hereafter constructed, erected and installed therein and thereon, and all alterations, additions, and replacements thereto, and includes the Common Areas but excludes all Leasehold Improvements made, constructed, erected or installed therein by or on behalf of any tenant of premises therein. The municipal address of the Building is **1380 Rodick Road, Markham, Ontario.**

"Business Day" means Monday to Friday of each week excluding statutory and civic holidays.

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"Capital Tax" means any tax or taxes payable by the Landlord to any taxing authority based upon or computed by reference to the value of the Building, or the capital or place of business of the Landlord and includes, without limitation, provincial capital tax and federal large corporations tax as now existing and as modified or supplemented from time to time. If the system of capital taxation shall be altered such that any new capital tax shall be levied or imposed in substitution for or in addition to Capital Tax from time to time levied or imposed, then any such new tax or levy shall be deemed to be Capital Tax or included in Capital Tax.

"Capital Tax for the Building" for any fiscal period means the amount calculated by multiplying the aggregate book value to the Landlord of the Lands and Building (and all equipment used in connection therewith) by the applicable Capital Tax rate imposed, from time to time, by the taxing authority having jurisdiction. Aggregate book value shall be net of depreciation and amortization, for financial statement purposes and determined as at the end of such fiscal period. The parties acknowledge that Capital Tax for the Building is an approximation based upon the concept of Capital Tax, and is not necessarily the actual Capital Tax paid or payable by the Landlord in respect of the Building. If the calculation of Capital Tax changes, then the Landlord may adjust its calculation of such amount to reasonably reflect such change.

"Common Areas" means:

(i) all common areas and facilities within the Building from time to time furnished or designated (and which may be changed) by the Landlord for the use in common, in such manner as the Landlord may permit, by tenants of premises in the Building and all others entitled thereto including, without restricting the generality of the foregoing, lobbies, corridors, together with washrooms, fan rooms, janitors' closets, electrical closets and other closets not situate within the demising line of any premises in the Building, and excluding parking spaces, pipes, wires, ducts, conduits and other elements of Building Systems; and

(ii) all of the Lands described in Schedule "A" hereto, not for the time being demised by the Landlord and not covered by any building (other than service buildings) available for the general benefit of all tenants of the Building and including without restricting the generality of the foregoing, parking areas, access roads, driveways, sidewalks and landscaped areas.

"Contaminant" means any solid, liquid, or gaseous substance, any Hazardous Waste, any Toxic Substances, any odour, heat, sound vibration, radiation or combination of any of them that may, if Discharged, have an adverse effect on the environment or on people, property or the normal conduct of business;

"Discharge" means any spill, release, escape, emission, leak, pumping, pouring, emptying, discharge, injection, migration, disposal or movement of a Contaminant into the environment, the indoor or outdoor air, into or onto the ground, into the surface water or ground water, into the sewers or any watercourse, or into, onto or from the Premises or the Building.

"Environmental Law" means any statute, regulation, policy, directive, order, bylaw, ordinance, ruling, certificate, guideline, consent, approval and other legal requirement of any governmental Authority (whether federal, provincial or municipal), as well as any common law obligations or

requirements now or hereafter amended and in force relating in any way to the environment or health matters, occupational health and safety, transportation of dangerous goods, or the sale, storage, manufacture, disposal, use or any other dealings with any Contaminants, which affect the Premises or the Building or the Lands;

"Fiscal Period" means the period designated as such from time to time by the Landlord.

"Hazardous Waste" means any hazardous waste, hazardous product, deleterious substance, special waste, liquid industrial waste, microbial matter, dangerous goods or substance which is controlled or regulated under Environmental Law. For ease of reference, this includes, but is not limited to, any waste which is composed in whole or in part of substances which are: (i) corrosive, (ii) ignitable, (iii) pathological, (iv) radioactive, (v) reactive, or (vi) toxic; and liquid waste, whether or not from a commercial or industrial process, that cannot lawfully be disposed of through the municipal sewers.

"Interest" or **"Interest Rate"** means interest at a rate equivalent to three (3%) per cent per annum in excess of the prime lending rate of The Canadian Imperial Bank of Commerce, Main Branch, Toronto Ontario (or its successors) where the prime lending rate of such bank means the rate of interest (now commonly known as that Bank's "prime rate"), expressed as a rate per annum, charged by such bank in Toronto on demand loans made by it in Canadian dollars at such time.

"Lands" means the lands described in Schedule "A" annexed hereto as supplemented or diminished from time to time by the Landlord.

"Landlord's Improvements" means improvements to be constructed or installed in or to the Premises by the Landlord in accordance with the Landlord's working drawings prepared for the construction of the Building. By way of example, and without limiting the generality of the foregoing, Landlord's Improvements include ceilings, lighting, and window covering systems originally installed by the Landlord and standard to the Building. Any Landlord's Improvements from time to time modified by or on behalf of the Tenant so as to no longer be standard to the Building shall be considered Leasehold Improvements. Landlord's Improvements shall not include any Leasehold Improvements installed by the Landlord on behalf of the Tenant or a previous occupant of the Premises.

"Lease" means this document as originally signed, sealed and delivered and as amended, from time to time, which amendments shall be in writing, signed, sealed and delivered by the Landlord and Tenant.

"Leasehold Improvements" means all items generally considered to be leasehold improvements, including, without limitation, all fixtures, equipment, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Tenant, or any previous occupant of the Premises, including, without limitation, any stairways for the exclusive use of the Tenant, all fixed partitions, light fixtures, plumbing fixtures, however affixed and whether or not movable, and all wall-to-wall carpeting other than carpeting laid over finished floors and affixed so as to be readily removable without damage, and all water, electrical, gas and sewage facilities, all heating, ventilating and air-conditioning equipment and facilities exclusively serving the Premises all telephone and other communication wiring and cabling leading from the base building distribution

panel to facilities located in the Premises, all cabinets, cupboards, shelving and all other items which cannot be removed without damage to the Premises; but excluding Trade Fixtures, furniture, unattached or free-standing partitions and equipment not in the nature of fixtures.

"Manager" means Landlord's authorized manager for the Building who may be changed from time to time and who is Triovest Realty Management Inc. at the date of signing this Lease.

"Mortgagee" means the Landlord's mortgagee(s) from time to time with respect to the Lands, the Building and/or this Lease, and includes a trustee for bondholders.

"Normal Business Hours" means the hours from 8:00 a.m. to 6:00 p.m. on Monday to Friday of each week except any statutory holiday or civic holiday in the City of Toronto, or the Province of Ontario.

"**Office Component" means the portion or portions of the Building that Landlord reasonably designates from time to time to be used for office purposes, as may be expanded, altered or reduced from time to time, together with those portions of the Common Areas that exclusively serve those areas, and in which the Office Premises are situated.**

"Office Premises" means the office space, cross hatched in blue on Schedule "B" of this Lease, designated as Suites 400 and 401, located on the fourth floor of the Office Component and having a Rentable Area of thirty thousand and nineteen (30,019) square feet.

"Operating Costs" means the total direct and indirect cost and expense, incurred, or accrued, whether by the Landlord, or by others on behalf of the Landlord, and allocated by the Landlord to the discharge of its obligations under this Lease, or incurred or accrued with respect to the ownership, supervision, maintenance, operation, cleaning, insuring, improvement, repair and replacement to the Lands and the Building, including without limiting the generality of the foregoing the total annual cost and expense of:

(i) insurance maintained by the Landlord with respect to the ownership and operation of the Lands and the Building including without limitation the cost of insuring the Building and the Lands with such forms of coverage and in such amounts as the Landlord, or its Mortgagees may, from time to time determine, including, without limitation, costs and premiums paid for insurance against any risks of physical loss or damage to property of the Landlord on a replacement cost basis, boiler, pressure vessels, air-conditioning equipment and miscellaneous electrical apparatus insurance on a broad form blanket coverage repair and replacement basis, loss of insurable gross profits and loss of rental income attributable to all perils reasonably insured against by the Landlord or commonly insured against by prudent landlords, third party liability hazards including exposure to personal injury, bodily injury and property damage on an occurrence basis including insurance for all contractual obligations and covering also actions of all authorized employees, subcontractors and agents while working on behalf of the Landlord, and any other forms of insurance as the Landlord or its Mortgagees may reasonably require from time to time for insurable risks and in amounts against which a prudent owner of a first-class office building in the City of Markham would protect himself;

(ii) warranties and guarantees;

(iii) complete maintenance and janitorial service for the Building and Lands (**excluding janitorial services for the interior of the Warehouse Premises)**, including snow removal, window cleaning, garbage and waste collection and disposal, the cost of operating and maintaining any merchandise holding and receiving areas and truck docks, and the cost of interior and exterior landscaping;

(iv) elevator maintenance, lighting, public and private Utilities (net of the amounts chargeable under Section 4.5 hereof), together with the cost of energy management programmes and the cost of maintaining any signs considered by the Landlord to be part of the Common Areas;

(v) policing and supervision;

(vi) salaries, termination and severance costs of all personnel employed to carry out supervision, maintenance and service operations, (including contributions towards usual fringe benefits, unemployment insurance, pension plan contributions and similar contributions), and to the extent such personnel are not engaged full time to perform such supervision, maintenance and service operations, then only such portion of their salaries as is attributable to such on-site performance;

(vii) the rental of any equipment and signs, and the cost of building supplies, used by the Landlord in the maintenance and operation of the Lands and the Building;

(viii) heating, air-conditioning and ventilation of the Building;

(ix) repair, maintenance and operation of the Lands and the Building and the repair, replacement, maintenance and operation of the mechanical, electrical, plumbing, heating, air-conditioning and any communications equipment appurtenant thereto;

(x) operation of parking garages;

(xi) all business taxes, if any, from time to time payable by the Landlord, on account of its ownership or operation of the Lands and Building but excluding income tax of the Landlord;

(xii) legal fees as reasonably attributable to the daily operation of the Lands and Building but excluding legal fees for lease enforcement and leasing of the Lands and Building;

(xiii) all fees and expenses incurred by the Landlord in connection with actions taken by the Landlord to appeal property assessments for the Lands and Building;

(xiv) accounting and computing services and audit fees in connection with the calculations and tabulations of amounts referred to in this Lease;

(xv) security services, if any, undertaken by or on behalf of the Landlord;

(xvi) depreciation and amortization of capital costs as determined in accordance with generally accepted accounting principles for:

A. the costs of all maintenance and cleaning equipment and Landlord's utility meters;

B. the costs incurred for all other fixtures, furniture, replacement of finishes in the Common Areas, equipment, and facilities serving the Building;

C. the costs, together with Interest, of equipment modification or improvements of the Building, amortized over their useful life, as determined by the Landlord; and

D. the costs incurred by the Landlord in complying with any laws including Environmental Laws pertaining to the operation of the Lands and Building, and all costs incurred pursuant to Section 6.4(b) to (e) inclusive hereof together with Interest;

(xvii) Capital Tax including Capital Tax for the Building;

(xviii) a management fee which shall be an amount equal to fifteen percent (15%) of the aggregate of all Operating Costs other than this management fee; and

(xix) actual costs related to the staffing and operation of a regional or on-site administrative office serving the Building, including the fair rental value (having regard to rentals prevailing from time to time for similar space) of space occupied by the Landlord's employees for day to day administrative and supervisory purposes relating to the Building. In the case of a regional office, the costs will be apportioned among the buildings served by it on a pro rata basis.

Notwithstanding anything to the contrary contained in this Lease, the parties acknowledge and agree that the Tenant shall be responsible for janitorial services for the interior of the Warehouse Premises, at its sole cost and expense.

If the Landlord decides not to charge the full amount of any one or more of the foregoing costs and expenses in the year in which it is incurred, then any such uncharged portions may be charged in any subsequent years and there shall be included, interest at the Interest Rate on the uncharged portion of such costs and expenses from time to time outstanding. Indirect and offsite costs shall be determined and allocated by the Landlord to Operating Costs in accordance with the provisions of this Lease. Where any amount, cost or expense is to be determined, allocated, apportioned or attributed under any provision of this Lease, the Landlord shall do so and shall act reasonably in determining and applying criteria which are relevant to doing so and the Landlord may retain engineering, accounting, legal and other professional consultants to assist and advise in doing so. If the Lands and Buildings contain office, warehouse, retail or residential components then Landlord shall allocate Operating Costs between the various components depending upon the Landlord's determination of the amounts attributable to each component.

Provided that if the Building is not fully occupied for any period within the Term, the Operating Costs which vary with the level of occupancy of the Building (for example, the cost of janitorial services) may be adjusted to reflect full occupancy.

And provided further, Operating Costs shall not include the following, except to the extent set out above:

(1) commissions, advertising costs, or legal expenses, in connection with leasing the Lands and Building or any part thereof;

(2) the cost of painting, repainting, decorating, or redecorating, or of providing special cleaning services for any occupant of any space in the Building, other than the Premises;

(3) the cost of any insurance premiums for plate glass insurance;

(4) the cost of any insurance premiums to the extent that the Tenant is obliged to reimburse the Landlord for the cost of such premiums pursuant to any provision of this Lease and/or to the extent that any other tenant of the Building would be obligated to reimburse the Landlord for the cost of such premiums pursuant to any provision of such tenant's lease other than, in each case, pursuant to provisions similar to Section 4.4 of this Lease;

(5) expenses incurred by the Landlord in respect of charges directly chargeable to other tenants of the Building including for electricity used by other tenants of the Building for lighting or for the operation of business equipment and machinery within such tenants' premises, or expenses incurred with respect to the repair of damage to the Building and Lands, all to the extent that the Landlord received direct and specific reimbursement therefor by other tenants of the Building or from the proceeds of insurance;

(6) the expenses incurred by the Landlord in respect of installation of other tenants' improvements;

(7) interest and principal on mortgages and capital cost allowance on the Building;

(8) any costs relating to aerials, antennae, cables, machinery, equipment, installations, or other forms of communications equipment not part of the operation of the Building as a first-class office building, or installed at the request of and for the limited or specific use of any person whether occupying space in the Building or not;

(9) any amounts directly and specifically chargeable to other tenants for services, costs and expenses solely attributable to the accounts of such tenants; and

(10) **the cost to remove, remediate or contain any Contaminants in the Building or Lands that exist prior to the date that the Premises were turned over to the Tenant for it to commence its fixturing that the Landlord is required at law to remove, remediate or contain but this shall not preclude the Landlord from including "Acceptable Remediation Costs" in Operating Costs The term "Acceptable Remediation Costs" means those costs incurred in connection with the removal, remediation or containment of any substance or material that was not, at the time of its introduction or incorporation into the Building or Lands, regulated under any Environmental Laws but which**

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

subsequently does become so regulated as the result of a change in legislation. For greater certainty, there is no limitation on the Landlord under this exclusion in respect of any Contaminants that were incorporated into the Building or Lands after the date that the Premises were turned over to the Tenant.

"Premises" means and shall be deemed to include (except where such meaning would be clearly repugnant to the context) the space demised and all Leasehold Improvements and Alterations therein. The space demised shall consist of the area shown cross hatched in **blue on Schedule "B" and Schedule "B-1" attached hereto** and shall be bounded by the unfinished interior surfaces of the perimeter walls and windows, the unfinished surfaces of interior load-bearing walls, the unfinished top of the floor slab and the unfinished bottom of the floor slab of the floor above excluding, however, any stairs and other areas within said boundaries which are not included in the calculation of Rentable Area and excluding pipes, wires, ducts, conduits and other elements of the Building systems constructed and installed by or for the Landlord including, without limitation, the HVAC system.

"Proportionate Share" means the proportion which the Rentable Area of the Premises is of the Total Rentable Area of the Building. If the Landlord determines that any component of Operating Costs is attributable to only part of the Building, then those costs may be divided only by the Rentable Area to which those costs are so determined to be attributable. Should Landlord determine that any component of Operating Costs is not attributable to the Premises, the Tenant shall remain responsible for payment of its Proportionate Share of that component of Operating Costs, as it relates to Common Areas.

"Realty Taxes" means all real estate, municipal or property taxes (including local improvement rates), levies, rates, duties, and assessments whatsoever imposed upon or in respect of any real property from time to time by any Authority, which may be levied or assessed against the Lands and Building, or the Landlord, or the owners of the Lands and Building, and any and all taxes which may, in the future, be levied on the Lands, the Building or the Landlord due to its ownership thereof in lieu of realty taxes or in addition thereto and the cost to Landlord or the owners of appealing such levies, rates, duties and assessments. Should the Lands and Building not be fully occupied or assessed as a commercial property for determination of Realty Taxes in any calendar year, then the Landlord shall adjust the Realty Taxes to an amount that would have been determined if the Building and Lands were fully occupied and assessed as a commercial property.

"Rent Commencement Date" is as defined in Section 1.9 hereof.

"Rent, rent, Rental or rental" means all payments and charges payable by the Tenant pursuant to this Lease, including without limitation the Basic Rent and the Additional Rent.

"Rentable Area" of any: (**i)** portion of the ~~Building~~ **Office Component** means the rentable area of floor areas determined in accordance with BOMA and adjusted from time to time to take account of any structural, functional or other change affecting same; **and (ii) portion of the Warehouse Component means the rentable area of floor areas determined in accordance with BOMA/ SIOR 2009 Method B and adjusted from time to time to take account of any structural, functional or other change affecting same.**

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"Rental Taxes" means any tax or duty imposed upon the Landlord or the Tenant which is measured by or based in whole or in part upon the Rent payable under this Lease, whether existing at the date hereof or hereinafter imposed by any level of governmental authority, including without limitation, goods and services tax (if applicable), harmonized sales tax, consumption tax, value added tax, multi-stage tax, business transfer tax, sales tax, federal sales tax, excise taxes or duties, or any tax similar to any of the foregoing.

"Rules and Regulations" means the Rules and Regulations referred to in Section 2.3 of this Lease.

"Schedules" means the schedules appended to this Lease comprising:

Schedule A - Legal Description
Schedule B - Floor Plan showing Office Premises
Schedule B-1 -Floor Plan showing Warehouse Premises
Schedule C - Landlord's and Tenant's Work
Schedule C-1 Demolition Plans
Schedule D - Rules and Regulations
Schedule E - Special Provisions Allowance
Tenant's Right To Terminate Lease
Option To Extend Lease
Right of First Offers
Parking
Generator
Existing Furniture
Landlord's Representations & Warranties
Schedule F - Fourth Floor ROFO Space Floor Plan
Schedule G - Warehouse First Offer Space Floor Plan
Schedule H - Contaminants List
Schedule I - Indemnity Agreement

"Tenant" includes the tenant named in this Lease and its respective successors and assigns, as the case may be.

"Tenant Parties" collectively and individually includes any of the Tenant's subtenants, directors, officers, agents, contractors, employees, servants, licensees, concessionaires or invitees of the Premises, the Lands or the Building or of anyone permitted to be on the Premises by the Tenant.

"Term" means the initial term of this Lease as set out in Section 1.5 hereof, any renewal or extension term and any overholding period.

"Term Commencement Date" is defined in Section 1.5 hereof.

"Total Rentable Area of the Building" means **the total sum of**: (i) the aggregate of the Rentable Areas of each floor in the ~~Building~~ **Office Component**, determined in accordance with BOMA and adjusted from time to time to take account of any structural, functional or other change affecting the

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same **(the "Total Rentable Area of the Office Component")**; and (ii) **the aggregate of the Rentable Areas of each floor in the Warehouse Component determined in accordance with BOMA/ SIOR 2009 Method B, and adjusted from time to time to take account of any structural, functional or other change affecting the same (the "Total Rentable Area of the Warehouse Component").**

"Toxic Substances" means any substance which is listed on the List of Toxic Substances prescribed under the Environmental Protection Act (Canada) (as amended from time to time, or any replacement legislation), or is designated to be toxic or hazardous by an Authority.

"Trade Fixtures" means all items generally considered to be trade fixtures, including, without limitation, computers, and business equipment, built-in fridges, stoves, walk-in coolers, counters, bars, chairs, stools, tables, banquettes, racks, or any other equipment or fixtures used by the Tenant in its business, any of which have been installed in the Premises by or on behalf of the Tenant , but notwithstanding the foregoing, Trade Fixtures shall not include any Leasehold Improvements, any part of the electrical, plumbing, mechanical, sprinkler, heating, ventilating or air-conditioning equipment or systems, or any floor coverings, wall coverings or any part of the ceiling, whether or not installed by the Tenant or Landlord.

"Usable Area" means, in the case of premises consisting of part of a floor other than the ground floor of the Buildings, the floor area determined in accordance with BOMA and adjusted from time to time to take account of any structural, functional or other change affecting same.

"Utilities" means water, gas, fuel, electricity, telephone, waste disposal and other utilities or services or any combination thereof other than HVAC.

"Warehouse Component" means the portion or portions of the Building that Landlord reasonably designates from time to time to be used for warehouse purposes (including office space ancillary thereto), as may be expanded, altered or reduced from time to time, and in which the Warehouse Premises are situated.

"Warehouse Premises" means the warehouse space cross hatched in blue on Schedule "B-1" of this Lease, located on the ground floor, in the Warehouse Component, comprised of a Rentable Area of approximately eleven thousand, one hundred and twenty-six (11,126) square feet.

15.2 <u>Interpretation</u>:

(a) In this Lease "herein", "hereof", "hereunder", "hereinafter" and similar expressions refer to this Lease and not to any particular paragraph, section or other portion thereof, unless there is something in the subject matter or context inconsistent therewith;

(b) All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate paragraph hereof;

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

(c) Should any provision of this Lease be illegal or unenforceable, it shall be considered separate and severable from this Lease, and the remaining provisions shall remain in force and be binding upon the parties hereto as though the said provision had never been included;

(d) The captions appearing in this Lease have been inserted for convenience and reference only and in no way define, limit or enlarge the scope or meaning of this Lease or of any provision hereof.

(e) The Schedules are an integral part of this Lease.

IN WITNESS WHEREOF the Landlord has executed this Lease on the 18th day of August, in the year 2015.

LANDLORD: **RODICK EQUITIES INC.**

Per: /s/ Julian Aziz

Name: Julian Aziz

Title: Authorized Signing Officer

Per: /s/ Frank Del Vescovo

Name: Frank Del Vescovo
Title: Authorized Signing Officer

I/We have authority to bind the Corporation

IN WITNESS WHEREOF the Tenant has executed this Lease on the 17th day of August, in the year 2015.

TENANT**: FLUIDIGM CANADA INC.**
Per: /s/ Gajus V. Worthington
Name: Gajus V. Worthington
Title: Chief Executive Officer

Per: /s/ Vikram Jog
Name: Vikram Jog
Title: Chief Financial Officer

I/We have authority to bind the Corporation

Signature page continued on page 61

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

IN WITNESS WHEREOF the Indemnifier has executed this Lease on the 17th day of August, in the year 2015.

INDEMNIFIER: **FLUIDIGM CORPORATION**

Per: /s/ Gajus V. Worthington
Name: Gajus V. Worthington
Title: Chief Executive Officer

Per: /s/ Vikram Jog
Name: Vikram Jog
Title: Chief Financial Officer

I/We have authority to bind the Corporation

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE “A”

LEGAL DESCRIPTION

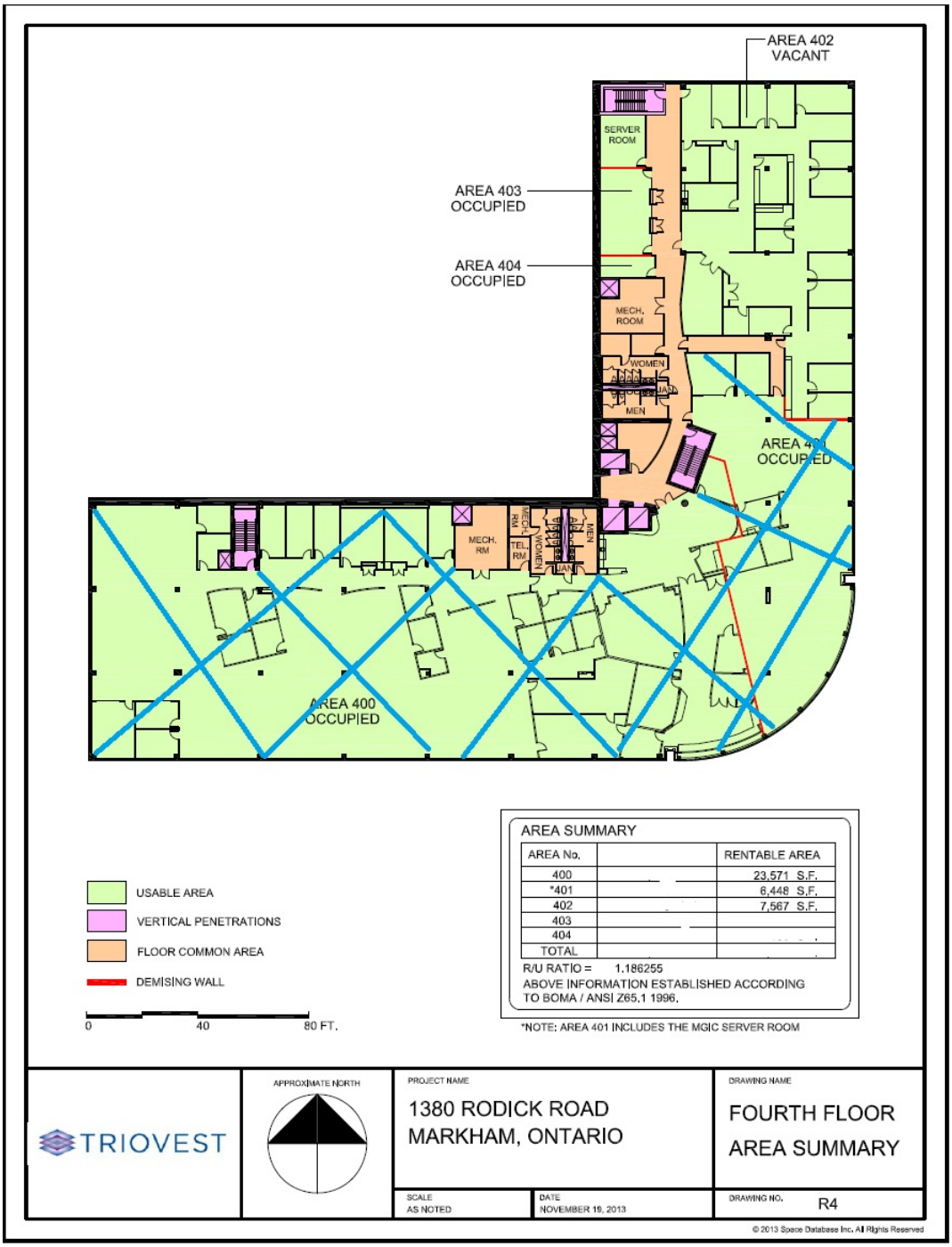
PIN No. 03045-0200 LT

Parcel 1-1, Section 65M-2495, being Block 3, Plan 65M-2495, Town of Markham

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE "B"

FLOOR PLAN OF THE OFFICE PREMISES
(for illustrative purposes only)



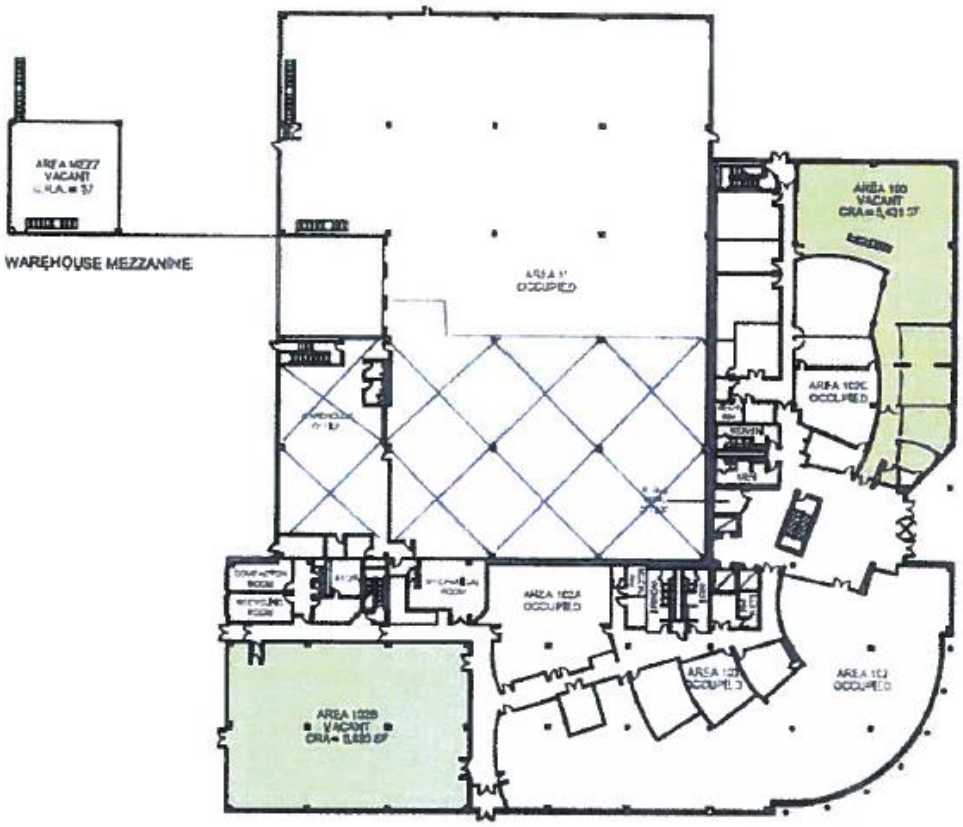
[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE “B-1”

FLOOR PLAN OF THE WAREHOUSE PREMISES

Floor Plan (for illustrative purposes only)
Premises crosshatched in blue

Ground Floor



[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE "C"

LANDLORD'S AND TENANT'S WORK

LANDLORD'S WORK

Save and except for the Landlord's Work specifically set-out below which will be completed on a "once only" basis, the Tenant accepts the Premises on an "as is" basis. Only those items enumerated below as Landlord's Work will be provided and installed by the Landlord in the Premises at its expense in accordance with the Landlord's choice of materials. All other work required for the Premises will be provided and installed by the Tenant at its expense.

The Landlord shall complete the following work prior to delivery of the Premises;

[*****]**.**

(Collectively the "Landlord's Work")

TENANT'S WORK

The Landlord acknowledges and permits that the Tenant's work will include but not be limited to the items listed below. At the Landlord's option, any structural work may be performed by the Landlord's contractors, subject to approval by the Tenant, which shall not be unreasonably withheld. All structural work shall be subject to any and all governmental approvals and pursuant to the Lease and not exceed the specifications set out herein.

Subject to review and approval of detailed drawings by the Landlord and receipt of all permits required for such installation, the Tenant shall complete the following work and installations on the Premises, Building and Lands:

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

(a) Install a 2000 litre liquid Argon tank (the "Tank") to be mounted on an twelve (12) feet by thirteen (13) feet ground level concrete pad complete with secure fencing and concrete bollards. The exact location of the Tank installation shall be determined by the Landlord at it sole discretion;

(b) Install 1" wide copper piping from the external Argon Tank into the Warehouse Premises and up to the Office Premises;

(c) Install rooftop ventilation equipment for the laboratory fume hoods and Tenant equipment to be located in the Warehouse Premises and the Office Premises. The exact location and size will be determine by the Landlord's structural and mechanical engineers and subject to the Landlord's approval;

(d) Install one (1) rooftop recirculation chiller for laboratory equipment in a location and size will be determine by the Landlord's structural and mechanical engineers and subject to the Landlord's approval;

(e) Install drain and water lines from the existing DWV stack and water supplies to new laboratories location in the Office Premises. Tenant may be required to access the third floor ceiling plenum to complete its installation;

(f) Install network cabling from the fourth floor telco room to the ground floor Warehouse Premises, and

(g) Install new six feet by seven feet (6' x 7') double doors from the warehouse office space to the Warehouse Premises as shown on Schedule "C-1".

All Tenant work is subject to the requirements of the attached "Tenant Construction Regulations". The Tenant shall, at its expense, complete the Premises in accordance with the standards of a first class office building using new materials, including but not limited to the installation of:

1. Flooring Finish:

The flooring must be approved by the Landlord.

2. Ceiling Tiles:

Any installation or relocation of ceiling tiles is at Tenant's expense.

3. Interior Partitions:

All interior partitioning including the finishing thereof complete with millwork and fixtures.

4. Elevator Lobbies:

Where a tenant leases the whole office floor, the finishing of the lobby floor, walls and ceiling, mechanical, electrical, and lighting services shall be at the tenant's expense, including floor finishes to washrooms if required.

5. Signs:

Tenant signage proposals must be presented to the Landlord for written approval. Only those signs which are compatible with the Building and are tasteful in size, colour and logo will be approved.

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

6. HVAC & Plumbing:

Any modification to the Landlord's mechanical or electrical system required by the Tenant at the Tenant's expense, including an air balancing report as performed by the Landlord's designated contractor and reviewed and approved by the base building mechanical consultant.

7. Sprinklers &Fire Hose Cabinets:

Any modification to the Landlord's fire safety systems as may be required by those authorities having jurisdiction, shall be performed by the Landlord's base building contractor at the Tenant's expense.

8. Power:

All power distribution within the Premises distributed through partitions to be carried out at the Tenant's expense. The Landlord will supply and install in the meter socket provided, a kilowatt hour demand meter at the Tenant's expense.

9. Light Fixtures:

All additional light fixtures, of any type, and relocation of base building light fixtures as required by the Tenant are at the Tenant's expense.

10.Telephone:

Telephone conduit, wiring and equipment required to serve the Premises distributed through partitions to be carried at the Tenant's expense.

11.Fire Alarm System:

Any modification to the Landlord's fire alarm and life safety system as may be required by those authorities having jurisdiction, shall be performed by the Landlord's base building contractor at the Tenant's expense.

12.Building Automation System:

Any modifications to Building controls required as a result of Tenant modifications shall be carried out exclusively by the Landlord's base building contractor at the Tenant's expense.

13.Washroom Fixtures:

Any additions to the number of washroom fixtures required by code and the Tenant's staff population.

14.Additional Requirements:

Any additional requirements of the Tenant over those specified in the Schedule "C" are at the Tenant's expense.

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TENANT CONSTRUCTION REGULATIONS

Based on the Landlord's experience and in order to incur the least amount of inconvenience to all concerned, the following rules and regulations are applicable to all tenants upon starting their construction work. These regulations will be enforced to ensure no interruption by tenant contractors to other businesses or public movement.

COMMENCEMENT OF TENANT'S WORK

Unless otherwise expressly permitted or required by the Landlord, no Tenant's Work may commence and the Tenant may not have possession of the Premises until the following conditions are satisfied:

- The Landlord has approved the Tenant’s Plans and Specifications;
- The Tenant has submitted a construction schedule to the Landlord outlining key dates for the design, construction and move-in activities;
- All necessary approvals and permits of municipal and other governmental authorities having jurisdiction over Tenant's Work (or any other person whose approval is required) have been obtaine**d, including without limitation The Ministry of the Environment and Climate Change (Ontario);**
- The Tenant has provided the Landlord with proof of its placement of fire, liability, and other insurance with insurers, to limits and on terms as the Landlord reasonably requires;
- The Landlord has approved the Tenant's contractors and subcontractors;
- The Landlord has notified the Tenant in writing of the date the Premises are ready for commencement of Tenant's Work and upon which the Tenant is to take possession; and
- The Lea**se and Indemnity Agreement** has been fully executed.

Working Drawings: The Landlord shall submit an outline plan of the Premises to the Tenant and the Tenant shall within sufficient time so as not to delay the commencement of the Term of the Lease, prepare and submit to the Landlord for approval one set of sepias and six complete sets of working drawings, **CAD drawings** and specifications for the Tenant's Improvements, as prepared by a qualified interior designer and engineer, both to be approved by the Landlord. The Tenant's submission shall include:

1. Floor Plan(s) - showing location and construction of all partitions and fixed elements relative to demising partitions, including floor finishes.

Scale: 1/8" = 1'-0".

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2. Reflected Ceiling Plan - indicating any modification or relocation to Landlord's base building's equipment and fixtures as well as installation of new lights, sprinkler heads, HVAC diffusers, ceiling finishes, exit and emergency lights and access panels as required.

Scale: 1/8" = 1'0".

3. Interior Elevations and Details - including interior finish schedule, wall assemblies, floor finishes, millwork and fixtures.

Scale: 1/8" = 1'0".

4. Electrical and Telephone Plan - including specifications and performance characteristics of all fixtures, HVAC wiring and controls and/or any modification and additions to Landlord's base building equipment and fixtures. They should also indicate total connected electrical loads schematic of services and panels.

Scale: 1/8" = 1'-0".

5. Plumbing and Mechanical Plan - including specification and performance characteristics of all equipment and connections to the base building services, duct and diffuser layout and/or any modifications or additions to Landlord's base building equipment and services. They should also indicate existing, relocated and new sprinkler head locations, plumbing layouts, ventilation and air conditioning requirements and heat gain/loss calculations.

6. Sample Board of Finishes - indicating material and colour sample for finishes for walls, floors, ceilings and millwork etc. Sample board size to be 8-1/2" x 14" maximum.

7. Specifications and Details - as required if not included on the appropriate drawings.

Approvals: No work for which drawings and specifications are required shall be commenced by the Tenant until said drawings and specifications have been approved in advance in writing by the Landlord and until the Tenant has secured approval thereof from every governmental Authority having jurisdiction and submitted proof of such approval to the Landlord. Under no circumstances shall the Tenant, its employees, its contractors, or its contractors' employees make any opening in the floors or walls of the Building (other than the Tenant's interior partitions) without the prior written approval of the Landlord.

Permits: The Tenant is responsible for obtaining, at its own expense, all approvals and/or permits pertaining to its space from all authorities having jurisdiction prior to commencement of construction. Building permits are obtained from the City of Markham.

A copy of the Tenant’s Plans and Specifications which the Landlord has approved, along with the building permit, must be kept on the site for the duration of the work and be available for viewing by the Landlord's representative at all times.

All approvals and permits should be posted in a visible location.

The Tenant must immediately correct any work which does not meet with the approval of the Building Inspector, notwithstanding the fact that the Tenant's Plans and Specifications have been approved previously by the appropriate governmental authorities and the Landlord. Any revisions to the Plans and Specifications requested by such authorities must be brought to the attention of the Landlord immediately. Should the Tenant unduly delay the required correction, the Landlord may make the correction at the Tenant's cost.

Contractor's Insurance: Prior to the commencement of the Tenant's Work, the Tenant shall submit to the Landlord a fire and liability insurance certificate and any other insurance requirements from the Tenant's general contractor or from each of the Tenant's independent sub-contractors, as the case may be, in an amount not less than FIVE MILLION DOLLARS ($5,000,000.00) per occurrence, which liability insurance shall be on a comprehensive form and shall cover all hazards related to any work performed by any such general contractor or independent contractor, as the case may be, in or on the Premises.

Such policy or policies shall include the Landlord as an additional named insured and shall contain a cross-liability clause.

Damage to Premises or Building: Any damage to the Premises or the Building caused by the Tenant or any of its employees, contractors, or workers shall be repaired forthwith by the Landlord at the Tenant's expense or by the Tenant with the Landlord's approval.

Any base building items such as lights, air diffusers, etc. that are removed by the Tenant's contractors shall be turned over to the Landlord and stored in the location designated by the Landlord.

Tenant's Workers: All of the Tenant's Work will be performed by competent workers whose labour affiliations or non-affiliations, as the case may be, will not be incompatible with those of the Landlord's workers or the workers of any of the Landlord's contractors. If any of the labour affiliations or non-affiliations, as the case may be, of the workers performing the Tenant's Work are incompatible in the Landlord's sole opinion, with those of the Landlord's workers or the workers of any of the Landlord's contractors, the Tenant shall remove from the work-site immediately upon the Landlord's request, all its workers whose labour affiliation or non-affiliations are so incompatible.

Contractor's Approval: The Tenant shall prepare and submit to the Landlord for approval, a list of all contractors to be engaged in the construction of the Tenant's work together with written evidence that each is in good standing with the Worker's Compensation Board. The Landlord maintains the right to determine the acceptability of any trade or supplier to undertake work upon, or supply goods or materials to, the Premises.

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Unless the Landlord otherwise consents in writing, the Tenant shall employ the Landlord's interior contractor in the completion of the Tenant's Work, except for all modifications required to the Landlord's mechanical and electrical systems.

Such mechanical and electrical modifications to the base building shall be carried out by the Landlord at the Tenant's expense. Should the Tenant choose to engage an interior contractor other than the Landlord's interior contractor, the Tenant shall pay to the Landlord with respect to the conduct of the Tenant's Improvements all direct costs incurred by the Landlord including, but not limited to, power consumption, hoisting, security and supervision, said costs to be payable upon demand.

Public
Safety: It is the responsibility of the Tenant to ensure that its contractors exercise all caution in matters relating to public and construction safety and to comply with the standards established by authorities having jurisdiction. From time to time, the Landlord or the Landlord's general contractor may issue to a Tenant's contractor safety instructions which must be strictly adhered to. All work is governed by the latest Construction Safety Act and the Tenant's contractor must abide by the Landlord's representative in these areas when required.

Security: Security of the Premises during construction and the fixturing period is the sole responsibility of the Tenant. The Landlord assumes no liability for any loss or damage including the theft of building materials, equipment or supplies.

Working
Hours: The Tenant's contractors and suppliers will be subject to restrictions which may be imposed by the Landlord's contractor and/or the Landlord in regard to the hours of work, scheduling and coordination of work.

Temporary Electrical
Service: The Landlord, through its contractor when active on site, may provide, at the Tenant's expense, temporary electrical service required during the Tenant's construction phase.

Fire
Ratings: During construction and/or demolition, care must be taken by the Tenant and its contractor to maintain existing fire walls, fire proofing and fire dampers in duct work, notwithstanding any other work that may affect the fire rating requirements of authorities having jurisdiction. If any damage to the fire rating is caused by the Tenant, the Landlord will advise the Tenant to perform the necessary repairs or the Landlord will repair such damage at the Tenant's expense.

Building
Codes: It is the Tenant's responsibility to fully comply with all applicable governing codes and ordinances for their occupancy type.

Additional Work: Any additional work (whether as hereinbefore set out, or otherwise) performed by the Landlord specifically for Tenant and any excess or additional cost in the Landlord's Work occasioned by the Tenant's requirements shall be paid for by the Tenant on demand, which may be prior to the commencement of such work. The amount so payable by the Tenant shall be the total cost to the Landlord including architectural and engineering fees plus a further ten percent (10%) of that total cost for the Landlord's overhead and supervision.

Landlord's Right: The Landlord reserves the right to prohibit the Tenant, its contractors, employees and workmen from working on any part or parts of the Premises, and to have such work carried out by a party or parties designated by the Landlord at the Tenant's expense, providing that it is understood that the Landlord will only exercise its said right in order to:

(a) maintain its rights to enforce the warranties, guarantees and similar covenants given to it by parties constructing the Building or installing items therein; or
(b) ensure that such work is compatible with existing systems, structures or work.

Deficiencies: The Tenant shall make good any deficiencies discovered by the Landlord's Tenant Coordinator or by the Building inspectors whether in its own Premises or in adjacent premises affected by the Tenant's construction. Failure to comply to a written request within thirty (30) days will cause the Landlord to correct Tenant deficiencies at the Tenant's expense.

Clean-Up: The Tenant should ensure proper clean-up of all areas related to its work to the satisfaction of the Landlord prior to opening for business.

Any damage or construction staining should be repaired or removed immediately by the Tenant.

As-Built Drawings: The Tenant is required to carry out its construction work in strict accordance with the approved drawings. Changes must be approved by the Landlord and recorded in "as-built" drawings and provided to the Tenant Coordinator at the conclusion of construction. The "as-built" drawings must be submitted to the Landlord on a standard 3 1/2" inch disc in AutoCad format or compatible software. The CADD layering standards must be the same as the ARIDO CADD Graphic Standards Item 3.4 Drawing Group, Release 2.0, dated March, 1993.

The Tenant must provide the Landlord with one (1) set of good quality sepia prints of all drawings, documenting as-built conditions within four (4) weeks of construction completion.

Statement Of Completion:

Prior to any final payments by the Landlord, a "signing-off" by the Tenant Coordinator that the Tenant’s Work has been carried out in an acceptable manner to the Landlord must be obtained. Failure to obtain this approval may result in the Landlord having to complete or re-construct

some components of the Tenant's Work in order to achieve the standards of the Building, with the costs being charged to the Tenant.

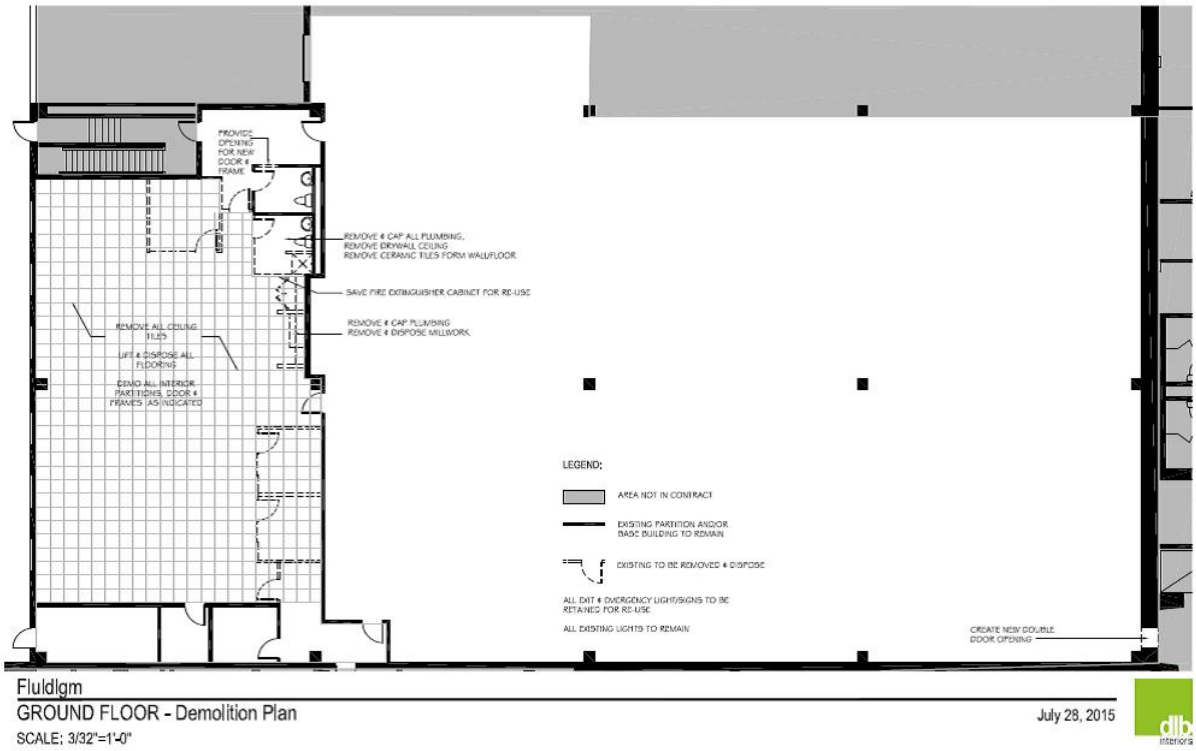
Statutory Declaration: On completion of Tenant's Work, the Tenant shall forthwith furnish to the Landlord two (2) statutory declarations, one from itself and one from its general contractor, each declaration stating that there are no construction liens outstanding against the Premises or the Building on account of the Tenant's Work and that all accounts for work, service and materials have been paid in full with respect to all of the Tenant's Work, together with evidence in writing (from both the Tenant and the general contractor) satisfactory to the Landlord that all assessments under the Worker's Compensation Act have been paid.

Discharge Of Liens: In accordance with this Lease, the Tenant shall promptly pay all charges incurred by or on behalf of the Tenant for any work, materials or services which may be done, supplied or performed at any time in respect of the Premises and shall, within five (5) days after notice thereof is given to the Tenant, discharge any liens arising therefrom at any time filed against the Premises or the Building or any part thereof.

Coordination Fees: The Tenant shall pay to the Landlord a tenant coordination fee (the "Tenant Coordination Fee") of [*****] **($**[*****]**)** [*****] per square foot of the Rentable Area of th**e Office** Premises and the **Warehouse Premises**. Such payment is in consideration of the Landlord's supervision and/or coordination of any Alterations performed by or on behalf of the Tenant in the Premises during the Term. The Tenant Coordination Fee shall be due and payable by the Tenant to the Landlord upon demand.

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE "C-1"
DEMOLITION PLANS



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SCHEDULE "D"

RULES AND REGULATIONS

The Tenant shall observe the following Rules and Regulations (as amended, modified or supplemented from time to time by the Landlord as provided in this Lease):

1. The Tenant shall not permit in the Premises any cooking or the use of any apparatus for the preparation of food or beverages (except for the use of coffee makers, kettles, microwave ovens or refrigerators or where the Landlord has approved of the installation of cooking facilities as part of the Tenant's Leasehold Improvements) nor the use of any electrical apparatus likely to cause an overloading of electrical circuits.

2. The sidewalks, entries, passages, corridors, lobbies, elevators and staircase shall not be obstructed or used by the Tenant, his agents, servants, contractors, invitees or employees for any purpose other than ingress to and egress from the offices. The Landlord reserves entire control of the Common Areas and all parts of the Building and the Land employed for the common benefit of the tenants.

3. The Tenant, his agents, servants, contractors, invitees or employees, shall not bring in or take out, position, construct, install or move any safe, business machine or other heavy office equipment without first obtaining the consent in writing of the Landlord. In giving such consent, the Landlord shall have the right in its sole discretion, to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms to distribute the weight thereof. All damage done to the Building by moving or using any such heavy equipment or other office equipment or furniture shall be repaid at the expense of the Tenant. The moving of all heavy equipment or other office equipment or furniture shall occur between 6:00 p.m. and 8:00 a.m. or any other time consented to by the Landlord and the persons employed to move the same in and out of the Building must be acceptable to the Landlord. Safes and other heavy office equipment will be moved through the halls and corridors only upon steel bearing plates. No deliveries requiring the use of an elevator for freight purposes will be received into the Building or carried in the elevators, except during hours approved by and scheduled through the Landlord. Only elevators so designated by the Landlord shall be used for deliveries of workmen and materials, furniture and other freight. The Tenant shall pay, as Additional Rent, any costs incurred by the Landlord in connection with the moving of the Tenant's equipment, furniture, etc.

4. All persons entering and leaving the Building at any time other than during Normal Business Hours shall register in the books kept by the Landlord at or near the entrance or entrances and the Landlord will have the right to prevent any person from entering or leaving the Building unless provided with a key to the premises to which such person seeks entrance and a pass in a form to be approved by the Landlord and provided at the Tenant's expense. Any persons found in the Building at such times without such keys or passes will be subject to the surveillance of the

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employees and agents of the Landlord. The Landlord shall be under no responsibility for failure to enforce this rule.

5. Any persons requiring access to telephone rooms or closets may be required to show proof that they have authority to access such space.

6. The Tenant shall not place or cause to be placed any additional locks upon any doors of the Premises without the approval of the Landlord, which approval shall not be unreasonably withheld, and subject to any conditions imposed by the Landlord. Additional keys may be obtained from the Landlord at the cost of the Tenant.

7. The water closets and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes or other substances shall be thrown therein. Any damage resulting from misuse shall be repaired at the cost of the Tenant by whom or by whose agents, servants or employees the same is caused. Tenants shall not let the water run unless it is in actual use, and shall not deface or mark any part of the Building, or drive nails, spikes, hooks or screws into the walls or woodwork of the Building.

8. No one shall use the Premises for sleeping apartments or residential purposes, or for any illegal purpose, or for the storage of personal effects or articles other than those required for business purposes.

9. Canvassing, soliciting and peddling in the Building or Common Areas are prohibited.

10. Any hand trucks, carry-alls, or similar appliances used in the Building shall be equipped with rubber tires, side guards and such other safeguards as the Landlord shall require.

11. No animals or birds shall be brought into the Building.

12. The Tenant shall not install or permit the installation or use of any machine dispensing goods for sale in the Premises or the Building or permit the delivery of any food or beverages to the Premises without the approval of the Landlord or in contravention of any regulations made by the Landlord. Only persons authorized by the Landlord shall be permitted to deliver or to use the elevators in the Building for the purpose of delivering food or beverages to the Premises. The Landlord acknowledges that the Tenant, acting reasonably, will be permitted to have small quantities of food and beverages delivered to the Premises provided such delivery does not interfere with traffic flow to the Building and with Building operations.

13. The Tenant shall not perform any acts or carry on any practice which may damage the Building or the Common Areas or be a nuisance to any tenant in the Building.

14. The Tenant shall keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the Premises.

15. The Tenant shall not use or permit the use of any objectionable advertising medium such as without limitation, loud speakers, stereos, public address systems, sound amplifiers, radio broadcast or television apparatus within the Building which is in any manner audible or visible outside of the Premises.

16. The Tenant shall not mark, drill into, bore or cut or in any way damage or deface the walls, ceilings, or floors of the Premises. No wires, pipes, conduits, telephonic, telegraphic, electronic wire service or other connections shall be installed in the Premises without the prior written approval of the Landlord.

17. The Tenant shall not, except with the prior written consent of the Landlord, install any blinds, drapes, curtains or other window coverings in the Building and shall not remove, add to or change the blinds, curtains, drapes or other window coverings installed by the Landlord from time to time. So that the Building may have a uniform appearance from the outside, the Tenant shall co-operate with the Landlord in keeping window coverings open or closed at various times as the Landlord may reasonably, from time to time, direct.

18. The Tenant shall not use any janitor, telephone or electrical closets for anything other than their originally intended purposes nor shall it install any of its equipment in such spaces.

19. The Tenant shall abide and be bound by the Security Services in force in the Building from time to time. For the purpose of this clause, the term "Security Services" shall mean all aspects of security for the Building and the Lands, including equipment, procedures, rules and regulations pertaining to such security.

20. No public or private auction or other similar type of sale of any goods, wares or merchandise shall be conducted in or from the Premises.

21. Nothing shall be placed on the outside of window sills or projections of the Premises, nor shall the Tenant place any air-conditioning unit or any other equipment or projection so that it will project out from the Premises. The Tenant may not install air-conditioning equipment of any kind in any part of the Premises without the prior written consent of the Landlord.

22. All glass and trimmings in, upon or about the doors and windows of the Premises shall be kept whole, and whenever any part thereof shall become broken, the same shall be immediately replaced or repaired under the direction and to the satisfaction of the Landlord and shall be paid for by the Tenant as Additional Rent.

23. No bicycles or other vehicles shall be brought within the Building except as specifically designated by the Landlord.

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

24. No inflammable oils or other inflammable, dangerous or explosive materials shall be brought into the Building or kept or permitted to be kept in the Premises.

25. In the event the Premises are used for restaurant or food handling purposes, the Tenant shall, at its expense:

(a) carry out at least monthly a roach spraying program, and provide evidence thereof to the Landlord; and

(a) clean all exhaust ducts at least twice yearly, and provide evidence thereof to the Landlord.

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SCHEDULE “E”

SPECIAL PROVISIONS

A. **ALLOWANCE**

Provided the Tenant is not in default of the terms under this Lease, the Landlord will pay to the Tenant, a leasehold allowance in an amount equal to [*****] ([*****])[*****] (the “Allowance”) towards the cost of the Tenant’s Leasehold Improvements of the Premises. Payment of the Allowance will be made on the latter of the following:

i. execution of this Lease;

ii. the Term Commencement Date; and

iii. receipt by the Landlord from the Tenant of construction, permit, design and project management invoices for the Tenant’s Leasehold Improvements, along with a statutory declaration indicating that all invoices have been paid in full and that there are no outstanding liens.

If the Tenant is in default after receipt of the Allowance, then in addition to any other rights and remedies the Landlord may have under the Lease or at law, the Tenant shall forthwith repay the Allowance to the Landlord, as Additional Rent.

B. **TENANT’S RIGHT TO TERMINATE**

[*****], any work completed or in the process of completion in respect of the Premises must be repaired and returned to the original condition they were in prior to the installations and work. The Tenant shall repay the Landlord, in full, any expenses incurred by the Landlord in respect of the Premises (the “Landlord’s Expenses”) on written demand by the Landlord, [*****]. The Landlord’s Expenses shall include but not be limited to permit drawings and fees, expenses in respect of the installation of a demising wall in the Warehouse Premises, the cost of installing air conditioning in the Warehouse Premises and demolition costs.

The Tenant shall execute a surrender agreement in a form reasonably agreed to by the parties to give effect to the foregoing and shall deliver vacant possession of the Premises to the Landlord on the termination date in accordance with the provisions of this Lease.

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

C. OPTION TO EXTEND

Provided that the Tenant is not and has not been in default under the Lease and is in physical occupation of the whole of the Premises, the Tenant will have a non-transferable option to extend the Term for a period of Five (5) years (the "Extended Term") upon written notice (the "Notice") given to the Landlord at least nine (9) months prior to the expiry of the initial Term. Basic Rent payable during the Extended Term shall be based upon [*****]. In the event the Landlord and Tenant are unable to reach agreement with respect to the financial terms of the Extended Term within [*****], then the matter shall be referred to arbitration in accordance the Arbitration Act (Ontario) and the decision of the arbitrator(s) shall be final and binding on the parties named hereto.

D. RIGHTS OF FIRST OFFER

(i) Provided the Tenant is not in default of the terms under this Lease and is itself in physical occupancy of the whole of the Premises, the Tenant will have a, continuous, non-assignable, right of first offer to lease certain premises comprising a Rentable Area of approximately seven thousand, five hundred and sixty -seven (7,567) square feet, designated as Suite 402, located on the fourth floor of the Office Component, as shown outlined in "red" on the plan attached to this Lease as Schedule "F" (the "First Offer Space").

During the Term (but not in any extension thereof), the Landlord will notify the Tenant if and when all or a portion of the First Offer Space becomes vacant and available for leasing (the "Relevant Space") by providing the Tenant with a written leasing proposal setting forth the terms of the Relevant Space, [*****]. The Tenant will notify the Landlord, in writing, that it agrees to lease the Relevant Space [*****] no later than [*****] following the receipt of same, failing which this right of first offer, as it relates to the Relevant Space, shall be null and void and the Landlord shall be free to lease the Relevant Space, **provided that such lease is entered into within** [*****] **of such notice and upon substantially the same terms proposed to the Tenant. In the event the First Offer Space becomes vacant again and available for leasing this right of first offer shall apply again.** ~~at any time during the Term to any other party~~.

[*****].

Despite the provisions of this section, Landlord may [*****].

The Tenant hereby confirms that: [*****]

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

(ii) Provided the Tenant is not in default of the terms under this Lease and is itself in physical occupancy of the whole of the Premises, the Tenant will have a, continuous, non-assignable, right of first offer to lease certain premises comprising a Rentable Area of approximately twenty-four thousand and forty-nine (24,049).square feet which is the balance of the Warehouse Component, as shown outlined in "red" on the plan attached to this Lease as Schedule "G" (the "Warehouse First Offer Space").

During the Term (but not in any extension thereof), the Landlord will notify the Tenant if and when all or a portion of the Warehouse First Offer Space becomes vacant and available for leasing (the "Relevant Warehouse Space") by providing the Tenant with a written leasing proposal setting forth the terms of the Relevant Warehouse Space, [*****]. The Tenant will notify the Landlord, in writing, that it agrees to lease the Relevant Warehouse Space [*****] no later than [*****] following the receipt of same, failing which this right of first offer, as it relates to the Relevant Warehouse Space, shall be null and void and the Landlord shall be free to lease the Relevant Warehouse Space, **provided that such lease is entered into within** [*****] **of such notice and upon substantially the same terms proposed to the Tenant. In the event the Warehouse First Offer Space becomes vacant again and available for leasing this right of first offer shall apply again.** ~~at any time during the Term to any other party~~.

[*****].

Despite the provisions of this section, Landlord may [*****].

The Tenant hereby confirms that: [*****]**.**

E. <u>PARKING</u>

The Tenant shall be entitled to utilize the Building's unreserved parking stalls, at no cost, (save and except for any Operating Costs incurred by the Landlord in respect of the Building's parking areas) for the duration of the Term and any subsequent extension thereof. The Tenant's allocated parking ratio shall be three and one - half (3.5) spaces per one thousand square feet of Rentable Area of the Premises, on a

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

"first come-first served" basis. **In the event that the Tenant exercises its rights under Section D above, any parking spaces will be provided at the standard ratio for the Building.**

F. **GENERATOR**

Tenant may, at its sole expense (which shall include any upgrades required to the Building), with the prior approval of Landlord, which approval shall not be unreasonably withheld, install an exterior,10 KW, generator, on the Building's roof, as well as and any related equipment, including necessary connections and wires (collectively the "Equipment"), for supplying back-up power to the laboratory equipment in the Office Premises, at a location determined by Landlord. Landlord's approval of such Equipment is conditional upon the following:

a. the Tenant shall provide the Landlord with all the specifications of the Equipment for the Landlord's review and approval for a structural review by the Landlord's engineer. This engineering review shall be at the Tenant's sole cost;

b. Tenant shall also be responsible for all costs related to the operation, maintenance and repair of the Equipment;

c. the Equipment shall be for the exclusive use of the Tenant and shall not be used and or connected to by any other tenant or occupant of the Building nor shall it be used for the generation or sale of electricity;

d. that all necessary work in respect of the installation of the Equipment shall be performed by Tenant at its expense. Prior to the commencement of any work, Tenant shall, at its sole expense, secure all necessary consents, permits and authorizations and deliver to Landlord a copy thereof immediately upon demand. Landlord does not warrant that any such consents, authorizations or permits will be obtained by Tenant;

e. In the event that any competent authority having jurisdiction notifies Landlord or Tenant that the installation and operation of the Equipment is not in accordance with any applicable laws, by laws, regulations and ordinances, Tenant shall proceed diligently in order to rectify the situation, in default of which, Tenant shall remove the Equipment in the shortest possible delay;

f. that any damage whatsoever arising from the Equipment shall be Tenant's sole responsibility and Tenant shall hold harmless and indemnify Landlord from and against any damage or loss, howsoever termed or qualified, which Landlord may suffer pursuant to any claim, action or other form of legal proceedings and take up its defence against all claims, actions or other form of legal proceedings;

g. that, should Landlord require the removal or relocation of the Equipment in order to proceed with improvements to the Building, Tenant shall, at Tenant's expense, remove or relocate such Equipment to a location designated by Landlord;

h. that Tenant shall obtain all necessary additional insurance coverage which may be required due to the installation of the Equipment;

i. that Tenant shall at all times take all steps required so that the Equipment installed shall not cause any interference with any other generator or equipment installed in or on the Building by any other party, failing which Tenant shall alter the Equipment and/or its method of operation so that no interference is caused by any Equipment in question or, should such remedial action not be possible or effective, immediately cease its operation of the Equipment and remove same without delay;

j. that, except as otherwise specified herein, all the provisions of the Lease shall apply, mutatis mutandis, to the Equipment including, without limitation, the provisions in respect of modifications to the Building, defaults by Tenant and Landlord's recourses;

k. Should the Landlord request in writing the removal of the Equipment after the expiry of the Term, or any extension thereof, or earlier termination of the Lease, the Tenant shall remove, at its sole cost, the Equipment within 10 days and repair all damage to the Building and Lands caused by the installation and/or removal of the Equipment, including, without limitation, any damage to the roof and/or roof membrane of the Building, in default of which, Landlord shall proceed to such removal and repair, at the Tenant's expense.

G. EXISTING FURNITURE

The Landlord hereby transfers to the Tenant, on an "as-is, where-is" basis, without representation or warranty of any kind or nature, whatever right, title and interest, if any, it may have to the furniture now existing in the Office Premises, which was abandoned by the previous tenant, and the Tenant hereby assumes all obligations for removal of said furniture that may exist at the end of the Term.

H. LANDLORD'S REPRESENTATIONS AND WARRANTIES

The Landlord represents and warrants to the Tenant and acknowledges and agrees that the Tenant has relied thereon in entering into this Lease and accepting the tenancy created hereunder, that as of the date hereof:

(i) it is not aware, to the best of its knowledge, of the existence of any Contaminants in the Premises that contravene current legislated guidelines or levels;

(ii) to the best of its knowledge , the Building complies with all applicable laws, regulations, bylaws, codes and ordinances and other legal requirements of any governmental authority having jurisdiction over the Building;

(iii) the Building structure, roof, and permanent building walls (except for interior faces facing into the Premises), equipment installed by the Landlord to heat, ventilate, and air-condition the Building,

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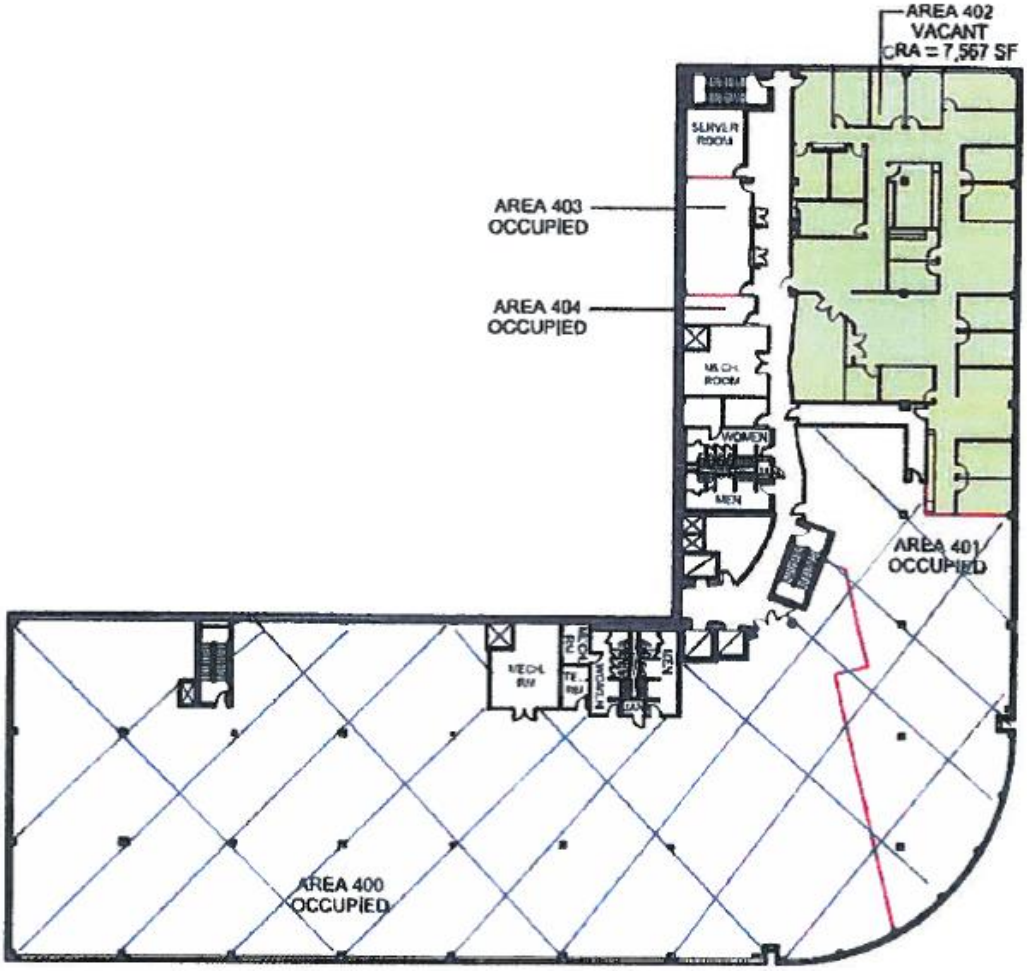
and systems installed by the Landlord for the distribution of Utilities and the Common Areas including the elevators are in good working order; and

(iv) the Landlord is the beneficial and registered owner and has good and marketable title to the Lands and Premises.

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE “F”
FIRST OFFER SPACE OUTLINED IN RED

Fourth Floor
Floor Plan (for illustrative purposes only)
Premises crosshatched in blue



[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE “G”

WAREHOUSE FIRST OFFER SPACE OUTLINED IN RED

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE “H”

[*****]

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE “H” CONTINUED

[*****]

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

SCHEDULE “I”

INDEMNITY AGREEMENT

THIS AGREEMENT is dated the 17th day of August, 2015

B E T W E E N:

RODICK EQUITIES INC.

(the "Landlord")

OF THE FIRST PART

- and -

FLUIDIGM CORPORATION

(the "Indemnifier")

OF THE SECOND PART

In order to induce the Landlord to enter into the Lease dated the 17th day of August, 2015 (the "Lease"), made between the Landlord and Fluidigm Canada Inc., as Tenant, in respect of an aggregate area of 41,145 square feet, comprised of: (i) Suites 400 and 401, containing thirty thousand and nineteen (30,019) square feet of Rentable Area (the “Office Premises”) and a portion of the warehouse, containing a Rentable Area of approximately eleven thousand, one hundred and twenty-six (11,126) square feet (the “Warehouse Premises”), (the Office Premises and Warehouse Premises are hereinafter collectively referred to herein as the “Premises”) located at 1380 Rodick Road, Markham, Ontario (the “Building”) and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the Indemnifier hereby makes the following indemnity and agreement (the "Indemnity") with and in favour of the Landlord:

1.(a) The Indemnifier hereby agrees with the Landlord that at all times during the Term of the Lease and any extensions or renewals thereof or overholding by the Tenant under the Lease, it will (i) make the due and punctual payment of all Rent, monies, charges and other amounts of any kind whatsoever payable under the Lease by the Tenant whether to the Landlord or otherwise; (ii) effect prompt and complete performance and observance of all and singular the terms, covenants and conditions contained in the Lease on the part of the Tenant to be kept, observed and performed; and (iii) indemnify and save harmless the Landlord from any loss, costs or damages arising out of any failure by the Tenant and the Indemnifier to pay the aforesaid Rent, monies, charges and other amounts of any kind whatsoever payable under the Lease or resulting from any failure by the Tenant and the Indemnifier to observe or perform any of the terms, covenants and conditions contained in the Lease.

(b) The Indemnifier's covenants and obligations set out in paragraph (a) above will not be affected by any disaffirmance, disclaimer, repudiation, rejection, termination or unenforceability of the Lease or by any other event or occurrence which would have the effect at law of terminating any obligations of the Tenant prior to the termination of the Lease whether pursuant to court proceedings or otherwise and no surrender of the Lease to which the Landlord has not provided its written consent (all of which are referred to collectively and individually in this Agreement as an "Unexpected Termination"), and the occurrence of any such Unexpected Termination shall not reduce the period of time in which the Indemnifier's covenants and obligations hereunder apply, which period of time includes, for greater

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certainty, that part of the Term of the Lease and any extensions or renewals thereof which would have followed had the Unexpected Termination not occurred.

2. This Indemnity is absolute and unconditional and the obligations of the Indemnifier and the rights of the Landlord under this Indemnity shall not be prejudiced, waived, released, discharged, mitigated, impaired or affected by (a) any extension of time, indulgences or modifications which the Landlord extends to or makes with the Tenant in respect of the performance of any of the obligations of the Tenant (or any other obligated Person) under the Lease; (b) any waiver by or failure of the Landlord to enforce any of the terms, covenants and conditions contained in the Lease; (c) any Transfer of the Lease (as that term is defined in Articles VIII and XIV of the Lease) by the Tenant or by any trustee, receiver, liquidator or any other Person; (d) any consent which the Landlord gives to any such Transfer; (e) any amendment to the Lease or any waiver by the Tenant of any of its rights under the Lease; (f) the expiration of the Term or (g) any Unexpected Termination (as that term is defined in Section 1(b) above). The obligations of the Indemnifier are as primary obligor and not as a guarantor of the Tenant's obligations.

3. **The Landlord shall provide concurrently to the Indemnifier a copy of every** notice, ~~Indemnifier hereby expressly waives notice of the acceptance of this Indemnity Agreement and all~~ **in accordance with the terms and conditions set out in Section 14.6 of the Lease,** of non-performance, non-payment or non-observance on the part of the Tenant of the terms, covenants and conditions in the Lease. Notwithstanding the foregoing but without prejudicing the foregoing, any notice which the Landlord desires to give to the Indemnifier shall be sufficiently given if delivered to the Indemnifier, or, if mailed, by prepaid registered mail addressed to the Indemnifier at **7000 Shoreline Court, Suite 100, South San Francisco, CA 94080, USA.** .~~the Premises, or, at the Landlord's option, at and every such notice is deemed to have been given upon the day it was delivered, or if mailed, **the fifth (5th) business day after the day of such mailing unless regular mail service is interrupted by strikes or other irregularities.** seventy-two (72) hours after the date it was mailed .~~ Despite what is stated above, the Indemnifier acknowledges that if its address is stipulated as a post office box or rural route number, then notice will be considered to have been sufficiently given to the Indemnifier if delivered or sent by registered mail to the Premises or, where notice cannot be given in person upon the Premises, by posting the notice upon the Premises. The Indemnifier may designate by notice in writing a substitute address for that set forth above and thereafter notice shall be directed to such substitute address. If two or more Persons are named as Indemnifier, such notice given hereunder or under the Lease shall be deemed sufficiently given to all such Persons if delivered or mailed in the foregoing manner to any one of such Persons.

4. If an event of default has occurred under the Lease or a default under this Indemnity, the Indemnifier waives any right to require the Landlord to (a) proceed against the Tenant or pursue any rights or remedies against the Tenant with respect to the Lease; (b) proceed against or exhaust any security of the Tenant held by the Landlord; or (c) pursue any other remedy whatsoever in the Landlord's power. The Landlord has the right to enforce this Indemnity regardless of the acceptance of additional security from the Tenant and regardless of any release or discharge of the Tenant by the Landlord or by others or by operation of any law.

5. Without limiting the generality of the foregoing, the liability of the Indemnifier under this Indemnity is not and is not deemed to have been waived, released, discharged, impaired or affected by reason of the release or discharge of the Tenant in any receivership, bankruptcy, winding-up or other creditors' proceedings or any Unexpected Termination (as that term is defined in Section 1(b) above) and shall continue with respect to the periods prior thereto and thereafter, for and with respect to the Term as if an Unexpected Termination or any receivership, bankruptcy, wind-up or other creditors' proceedings had not occurred, and in furtherance hereof, the Indemnifier agrees, upon any such Unexpected Termination or any receivership, bankruptcy, wind-up or other creditors' proceedings, that the Indemnifier shall, at the option of the Landlord, exercisable at any time after such Unexpected Termination or any receivership, bankruptcy, wind-up or other creditors' proceedings, become the Tenant of the Landlord upon the same terms and conditions as are contained in the Lease, applied mutatis mutandis. The liability of the Indemnifier shall not be affected by any failure of the Landlord to exercise this option, nor by any repossession

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of the Premises by the Landlord provided, however, that the net payments received by the Landlord after deducting all costs and expenses of repossessing and reletting the Premises shall be credited from time to time by the Landlord against the indebtedness of the Indemnifier hereunder and the Indemnifier shall pay any balance owing to the Landlord from time to time immediately upon demand.

6. No action or proceedings brought or instituted under this Indemnity and no recovery in pursuance thereof shall be a bar or defence to any further action or proceeding which may be brought under this Indemnity by reason of any further default or default hereunder or in the performance and observance of the terms, covenants and conditions contained in the Lease.

7. No modification of this Indemnity shall be effective unless it is in writing and is executed by both the Indemnifier and the Landlord.

8. The Indemnifier shall, without limiting the generality of the foregoing, be bound by this Indemnity in the same manner as though the Indemnifier were the Tenant named in the Lease.

9. All of the terms, covenants and conditions of this Indemnity extend to and are binding upon the Indemnifier, its administrators, successors and assigns, as the case may be, and enure to the benefit of and may be enforced by the Landlord, the owners and any Mortgagee.

10. The expressions "Landlord", "Tenant", "Rent", "Term", and "Premises" and other terms or expressions where used in this Indemnity, respectively, have the same meaning as in the Lease.

11. The use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Agreement to such person or persons or circumstances as the context otherwise permits.

12. The undersigned, as Indemnifier, hereby represents and warrants to and covenants and agrees with the Landlord that:

    (a) notwithstanding the foregoing or any performance in whole or in part by the Indemnifier of the covenants of this Indemnity, the Indemnifier shall not, except at the option of the Landlord, have any entitlement to occupy the Premises or otherwise enjoy the benefits of the Tenant under this Lease;

    (b) the Indemnifier has full power and authority to enter into this Agreement and to perform the Indemnifier's obligations contained herein; and

    (c) this Agreement is valid and binding upon the Indemnifier and enforceable against the Indemnifier in accordance with its terms.

13. If a part of this Agreement or the application of it to any Person hereunder or circumstance is to any extent held or rendered invalid, unenforceable or illegal, that part:

    (a) is independent of the remainder of this Agreement and is severable from it, and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of this Agreement; and

    (b) continues to be applicable to and enforceable to the fullest extent permitted by law against any Person hereunder and circumstance, except those as to which it has been held or rendered invalid, unenforceable or illegal.

14. The Indemnifier agrees to execute such further assurances in connection with this Agreement as the Landlord may reasonably require.

15. This Agreement shall be construed in accordance with the laws of the Province in which the Building is located.

16. This Agreement is the sole agreement between the Landlord and the Indemnifier relating to the indemnity and there are no other written or verbal agreements or representations relating thereto. This Agreement may not be amended except in writing and signed by the Indemnifier and the Landlord.

17. Wherever in this Indemnity reference is made to either the Landlord or the Tenant, the reference is deemed to apply also to the successors and assigns of the Landlord and the permitted successors, and permitted assigns of the Tenant. Any assignment by the Landlord of any of its interests in the Lease operates automatically as an assignment to such assignee of the benefit of this Indemnity.

IN WITNESS WHEREOF, the Landlord and the Indemnifier have signed and sealed this Agreement.

RODICK EQUITIES INC. (Landlord)

Per: /s/ Julian Aziz
Authorized Signature

Per: /s/ Frank Del Vescovo
Authorized Signature

I/We have authority to bind the corporation.

FLUIDIGM CORPORATION (Indemnifier)

Per: /s/ Gajus V. Worthington
Authorized Signature

Per: /s/ Vikram Jog
Authorized Signature

I/We have authority to bind the corporation

[*****] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Exhibit 31.1

**CERTIFICATION OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gajus V. Worthington, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fluidigm 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.

Dated: November 9, 2015

By: /s/ Gajus V. Worthington
Gajus V. Worthington
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vikram Jog, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fluidigm 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.

Dated: November 9, 2015

By: /s/ Vikram Jog
Vikram Jog
Chief Financial Officer

Exhibit 32.1

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

I, Gajus V. Worthington, the chief executive officer of Fluidigm Corporation (the "Company"), certify for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,

(i) the Quarterly Report of the Company on Form 10-Q for the quarter ended September 30, 2015 (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Gajus V. Worthington
Gajus V. Worthington
President and Chief Executive Officer

Date: November 9, 2015

Exhibit 32.2

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

I, Vikram Jog, the chief financial officer of Fluidigm Corporation (the "Company"), certify for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,

(i) the Quarterly Report of the Company on Form 10-Q for the quarter ended September 30, 2015 (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Vikram Jog

Vikram Jog
Chief Financial Officer

Date: November 9, 2015