

| OMB APPROVAL | |
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| OMB Number: | 3235-0287 |
| Estimated average burden hours per response: | 0.5 |

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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|--|--|--|
| 1. Name and Address of Reporting Person* <u>Athyrium Opportunities Fund (A) LP</u> (Last) (First) (Middle) 1290 AVENUE OF THE AMERICAS (Street) NEW YORK NY 10104 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>PROGENITY, INC. [PROG]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) |
| | 3. Date of Earliest Transaction (Month/Day/Year) 06/23/2020 | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 06/23/2020 | | P | | 3,333,333 | A | \$15 | 23,303,346 | I | See footnotes ⁽¹⁾ (2) |
| Common Stock | 06/23/2020 | | C | | 1,250,000 | A | (3) | 23,303,346 | I | See footnotes ⁽¹⁾ (2) |
| Common Stock | 06/23/2020 | | C | | 18,319,853 | A | (4) | 23,303,346 | I | See footnotes ⁽²⁾ (5)(6)(7) |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------------------|--|-----------------|---|----------------------------|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Unsecured Convertible Promissory Note | (3) | 06/23/2020 | | C | | | \$15,000,000 ⁽³⁾ | (3) | (3) | Common Stock | 1,250,000 | (3) | \$0.00 | I | See footnotes ⁽¹⁾⁽²⁾ |
| Series B Preferred Stock | (4) | 06/23/2020 | | C | | | 101,736,263 ⁽⁴⁾ | (4) | (4) | Common Stock | 18,319,853 | (4) | 0 | I | See footnotes ⁽²⁾⁽⁵⁾ (6)(7) |

1. Name and Address of Reporting Person*
Athyrium Opportunities Fund (A) LP
 (Last) (First) (Middle)
 1290 AVENUE OF THE AMERICAS
 (Street)
 NEW YORK NY 10104
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
Athyrium Opportunities 2020 LP
 (Last) (First) (Middle)
 505 FIFTH AVENUE, FLOOR 18
 (Street)
 NEW YORK NY 10017
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
Athyrium Opportunities Fund (B) LP
 (Last) (First) (Middle)
 1290 AVENUE OF THE AMERICAS
 (Street)
 NEW YORK NY 10104
 (City) (State) (Zip)

1. Name and Address of Reporting Person*

[Athyrium Opportunities III Acquisition 2 LP](#)

(Last) (First) (Middle)
505 FIFTH AVENUE, FLOOR 18

(Street)
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(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Athyrium Opportunities III Co-Invest 1 LP](#)

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505 FIFTH AVENUE, FLOOR 18

(Street)
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(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Athyrium Opportunities Associates Co-Invest LLC](#)

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505 FIFTH AVENUE, FLOOR 18

(Street)
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(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Athyrium Opportunities Associates III GP LLC](#)

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505 FIFTH AVENUE, FLOOR 18

(Street)
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(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Athyrium Opportunities Associates III LP](#)

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(Street)
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(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Athyrium Opportunities Associates GP LLC](#)

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(Street)
NEW YORK NY 10104

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1. Name and Address of Reporting Person*

[Athyrium Opportunities Associates LP](#)

(Last) (First) (Middle)
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(Street)
NEW YORK NY 10104

(City) (State) (Zip)

Explanation of Responses:

1. Athyrium Opportunities 2020 LP directly owns 4,583,333 shares of the Issuer's common stock. Athyrium Opportunities Associates III GP LLC is the general partner of Athyrium Opportunities Associates III LP, which is the general partner of Athyrium Opportunities 2020 LP. Athyrium Funds GP Holdings, LLC is the managing member of Athyrium Opportunities Associates III GP LLC. Jeffrey Ferrell is the managing member of Athyrium Funds GP Holdings, LLC and President of Athyrium Opportunities Associates III GP LLC.
2. Each of the Reporting Persons disclaims beneficial ownership of the securities reported herein, except to the extent of such Reporting Person's pecuniary interest therein.

3. The Unsecured Convertible Promissory Note converted into 1,250,000 shares of the Issuer's common stock automatically without payment of further consideration upon closing of the initial public offering of the Issuer's common stock. Prior to conversion, the Unsecured Convertible Promissory Note had a maturity date of May 8, 2022.

4. The Series B Preferred Stock converted into shares of the Issuer's common stock on a 0.162-for-one basis automatically without payment of further consideration upon closing of the initial public offering of the Issuer's common stock. The Series B Preferred Stock has no expiration date.

5. The 4,211,977, 2,329,083, 7,603,040 and 4,175,753 shares of the Issuer's common stock issued on the conversion of the Series B Preferred Stock upon the closing of the initial public offering of the Issuer's common stock are held by Athyrium Opportunities Fund (A) LP, Athyrium Opportunities Fund (B) LP, Athyrium Opportunities III Acquisition 2 LP and Athyrium Opportunities III Co-Invest 1 LP, respectively. Athyrium Opportunities Associates III GP LLC is the general partner of Athyrium Opportunities Associates III LP, which is the general partner of Athyrium Opportunities III Acquisition 2 LP.

6. (continued from footnote 5) Athyrium Opportunities Associates Co-Invest LLC is the general partner of Athyrium Opportunities III Co-Invest 1 LP. Athyrium Opportunities Associates GP LLC is the general partner of Athyrium Opportunities Associates LP, which is the general partner of each of Athyrium Opportunities Fund (A) LP and Athyrium Opportunities Fund (B) LP. Athyrium Opportunities Advisers LLC is the investment adviser of each of Athyrium Opportunities Fund (A) LP and Athyrium Opportunities Fund (B) LP. Athyrium Capital Management, LP is a member of Athyrium Opportunities Associates GP LLC and an investment sub-adviser of Athyrium Opportunities Advisers LLC. NB Alternatives GP Holdings LLC is also a member of Athyrium Opportunities Associates GP LLC. NB Alternatives Holdings LLC is the sole member of NB Alternatives GP Holdings LLC and is a member of NB Alternatives Advisers LLC.

7. (continued from footnote 6) NB Alternatives Advisers LLC is the sole member of Athyrium Opportunities Advisers LLC. Athyrium Funds GP Holdings, LLC is the managing member of Athyrium Opportunities Associates Co-Invest LLC and Athyrium Opportunities Associates III GP LLC. Athyrium Capital Holdings, LLC is the general partner of Athyrium Capital Management, LP. Jeffrey A. Ferrell is the managing member of Athyrium Capital Holdings, LLC and Athyrium Funds GP Holdings, LLC and the President of Athyrium Capital Management, LP, Athyrium Opportunities Associates Co-Invest LLC, Athyrium Opportunities Associates III GP LLC, and Athyrium Opportunities Associates GP LLC.

Remarks:

Because no more than 10 reporting persons can file any one Form 4 through the Securities and Exchange Commission's EDGAR system, certain affiliates of the Reporting Persons have filed a separate Form 4.

/s/ Athyrium Opportunities Fund (A) LP, by Christian Neira, Authorized Signatory. 06/25/2020

/s/ Athyrium Opportunities 2020 LP, by Athyrium Opportunities Associates III LP, its general partner, by Athyrium Opportunities Associates III GP LLC, its general partner, by Andrew Hyman, Senior Vice President, Secretary. 06/25/2020

/s/ Athyrium Opportunities Fund (B) LP, by Christian Neira, Authorized Signatory. 06/25/2020

/s/ Athyrium Opportunities III Acquisition 2 LP, by Athyrium Opportunities Associates III LP, its general partner, by Athyrium Opportunities Associates III GP LLC, its general partner, by Andrew Hyman, Senior Vice President, Secretary. 06/25/2020

/s/ Athyrium Opportunities III Co-Invest 1 LP, by Athyrium Opportunities Associates Co-Invest LLC, its general partner, by Andrew Hyman, Senior Vice President, Secretary. 06/25/2020

/s/ Athyrium Opportunities Associates Co-Invest LLC, by Andrew Hyman, Senior Vice President, Secretary. 06/25/2020

/s/ Athyrium Opportunities Associates III GP LLC, by Andrew Hyman, Senior Vice President, Secretary. 06/25/2020

/s/ Athyrium Opportunities Associates III LP, by Athyrium Opportunities Associates III GP LLC, its general partner, by Andrew Hyman, Senior Vice President, Secretary. 06/25/2020

/s/ Athyrium Opportunities Associates GP LLC, by Christian Neira, Authorized Signatory. 06/25/2020

/s/ Athyrium Opportunities Associates LP, by Christian Neira, Authorized Signatory. 06/25/2020

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.