

Isis Pharmaceuticals, Inc.
Purchase Order Terms and Conditions

The following Terms and Conditions are an integral part of this Purchase Order. Acceptance of the Purchase Order will constitute acceptance of these Terms and Conditions. Any Term or Condition contained herein may be expressly modified by Buyer on the face of the Purchase Order.

1. Agreement. This Purchase Order is the entire agreement between Buyer and Seller for the purchase of the goods and/or services specified herein, when accepted by acknowledgement or commencement of performance by Seller. This Purchase Order is cancelable by Buyer at any time until receipt by Buyer from Seller of a written acceptance or delivery of the goods and/or services, whichever occurs earlier. No term of this Purchase Order can be changed without the express mutual written agreement of Buyer and Seller. Seller may not modify or supplement any term set forth in this Purchase Order. Any such modification or supplementation by Seller is objected to by Buyer and will be void such that the terms and conditions contained in this Purchase Order constitute the complete and exclusive statement of the terms and conditions between Buyer and Seller. Acceptance by Buyer of the goods or services will not constitute acceptance of any terms not accepted by Buyer in writing.
2. Delivery. Time is of the essence. Delivery must be made within the time stated on this Purchase Order. If delivery cannot be made within the stated time, Seller must give Buyer immediate notice and advise of the best possible delivery date. Buyer may elect expedited delivery of late shipments at Seller's cost. Buyer may either accept late delivery or cancel this Purchase Order in whole or in part without cost to Buyer.
3. Transportation. All goods will be delivered Ex Works destination (Incoterms 2010) with shipping and insurance charges prepaid by Seller unless otherwise specified on the face of this Purchase Order. Risk of loss will pass to Buyer at destination.
4. Payment. Payment will be due from Buyer net thirty (30) days from the date of Buyer's receipt and acceptance of the goods, work or service specified on this Purchase Order. Buyer will not be obligated to make any payment for partial delivery hereunder unless authorized by Buyer. Invoices must be sent to invoices@isisph.coupa.com
5. Warranty. Seller warrants and guarantees that all goods and services furnished under this Purchase Order will conform to the terms, plans, drawings, samples or other specifications or descriptions, furnished by Buyer and/or advertised by Seller, and to high professional standards, of good material, workmanship and quality, free from defect and free of all liens. Seller will be liable and will reimburse Buyer for costs, losses or damages incurred as a result of any defects in the furnished goods and services and will hold buyer harmless from any claims of third parties due to any defects in the goods. To the extent transferable, any third party warranties to Seller, together with Seller's service warranties and guarantees, will run to Buyer.
6. Rejections. If any of the goods are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements of this Purchase Order, Buyer, in addition to any other rights which it may have under warranties or otherwise, will have the right to reject or revoke acceptance, and return such goods at Seller's expense for replacement, credit or cash refund, at Buyer's option. No approval by Buyer of any design or specification furnished by Seller will constitute a waiver by Buyer of Seller's obligations hereunder.
7. Intellectual Property Indemnity.
 - (a) To the extent that the items ordered have not originated with Buyer, Seller guarantees that the sale and/or use of such items (or the performance of services) delivered hereunder and their manufacture by Seller will not infringe any U.S. or foreign patents, trademarks, copyrights, or trade secrets. Seller will, at its own expense, indemnify and hold harmless Buyer and/or its successors, assigns, or customers (In this clause collectively "Buyer"), against any action, suit, or claim ("Suit") brought against Buyer which is based upon a claim, whether rightful or otherwise, that the goods or services, or any part thereof, furnished under this Purchase Order, for Buyer's use (including resale) thereof, constitutes an infringement of any patent, trademark, copyright, or trade secret. Provided Buyer duly notifies Seller as to such Suit against Buyer, Seller will defend and pay all damages, royalties, and costs awarded against, and reasonable expenses incurred by, Buyer in connection with such Suit; except that the failure to so notify the Seller

shall not relieve the Seller of its obligations hereunder except to the extent such failure shall have actually materially prejudiced the Seller. Buyer agrees, to the extent of its ability to do so, to supply any pertinent evidence needed to defend any Suit but only at the expense of the Seller.

(b) The foregoing indemnity will not apply where such goods or services are allegedly infringing as a result of Seller's compliance with specific written instructions from Buyer directing use by Seller of a feature not customarily used by Seller. Seller waives any rights to be held harmless by Buyer against any claims for infringement.

8. Compliance with Laws. Seller will comply with all applicable Federal, State and local laws, ordinances, rules and regulations and will indemnify and hold Buyer harmless from any losses or damages arising from any failure of compliance or violation by Seller.

9. Proprietary Disclosures; Deliverables.

(a) Seller agrees that devices, drawings, data, design, reports and other technical information or any information contained therein, supplied by Buyer and relating to this Purchase Order are the proprietary property of Buyer and such information will be held in confidence by Seller. Such information will only be used for the purposes of this Purchase Order, and will not be reproduced, used or disclosed to others without Buyer's prior written consent, except as necessary for the performance of this Purchase Order. Except with Buyer's prior written agreement, information which Seller will have disclosed or may hereafter disclose to Buyer in connection with the placement and performance of this Purchase Order will be deemed non-confidential and non-proprietary, and Seller agrees not to assert any claims (except claims for patent infringement) by reason of the use, duplication or disclosure thereof by Buyer and/or its successors, assigns or customers. Upon completion of this Purchase Order, Seller will, at Buyer's order return all such devices, drawings, data, design, reports and other technical information, and all copies which have been made thereof to Buyer.

(b) If Seller is providing services, any results, data, analyses, samples, and other items prepared or furnished by Seller and purchased by Buyer under this Purchase Order (collectively, "Deliverables") will be considered works made for hire, and all rights (including any patent, trademark or copyrights therein) in and to such Deliverables will be the sole property of Buyer. Seller will not use Deliverables for any purpose (including the filing or prosecution of any patent) without Buyer's prior written consent.

10. Property Furnished to Seller by Buyer. Title to and the right of immediate possession of all property furnished by Buyer to Seller for use hereunder, including but not restricted to tooling, designs, patterns, drawings, and materials, will be and remain in Buyer. Such property will not be used in the production, manufacture or design of any other articles for Seller or for any other purchaser or for manufacture or production of larger quantities than those specified herein, except with express written consent of the Buyer. All such property supplied by the Buyer will be segregated by the Seller in the Seller's plant and, wherever possible, clearly marked so as to be easily identified as Buyer's property. Seller will be fully responsible for all such property upon delivery to Seller until redelivery thereof to Buyer and will protect, preserve, and maintain such property in accordance with sound industrial practices. Seller will keep an inventory of all such property in its possession which is furnished by the Buyer or which becomes the property of the Buyer, and will furnish copies of such inventories to the Buyer as may be required. At the completion or termination of this Purchase Order all such property together with all excess materials will be disposed of as Buyer will direct. In the event such property is damaged or made unfit for its intended use, except for reasonable wear and tear or for the authorized use of the property in accordance with the provisions of the Purchase Order, the Buyer's cost of replacement thereof is to be paid by Seller.

11. Termination. Buyer may (subject to paragraphs (a), (b), and (c) below) terminate work under this Purchase Order, in whole or in part, at any time, and for any reason or no reason by written, facsimile or telephonic notice to Seller. Upon such notice or termination Seller will, as to the terminated portion of the Purchase Order, stop work immediately, notify approved subcontractors (if any) to stop work, and protect property in Seller's possession in which Buyer has or may acquire an interest.

(a) Buyer reserves the right to cancel, amend or modify this Purchase Order in any manner and at the sole discretion of Buyer in the event of default by Seller as to any of the terms and conditions hereof. The exercise by Buyer of the rights set forth hereunder will not constitute a waiver by Buyer of any other claim or right, whether existing by contract or by law or otherwise, and Buyer will have all remedies for default or breach available and will be entitled

to damages, including loss of anticipated profits, resulting therefrom, and recovery of its attorney's fees as the prevailing party in any action in law or equity to remedy the breach.

(b) Where such termination is solely for convenience of the Buyer and not for the Seller's default, Seller may claim reimbursement for Seller's actual costs incurred up to and including the date of termination which are properly allocable to or apportionable under recognized accounting practices to the terminated portion of the Purchase Order, including liabilities to subcontractors which are so allocable, and acceptable finished units at contract price not previously billed or paid for, but excluding any charge for interest or any materials which Seller may be able to divert to other orders. Seller may also claim a reasonable profit on the work actually done by Seller prior to such termination, the rate of which will not exceed the rate used in establishing the rate of the Purchase Order price. Seller's claim for reimbursement under such termination will not include anticipatory profits. The total of such claims will not, however, exceed the canceled commitment value of the Purchase Order.

(c) In the event of any suspension of payment or the institution of any proceedings by or against Seller, voluntary or involuntary, in bankruptcy or insolvency, or under any provisions of the United States Bankruptcy Act, or the appointment of a receiver or trustee or an assignee for the benefit of creditors, or a determination that the Seller has become unable to pay debts as they become due, Buyer may cancel this Purchase Order without liability for loss of anticipated profits.

12. During the performance of this contract, the contractor agrees to abide by the terms and conditions of section 1.4 of 41 CFR Ch. 60.

13. Independent Contractor; Insurance. It is understood and agreed that Seller will provide any services under this Purchase Order as an independent contractor and not an employee of Buyer. Neither party will have the right, power or authority to obligate or bind the other in any manner whatsoever. Seller will not assign or subcontract this Purchase Order, in whole or in part, without Buyer's written consent. If providing services, Seller agrees to maintain, during the course of this Purchase Order and thereafter, comprehensive general liability insurance, worker's compensation insurance, contractual liability insurance, and product liability insurance in reasonable and customary amounts as are necessary to adequately cover Seller's potential liabilities that may arise in connection with providing the applicable services under this Purchase Order.