

Illumina, Inc. 5200 Illumina Way San Diego, CA 92122 tel 858.202.4500 fax 858.202.4545 www.illumina.com

March 29, 2021

[NAME]
[TITLE]
[COMPANY]
[STREET ADDRESS]
[Suite XXXX]
[CITY, STATE ZIP]

Dear Mr./Ms. [NAME]:

In connection with Illumina Inc.'s proposed acquisition of GRAIL, Inc. (the "Transaction"), Illumina is irrevocably offering to [COMPANY] the terms enclosed in Exhibit A (the "Supply Agreement") and Exhibit B (the "IVD Test Kit Agreement Terms") to allay any concerns relating to the Transaction, including that Illumina would disadvantage GRAIL's potential competitors after the Transaction by increasing their sequencing prices or by withholding access to Illumina's latest innovations in Next-Generation Sequencing ("NGS"). To address these concerns, these terms will be offered to any existing or new customer of Illumina that purchases NGS products for developing and/or commercializing oncology tests and will remain open for six (6) years from the closing of the Transaction (the "Open Term"). You may accept this offer and the attendant terms in this letter and attached hereto any time from today until expiration of the Open Term by signing and returning this letter to the undersigned. The Supply Agreement shall not be effective unless and until the Transaction closes. The Supply Agreement shall be effective for twelve (12) years from the closing of the Transaction, regardless of when this offer is accepted. This irrevocable offer is binding on Illumina. This offer to enter into the Supply Agreement during the Open Term shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to the conflicts-of-law principles thereof.

In addition, [COMPANY] may enter into, at any time from today until expiration of the Open Term, an agreement with Illumina (i.e., an "IVD Test Kit Agreement") under which [COMPANY] may develop and commercialize in-vitro diagnostic ("IVD") distributable test kits that may be used by third-party laboratories for use on Illumina's diagnostic sequencing platforms that have received FDA marketing authorization (e.g., the NextSeq550Dx sequencing platform). Specifically, under the terms specified in Exhibit B, [COMPANY] may enter into an IVD Test Kit Agreement to develop an IVD distributable test kit on the NextSeq550Dx sequencing platform or any future Illumina diagnostic sequencing platform that receives FDA authorization. An agreement under Exhibit B to develop an IVD distributable test kit on any Illumina diagnostic sequencing platform would be effective for fifteen (15) years from the date the Transaction closes. The IVD Test Kit Agreement shall not be effective unless and until the Transaction closes. [COMPANY] may also choose to enter into an IVD Test Kit Agreement for a single Illumina diagnostic sequencing platform, either the NextSeq550Dx platform or any subsequent diagnostic platform, once it receives regulatory approval, under the terms specified in Exhibit B. This irrevocable offer is binding on Illumina. This offer to enter into the IVD Test Kit Agreement during the Open Term shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to the conflicts-of-law principles thereof.

There will be no change or disruption to Illumina's supply of NGS products to you irrespective of your execution of the Supply Agreement or the IVD Test Kit Agreement. Illumina remains fully committed to



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enabling the innovation and exciting work that [COMPANY] is doing on Illumina's next-generation sequencing platforms.

Please contact me if you have any questions.	
	Sincerely,
	Nicole Berry SVP and General Manager, Americas
	Accepted and Agreed:
	[COMPANY]
	Name:
	Title:
	Date:

Exhibit A – Supply Agreement

1. **DEFINITIONS**

"Affiliate(s)" means with respect to a party, any entity that, directly or indirectly, controls, is controlled by or is under common control with such Party for so long as such control exists. For purposes of this definition, an entity has control of another entity if it has the direct or indirect ability or power to direct or cause the direction of management policies of such other entity or otherwise direct the affairs of such other entity, whether through ownership of the voting securities of such other entity, by contract or otherwise.

"Application Specific IP" means the Illumina Intellectual Property Rights that pertain to the Supplied Product (and use thereof) only with regard to specific field(s) or specific application(s). Application Specific IP excludes all Core IP. By way of non-limiting example, Illumina Intellectual Property Rights for NIPT, for specific forensic methods, or for specific nucleic acid biomarkers, sequences, or combinations of biomarkers or sequences are examples of Application Specific IP.

"Core IP" means Illumina Intellectual Property Rights that pertain to or cover aspects or features of any Supplied Product (or use thereof), or software embedded in or installed on Illumina hardware (or use thereof), or software that Illumina hardware is designed to communicate or interact with (or use thereof), that are common to such Supplied Product in all applications and all fields of use. To avoid any doubt, and without limitation, Core IP specifically excludes any and all Intellectual Property Rights relating to NIPT.

"Customer" means the For-Profit Entity that enters into this Supply Agreement with Illumina.

"Customer Use" means use in all fields of use, specifically excluding any use that (i) is not in accordance with the product's specifications or documentation (it being understood that specifications and documentation shall not undermine or limit Customer's rights under this Supply Agreement), (ii) is a reuse of a previously used consumable, (iii) is the disassembling, reverse-engineering, reverse-compiling, or reverse-assembling of the Supplied Product, (iv) is the separation, extraction, or isolation of components of consumables or other unauthorized analysis of the consumables, (v) gains access to or determines the methods of operation of the Supplied Product, or (vi) is the transfer to a third party of, or sub-licensing of, software or third-party software.

"Equivalent" means, with respect to the comparison of Customer to another customer, that (a) the aggregate volume of all Supplied Products purchased by such other customer from Illumina in the immediately preceding year (measured in U.S. dollars) is not more than 10% greater than the volume purchased by Customer in prior year, (b) such other customer is a For-Profit Entity, and (c) such other customer is not currently receiving Grandfathered Pricing.

"For-Profit Entity" means a for-profit company in the United States that purchases Supplied Products for performing sequencing for liquid biopsy cancer screening or diagnostic tests for clinical oncology purposes, on human samples received from, and delivered to, unaffiliated health care professionals, health care organizations or other laboratories for clinical oncology purposes. A For-Profit Entity excludes governments, government agencies, hospitals, research institutes, academic institutions, non-profits and Illumina Affiliates (including GRAIL).

"GRAIL" means GRAIL, Inc. for so long as it is an Affiliate of Illumina, or any successor to GRAIL, Inc. or any substantial part of the business of GRAIL, Inc. that in either case is Illumina or an Affiliate of Illumina.

"Grandfathered Pricing" means any pricing (either under a quote of duration longer than 30 days or a supply agreement) that is operative for the Customer for use of the Supplied Products at the time that the Transaction closes, provided that this pricing is for ongoing, ordinary course purchases of Supplied Products.

"Illumina Intellectual Property Rights" means all Intellectual Property Rights owned or controlled by Illumina or Affiliates of Illumina during the Term of this Agreement. Application Specific IP and Core IP are separate, non-overlapping, subsets within the Illumina Intellectual Property Rights.

"Intellectual Property Right(s)" means all rights in patent, copyrights (including rights in computer software), trade secrets, know-how, trademark, service mark and trade dress rights and other industrial or intellectual property rights under the laws of any jurisdiction, whether registered or not and including all applications therefor and registrations thereto.

"Pre-Release Sequencing Product" means Illumina sequencing hardware or Sequencing Consumables that are not available for purchase in Illumina's product catalogue. Such sequencing hardware or Sequencing Consumables shall include any re-designed or modified products made available to any For-Profit Entity or to GRAIL that optimize, in any material respect, a product's interoperability, capabilities, or performance.

"Sequencing Consumables" means those consumables intended by Illumina to be used to perform a sequencing process on Illumina's NextSeq, NextSeqDx and NovaSeq instruments and any future sequencing hardware launched by Illumina or its Affiliates, and includes core consumables that are (i) commercialized or otherwise made available by Illumina to customers or Affiliates of Illumina and (ii) intended by Illumina to be used to perform a sequencing process on any such system. Sequencing Consumables do not include products that were at the "end of life" or "end of sale" or were announced (before January 1, 2021) to customers as a planned "end of life" or "end of sale". Sequencing Consumables are limited to products that are shipped to and used in the United States.

"Short Term Project" means a project or circumstance giving rise to a discrete purchase of Sequencing Consumables outside of ongoing ordinary course of purchases made by a For-Profit Entity. The duration of a Short Term Project is no more than two years.

"Supplied Product(s)" means Illumina's NextSeq, NextSeqDx and NovaSeq instruments, and any future sequencing instruments launched by Illumina or its Affiliates, or Sequencing Consumables, that are

The NextSeqDx is an FDA-regulated device intended for targeted sequencing of DNA libraries from human genomic DNA extracted from peripheral whole blood or formalin-fixed, paraffin-embedded (FFPE) tissue, when used for *in vitro* diagnostic (IVD) assays performed on the instrument. The NextSeq 550Dx instrument is not intended for whole genome or de novo sequencing. The NextSeq 550Dx

¹ The NextSeq and NovaSeq instruments and associated Sequencing Consumables are labeled "For Research Use Only. Not for use in diagnostic procedures." They are subject to laws and regulations applicable to products with that label (e.g., 21 C.F.R. § 809.10(c)(2)(i)).

purchased by Customer for any Customer Use pursuant to the Supply Agreement. Supplied Products do not include products that were at the "end of life" or "end of sale" or were announced (before January 1, 2021) to customers as a planned "end of life" or "end of sale". Supplied Products are limited to products that are shipped to and used in the United States.

"Transaction" means Illumina Inc.'s proposed acquisition of GRAIL, Inc. pursuant to the Agreement and Plan of Merger, dated September 20, 2020 (as amended on February 4, 2021 by the Amendment to the Agreement and Plan of Merger, the "Merger Agreement"), among Illumina, Grail, SDG Ops, Inc., a Delaware corporation and direct, wholly owned subsidiary of Illumina, and SDG Ops, LLC, a Delaware limited liability company and direct, wholly owned subsidiary of Illumina.

"Volume-Based Net Price" means the actual list price of a Supplied Product less the applicable discount for a customer's volume under a volume-based discount schedule.

2. **TERM**

This Supply Agreement shall not be effective unless and until the Transaction closes, regardless of the date of signing. Once the Supply Agreement is effective, it shall be effective for twelve (12) years from the closing of the Transaction, regardless of the date either party signs this Supply Agreement (the "Term").

3. TERMS & CONDITIONS

This Supply Agreement is subject to compliance with the terms and conditions herein and applicable law. Unless otherwise agreed with Customer, Illumina's standard Terms & Conditions, as available in the below links, apply to the extent they do not conflict with this Exhibit A, and in the event of a conflict, the terms of Exhibit A supersede.

- a. Terms and Conditions of Sale Research Use Products:

 https://www.illumina.com/content/dam/illumina-marketing/documents/terms-conditions/united-states/usa-terms-and-conditions-of-sale-general.pdf
- b. Terms and Conditions of Sale Illumina Advantage Products:

 https://www.illumina.com/content/dam/illumina-marketing/documents/terms-conditions/worldwide/terms-conditions-ai-products.pdf
- c. Terms and Conditions of Sale IVD Products:

 https://www.illumina.com/content/dam/illumina-marketing/documents/terms-conditions/united-states/usa-terms-and-conditions-of-sale-ivd.pdf

4. ACCESS TO SUPPLIED PRODUCTS

instrument is to be used with registered and listed, cleared or approved, IVD reagents and analytical software.

- a. **Access to Services.** Customer shall have access to the same product services and support services for purchase relating to the Supplied Products to which GRAIL or any For-Profit Entity has access, or which Customer had access before the Transaction.
- b. **Access to Supplied Products.** Customer shall have access to the Supplied Products for purchase that GRAIL or any For-Profit Entity has access within 45 days of when GRAIL or such For-Profit Entity, as applicable, is offered such access (if not earlier) for purchase.
- c. Access to Pre-Release Sequencing Products. Customer shall have access for purchase to any Pre-Release Sequencing Product to which GRAIL or any For-Profit Entity is offered access within 45 days of when GRAIL or such For-Profit Entity, as applicable, is offered such access (if not earlier), and for the same categories of uses, specifically: (i) feedback to Illumina for development of NGS products, including through alpha or beta testing; (ii) for clinical trials; (iii) for clinical validation; (iv) for precommercial test development not relating to clinical trials; or (v) for a commercialized product developed by Customer. Customer's purchase of any Pre-Release Sequencing Product is subject to the pricing terms in Section 5 in this Supply Agreement. This provision does not apply to Pre-Release Sequencing Products that are developed by Illumina for a specific For-Profit Entity pursuant to a development agreement under 4.d. with such For-Profit Entity.
- d. **Development Agreement**. Illumina shall enter into, upon Customer request, a separate development agreement with Customer on commercially reasonable terms, relating to the design or modification of any Supplied Product, in a manner that optimizes interoperability with Customer's tests, including, without limitation, capabilities, performance, speed, efficiency, cost, convenience, accuracy, specificity, precision, ease of use and user experience.
- e. **No Obsolescence**. Illumina shall not discontinue any Supplied Product so long as Customer continues to purchase that Supplied Product. Illumina may discontinue a Supplied Product that Customer has not purchased in more than one year.

5. **PRICING**

Under the pricing protections in this section, Customer will be able to select one of two options for each Supplied Product that they purchase under this Supply Agreement. Customer may elect to receive the Grandfathered Pricing that Customer received before the close of the Transaction under 5.a. Because all of the Supplied Products that Customer currently purchases will remain available under 4.e, Customer may maintain its current pricing for the Term. A Customer who has elected Grandfathered Pricing under 5.a will also receive the benefit of the No Price Increases term in 5.c, the New Product Pricing under 5.d and Short Term Projects under 5.h.

Alternatively, Customer may elect to switch over to receiving Universal Pricing under 5.b, under which Customer purchases each Supplied Product under the pricing in Appendix 1. Under Universal Pricing, Customer will also receive the benefit of the No Price Increases provision for the Term of the Supply Agreement under 5.c. Customer will also receive pricing protections for new versions of existing Supplied Products under 5.d. As described in 5.d., Illumina also commits to certain lower pricing for Suppled Products. Under the Universal Pricing option, pursuant to 5.e and 5.f, Customer will also receive the benefit of any lower pricing offered to an Equivalent customer or to GRAIL, for any Supplied Product, and Customer will be notified of such triggering lower pricing under 5.g.

Finally, under either Grandfathered Pricing or Universal Pricing, Customer will also have access to pricing for Short Term Projects under 5.h.

- a. **Grandfathered Pricing**. Customer may continue to receive the benefit of any Grandfathered Pricing for the Term. If Customer elects to receive Grandfathered Pricing for a Supplied Product Customer shall not receive the benefit of the terms in sections 5.b and 5.e–5.g for that Supplied Product, but will receive the benefit of the terms in sections 5.c, 5.d and 5.h for that Supplied Product.
- b. **Universal Pricing**. If Customer is not receiving Grandfathered Pricing for a Supplied Product, Customer shall receive the Volume-Based Net Price for that Supplied Product in accordance with Appendix 1. The universal pricing grid in Appendix 1 contains all currently available universal pricing, including list prices and volume-based discount tiers, for currently available Supplied Products, and such Appendix 1 will be updated as additional pricing tiers or new Supplied Products (including new versions of existing Supplied Products) become available.
- c. **No Price Increases**. The inflation-adjusted (based on the Bureau of Labor Statistics' Analytical Laboratory Instrument Manufacturing Index in the Producer Price Index ("PPI")) Volume-Based Net Price (under Appendix 1) that Customer has access to for each Supplied Product purchased under this Supply Agreement over the twelve (12) year term of this Supply Agreement shall not increase. To the extent Illumina's costs of goods sold for a Supplied Product materially increase due to factors beyond Illumina's control, then the Volume-Based Net Price (under Appendix 1) may increase solely to reflect that cost increase and solely for the duration of that cost increase.
- d. **New Product Pricing.** To the extent that Illumina launches a new version of any Supplied Product (e.g., a sequencing instrument of similar throughput, or a Sequencing Consumable of the same sequencing read length and similar number of sequencing reads per flow cell), the inflationadjusted (based on the PPI) Volume-Based Net Price per gigabase of sequencing shall not be higher as compared to the Volume-Based Net Price of the prior version of the Supplied Product, provided that the new version of the Supplied Product does not result in any material improvements in performance or capability. In addition, by 2025, Illumina commits that, under this Supply Agreement, the Volume-Based Net Price (under Appendix 1) to Customer per gigabase of sequencing using the highest throughput Illumina instrument then available, with the highest throughput, best-performance flow cell and kit then available, at full capacity, will be at least 43% lower than the inflation-adjusted (based on the PPI) Volume-Based Net Price (under Appendix 1 as of March 26, 2021), per gigabase of sequencing using the NovaSeg instrument, with an S4 300 flow cell, at full capacity. For the avoidance of doubt, holding volume constant, every customer (regardless of their application, or whether they are in oncology screening) using the highest throughput instrument and best-performance flow cell would observe by 2025 a reduction in price, under the Universal Pricing option, per gigabase of sequencing, of 43%. By way of example, for a customer at the highest volume discount tier today, the per gigabase sequencing price is \$4, using a NovaSeq instrument with an S4 300 flow cell. Under this commitment, the per gigabase of sequencing price for that customer at the same volume discount tier in 2025 would be no greater than \$2.26 (inflation-adjusted based on the PPI) using the highest throughput Illumina instrument then available, with the highest-throughput, best-performance flow cell and kit then available. To the extent Illumina's costs of goods sold for a Supplied Product materially increase due to factors beyond Illumina's control, then the Volume-Based Net Price (under Appendix 1) may increase solely to reflect that cost increase and solely for the duration of that cost increase.

- e. **Equivalent Customer.** If Customer is not receiving Grandfathered Pricing for Supplied Product, without limiting Section 5.f, Customer shall have access to Volume-Based Net Prices (under Appendix 1) for that Supplied Product that are no less favorable (i.e., the same or better) than the Volume-Based Net Prices provided by Illumina to an Equivalent customer after the date the Transaction closes, for that Supplied Product.
- f. **GRAIL**. If Customer is not currently receiving Grandfathered Pricing for Supplied Product, Customer shall have access to Volume-Based Net Prices (under Appendix 1) for that Supplied Product that are no less favorable (i.e., the same or better) than the Volume-Based Net Prices provided to GRAIL (including of transfer pricing, portability fees, and royalties), after the date the Transaction closes, for that Supplied Product.
- g. **Notification and Refund**. In the event that Sections 5.e or 5.f are triggered, Illumina will notify Customer promptly, and no later than 45 days after the end of the applicable Illumina fiscal quarter, and the pricing made available to Customer for the applicable Supplied Products will be reduced, effective as of the date on which GRAIL or the Equivalent customer received the triggering pricing, and Customer will receive such reduced pricing for the period of time that the triggering pricing is available to GRAIL or the Equivalent customer. With respect to units of Supplied Product ordered and invoiced pursuant to a Purchase Order accepted after the date the triggering purchase was made, and for which Customer has paid the applicable invoice, Illumina will refund to Customer the difference between the pricing made available to Customer and the triggering pricing, multiplied by the number of affected units of Supplied Product.
- h. **Short Term Projects.** Customer shall have access to Short Term Project pricing that is no less favorable (*i.e.*, the same or better) than pricing extended to Equivalent customer or GRAIL for a Short Term Project of substantially similar size (*i.e.*, using between 90% and 110% of the volume of Sequencing Consumables) and duration (*i.e.*, for a period of not more than 3 months longer than the other Short Term Project), provided that Customer has requested such pricing. If Illumina offers GRAIL pricing for a Short Term Project under this section, Illumina shall make Customer aware of such pricing promptly, but in no event later than 45 days after the end of the applicable Illumina fiscal quarter. No customer, including GRAIL, may receive Short Term Project pricing for more than two consecutive years. No customer, including GRAIL, may use Short Term Project pricing for ongoing ordinary course purchases, including for its standard commercial testing. Pricing for Short Term Projects will not be considered as triggering with respect to the obligations in Sections 5.e and 5.f.

6. **FDA**

Customer may enter into, at any time from today, effective as of the closing of the Transaction, until the sixth anniversary of the closing of the Transaction, an agreement with Illumina under which Customer may develop and commercialize in-vitro diagnostic ("IVD") test kits for use on Illumina's diagnostic ("Dx") sequencing platforms. Illumina will provide standard terms for Customer to enter into a standalone agreement to enable Customer to develop and commercialize IVD test kits on one or all of Illumina's Dx sequencing platforms. Illumina shall provide any documentation or information reasonably required for Customer to seek FDA approval or FDA marketing authorization to sell a forprofit, clinical test using the Supplied Products.

7. PURCHASE ORDERS

This Supply Agreement is not contingent on any purchase commitments by Customer, nor does it affect Customer's existing unilateral right to terminate its supply relationship with Illumina at any time and for any reason. Written purchase orders ("Purchase Orders") submitted in accordance with this Supply Agreement, Illumina's Terms and Conditions, or an operative supply agreement may be rejected by Illumina only if Illumina does not have sufficient supply of the applicable Supplied Product to fulfill the order or if the Purchase Order is not in accordance with standard lead times for the applicable Supplied Product.

8. SHORT SUPPLY

In the event Illumina is experiencing a supply shortage of the applicable Supplied Product (or components therein), Illumina will allocate the existing supply in an equitable manner among its customers (including Affiliates) based on expiring lots, and which shall not favor Affiliates over other customers.

9. INTELLECTUAL PROPERTY

- a. **Core IP Rights.** Customer's purchase of Supplied Products under this Supply Agreement confers upon Customer the non-exclusive, non-transferable, personal, non-sublicensable right solely under Illumina's Core IP to use the Supplied Products, only with Illumina hardware and software, and only in Customer facilities. Except as expressly stated in this Section 9 with respect to Core IP, no right or license under any Illumina Intellectual Property Rights is granted, expressly, by implication, or by estoppel, to Customer under this Supply Agreement.
- b. **IP Infringement.** In no event will Illumina have the right to cease shipping of the Supplied Product solely on the basis of any alleged claim of infringement of any intellectual property rights of Illumina.

10. **CONFIDENTIAL INFORMATION**

- a. **Confidentiality.** To the extent that Illumina may have access to confidential information ("**Confidential Information**") of Customer in connection with this Supply Agreement or the provision of Supplied Products by Illumina to Customer, Illumina shall in no event share such Confidential Information of Customer with GRAIL or any subsidiary of GRAIL, or any employees who work within GRAIL. Any Confidential Information received shall be used by Illumina only (i) to perform Illumina's product supply obligations, service or obligations under any agreement to Customer, or (ii) for performance of general business practices by non-technical functions (e.g., accounting, customer service) within Illumina, which functions shall have access to such information only on a need-to-know basis, and Illumina shall not use such Confidential Information for any other purpose, expressly including without limitation, for any of its own or Affiliates' internal purposes. All employees who may receive Confidential Information will be advised of these confidentiality obligations and use restrictions. Illumina shall continue its practice of maintaining all Confidential Information of Customer confidential as to any other entity.
- b. **GRAIL Firewall.** Illumina shall establish a firewall designed to prevent any GRAIL personnel (and any Illumina personnel carrying out activities with respect to the GRAIL business or products) from accessing any Confidential Information obtained by or made available to Illumina

relating to Customer or its business or products, whether pursuant to this Supply Agreement or otherwise.

11. TERMINATION

Customer has a unilateral right to terminate its supply relationship with Illumina at any time and for any reason without termination liability upon ninety (90) days' prior written notice to Illumina, provided, however, that Customer shall honor all invoices, which invoices shall be issued upon shipment, for Supplied Products ordered under a Purchase Order that was accepted by Illumina prior to the termination date. Illumina cannot terminate this Supply Agreement for convenience during the Term. If either party materially breaches this Supply Agreement and fails to cure such breach within 60 days after receiving written notice of the breach, the non-breaching party shall have the right to terminate this Supply Agreement by providing written notice to the other party; provided, however, that if such breach is curable, but not reasonably curable within such 60-day period, and the breaching Party is using commercially reasonable efforts to cure the breach, then such cure period will be extended to not longer than 180 days. Notwithstanding anything to the contrary herein, this Supply Agreement may not be terminated based solely on a claim relating to infringement of any Illumina Intellectual Property Rights pursuant to Section 9.b.

12. **ENFORCEMENT**

- a. **Audit.** Illumina agrees to conduct an annual audit by an independent third-party auditor selected by Illumina from among the "Big 4" accounting firms to audit Illumina's compliance with the commitments set forth herein. Illumina will provide Customers with a written report (with reasonable redactions) confirming compliance with the commitments set forth herein. Illumina shall provide cooperation, including access to necessary books and records, in support of any audit conducted. To the extent Customer has a good faith basis for alleging that Illumina is in breach of a commitment contained herein, Illumina shall engage an auditor to assess Customer's allegation separate from and in addition to Illumina's annual audit.
- b. **Arbitration.** If any dispute arises from or relates to this Supply Agreement, including as a result of a dispute over terms in a separate agreement that incorporates the terms herein (the "Dispute"), other than claims involving infringement, validity, or enforceability of Intellectual Property Rights (whether Illumina's or Customer's), or about the scope of Intellectual Property Rights in an agreement, Illumina and Customer (each a "party" and together the "parties") shall submit the matter to confidential binding arbitration to determine final terms and conditions of the supply agreement, or to settle the dispute as to the terms of a supply agreement.
- i. Prior to submitting any matter to arbitration, Illumina and Customer shall each designate a contact having the proper authorization to resolve the Dispute in a final and binding fashion, who shall meet in person or by telephone for a period of thirty (30) days (or such other period of time as Illumina and the Customer shall mutually agree) in an attempt to resolve the Dispute in good faith.
- ii. The arbitration proceeding shall be conducted in accordance with the Commercial Arbitration Rules of the AAA and as otherwise described in this Section 12.b.
- iii. The location of the arbitration proceeding will be mutually agreed by the parties. In the event there is no agreement as to location, the arbitration proceeding will take place in New York City, NY.

- iv. Within five business days of the commencement of an arbitration, Customer and Illumina each shall furnish a legally binding writing to the other committing to maintain the confidentiality of the arbitration and of any written statement and discovery materials exchanged during the arbitration, and to limit the use of any such materials to the arbitration.
- v. Upon written request by either party to the other party, the parties shall promptly negotiate in good faith to appoint an appropriate Arbitrator. If the parties are not able to agree within ten (10) days after the receipt by a party of the written request in the immediately preceding sentence, the AAA shall be responsible for selecting an Arbitrator with relevant experience related to the dispute of at least ten (10) years and to do so within fifteen (15) days of being approached by a party. The fees and costs of the Arbitrator and the AAA shall be shared equally (50%/50%) by the parties. Each party to the arbitration shall bear its own legal fees and expenses.
- vi. Within twenty (20) days after the designation of the Arbitrator, the parties shall each simultaneously submit to the Arbitrator and one another a written statement of their respective positions on such Dispute. Each party shall have fifteen (15) days from receipt of the other party's submission to submit a written response thereto. The Arbitrator shall have the right to meet with the parties, either alone or together, as necessary to make a determination. Further, the Arbitrator shall have the right to request information and materials and to require and facilitate discovery as it shall determine is appropriate in the circumstances, taking into account the needs of the parties and the desirability of making discovery expeditious and cost-effective determinations. In reaching a decision, the Arbitrator may consider only documents exchanged in discovery between the parties, testimony explaining the documents and the parties' written statements and other materials submitted and arguments made by counsel.
- vii. No later than thirty (30) days after the parties each submit their written statements to the Arbitrator, or as otherwise agreed by the parties, the Arbitrator shall make a determination by selecting the resolution proposed by one of the parties that as a whole is the most consistent with this Agreement and the most fair and reasonable to the parties in light of the totality of the circumstances. The Arbitrator shall provide the parties with a written statement setting forth the basis of the determination in connection therewith, provided that the Arbitrator shall not have the authority to alter any explicit provision of the Supply Agreement. The decision of the Arbitrator shall be final, binding and conclusive, absent manifest error; judgment on the award may be entered in any court having jurisdiction. Neither party may disclose the existence, content, or results of any arbitration without the prior written consent of both parties, unless required by law.
- viii. The parties may, by agreement, modify any time periods specified in this Section 12.b. At any time after the commencement of arbitration, the parties may agree to suspend the arbitration, for periods not to exceed fourteen (14) days in the aggregate, to attempt to resolve their dispute through negotiation. The parties shall effectuate such suspension through a joint writing filed with the AAA. Either party may terminate the suspension at any time by filing with the AAA a writing calling for the arbitration to resume.
- c. **Choice of Law.** This Supply Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to the conflicts-of-law principles thereof.

Appendix 1 to Exhibit A – Universal Consumables and Instruments Discount Schedules and List Price Catalogue

The following table lists any applicable discounts off the list price in the United States.

Table 1. Universal Consumables Discount Schedule:

Annual Sequencing Consumables Spend (in	NextSeq 550	NextSeq 550 (TG)	NextSeq 550Dx	NovaSeq v1.5	NextSeq 1000/2000
USD)					
\$0-500,000	0%	10%	0%	0%	0%
\$500,001-999,999	10%	20%	10%	0%	0%
\$1,000,000-4,999,999	15%	25%	15%	0%	3%
\$5,000,000-9,999,999	20%	30%	20%	3%	5%
\$10,000,000-19,999,999	25%	35%	25%	5%	7%
\$20,000,000-29,999,999	30%	40%	30%	10%	10%
\$30,000,000-39,999,999	30%	40%	30%	13%	13%
\$40,000,000-49,999,999	30%	40%	30%	15%	15%
\$50,000,000-\$74,999,999	30%	40%	30%	17%	15%
\$75,000,000+	30%	40%	30%	20%	15%

Discounts for new versions of Supplied Products (e.g., future consumables for NovaSeq, NextSeq 500/550, or future platforms) shall be added to the Supply Agreement in compliance with the terms and conditions of the Supply Agreement, including without limitation Section 5.

"Annual Sequencing Consumables Spend" equals the total of all amounts invoiced (excluding amounts paid for taxes and shipping, insurance, customs, and other transportation costs) by Illumina to Customer and its Affiliates for the purchase of Sequencing Consumables shipped to the United States during a given Contract Year during the Term.

"Baseline Amount" means Customer's good faith estimate of its purchase volume of NGS Consumables and Library Preparation Consumables to be shipped to the United States during the Baseline Period.

"Baseline Period" means the period starting on the date of last signature of the Supply Agreement (or an amendment that incorporates the terms of the Supply Agreement) and ending on the immediately following February 14.

"Contract Year" means the period from February 15 of a given calendar year during the Term through and including February 14 of the immediately following calendar year during the Term.

True-Up Calculation:

In the event that there is no annual purchase history upon which to calculate a base discount, Illumina and Customer will agree upon a discount based on the best estimate of Annual Sequencing Consumables Spend. No later than 60 days following the last day of the Baseline Period, Illumina shall perform a trueup analysis to determine if actual amounts invoiced (excluding amounts paid for taxes and shipping, insurance, customs, and other transportation costs) by Illumina to Customer for purchase of Sequencing Consumables shipped during Baseline Period exceeds or falls short of the Baseline Amount. In the event the discount Customer received for Consumables purchased during the Baseline Period is greater than or less than the discount that Customer should have received for such Consumables based on actual amounts invoiced (excluding amounts paid for taxes and shipping, insurance, customs, and other transportation costs) for purchase of Sequencing Consumables during such period, the following shall apply: Illumina will at Customer's request (x) refund to Customer the dollar amount representing the difference between the discount actually made available to Customer for Consumables and the discount that should have been made available to Customer for Consumables, or (y) issue to Customer a credit equal to the dollar amount representing the difference between the discount actually made available to Customer for Consumables and the discount that should have been made available to Customer for Consumables, which credit may be used by Customer for any future purchase of Supplied Product hereunder, or in the event of an underpayment, immediately invoice Customer for the dollar amount representing the difference between the discount actually made available to Customer for Consumables and the discount that should have been made available to Customer for Consumables, which invoice shall be paid within 30 days after the Customer's receipt of the invoice.

The following table lists any applicable discounts off the list price in the United States.

Table 2: Universal Hardware Discount Schedule:

<u>Tier</u>	Instrument Credits	Discount off NextSeq 500/550(including Dx)/1000/2000 Instrument	Discount off NovaSeq 6000 Instrument
1	1-30	5%	5%
2	31-50	10%	10%
3	51-100	13%	13%
4	101-200	15%	15%
5	201-300	17%	17%
6	300+	20%	20%

Table 3: Allocation of Instrument Credits:

Installed Instrument	Instrument Credits
NovaSeq 6000	10
NextSeq 500/550 (including Dx)/1000/2000	3
MiSeq (including Dx)	1

For each Installed Instrument, Customer shall be entitled to a specific number of Instrument Credits as set forth in Table 3.

"Installed Instrument" means a Supplied Product that is a sequencing instrument covered under an active service contract with Illumina, and is installed in Customer's or its Affiliates' facility in the United States.

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	Qty	List Price in USD
System	Instrument	NovaSeq	20012850		NovaSeq 6000 Sequencing System	The NovaSeq 6000 Sequencing System is for Research Use Only and is an integrated ultrahigh throughput system performing onboard cluster generation and sequencing. This system includes installation and training and 12 months warranty (including parts and labor).	1	985000
System	Instrument	NextSeq 500/550	20005715		NextSeq 550Dx Sequencing System	The NextSeq 550Dx instrument is intended for sequencing of DNA libraries when used with in vitro diagnostic assays performed on the instrument. The NextSeq 550Dx instrument is to be used with specific registered, certified or approved in vitro diagnostic reagents and analytical software. The instrument includes a dual boot configuration to enable the use of the instrument in either diagnostic (Dx) or research use only (RUO) mode. In vitro diagnostic sequencing assays, including the Germline and	1	347000

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	Qty	List Price in USD
						Somatic Variant Modules, are executed in diagnostic mode. Only IVD sequencing reagents can be utilized in diagnostic mode.		
System	Instrument	NextSeq 500/550	15046626	SY-415- 1002	NextSeq® 550 Sequencing System	Illumina NextSeq 550 Sequencing System is for Research Use Only and is an integrated system for automated generation of DNA clonal clusters by bridge amplification, sequencing, primary analysis, and array scanning. System includes embedded touchscreen monitor and on-instrument computer, NextSeq Control Software, installation and training, and 12 months warranty (including parts and labor).	1	275000
System	Instrument	NextSeq 500/550	20037138		Certified Pre-Owned NextSeq 550 System	Certified Pre-Owned NextSeq 550 System	1	225000
System Upgrade	Instrument	NextSeq 500/550	15068091	SY-415- 1003	NextSeq® 500 to NextSeq® 550 Upgrade	Available for pre-order. Upgrade NextSeq 500 to NextSeq 550 and enable array scanning of CytoSNP-850k, CytoSNP-12, and HumanKaryomap-12	1	50000

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	Qty	List Price in USD
						BeadChips. Upgrade cost will cover upgrade onsite by FSE.		
System	Instrument	NextSeq 1000/2000	20038897		NextSeq [™] 2000 Sequencing System	Illumina NextSeq 2000 Sequencing System is for Research Use Only and is an integrated system for automated generation of DNA clonal clusters by bridge amplification, sequencing, primary analysis, and secondary analysis. System includes embedded touchscreen monitor and on- instrument computer, control software, hardware accelerated Dragen Bio-IT secondary analysis pipelines, installation and training, and 12 months warranty (including parts and labor).	1	335000

Material	Material Class	L02	Material	Catalog	Product Name	Product Description	Qty	List
Class Type		Product	<u>#</u>	<u>#</u>				<u>Price</u>
		Category						in USD
		<u>Desc</u>						
System	Instrument	NextSeq	20038898		NextSeq™ 1000	Illumina NextSeq 1000	1	210000
		1000/2000			Sequencing System	Sequencing System is for		
						Research Use Only and is an		
						integrated system for		
						automated generation of DNA		
						clonal clusters by bridge		
						amplification, sequencing,		
						primary analysis, and		
						secondary analysis. System		
						includes embedded		
						touchscreen monitor and on-		
						instrument computer, control		
						software, hardware accelerated		
						Dragen Bio-IT secondary		
						analysis pipelines. Installation		
						and training, and 12 months		
						warranty (including parts and		
						labor).		
Instrument	Instrument	SQ Misc	20022240		NextSeq Air Filter	NextSeq Air Filters ensure that	1	85
Spares						internal components of the		
						instrument remain free of dust		
						and other environmental		
						contaminants for optimal		
						performance. We recommend		
						replacing air filters every 90		
						days as part of standard		
						NextSeq preventative		
						maintenance.		

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	<u>Qty</u>	List Price in USD
Standard Consumables	Consumables	NovaSeq	20028312		NVSEQ 6000 S4 Rgt Kit v1.5 (300cyc)	This reagent kit provides one NovaSeq S4 flow cell (with 4 lanes) and reagent consumables to support a single flow cell 300 cycles run on the NovaSeq 6000.	1	14400
Standard Consumables	Consumables	NovaSeq	20028313		NVSEQ 6000 S4 Rgt Kit v1.5 (200cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 200-cycle NovaSeq run.	1	12925
Standard Consumables	Consumables	NovaSeq	20044417		NVSEQ 6000 S4 Rgt Kit v1.5 (35cyc)	This v1.5 reagent kit provides the flow cell and reagent consumables to support a single S4 flow cell 35 cycles NovaSeq run.	1	10500
Standard Consumables	Consumables	NovaSeq	20028314		NVSEQ 6000 S2 Rgt Kit v1.5 (300cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 300 cycles NovaSeq run.	1	9600
Standard Consumables	Consumables	NovaSeq	20028315		NVSEQ 6000 S2 Rgt Kit v1.5 (200cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 200 cycles NovaSeq run.	1	9000
Standard Consumables	Consumables	NovaSeq	20028316		NVSEQ 6000 S2 Rgt Kit v1.5 (100cyc)	This reagent kit provides the flow cell and reagent consumables to support a	1	7250

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	<u>Qty</u>	List Price in USD
		<u> </u>				single flow cell 100 cycles NovaSeq run.		
Standard Consumables	Consumables	NovaSeq	20028317		NVSEQ 6000 S1 Rgt Kit v1.5 (300cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 300 cycles NovaSeq run.	1	5250
Standard Consumables	Consumables	NovaSeq	20028318		NVSEQ 6000 S1 Rgt Kit v1.5 (200cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 200 cycles NovaSeq run.	1	4850
Standard Consumables	Consumables	NovaSeq	20028402		NVSEQ 6000 SP Rgt Kit v1.5 (500cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 500 cycles NovaSeg run.	1	4200
Standard Consumables	Consumables	NovaSeq	20028319		NVSEQ 6000 S1 Rgt Kit v1.5 (100cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 100 cycles NovaSeq run.	1	3850
Standard Consumables	Consumables	NovaSeq	20028400		NVSEQ 6000 SP Rgt Kit v1.5 (300cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 300 cycles NovaSeq run.	1	3000

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	<u>Qty</u>	List Price in USD
Standard Consumables	Consumables	NovaSeq	20040719		NVSEQ 6000 SP Rgt Kit v1.5 (200cyc)	This reagent kit provides the flow cell and reagent consumables to support a single SP flow cell 200 cycles NovaSeq run.	1	2750
Standard Consumables	Consumables	NovaSeq	20028401		NVSEQ 6000 SP Rgt Kit v1.5 (100cyc)	This reagent kit provides the flow cell and reagent consumables to support a single flow cell 100 cycles NovaSeq run.	1	2100
Standard Consumables	Consumables	NovaSeq	20043131		NovaSeq XP 4-Lane Kit v1.5	The NovaSeq Xp 4-Lane Kit is a consumable used along with the NovaSeq Xp Flow Cell Dock in an optional workflow that allows accessibility to individual lanes of the NovaSeq flow cell. The kit consists of ExAmp reagents (3 tubes) and a single manifold needed to load a 4-lane NovaSeq flow cell.	1	599
Standard Consumables	Consumables	NovaSeq	20043130		NovaSeq XP 2-Lane Kit v1.5	The NovaSeq Xp 2-Lane Kit is a consumable used along with the NovaSeq Xp Flow Cell Dock in an optional workflow that allows accessibility to individual lanes of the NovaSeq flow cell. The kit consists of ExAmp reagents (3 tubes) and a single manifold needed to load a 2-lane NovaSeq flow cell.	1	299

Material	Material Class	<u>L02</u>	Material	Catalog	Product Name	Product Description	Qty	<u>List</u>
Class Type		Product Category Desc	#	#				Price in USD
Standard Consumables	Consumables	NextSeq 500/550	20028871		NextSeq 550Dx HO Rgt Kit v2.5 (300 cyc)	NextSeq 550Dx High Output Reagent Kit v2.5 (300 Cycles) is a set of reagents and consumables intended for sequencing of sample libraries when used with validated assays. The kit is intended for use with the NextSeq 550Dx instrument and analytical software.	1	6335
Standard Consumables	Consumables	NextSeq 500/550	20024913		TG NSQ 500/550 Hi Output v2.5 (300 CYS)	Provides kitted reagents for 300 cycles of sequencing, plus dual- indexing support on a High Output run (up to 400M reads). Includes: High Output Reagent Cartridge (300 cycles), High Output Flow Cell Cartridge, and Buffer Cartridge.	1	5825
Standard Consumables	Consumables	NextSeq 500/550	20024908		NSQ 500/550 Hi Output KT v2.5 (300 CYS)	Provides kitted reagents for 300 cycles of sequencing, plus dual- indexing support on a High Output run (up to 400M reads). Includes: High Output Reagent Cartridge (300 cycles), High Output Flow Cell Cartridge, and Buffer Cartridge.	1	5065
Standard Consumables	Consumables	NextSeq 500/550	20024912		TG NSQ 500/550 Hi Output v2.5 (150 CYS)	Provides kitted reagents for 150 cycles of sequencing, plus dual- indexing support on a High Output run (up to 400M	1	3635

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	<u>Qty</u>	List Price in USD
						reads). Includes: High Output Reagent Cartridge (150 cycles), High Output Flow Cell Cartridge, and Buffer Cartridge.		
Standard Consumables	Consumables	NextSeq 500/550	20024907		NSQ 500/550 Hi Output KT v2.5 (150 CYS)	Provides kitted reagents for 150 cycles of sequencing, plus dual- indexing support on a High Output run (up to 400M reads). Includes: High Output Reagent Cartridge (150 cycles), High Output Flow Cell Cartridge, and Buffer Cartridge.	1	3160
Standard Consumables	Consumables	NextSeq 500/550	20024910		TG NSQ 500/550 Mid Output v2.5 (300 CYS)	Provides kitted reagents for 300 cycles of sequencing, plus dual- indexing support on a Mid Output run (up to 130M reads). Includes: Mid Output Reagent Cartridge (300 cycles), Mid Output Flow Cell Cartridge, and Buffer Cartridge.	1	2230
Standard Consumables	Consumables	NextSeq 500/550	20028870		NextSeq 550Dx HO Rgt Kit v2.5 (75 cyc)	NextSeq 550Dx High Output Reagent Kit v2.5 (75 Cycles) is a set of reagents and consumables intended for sequencing of sample libraries when used with validated assays. The kit is intended for use with the NextSeq 550Dx instrument and analytical software.	1	2195

<u>Material</u>	Material Class	<u>L02</u>	Material	Catalog	Product Name	Product Description	Qty	List
Class Type		Product Category Desc	<u>#</u>	<u>#</u>				Price in USD
Standard Consumables	Consumables	NextSeq 500/550	20024905		NSQ 500/550 Mid Output KT v2.5 (300 CYS)	Provides kitted reagents for 300 cycles of sequencing, plus dual- indexing support on a Mid Output run (up to 130M reads). Includes: Mid Output Reagent Cartridge (300 cycles), Mid Output Flow Cell Cartridge, and Buffer Cartridge.	1	1940
Standard Consumables	Consumables	NextSeq 500/550	20024911		TG NSQ 500/550 Hi Output v2.5 (75 CYS)	Provides kitted reagents for 75 cycles of sequencing, plus dualindexing support on a High Output run (up to 400M reads). Includes: High Output Reagent Cartridge (75 cycles), High Output Flow Cell Cartridge, and Buffer Cartridge.	1	1895
Standard Consumables	Consumables	NextSeq 500/550	20024906		NSQ 500/550 Hi Output KT v2.5 (75 CYS)	Provides kitted reagents for 75 cycles of sequencing, plus dualindexing support on a High Output run (up to 400M reads). Includes: High Output Reagent Cartridge (75 cycles), High Output Flow Cell Cartridge, and Buffer Cartridge.	1	1650
Standard Consumables	Consumables	NextSeq 500/550	20024909		TG NSQ 500/550 Mid Output v2.5 (150 CYS)	Provides kitted reagents for 150 cycles of sequencing, plus dual- indexing support on a Mid Output run (up to 130M reads). Includes: Mid Output Reagent Cartridge (150 cycles), Mid	1	1385

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	Qty	List Price in USD
						Output Flow Cell Cartridge, and Buffer Cartridge.		
Standard Consumables	Consumables	NextSeq 500/550	20024904		NSQ 500/550 Mid Output KT v2.5 (150 CYS)	Provides kitted reagents for 150 cycles of sequencing, plus dual- indexing support on a Mid Output run (up to 130M reads). Includes: Mid Output Reagent Cartridge (150 cycles), Mid Output Flow Cell Cartridge, and Buffer Cartridge.	1	1205
Standard Consumables	Consumables	NextSeq 1000/2000	20040561		NextSeq [™] 2000 P3 Reagents (300 Cycles)	Provides kitted reagents for 300 cycles of sequencing, plus dual- indexing support (up to 1.1B single reads). Includes: NextSeq 2000 Reagent Cartridge (300 cycles), NextSeq 2000 P3 Flow Cell, and RSB with Tween 20.	1	6000
Standard Consumables	Consumables	NextSeq 1000/2000	20040560		NextSeq [™] 2000 P3 Reagents (200 Cycles)	Provides kitted reagents for 200 cycles of sequencing, plus dual- indexing support (up to 1.1B single reads). Includes: NextSeq 2000 Reagent Cartridge (200 cycles), NextSeq 2000 P3 Flow Cell, and RSB with Tween 20.	1	4500

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	Qty	List Price in USD
Standard Consumables	Consumables	NextSeq 1000/2000	20046813		NextSeq [™] 1000/2000 P2 Reagents (300 Cycles)	Provides kitted reagents for 300 cycles of sequencing, plus dual- indexing support (up to 400M single reads). Includes: NextSeq 1000/2000 Reagent Cartridge (300 cycles), NextSeq 1000/2000 P2 Flow Cell, and RSB with Tween 20.	1	3540
Standard Consumables	Consumables	NextSeq 1000/2000	20040559		NextSeq [™] 2000 P3 Reagents (100 Cycles)	Provides kitted reagents for 100 cycles of sequencing, plus dual- indexing support (up to 1.1B single reads). Includes: NextSeq 2000 Reagent Cartridge (100 cycles), NextSeq 2000 P3 Flow Cell, and RSB with Tween 20.	1	3250
Standard Consumables	Consumables	NextSeq 1000/2000	20046116		NextSeq [™] 1000/2000 Index Primer Kit	Reagents to utilize custom index primers with the NextSeq 1000/2000 cartridge. This kit is sufficient for 10 custom index primer uses.	1	2775
Standard Consumables	Consumables	NextSeq 1000/2000	20046117		NextSeq™ 1000/2000 Read Primer Kit	Reagents to utilize custom read primers with the NextSeq 1000/2000 cartridge. This kit is sufficient for 10 custom read primer uses.	1	2750
Standard Consumables	Consumables	NextSeq 1000/2000	20046812		NextSeq™1000/2000 P2 Reagents (200 Cycles)	Provides kitted reagents for 200 cycles of sequencing, plus dual- indexing support (up to 400M single reads). Includes:	1	2670

Material Class Type	Material Class	L02 Product Category Desc	Material #	Catalog #	Product Name	Product Description	<u>Qty</u>	List Price in USD
						NextSeq 1000/2000 Reagent Cartridge (200 cycles), NextSeq 1000/2000 P2 Flow Cell, and RSB with Tween 20.		
Standard Consumables	Consumables	NextSeq 1000/2000	20046810		NextSeq [™] 2000 P3 Reagents (50 Cycles)	Provides kitted reagents for 50 cycles of sequencing, plus dualindexing support (up to 1.1B single reads). Includes: NextSeq 2000 Reagent Cartridge (50 cycles), NextSeq 2000 P3 Flow Cell, and RSB with Tween 20.	1	2250
Standard Consumables	Consumables	NextSeq 1000/2000	20046811		NextSeq™1000/2000 P2 Reagents (100 Cycles)	Provides kitted reagents for 100 cycles of sequencing, plus dual- indexing support (up to 400M single reads). Includes: NextSeq 1000/2000 Reagent Cartridge (100 cycles), NextSeq 1000/2000 P2 Flow Cell, and RSB with Tween 20.	1	1420
Standard Consumables	Consumables	NextSeq 1000/2000	20046115		NextSeq [™] 1000/2000 Read & Index Primers	Reagents to utilize custom read and index primers with the NextSeq 1000/2000 cartridge. This kit is sufficient for 1 custom read primer and 1 custom index primer use.	1	600

Exhibit B – IVD Test Kit Agreement Terms

In connection with Illumina Inc.'s proposed acquisition of GRAIL, Inc. (the "Transaction"), Illumina is offering to [COMPANY] the following terms. [COMPANY] may select from the terms below for any of three types of IVD Test Kit Agreements: An "All Platforms" Agreement described in the leftmost column, a "NextSeq" Agreement described in the middle column, or a "NovaSeq" Agreement, described in the rightmost column. [COMPANY] is referred to as "Customer" in Exhibit B. Any IVD Test Kit Agreement under the terms offered in this Exhibit B shall not be effective unless and until the Transaction closes, regardless of the date of signing.

Platform	All Platforms	NextSeq	NovaSeq
Objectives and Applicable Instruments	The parties would enter into an IVD Test Kit Agreement (the "Agreement") to enable Customer to develop and commercialize distributable in-vitro diagnostic (IVD) test kits ("IVD Test Kits") for use on Illumina's NextSeq 550Dx and future Illumina regulatory-approved Dx sequencing platforms, including the expected NovaSeqDx ("IVD Hardware"). Illumina does not guarantee that	The parties would enter into an IVD Test Kit Agreement (the "Agreement") to enable Customer to develop and commercialize distributable in-vitro diagnostic (IVD) test kits ("IVD Test Kits") for use on Illumina's NextSeq 550Dx sequencing platform (the "NextSeqDx").	The parties would enter into an IVD Test Kit Agreement (the "Agreement") to enable Customer to develop and commercialize distributable in-vitro diagnostic (IVD) test kits ("IVD Test Kits") for use on an Illumina platform for diagnostic purposes that is currently under development that is similar to the NovaSeq (the "NovaSeqDx"). Illumina does not guarantee that
	NovaSeqDx or any future platforms will receive regulatory approval in any jurisdiction. ²		NovaSeqDx will receive regulatory approval in any jurisdiction. ³
Number of IVD Test Kits	Unlimited	Up to three (3)	Up to three (3)
Territory	Worldwide, in jurisdictions where the	ne applicable IVD Hardware has regulatory	y approval.

² Illumina does not guarantee that the NovaSeqDx or any future platforms will be listed pursuant to applicable regulations in any jurisdiction.

Platform	All Platforms	NextSeq	NovaSeq
Term	 Term of Agreement (during which time Customer could sell IVD Test Kits) would be 15 years from the date the Transaction closes. Customer could enter into new IVD Plans for IVD Test Kit development during the first 10 years (the "Development Term"). Continued Commercialization: After expiration of the Term, Customer may continue commercializing IVD Test Kits that were launched before expiration of the Term for so long as Illumina is still commercializing the applicable Sequencing Consumables and servicing and supporting the applicable IVD Hardware in the applicable Territory. 	 10 years from the date the Transaction closes. Continued Commercialization: After the expiration of the Term, Customer may continue commercializing IVD Test Kits that were launched before the expiration of the Term for so long as Illumina is still commercializing the applicable Sequencing Consumables and servicing and supporting the NextSeqDx in the applicable Territory. 	 10 years from the later of (i) the date the Transaction closes or (ii) the date NovaSeqDx is listed with FDA in the U.S. pursuant to applicable law. Continued Commercialization: After the expiration of the Term, Customer may continue commercializing IVD Test Kits that were launched before the expiration of the Term for so long as Illumina is still commercializing the applicable Sequencing Consumables and servicing and supporting the NovaSeqDx in the applicable Territory.
Financial Considerations	 Tech Access Fee: \$25M, paid one-time only, upon execution of the Agreement. Customer would receive a credit for any Tech Access Fees previously paid to Illumina under a NextSeqDx or NovaSeqDx-only IVD Kit Agreement. Development Milestone Payments: NextSeqDx \$1M per IVD Test Kit; NovaSeqDx \$5M per 	 Tech Access Fee: \$3M, paid one-time only, upon execution of the Agreement. Development Milestone Payments: \$1M per IVD Test Kit, 50% upon acceptance of the LRM Software Module and 50% upon first regulatory Approval of the IVD Test Kit. Revenue Share: 6% of net sales (gross sales less customary 	 Tech Access Fee: \$15M, paid one-time only, upon execution of the Agreement. Development Milestone Payments: \$5M per IVD Test Kit, 50% upon acceptance of the LRM Software Module and 50% upon first regulatory Approval of the IVD Test Kit. Revenue Share: 6% of net sales (gross sales less customary

Platform	All Platforms	NextSeq	NovaSeq
	IVD Test Kit; future platforms dependent on throughput. After 5 IVD Test Kits on one platform, milestones reduce by 50% for additional IVD Test Kits on that platform.	deductions) of the IVD Test Kits, payable quarterly.	deductions) of the IVD Test Kits, payable quarterly.
	50% upon acceptance of the LRM Software Module and 50% upon first regulatory Approval of the IVD Test Kit.		
	Revenue Share: 6% of net sales (gross sales less customary deductions) of the IVD Test Kits, payable quarterly.		
Governance for All Platforms Agreement	 A Joint Steering Committee ("JSC") composed of an equal number of representatives from each party would oversee the collaboration. 	• N/A	• N/A
Additional End- User Technical Support for All Platforms Agreement	The parties would enter into one or more IVD Support Schedule(s) that would specify: cross-training activities to facilitate customer support a customer triage mechanism, including turnaround time requirements and an Information Transfer Form to facilitate customer hand-offs	• N/A	• N/A

Platform	All Platforms	NextSeq	NovaSeq
	 timing and mechanism for review of customer support cases and quality/safety metrics escalation procedures and adverse event reporting mechanisms mechanism for discussing potential cross-product replacement processes 		
Additional Commercial Support for All Platforms Agreement	Upon Customer's request, the parties would establish a joint commercialization committee (JCC) to discuss potential opportunities to collaborate commercially, including comarketing and co-promotion opportunities, commercialization cross-training opportunities, lead generation joint campaigns, etc.	• N/A	• N/A
	Illumina would provide marketing materials concerning the IVD Hardware and Sequencing Consumables for Customer's use in commercializing the IVD Test Kits.		
	Customer would have the right to reference the name and catalogue number of the IVD Hardware and Sequencing Consumables used in an IVD System in marketing materials for the IVD Test Kit and		

Platform	All Platforms	NextSeq	NovaSeq
	to reference the Illumina-provided information concerning the Illumina sales organization or channel partner responsible for selling the IVD Hardware and Sequencing Consumables for a given country.		
	On a semi-annual basis Illumina would share the following information concerning Illumina's IVD Hardware install base to support Customer's commercialization of IVD Test Kits:		
	 Total IVD Hardware instrument placements by Illumina in the Territory by region and by country Total IVD Hardware instrument placements by 		
	Illumina, sorted by Illumina-designated customer segment (e.g., academic medical center labs, IDN/regional hospital labs, community hospital		
	labs, etc.) • Total number of Customer sites who have purchased IVD Hardware from Illumina by customer segment		

Platform	All Platforms	NextSeq	NovaSeq
	The Agreement would contain a mechanism for agreeing upon Commercial Plans for support of IVD Test Kit commercialization, including:		
	 jurisdiction-specific commercialization planning, including connecting responsible Customer representatives and Illumina affiliates and channel partners who would operate in a particular jurisdiction assistance with enabling third-party laboratories to perform pre-launch verification studies to ensure commercial readiness of the IVD Test Kit mechanisms for providing 		
	assistance and documentation with respect to requests for public tender offers		
	marketing materials Illumina would provide concerning the IVD Hardware and Sequencing Consumables for Customer's use in		

Platform	All Platforms	NextSeq	NovaSeq	
	commercializing the IVD Test Kits			
Field	 Field: Oncology, including risk assessment, screening, diagnosis, staging, prognosis, monitoring, and treatment selection. Exclusion: Whole genome sequencing ("WGS"), meaning an assay that sequences all or substantially all of the genome to a depth greater than 10x and reports information concerning nucleotide base calls or variants in nucleotide sequence, structure, or copy number; provided, however, that WGS does not include any such assay that reports only genome-wide signals such as (a) DNA fragmentation patterns or (b) nucleotide base modification such as methylations. For clarity, the field would not include forensic testing, non-invasive prenatal testing, pre-implantation genetic screening of embryos or pre-implantation genetic diagnosis of embryos, or human leukocyte antigen testing in connection with transplantation. 			
Exclusivity	Non-exclusive			
IVD Systems and IVD Test Kits	 the IVD Hardware/the NextS the associated core sequence an LRM software module (or IVD Hardware) developed by NextSeqDx/the NovaSeqDx the IVD Test Kit The IVD Test Kits would contain all recustomer's analysis software. Customer would supply the IVD Test Illumina would supply the Sequencing 	rstem") would consist of, for the applicable agreement: e/the NextSeqDx/the NovaSeqDx ore sequencing consumables used in the sequencing process ("Sequencing Consumables") module (or software having similar functionality for use with NovaSeqDx or other future eveloped by Illumina to run the IVD Test Kit on the applicable IVD Hardware/the IovaSeqDx (the "LRM Software Module") contain all reagents needed for the workflow (other than Sequencing Consumables) and vare. the IVD Test Kits and LRM Software Modules to end-users. e Sequencing Consumables and IVD Hardware/NextSeqDx/NovaSeqDx to end-users. consible for development (other than Illumina developing the LRM Software Modules for		
IVD Plans	Each IVD Test Kit, and the parties' sp	pecific development obligations and timel nt plan to be negotiated in good faith (each	ines with respect to each IVD Test Kit,	

Platform	All Platforms	NextSeq	NovaSeq	
	Customer would propose potential IVD Plans. Illumina may not unreasonably reject any proposed IVD Plan.			
	• It would be deemed reasonable for Illumina to reject any proposed IVD Plan that: (a) is reasonably likely to cause Illumina or its Affiliate not to comply with Law, or result in a breach of any agreement or other arrangement to which Illumina or its Affiliate is a party; (b) would result in an IVD Test Kit that is reasonably likely to be used in a manner that is contrary to ethical guidelines promulgated by established national and international ethical bodies; (c) is reasonably likely to require Illumina to engage in any development activities after expiration of the Development Term (in the case of the all-platforms Agreement) or the Term (in the case of the NextSeqDx or NovaSeqDx Agreement); (d) is not technologically feasible or would require IVD Hardware/NextSeqDx/NovaSeqDx or Sequencing Consumables to be used in a manner outside standard, published, specifications or Illumina's standard terms and conditions of sale; (e) is reasonably likely to result in an IVD Test Kit that violates or infringes upon the IP of a third party; or (f) requires Illumina to perform activities not specified in this Exhibit B or the Agreement.			
Customer <u>Development</u>				
Responsibilities	 Develop and obtain regulatory approval for the IVD Test Kits (including all related testing, studies, and regulatory submissions). IVD Hardware/NextSeqDx/NovaSeqDx instruments and Sequencing Consumables required for development would be purchased from Illumina under the terms and conditions specified in the Supply Agreement. Customer may enter into the Supply Agreement provided in Exhibit A to the Open Offer during the Open Offer Period. 			
	 Validate and obtain regulatory approval for the LRM Software Modules (including all related testing, stured regulatory submissions, other than the LRM Software Module verification done by Illumina). Commercialization 			
	Manufacture and sell the IVD Test Kits and distribute the LRM Software Modules to end-users.			
	Maintain reasonable quality systems, consistent with industry standards and applicable legal requirements.			
	 Provide reasonable product support and LRM Software Modules. 	Provide reasonable product support and technical support, consistent with industry standards, for the IVD Test Kits and LRM Software Modules.		
	Refer to Illumina all support inquiries which Customer has reasonably determined to be caused by the IVD Hardware or Sequencing Consumables.			
Illumina Responsibilities	<u>Development</u>	<u>Development</u>	<u>Development</u>	

Platform	All Platforms	NextSeq	NovaSeq
Platform	 Develop and verify the LRM Software Modules for the IVD Test Kits. Supply Customer the IVD Hardware and Sequencing Consumables needed for development and testing of the IVD Test Kits. Provide reasonable consultation in connection with Customer seeking, obtaining, and maintaining regulatory approvals 	 Develop and verify the LRM Software Modules for the IVD Test Kits. Supply Customer the NextSeqDx and Sequencing Consumables needed for development and testing of the IVD Test Kits. Provide reasonable consultation in connection with Customer seeking, obtaining, and maintaining regulatory approvals for each IVD Test Kit and LRM 	 Develop and verify the LRM Software Modules for the IVD Test Kits. Supply Customer the NovaSeqDx and Sequencing Consumables needed for development and testing of the IVD Test Kits. Provide reasonable consultation in connection with Customer seeking, obtaining, and maintaining regulatory approvals for each IVD Test Kit and LRM
	for each IVD Test Kit and LRM Software Module. • Provide reasonable consultation with respect to performance optimization of IVD Test Kits with the IVD Hardware and Sequencing Consumables (which consultation would not involve technical development or testing). • Once per calendar year during the	 Software Module. Provide reasonable consultation with respect to performance optimization of IVD Test Kits with the NextSeqDx and Sequencing Consumables (which consultation would not involve technical development or testing). Illumina would not be required to obtain any regulatory approvals 	 Software Module. Provide reasonable consultation with respect to performance optimization of IVD Test Kits with the NovaSeqDx and Sequencing Consumables (which consultation would not involve technical development or testing). Illumina would not be required to obtain any regulatory approvals
	Development Term, the Illumina JSC members would provide the Partner JSC members with a general, high-level, presentation concerning Illumina's in vitro diagnostic sequencing instrument pipeline, including a general description of instruments for which Illumina intends to seek	for the NextSeqDx or Sequencing Consumables or to otherwise expand or modify any regulatory approval for Sequencing Consumables or IVD Hardware (including any expanded sample type claim or additional regulatory approval in any jurisdiction(s)). Commercialization	for the NovaSeqDx or Sequencing Consumables or to otherwise expand or modify any regulatory approval for Sequencing Consumables or IVD Hardware (including any expanded sample type claim or additional regulatory approval in any jurisdiction(s)). Commercialization

Platform	All Platforms	NextSeq	NovaSeq
	Regulatory Approval during the following calendar year. • Illumina would not be required to obtain any regulatory approvals for the IVD Hardware or Sequencing Consumables or to otherwise expand or modify any regulatory approval for	Sell the NextSeqDx and Sequencing Consumables to end- users throughout the Change Period and use commercially reasonable efforts to sell Sequencing Consumables for an additional 5 years after the Change Period.	Sell the NovaSeqDx and Sequencing Consumables to endusers throughout the Change Period and use commercially reasonable efforts to sell Sequencing Consumables for an additional 5 years after the Change Period.
	Sequencing Consumables or IVD Hardware (including any expanded sample type claim or additional regulatory approval in any	Provide product support and technical support to end-users for the NextSeqDx and Sequencing Consumables.	Provide product support and technical support to end-users for the NovaSeqDx and Sequencing Consumables.
	 jurisdiction(s)). Commercialization Sell the IVD Hardware and Sequencing Consumables to endusers throughout the Change 	Refer to Customer all support inquiries which Illumina has reasonably determined to be caused by an IVD Test Kit or LRM Software Module.	Refer to Customer all support inquiries which Illumina has reasonably determined to be caused by an IVD Test Kit or LRM Software Module.
	Period and use commercially reasonable efforts to sell Sequencing Consumables for an	Provide second-tier product and technical support for the LRM Software Modules to Customer.	Provide second-tier product and technical support for the LRM Software Modules to Customer.
	 additional 5 years after the Change Period. Provide product support and technical support to end-users for 	Provide Customer with the right to engage in quality audits to the extent required by applicable law and regulatory requirements.	Provide Customer with the right to engage in quality audits to the extent required by applicable law and regulatory requirements.
	the IVD Hardware and Sequencing Consumables.	Use commercially reasonable efforts to maintain existing	Use commercially reasonable efforts to maintain regulatory
	 Refer to Customer all support inquiries which Illumina has reasonably determined to be caused by an IVD Test Kit or LRM Software Module. 	regulatory approvals for the NextSeqDx and related Sequencing Consumables throughout the Change Period and for five years thereafter.	approvals (once obtained) for the NovaSeqDx and related Sequencing Consumables throughout the Change Period and for five years thereafter.

Platform	All Platforms	NextSeq	NovaSeq
	 Provide second-tier product and technical support for the LRM Software Modules to Customer. Provide Customer with the right to engage in quality audits to the extent required by applicable law and regulatory requirements. Use commercially reasonable efforts to maintain existing and new regulatory approvals (once obtained) for the IVD Hardware and related Sequencing Consumables throughout the Change Period and for five years thereafter. During the Change Period for each IVD Hardware, Illumina would (a) provide at least 6 months' notice for major, planned changes to the platform (IVD Hardware, Sequencing Consumables, or LRM Software Modules) and (b) notify Customer as soon as reasonably practicable of any major, unplanned changes to IVD Hardware, Sequencing Consumables, or LRM Software Modules. A major change is a change that Illumina reasonably expects to require Customer to make a filing or submission to any regulatory authority in connection 	During the Change Period, Illumina would (a) provide at least 6 months' notice for major, planned changes to the platform (NextSeqDx, Sequencing Consumables, or LRM Software Modules) and (b) notify Customer as soon as reasonably practicable of any major, unplanned changes to the NextSeqDx, Sequencing Consumables, or LRM Software Modules. A major change is a change that Illumina reasonably expects to require Customer to make a filing or submission to any regulatory authority in connection with obtaining or maintaining regulatory approval for an IVD Test Kit.	During the Change Period, Illumina would (a) provide at least 6 months' notice for major, planned changes to the platform (NovaSeqDx, Sequencing Consumables, or LRM Software Modules) and (b) notify Customer as soon as reasonably practicable of any major, unplanned changes to the NovaSeqDx, Sequencing Consumables, or LRM Software Modules. A major change is a change that Illumina reasonably expects to require Customer to make a filing or submission to any regulatory authority in connection with obtaining or maintaining regulatory approval for an IVD Test Kit.

Platform	All Platforms	NextSeq	NovaSeq	
	with obtaining or maintaining regulatory approval for an IVD Test Kit.			
	Following a notice under (a) or (b) above, upon Customer's reasonable request, Illumina would discuss with Customer the steps necessary to transition to modified or successor instruments, core consumables, or LRM software modules, if any, and Illumina would use commercially reasonable efforts to assist Customer with such transition.			
Change Period	_	The "Change Period" for the NextSeqDx and its related Sequencing Consumables and LRM Software Modules would end no earlier than ten years from the date the Transaction closes.		
	Modules, the Change Period would e would ensure that all customers wit	ture IVD Hardware and their related Sequend no earlier than ten years from the dath IVD development agreements have the tons to the Change Period Illumina may m	te the Transaction closes. Illumina same Change Period for the applicable	
Rights Grants	 Illumina would grant Customer, by exhaustion, the right under Illumina core sequencing IP (but not any application-specific IP) to use the IVD Hardware and Sequencing Consumables purchased from Illumina under the Agreement to develop the IVD Test Kits. 			
	Consumables in support of seeking F	ht to refer to the device listing for the IVD Regulatory Approval for the IVD Test Kits a the submissions for the IVD Test Kits and	and to incorporate the information	
	_	e license to enable Customer to distribute c. Customer would not receive access to t		

Platform	All Platforms	NextSeq	NovaSeq
Sublicensing and Assignment	 All rights and licenses granted to Customer would be personal, non-sublicensable, and non-transferable. The IVD Test Kits could be commercialized only under a Customer-owned brand and not as a private label or "white label" for any person other than Customer or under any original equipment manufacturer (OEM) arrangement. Customer would not have the right to assign or transfer the Agreement or any rights or obligations under the Agreement without the prior written consent of Illumina (which restriction would not apply to acquisitions of Customer where the Customer entity that is party to the Agreement does not change). 		
Change of Control	 If Customer undergoes a Change of Control, Customer would notify Illumina within 5 business days. Under any Change of Control, Customer would pay Illumina a \$2M change of control fee. 		
Press Release	Any press release announcing the Agreement would be reviewed and approved by both parties.		
GRAIL Firewall	 Illumina shall establish a firewall designed to prevent any GRAIL personnel (and any Illumina personnel carrying out activities with respect to the GRAIL business or products) from accessing any Confidential Information obtained by or made available to Illumina relating to Customer or its business or products, whether pursuant to this Supply Agreement or otherwise. 		
Arbitration	If any dispute arises from or relates to an Agreement as to the terms set forth above, other than claims involving infringement, validity, or enforceability of intellectual property rights (whether Illumina's or Customer's), or about the scope of intellectual property rights in an Agreement, the Parties shall submit the dispute to confidential binding arbitration.		
Additional Provisions	such as confidentiality, compliance	contains a high-level summary of certain terms of the Agreement. Additional standard provisions, intiality, compliance requirements, representations and warranties, indemnification, termination share reporting and audit rights, limitations on liability, force majeure, etc. would be included in the	
Choice of Law	This IVD Test Kit Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to the conflicts-of-law principles thereof.		