

**MINUTES OF A MEETING
OF THE BOARD OF DIRECTORS OF
SCHRÖDINGER, INC.**

DATE: February 7, 2014

TIME: 2 PM (Eastern Time)

PLACE: Via Teleconference

BOARD MEMBERS
PRESENT: Charles Ardai
Boris Nikolic
Lou Salkind (by phone)
Ramy Farid
Richard Friesner

BOARD MEMBERS
ABSENT: None

OTHERS PRESENT: Rodi Guidero (by phone)
Gregg Griner (by phone)
Murco Ringnalda
Yvonne Tran
Cony [REDACTED] (by phone)

1. Call to Order.

A meeting of the Board of Directors of Schrödinger, Inc. (the “Board”), a Delaware corporation, (the “Company” or “Schrödinger”) was held at the above place and time. Mr. Ardai, presiding as Chairman of the meeting, conducted a roll call and confirmed that Mr. Nikolic, Mr. Farid, Mr. Salkind and Mr. Friesner were present, and, finding a quorum had been established, called to order the meeting. Each member of the Board confirmed that he could

clearly hear each other member of the Board. The meeting, having been duly noticed and convened, proceeded with its business. Ms. Tran acted as Secretary of the meeting.

2. Approval of Prior Meeting Minutes

The Board reviewed the minutes of the meeting of the Board held on October 4, 2013 (the “Prior Meeting”). Upon motion duly made, seconded and approved, the Board unanimously approved the minutes of the Prior Meeting.

3. Approval and Ratification of Valuation Report; Stock Option Grants

The Board next discussed a proposal to (i) approve and ratify Globalview’s November 30, 2013 appraisal report of the Company’s common stock and (ii) approve the grant of options to certain employees of the Company. Questions were asked and a full discussion followed. Upon motion duly made, seconded and approved, the Board unanimously adopted the following resolutions:

WHEREAS, the Board deems it appropriate at this time to grant options under the Company’s 2010 Stock Plan, as amended (the “Stock Plan”);

WHEREAS, the Board intends that such options have an exercise price per share equal to the fair market value per share of the Company’s Common Stock on this date;

WHEREAS, the Board previously determined that a valuation firm independent of the Company should be retained to value the Company’s Common Stock;

WHEREAS, the Board has received and reviewed the written appraisal report of Globalview Advisors LLC (the “Valuation Firm”), dated as of November 30, 2013 attached hereto as Exhibit A, which report concludes that the Company’s Common Stock had a fair market value of \$0.21 per share as of November 30, 2013; and

WHEREAS, the Board has determined that the Valuation Firm is independent of the Company.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby determines, in reliance on the Valuation Firm’s written report, that the current fair market value per share of the Company’s Common Stock is \$0.21;

RESOLVED FURTHER, that each individual named in Table 1 attached hereto be, and such individual hereby is, granted an option under the Stock Plan to acquire up to the number of shares of the Company’s Common Stock indicated next to such individual’s name in Table 1. Each such option shall have an exercise price per share equal to \$0.21. Each such option shall be a non-statutory stock option, as provided in Table 1. Each such option shall have a term of 10 years from this date, subject to earlier expiration upon the termination of the

optionee's service with the Company. Each such option shall be evidenced by one of the forms of Stock Option Agreement approved by the Board, except as otherwise provided in Table 1;

RESOLVED FURTHER, that the shares subject to each option hereby granted shall vest and become exercisable as follows, except as otherwise provided in Table 1: one-quarter of such shares shall vest and become exercisable when the optionee completes 12 months of continuous service after the "vesting commencement date" (as specified for each optionee in Table 1), and an additional one-quarter of such shares shall vest and become exercisable when the optionee completes each 12 months of continuous service thereafter;

RESOLVED FURTHER, that the shares purchased under each option hereby granted shall be subject to the Company's right of first refusal, exercisable in the event that the optionee proposes to sell or otherwise transfer such shares prior to the initial public offering of the Company's Common Stock. The terms pursuant to which such shares may be repurchased by the Company under such right of first refusal shall be substantially as set forth in applicable form of Stock Option Agreement; and

FINALLY RESOLVED, that each officer of the Company be, and each such officer hereby is, authorized and directed to take all action and to prepare, execute and deliver all documents that such officer deems necessary or advisable to carry out the intent of these resolutions and evidence the stock option grants.

TABLE 1

SCHRÖDINGER, INC.

**SCHEDULE OF OPTION GRANTS
DATE OF GRANT: FEBRUARY 7, 2014
EXERCISE PRICE: \$0.21 PER SHARE**

Non-Statutory Stock Options to Employees – First Time Grants

Name of Optionee	State of Residence	10% Holder (Yes/No)	Number of Shares	Vesting Schedule (Notes)	Vesting Commencement Date	Continuous Service Includes as a Director (Yes/No)
Markus	Connecticut	No	50,000	1	October 1, 2013	Yes

Dahlgren						
Thomas Steinbrecher	Germany	No	30,000	1	October 1, 2013	Yes
Jeffrey Sanders	New Jersey	No	30,000	1	October 2, 2013	Yes
Roberto Francescangeli	New York	No	25,000	1	October 7, 2013	Yes
Lidia Cristian	New Jersey	No	50,000	1	October 8, 2013	Yes
Jacob Gavartin	United Kingdom	No	30,000	1	October 14, 2013	Yes
Joseph Goose	New York	No	30,000	1	October 15, 2013	Yes
Johannes Maier	New Jersey	No	50,000	1	October 15, 2013	Yes
Cortney Robin	New York	No	10,000	1, 2	October 15, 2013	Yes
Melissa Landon	Massachusetts	No	35,000	1	October 21, 2013	Yes
Sarah Boyce	New York	No	50,000	1	November 5, 2013	Yes
John Chodera (Consultant)	New York	No	30,000	1	November 5, 2013	Yes
Solomon Reisberg	Oregon	No	15,000	1	November 11, 2013	Yes
Leif Jacobson	New York	No	30,000	1	November 12,	Yes

					2013	
Nathaniel Oliver John Malcolm	United Kingdom	No	10,000	1	December 9, 2013	Yes
Peter De Riemer	Connecticut	No	15,000	1	December 10, 2013	Yes
Gabriel Marques	New Jersey	No	30,000	1	December 16, 2013	Yes
Franziska Donath	Germany	No	15,000	1	January 1, 2014	Yes
Volodymyr Babin	Oregon	No	30,000	1	January 2, 2014	Yes
Daniel Sindhikara	New York	No	30,000	1	January 2, 2014	Yes
Michael Tom	New York	No	10,000	1	January 2, 2014	Yes
Joshua Kwan	New York	No	20,000	1	January 7, 2014	Yes
Thomas Holder	New York	No	30,000	1	January 9, 2014	Yes

Notes:

1. As provided in the resolutions.
2. Not a first time grant.

4. Correction of Stock Option Grant

Ms. Tran then described a scrivener's error in the resolutions adopted by the Board at the Prior Meeting relating to stock options granted to Hugo Ayala, an employee of the Company.

Upon motion duly made, seconded and approved, the Board unanimously adopted the following resolutions:

WHEREAS, the Board intended to grant an option to purchase 150,000 shares of its Common Stock to Hugo Ayala (the "Option");

WHEREAS, the Board resolutions dated October 4, 2013 (the "October 4, 2013 Resolutions"), where the Option was granted, recorded, due to a scrivener's error, the Option's number of shares as "150,00";

WHEREAS, the Board believes that it is in the Company's best interests to correct the October 4, 2013 Resolutions and ratify the correct number of shares.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby ratifies the granting of the Option under all other terms as recorded in the October 4, 2013 Resolutions including at an exercise price per share of \$0.16 per share, which was the fair market value of the Common Stock as determined by the Board on October 4, 2013.

5. Nimbus Bridge Financing

Next, Ms. Tran and Mr. Griner updated the Board on the bridge financing obtained by Nimbus Discovery, LLC ("Nimbus") in mid-January 2014. Ms. Tran informed the Board that (i) the bridge investors' equity would sit on top of Nimbus' existing investors' equity such that the bridge investors would be paid out in the event of a distribution of proceeds by Nimbus and that (ii) there was no other significant impact on Schrödinger. Questions were asked and a full discussion followed.

6. Software License Agreement - █████. Shaw Research, LLC

Next, Ms. Tran updated the Board on licensing negotiations between the Company and █████. Shaw Research, LLC ("DESRES"), a company owned entirely by David Shaw. The Company and DESRES were engaging in negotiations to enter into an Amended and Restated Software License Agreement whereby Schrödinger would be granted rights to distribute DESRES's molecular dynamics simulation software known as Desmond integrated with certain of the Company's proprietary software. Questions were asked and a full discussion followed. Ms. Tran informed the Board that consent from Cascade Investment, L.L.C. would be required pursuant to the Company's Certificate of Incorporation.

7. Funding Richard Friesner's lab at Columbia University

Next, Mr. Friesner summarized his discussions with Columbia University (the "University") regarding the Company's proposal to fund, at approximately \$160,000 per year for

two (2) years, the placement of two to three students and/or post-doctorates in his laboratory. Mr. Friesner informed the Board that Columbia University would likely recommend that this funding be structured as a “gift” with certain conditions. The Board agreed to defer a vote until such time when a formal written proposal is provided by the University.

8. Financials

Mr. Ringnalda summarized the Company’s financials for FY 2013 (and compared them to financials from FY 2012 and projections for FY 2014 and FY 2015). Questions were asked and a full discussion followed. Mr. Friesner summarized his conversation with Bill Gates in December 2013 on a possible future financing by Mr. Gates. Mr. Guidero stated he would consult with Mr. Gates regarding the potential financing. The Board agreed to address the issue of whether additional funding would be necessary at its next Board meeting.

9. Business Update

The Board then heard presentations on certain areas of the Company’s business. Mr. [REDACTED] presented a summary of discussions regarding the expansion of the Company’s DDAG collaboration with Nimbus and other DDAG matters. Mr. Farid presented an overview of the Company’s growth opportunities and hiring plan for FY 2014.

10. Adjournment

There being no further business to come before the Board, upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.

Yvonne Tran
Secretary of the Meeting

EXHIBIT A

Globalview November 30, 2013 Valuation Report

EXHIBIT B

(DESRES License and Software Development Agreement)

EXHIBIT C