

PURCHASE ORDER

Purchase Order	Date	Requested by	Delivery Date
4900048374	10/21/2015	Kathy Johnson Tel: 919-359-7216 Fax: 919-359-7221	11/20/2015
Incoterms/Delivery terms		Shipping Via	
FOB ORG COL			
Ship to		Bill to	
Grifols Therapeutics Inc. 8368 US 70 Bus Hwy W Clayton, NC, 27520, US Amanda Faison		Grifols Therapeutics Inc. Attn: Accounts Payable Dept. 2410 Lillyvale Avenue Los Angeles, CA 90032 US	
Payment Terms (Including discounts)			
4500 Within 45 days.			

532048
SEQUENCE, INC.
2500 GATEWAY CENTRE BLVD, SUITE 850
MORRISVILLE, NC 27560

Tel: 919-855-9955
Fax: 253-736-8446

Note to vendor

*** In order to expedite payment, please email a copy of all invoices against this PO to SM-ProjectEngineering@grifols.com. The original invoice must be sent to the "Bill to" address above or emailed to FSSC_GTAP@grifols.com ***

EMAILED TO Jonathan Wood <jowood@sequenceqcs.com> ON 08/25/15/
PLEASE ACKNOWLEDGE RECEIPT OF PURCHASE ORDER TO kathy.johnson@grifols.com OR FAX TO 919-359-7221

Pos.	Our Ref. Code	Supplier Reference	Description	Curr.	Price (X Units)	Unit	Quantity	Amount
10	8031825		Line 5 Validation Support Sequence, Inc. Grifols contact Chad Steinacker Proposal # 2015308 Equipment C&Q Support, Rev. 1 Proposal Date 8/30/2015 Total PO Amt: \$98,000 Services of Rick Braswell: 1040 hrs @ \$95/hr - Line 5 Time and material basis Services to be provided in accordance with the Master Services Agreement dated February 18, 2015 and which continues through February 18, 2018.	USD	1.00	UMM	98,000	98,000.00

NOTES

TOTAL NET AMOUNT	USD	98,000.00
TOTAL TAX AMOUNT	USD	
TOTAL GROSS AMOUNT	USD	98,000.00

Terms and Conditions of Orders

1. CONDITIONS OF PURCHASE. The goods and/or services ("Work") covered by this Purchase Order ("Order") shall be furnished by the Seller, and Seller, including its sub-suppliers at any tier, agrees to the following terms and conditions. No other terms or conditions shall be binding upon the parties unless hereafter accepted by both parties in writing. Written acceptance, shipment of all or any portion of the goods, or the performance of all or part of the services covered by this Order shall constitute unqualified acceptance of all terms and conditions.

1.1 This Order shall constitute the entire agreement between Seller and the Grifols entity purchasing the goods or services ("Grifols"). Any modifications to this Order are binding only with prior written approval of an authorized Grifols' representative. This Order is fully assignable by Grifols to its affiliates. Except as to any payment due hereunder, this Order may not be assigned or subcontracted by Seller without prior written approval of Grifols. If such consent is given, it shall not relieve Seller from any obligations of this Order, and any transferee or subcontractor shall be considered the agent of Seller. As between the parties hereto, Seller shall remain liable as if no such transfer or subcontracting occurred.

1.2 The requirements of Executive Order 11246 and 41 CFR 50-201.1, which prohibit certain forms of employment discrimination by federal contractors, are hereby incorporated by reference and have the same binding force as if they were reproduced entirely herein.

2. CONFLICTING TERMS. Grifols hereby objects to and rejects any and all conflicting terms proposed by Seller, whether contained in a proposal, quote, terms and conditions (whether attached or referenced), shipping forms, or any other communication or document. Notwithstanding any terms or conditions that may be submitted or referenced by Seller, it is agreed that purchases are made only on the terms and conditions herein and any other terms or conditions shall not become a part of the Order unless expressly agreed to in writing by an authorized representative of Grifols. The terms of any Seller documents referred to in this Order are included and made part of the Order only to the extent that they specify the Work ordered and then only to the extent that such terms are consistent with the terms and conditions of this Order. If Seller determines that any terms or conditions are inconsistent with the Work ordered, the Seller shall immediately notify Grifols, in writing, and request direction prior to proceeding with the Order. Seller's failure to notify Grifols of nonconforming terms shall not relieve Seller of responsibility for Work that are rejected by Grifols for cause. The term "including" in this Order shall mean "including without limitation", whether or not so stated.

3. WARRANTY. Seller warrants that the Work shall be of the quality and specifications stated herein and, in any case, will be new (unless otherwise agreed), of best quality and first class workmanship, of adequate remaining shelf- and service-life at delivery, and free of liens and defects. Anything else is considered defeated. Any services shall be performed in a good and workmanlike manner. Seller warrants that all Work shall be free from defects in design, materials, and workmanship for a period of not less than the Seller's standard warranty period or twelve (12) months from the date of Grifols' acceptance, whichever is longer.

3.1 Seller warrants that, to the extent not exempt, it will perform the Work in compliance with 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a), regulations which prohibit discrimination against protected veterans or individuals based on race, color, genetic information, disability, religion, sex, or national origin.

3.2 In addition to all other warranties, express or implied, as established by applicable law, Seller expressly warrants that any goods sold hereunder and every element thereof, including the method of manufacture thereof, and the use of such goods in the customary manner, or in a manner suggested or recommended by Seller, or in the manner intended by Grifols and which is known to Seller, do not infringe on any patent, trademark, or copyright. Seller agrees to indemnify, defend, and save harmless Grifols and its employees, agents, officers, and directors against any claims, demands, losses, damages, liability, cost, or expense, including reasonable attorney's fees, resulting from any claim or proceeding alleging such infringement, provided Grifols gives Seller notice thereof, and permits Seller, if it so elects, to enter and defend, settle, or otherwise terminate such claim or proceeding.

3.3 Seller warrants that all goods furnished under this Order, when used by Grifols in the ordinary manner for which they are intended, shall not violate any applicable laws, rules, regulations, orders and ordinances, specifically including provisions of the Occupational Safety and Health Act of 1970, as amended, or any standards or regulations issued thereunder.

3.4 All warranties of Seller made hereunder shall run to Grifols' successors, assigns, customers and users, as appropriate.

4. PACKAGING. Seller's packaging will be of highest commercial quality and include label with content's description, quantity, name of Grifols person/dept concerned, special storage instructions, any hazardous materials, and expiry date of contents. Seller will notify Grifols in advance of any hazardous materials.

5. INSPECTION & REJECTION. All purchases are subject to inspection and rejection by Grifols, notwithstanding prior payment. If, prior to final acceptance by Grifols, the Work is found to be nonconforming or substandard, Grifols may reject it, requiring the Seller to cure without charge to Grifols. If Seller is unable or unwilling to correct the Work within a time deemed reasonable by Grifols, Grifols may terminate the Order in whole or part. The Seller shall bear all risks as to rejected Work including any reasonable cost associated with the transportation, storage, or disposal of the rejected goods or the reperformance of the rejected services. Rejected goods will be returned at Seller's expense for transportation both ways and all related labor and packing costs. No goods returned as defective shall be replaced or reworked without prior written permission of Grifols' authorized agent.

6. INDEMNITY. Seller hereby agrees to indemnify, defend, and hold harmless Grifols from any and all claims, demands, losses, costs, liability, damages, recoveries and deficiencies, and/or expenses including reasonable attorney's fees, which may be sustained by or claimed against Grifols and which allegedly arise out of or relate to Seller's negligence, breach, intellectual property infringement, or which otherwise relate to Seller's or Seller's agents' performance of the Work. This indemnity applies regardless of partial negligence by indemnitee but excludes instances of indemnitee's sole fault for negligence or willful misconduct, and survives termination, expiration of the Work, and delivery of goods. Seller shall at Grifols' request defend any such case or controversy.

7. PRICING & PAYMENT. The price for Work shall be no higher than specified herein. The quoted price shall include a line item without markup for all taxes levied on the production, sale, or shipment of the ordered materials by any government or authority, which the Seller shall pay or collect. Grifols will pay net 45 days after invoice.

8. TITLE & LOSS. Title to goods purchased hereunder shall pass directly from Seller to Grifols at DDP (Incoterms 2010), subject to the right of Grifols to reject on inspection.

8.1 Grifols shall not be responsible for any damages or loss in transit. If Grifols has prepaid for goods hereunder, Seller shall immediately reimburse Grifols for any such loss or damage and make its claim directly with the carrier.

8.2 Risk of loss or damage to the goods sold hereunder shall be on Seller until such goods have been delivered to and accepted by Grifols. Grifols shall be allowed a reasonable period of time to inspect the goods for latent defects and to notify Seller of any nonconformance with the terms and conditions of this Order.

9. CONFIDENTIALITY. Seller agrees to hold in confidence all methods, processes, techniques, shop practices, formulae, compounds, organisms, equipment research data, marketing and sales information, customer lists, plans, and all other know-how and trade secrets owned by Grifols or in Grifols' possession or disclosed to Seller as a result of this Order. Until such information has been published or disclosed to the general public, Seller agrees not to use such information for itself or others or to disclose such information to others, and then only at Grifols' discretion and after Grifols' written consent.

10. GOOD MANUFACTURING PRACTICES. Seller is advised that Grifols' primary business is regulated by the Food and Drug Administration (FDA) and its Good Manufacturing Practices (GMP) as promulgated by the Code of Federal Regulations (CFR), Title 21. As such, any Work impacting Grifols' products and/or manufacturing processes must comply with the provisions below:

10.1 Seller guarantees that no article delivered hereunder is adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, as amended, or within the meaning of any applicable state or municipal law in which the definitions of adulteration and misbranding are substantially the same as those contained in the Federal Food, Drug and Cosmetic Act, as said Act and such laws are constituted and effective at the time of such shipment or delivery, or is an article which may not be introduced into interstate commerce. Seller also guarantees that no article delivered hereunder is banned or misbranded within the meaning of the Federal Hazardous Substance Act.

10.2 Seller acknowledges by confirmation or shipment of this Order, all or in part, that the goods and/or services comply with all federal, state and local laws, statutes, ordinances, codes, rules, regulations, orders, judgments and decrees, and that they carry all required insurance.

10.3 Seller agrees to make no changes to form, fit, or function, as specified without prior written approval from Grifols. Such written approval shall be in the form of a revised issue of the specifications.

11. LIENS. Seller will immediately discharge or bond over any lien filed in connection with the Work. Grifols may withhold from payment or set-off up to 125% of the value of any lien until removed. Any invoice under this Order constitutes a representation that Seller's Work is free of liens or claims.

12. CHANGES. Without invalidating this Order, Grifols may make changes within the general scope of the Order in specifications for specially manufactured supplies, place of delivery, method of packing or shipping, or delivery date by giving notice to Seller and confirming such changes in writing. Such confirmation shall be in the form of an issued revision to the specifications. If such changes affect the cost or time for delivery or performance, an equitable adjustment in the price or the delivery shall be made. Changes proposed by the Seller must be submitted for Grifols' approval prior to implementation or becoming effective. **NO CHANGES BY THE SELLER SHALL BE MADE WITHOUT WRITTEN APPROVAL OF GRIFOLS.** Any claim of the Seller pursuant to this article shall be made within thirty (30) days from the date of receipt by Seller of the notification of change by Grifols.

13. AUDIT. Seller agrees that Grifols has the right to conduct up to one audit per year at the Seller's place of business to vet the Seller's compliance with cGMP (if applicable) and with any other agreed terms. Grifols, at any reasonable time and upon reasonable written notice to Seller, may audit the records relating to the Order within the control, custody, or possession of the Seller, its suppliers. The cost of such audit shall be borne by Grifols. The objective of the audit is the determination of the Seller's Quality programs established to ensure conformance to the specifications of this Order.

14. GOVERNING LAW. This Order and all disputes arising out of or relating to it will be governed by the laws of the United States and by the laws of the State of California without regard to its conflicts of laws provisions. All claims arising out of or relating to these terms or this Order will be litigated exclusively in the federal or state courts of Los Angeles County, California. The parties agree to the personal jurisdiction by and venue in those courts, and waive any objection to such jurisdiction or venue. In any action at law, in equity, or otherwise, including an action for declaratory relief, arising out of or relating to this Order, the prevailing party shall be entitled to reasonable attorneys' fees and costs, which may be set by the Court in the same action or in separate action brought for that purpose, in addition to any other relief to which said party may be entitled. **BEFORE SELLER MAY BRING ANY SUCH ACTION, THE PARTIES MUST, AT GRIFOLS' SOLE OPTION, SUBMIT TO ALTERNATIVE DISPUTE RESOLUTION OF GRIFOLS' PREFERENCE THROUGH JAMS.**

15. TERMINATION. Grifols may, at its sole option and discretion, terminate this Order for convenience, in whole or in part, effective immediately upon written notice to Seller. In such event, Grifols shall be liable only for payment for services actually and properly performed, goods actually and properly supplied, and non-cancellable approved expenses actually incurred prior to the effective date of termination. Grifols may cancel this Order, in whole or in part, immediately and without liability to Grifols, if deliveries are not made at the time and in the quantities specified, or in the vent of breach or failure by Seller of any the terms and conditions hereof. Any cancellation or termination by Grifols, whether for default or otherwise, shall be without prejudice to any claims for damages or other rights of Grifols against Seller.

16. CONTRACTOR/CONSULTANT'S NOTE. If this Order requires Services, then Seller shall be known as Contractor and/or Consultant, and, in addition to the terms and conditions herein as applicable, agrees as follows:

16.1 "Order" shall mean work as set forth herein and also incorporates by reference any engineered or architecturally designed set(s) of drawings and/or documents.

16.2 Extra Work or Change Orders must be approved in advance in writing by Grifols.

16.3 Contractor/Consultant agrees to indemnify, defend and save Grifols harmless against liability for injuries or damage to any person or property related to Seller's performance of this Order.

16.4 Upon request, Contractor/Consultant shall furnish to Grifols a Certificate of Insurance from its carriers confirming coverage for Worker's Compensation, Professional Liability, Public Liability, and Property Damage in amounts and in a form acceptable to Grifols.

16.5 Contractor/Consultant warrants that all licenses or certifications are current and appropriate for the work of this Order, and agrees to secure all licenses or permits required by law and comply with all ordinances, laws orders, rules, and regulations pertaining to the Services

16.6 Contractor/Consultant agrees to perform all services with a professional duty of care, and specifically acknowledges and agrees that for all services provided, the qualifications, screening, training, experience and competence of personnel are material to this Order.

17. PROPRIETARY RIGHTS INDEMNIFICATION. Seller shall indemnify Grifols, its officers, agents and employees against all losses, damages, liabilities, costs, and expenses, including attorney's fees, resulting from any judgment, suit, action, proceeding, or resulting settlement by which it is determined that any of Seller's parts, goods, components, programs, practices, service, or methods supplied under this Order or Grifols use of same constitutes an infringement or violation of any patent, copyright, trademark, trade name, trade secret, intellectual property, or other proprietary or contractual right of a third party. The foregoing shall not apply unless Grifols informs Seller as soon as practicable of such judgment, suit, action, proceeding, or resulting settlement.

18. OTHER APPLICABLE LAWS. Any provision required by applicable and valid federal, state, or local law ordinance, rule, or regulation to be in a contract of this type to make it valid is deemed to be incorporated herein.