

## EDGE THERAPEUTICS, INC.

### Stock Ownership Guidelines for Board Members and Executive Officers

This policy shall apply to each member of the Board of Directors (the “**Board**”) of Edge Therapeutics, Inc. (“**Edge**”) and each executive officer of Edge.

1. The required equity holdings (the “**Equity Ownership Guideline**”) for each member of the Board and each executive officer of Edge shall be as follows:
  - Board Member (excluding executive officers of Edge): 3 times (3x) such member’s annual base cash retainer for service on the Board
  - Chief Executive Officer: 3 times (3x) annual base salary
  - Executive Officer (other than the Chief Executive Officer): 1 times (1x) annual base salary
2. Each Board member and executive officer subject to this policy shall have five years from the Measurement Date to achieve the applicable Equity Ownership Guideline. The “**Measurement Date**” for a given individual shall be the later of (a) January 1, 2017 and (b) the first January 1 following the date such individual joins the Board of Edge or becomes an executive officer of Edge.
3. The determination as to whether each Board member and executive officer meets the Equity Ownership Guideline shall be made by the Compensation Committee of the Board (the “**Compensation Committee**”) as of January 1 of each year, based on the average of the closing trading price of Edge stock on the immediately preceding thirty (30) trading days. The Compensation Committee shall make such determination at its next regularly scheduled meeting following each such January 1 and may use such outside advisors as it sees fit to assist it in making such determination.
4. When determining whether a director or executive officer has achieved the Equity Ownership Guideline, the Compensation Committee of the Board shall consider (a) the shares owned by the relevant individual plus (b) the value of in-the-money, vested stock options held by such individual.
5. If a Board member is affiliated with an investment fund, the shares held by such investment fund shall be included when determining whether such Board member meets the Equity Ownership Guideline.
6. For purposes of these guidelines, an “executive officer” shall mean the President and Chief Executive Officer of Edge and each officer in charge of a principal business function at Edge who reports directly to the President and Chief Executive Officer.
7. In the event a director or executive officer has not met the applicable Equity Ownership Guideline on the timeframe set forth in Paragraph 2 above, the Compensation Committee shall consider implementing steps to cause such individual to achieve such guideline.

**Adopted by the Edge Therapeutics, Inc. Board of Directors on October 18, 2016**