UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarter ended: July 1, 2017

Commission File Number: 001-14041

HAEMONETICS CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts	**04-2882273**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

400 Wood Road, Braintree, MA 02184

(Address of principal executive offices)

Registrant's telephone number, including area code: **(781) 848-7100**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☑ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer o

Non-accelerated filer o (Do not check if a smaller reporting company)

Smaller reporting company o

Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)

Yes o No ☑

The number of shares of $0.01 par value common stock outstanding as of August 3, 2017: 52,606,339

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ITEM 1. FINANCIAL STATEMENTS

HAEMONETICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Unaudited in thousands, except per share data)

	Three Months Ended	
	July 1, 2017	July 2, 2016
Net revenues	$ 210,951	$ 209,956
Cost of goods sold	119,286	118,900
Gross profit	91,665	91,056
Operating expenses:		
Research and development	8,193	11,437
Selling, general and administrative	66,861	87,500
Total operating expenses	75,054	98,937
Operating income (loss)	16,611	(7,881)
Gain on divestiture	8,000	—
Interest and other expense, net	(1,359)	(2,177)
Income (loss) before provision for income taxes	23,252	(10,058)
Provision for income taxes	3,115	288
Net income (loss)	**$ 20,137**	**$ (10,346)**
Net income (loss) per share - basic	$ 0.38	$ (0.20)
Net income (loss) per share - diluted	$ 0.38	$ (0.20)
Weighted average shares outstanding		
Basic	52,443	51,021
Diluted	52,811	51,021
Comprehensive income (loss)	23,766	(11,233)

The accompanying notes are an integral part of these consolidated financial statements.

HAEMONETICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	July 1, 2017	April 1, 2017
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 171,739	$ 139,564
Accounts receivable, less allowance of $2,267 at July 1, 2017 and $2,184 at April 1, 2017	151,507	152,683
Inventories, net	173,894	176,929
Prepaid expenses and other current assets	30,949	40,853
Total current assets	528,089	510,029
Property, plant and equipment, net	321,953	323,862
Intangible assets, less accumulated amortization of $224,302 at July 1, 2017 and $215,772 at April 1, 2017	173,420	177,540
Goodwill	210,930	210,841
Deferred tax asset, long-term	4,399	3,988
Other long-term assets	12,591	12,449
Total assets	**$ 1,251,382**	**$ 1,238,709**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable and current maturities of long-term debt	$ 65,876	$ 61,022
Accounts payable	39,389	42,973
Accrued payroll and related costs	31,934	43,534
Other liabilities	68,324	63,650
Total current liabilities	205,523	211,179
Long-term debt, net of current maturities	237,167	253,625
Deferred tax liability, long-term	12,818	12,114
Other long-term liabilities	23,104	22,181
Total stockholders' equity		
Common stock, $0.01 par value; Authorized — 150,000,000 shares; Issued and outstanding — 52,522,479 shares at July 1, 2017 and 52,255,495 shares at April 1, 2017	525	523
Additional paid-in capital	491,436	482,044
Retained earnings	310,053	289,916
Accumulated other comprehensive loss	(29,244)	(32,873)
Total stockholders' equity	772,770	739,610
Total liabilities and stockholders' equity	**$ 1,251,382**	**$ 1,238,709**

The accompanying notes are an integral part of these consolidated financial statements.

HAEMONETICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited in thousands)

	Three Months Ended	
	July 1, 2017	**July 2, 2016**
Cash Flows from Operating Activities:		
Net income (loss)	$ 20,137	$ (10,346)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Non-cash items:		
Depreciation and amortization	21,789	22,544
Gain on divestiture	(8,000)	—
Provision for losses on accounts receivable and inventory	928	2,571
Stock-based compensation expense	1,343	1,840
Impairment of assets	—	1,766
Other non-cash operating activities	658	(650)
Change in operating assets and liabilities:		
Change in accounts receivable	2,203	8,239
Change in inventories	1,417	(3,721)
Change in prepaid income taxes	817	(932)
Change in other assets and other liabilities	8,998	1,126
Change in accounts payable and accrued expenses	(11,865)	8,258
Net cash provided by operating activities	38,425	30,695
Cash Flows from Investing Activities:		
Capital expenditures	(13,721)	(22,479)
Proceeds from divestiture	9,000	—
Proceeds from sale of property, plant and equipment	981	87
Net cash used in investing activities	(3,740)	(22,392)
Cash Flows from Financing Activities:		
Repayment of term loan borrowings	(11,856)	(7,114)
Proceeds from employee stock purchase plan	1,622	1,980
Proceeds from exercise of stock options	6,430	1,409
Net increase (decrease) in short-term loans	255	(1,261)
Net cash used in financing activities	(3,549)	(4,986)
Effect of exchange rates on cash and cash equivalents	1,039	(192)
Net Change in Cash and Cash Equivalents	32,175	3,125
Cash and Cash Equivalents at Beginning of Period	139,564	115,123
Cash and Cash Equivalents at End of Period	**$ 171,739**	**$ 118,248**
Supplemental Disclosures of Cash Flow Information:		
Interest paid	$ 1,825	$ 2,072
Income taxes paid	$ 2,151	$ 1,541
Transfers from inventory to fixed assets for placement of Haemonetics equipment	$ 1,338	$ 1,764

The accompanying notes are an integral part of these consolidated financial statements.

1. BASIS OF PRESENTATION

Basis of Presentation

Our accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of our management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. All intercompany transactions have been eliminated. Operating results for the three months ended July 1, 2017 are not necessarily indicative of the results that may be expected for the full fiscal year ending March 31, 2018 or any other interim period. These unaudited consolidated financial statements should be read in conjunction with our audited consolidated financial statements and footnotes included in our annual report on Form 10-K for the fiscal year ended April 1, 2017.

We consider events or transactions that occur after the balance sheet date but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. We had no significant subsequent events.

2. RECENT ACCOUNTING PRONOUNCEMENTS

Standards Implemented

In March 2016, the FASB issued ASU No. 2016-09, *Compensation- Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. The purpose of the update is to simplify several areas of the accounting for share-based payment transactions. We adopted ASU No. 2016-09 on a prospective basis in our first quarter of fiscal 2018; therefore, prior periods have not been adjusted. The adoption of ASU No. 2016-09 did not have a material effect on our financial position or results of operations.

ASU No. 2016-09 allows a company to elect to account for award forfeitures as they occur or to continue to estimate forfeitures. We have elected to continue to estimate potential forfeitures.

In addition, ASU No. 2016-09 eliminates additional paid in capital pools and requires excess tax benefits and tax deficiencies to be recorded in the consolidated statement of operations when the awards vest or are settled. Amendments related to accounting for excess tax benefits resulted in an immaterial tax benefit for the three months ended July 1, 2017. In connection with the adoption of this new standard, we also recorded a cumulative-effect adjustment to accumulated deficit and deferred tax assets for certain off balance sheet federal and state net operating loss carry-forwards totaling $1.6 million as of April 1, 2017, with an equal offsetting adjustment to the valuation allowance.

3. RESTRUCTURING

On an ongoing basis, we review the global economy, the healthcare industry, and the markets in which we compete to identify opportunities for efficiencies, enhance commercial capabilities, align our resources and offer our customers better solutions. In order to realize these opportunities, we undertake restructuring-type activities to transform our business.

During fiscal 2017, we launched a multi-year restructuring initiative designed to reposition our organization and improve our cost structure. This initiative included a reduction of headcount and operating costs, simplification of certain product lines, and modification of manufacturing operations to align with our strategic direction.

During the three months ended July 1, 2017 and July 2, 2016, we incurred $2.5 million and $17.7 million, respectively, of restructuring and turnaround costs under the initial phase of the restructuring initiative. This initial phase of the multi-year restructuring initiative is substantially complete. Additionally, during the three months ended July 2, 2016, we recorded $1.1 million of restructuring and turnaround costs under a prior program. We continue to assess non-core and underperforming assets and evaluate opportunities to improve our cost structure as part of our turnaround and expect to incur additional costs and benefits during fiscal 2018 and beyond.

The following summarizes the restructuring activity for the three months ended July 1, 2017:

(In thousands)	Severance and Other Employee Costs	Other Costs	Total Restructuring
Balance at April 1, 2017	$ 7,001	$ 467	$ 7,468
Costs incurred, net of reversals	350	706	1,056
Payments	(2,811)	(338)	(3,149)
Balance at July 1, 2017	$ 4,540	$ 835	$ 5,375

Substantially all of the restructuring costs for the three months ended July 1, 2017 have been included as a component of selling, general and administrative expenses in the accompanying consolidated statements of income (loss). As of July 1, 2017, we had a restructuring liability of $5.4 million, of which approximately $4.9 million is payable within the next twelve months.

In addition to the restructuring costs included in the table above, during the three months ended July 1, 2017, we also incurred $1.4 million of costs that do not constitute restructuring under ASC 420, *Exit and Disposal Cost Obligations*, which we refer to as turnaround costs. These costs consist primarily of expenditures directly related to our restructuring initiative and include program management, implementation of the global strategic review initiatives and accelerated depreciation.

The tables below present restructuring and turnaround costs by reportable segment:

Restructuring costs	Three Months Ended	
(in thousands)	July 1, 2017	July 2, 2016
Japan	$ 109	$ 874
EMEA	10	3,074
North America Plasma	—	375
All Other	937	12,063
Total	$ 1,056	$ 16,386

Turnaround costs	Three Months Ended	
(in thousands)	July 1, 2017	July 2, 2016
Japan	$ —	$ 1
EMEA	6	26
North America Plasma	152	—
All Other	1,269	2,403
Total	$ 1,427	$ 2,430
Total restructuring and turnaround costs	**$ 2,483**	**$ 18,816**

4. DIVESTITURE

On April 27, 2017, we sold our SEBRA line of benchtop and hand sealers to Machine Solutions Inc. because it was no longer aligned with our long-term strategic objectives. In connection with this transaction, we received net proceeds of $9.0 million and recorded a pre-tax gain of $8.0 million. The proceeds received are subject to a post-closing adjustment based on final asset values as determined during the 90 day transition period. The SEBRA portfolio includes a suite of products which primarily include radio frequency sealers that are used to seal tubing as part of the collection of whole blood and blood components, particularly plasma.

5. INCOME TAXES

We conduct business globally and report our results of operations in a number of foreign jurisdictions in addition to the United States. Our reported tax rate is generally lower than the U.S. federal statutory rate as the income tax rates in the foreign

jurisdictions in which we operate are generally lower than the U.S. statutory tax rate. Additionally, our reported tax rate is lower than the statutory tax rate as a result of the release of valuation allowance against tax attributes in certain jurisdictions which can be utilized to offset current year earnings.

For the three months ended July 1, 2017 and July 2, 2016 we reported income tax provisions of $3.1 million and $0.3 million, respectively, representing effective tax rates of 13.4% and (2.9%), respectively.

The income tax provision for the three months ended July 1, 2017 was primarily attributable to applying the Company's estimated annual effective tax rate to its year-to-date consolidated income before provision for income taxes, and includes a discrete tax provision of $0.4 million for international items and tax reserves.

The income tax provision for the three months ended July 2, 2016 was primarily attributable to applying the Company's estimated annual effective tax rate to its year-to-date consolidated loss before provision for income taxes, and includes a discrete tax provision of $1.4 million for an uncertain tax position that was triggered by a reduction in workforce during the quarter ended July 2, 2016. We had previously negotiated a tax holiday in one of our foreign subsidiaries under which we were required to maintain certain levels of headcount for a multi-year period which we will not satisfy as a result of our workforce reduction. We are subject to a potential tax assessment related to historical tax years as a result of the impact of the workforce reduction approved in the quarter ending July 2, 2016. The tax provision associated with this tax reserve establishment was partially offset by the tax benefit provided on our year-to-date loss.

We are in a three year cumulative loss position in the U.S. and, accordingly, maintain a valuation allowance against our U.S. deferred tax assets. We also maintain a valuation allowance against certain foreign deferred tax assets primarily in Switzerland, Puerto Rico, Luxembourg and France which we have concluded are not more-likely-than-not realizable.

Unrecognized Tax Benefits

Unrecognized tax benefits represent uncertain tax positions for which reserves have been established. As of July 1, 2017, we had $3.4 million of unrecognized tax benefits of which $1.5 million would impact the effective tax rate, if recognized.

As of July 1, 2017, we anticipate that the liability for unrecognized tax benefits for uncertain tax positions could change by up to $1.5 million in the next twelve months as a result of closure of various statutes of limitations or settlements.

We consistently recognize interest and penalties related to Federal, state and foreign income tax matters in income tax expense. Approximately $0.2 million of gross interest and penalties were accrued at July 1, 2017 and April 1, 2017 and are not included in the amounts above. Tax expense associated with accrued interest and penalties was insignificant for both the three months ended July 1, 2017 and July 2, 2016.

We conduct business globally and, as a result, file consolidated and separate Federal, state and foreign income tax returns in multiple jurisdictions. In the normal course of business, we are subject to examination by taxing authorities throughout the world. With a few exceptions, we are no longer subject to U.S. federal, state, or local income tax examinations for years before 2014 and foreign income tax examinations for years before 2012.

6. EARNINGS PER SHARE ("EPS")

The following table provides a reconciliation of the numerators and denominators of the basic and diluted earnings per share computations.

(In thousands, except per share amounts)	Three Months Ended July 1, 2017	Three Months Ended July 2, 2016
Basic EPS		
Net income (loss)	$ 20,137	$ (10,346)
Weighted average shares	52,443	51,021
Basic income (loss) per share	**$ 0.38**	**$ (0.20)**
Diluted EPS		
Net income (loss)	$ 20,137	$ (10,346)
Basic weighted average shares	52,443	51,021
Net effect of common stock equivalents	368	—
Diluted weighted average shares	52,811	51,021
Diluted income (loss) per share	**$ 0.38**	**$ (0.20)**

Basic earnings per share is calculated using our weighted-average outstanding common shares. Diluted earnings per share is calculated using our weighted-average outstanding common shares including the dilutive effect of stock awards as determined under the treasury stock method. For the three months ended July 1, 2017, weighted average shares outstanding, assuming dilution, excludes the impact of 0.7 million anti-dilutive shares. For the three months ended July 2, 2016, we recognized a net loss; therefore, we excluded the impact of outstanding stock awards from the diluted loss per share calculation as their inclusion would have an anti-dilutive effect.

7. INVENTORIES

Inventories are stated at the lower of cost or market and include the cost of material, labor and manufacturing overhead. Cost is determined using the first-in, first-out method.

(In thousands)	July 1, 2017	April 1, 2017
Raw materials	$ 50,544	$ 52,052
Work-in-process	10,771	10,400
Finished goods	112,579	114,477
Total inventories	**$ 173,894**	**$ 176,929**

8. CAPITALIZATION OF SOFTWARE DEVELOPMENT COSTS

For costs incurred related to the development of software to be sold, leased or otherwise marketed, we apply the provisions of ASC 985-20, *Software - Costs of Software to be Sold, Leased or Marketed*, which specifies that costs incurred internally in researching and developing a computer software product should be charged to expense until technological feasibility has been established for the product. Once technological feasibility is established, all software costs should be capitalized until the product is available for general release to customers.

We capitalized $3.1 million and $3.7 million in software development costs for ongoing initiatives during the three months ended July 1, 2017 and July 2, 2016, respectively. At July 1, 2017 and April 1, 2017, we have a total of $65.8 million and $62.7 million of capitalized software costs, respectively, of which $15.8 million and $12.7 million are related to in-process software development initiatives, respectively. During the three months ended July 2, 2016, $2.5 million of capitalized costs were placed into service. We did not place any capitalized costs into service for the three months ended July 1, 2017. The costs capitalized for each project are included in intangible assets in the consolidated financial statements.

9. DEBT

We currently have a credit agreement ("Credit Agreement") with certain lenders (together, “Lenders”) which provides for a $475.0 million term loan ("Term Loan") and a $100.0 million revolving loan ("Revolving Credit Facility" and together with the Term Loan, the "Credit Facilities"). Interest is based on the Adjusted LIBOR plus a range of 1.125% to 1.500% depending on achievement of leverage ratios and customary credit terms which include financial and negative covenants. The Credit Facilities mature on July 1, 2019. At July 1, 2017, $303.5 million was outstanding under the Term Loan and no amount was outstanding on the Revolving Credit Facility.

During the three months ended July 1, 2017, we paid $11.9 million in principal repayments for the Term Loan. We were in compliance with the leverage and interest coverage ratios specified in the Credit Agreement as well as all other bank covenants as of July 1, 2017.

10. PRODUCT WARRANTIES

We generally provide warranty on parts and labor for one year after the sale and installation of each device. We also warrant our disposables products through their use or expiration. We estimate our potential warranty expense based on our historical warranty experience and periodically assess the adequacy of our warranty accrual, making adjustments as necessary.

	Three Months Ended	
(In thousands)	**July 1, 2017**	**July 2, 2016**
Warranty accrual as of the beginning of the period	$ 176	$ 420
Warranty provision	442	163
Warranty spending	(241)	(234)
Warranty accrual as of the end of the period	**$ 377**	**$ 349**

11. DERIVATIVES AND FAIR VALUE MEASUREMENTS

We manufacture, market and sell our products globally. For the three months ended July 1, 2017, 37.9% of our sales were generated outside the U.S., generally in foreign currencies. We also incur certain manufacturing, marketing and selling costs in international markets in local currency.

Accordingly, our earnings and cash flows are exposed to market risk from changes in foreign currency exchange rates relative to the U.S. Dollar, our reporting currency. We have a program in place that is designed to mitigate our exposure to changes in foreign currency exchange rates. That program includes the use of derivative financial instruments to minimize for a period of time, the impact on our financial results from changes in foreign exchange rates. We utilize foreign currency forward contracts to hedge the anticipated cash flows from transactions denominated in foreign currencies, primarily the Japanese Yen and the Euro, and to a lesser extent the Swiss Franc, Australian Dollar, Canadian Dollar and the Mexican Peso. This does not eliminate the impact of the volatility of foreign exchange rates. However, because we generally enter into forward contracts one year out, rates are fixed for a one-year period, thereby facilitating financial planning and resource allocation.

Designated Foreign Currency Hedge Contracts

All of our designated foreign currency hedge contracts as of July 1, 2017 and April 1, 2017 were cash flow hedges under ASC 815, *Derivatives and Hedging* ("ASC 815"). We record the effective portion of any change in the fair value of designated foreign currency hedge contracts in other comprehensive income (loss) until the related third-party transaction occurs. Once the related third-party transaction occurs, we reclassify the effective portion of any related gain or loss on the designated foreign currency hedge contracts to earnings. In the event the hedged forecasted transaction does not occur, or it becomes probable that it will not occur, we would reclassify the amount of any gain or loss on the related cash flow hedge to earnings at that time. We had designated foreign currency hedge contracts outstanding in the contract amount of $67.4 million as of July 1, 2017 and $68.4 million as of April 1, 2017. At July 1, 2017, losses of $0.2 million, net of tax, will be reclassified to earnings within the next twelve months. Substantially all currency cash flow hedges outstanding as of July 1, 2017 mature within twelve months.

Non-Designated Foreign Currency Contracts

We manage our exposure to changes in foreign currency on a consolidated basis to take advantage of offsetting transactions and balances. We use foreign currency forward contracts as a part of our strategy to manage exposure related to foreign currency

denominated monetary assets and liabilities. These foreign currency forward contracts are entered into for periods consistent with currency transaction exposures, generally one month. They are not designated as cash flow or fair value hedges under ASC 815. These forward contracts are marked-to-market with changes in fair value recorded to earnings. We had non-designated foreign currency hedge contracts under ASC 815 outstanding in the contract amount of $47.7 million as of July 1, 2017 and $55.4 million as of April 1, 2017.

Interest Rate Swaps

On December 21, 2012, we entered into two interest rate swap agreements (the "Swaps") on a total notional amount of $250.0 million of debt. The Swaps are amortizing and mature on August 1, 2017. We designated the Swaps as cash flow hedges of variable interest rate risk associated with $250.0 million of indebtedness. As of July 1, 2017, the notional amount of these Swaps was $50.0 million. For three months ended July 1, 2017 and July 2, 2016, we recorded nominal activity in accumulated other comprehensive loss to recognize the effective portion of the fair value of interest rate swaps that qualify as cash flow hedges.

Fair Value of Derivative Instruments

The following table presents the effect of our derivative instruments designated as cash flow hedges and those not designated as hedging instruments under ASC 815 in our consolidated statements of income (loss) and comprehensive income (loss) for the three months ended July 1, 2017:

(In thousands)	Amount of (Loss) Gain Recognized in Accumulated Other Comprehensive Loss	Amount of (Loss) Gain Reclassified from Accumulated Other Comprehensive Loss into Earnings	Location in Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)	Amount of Gain (Loss) Excluded from Effectiveness Testing	Location in Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
Designated foreign currency hedge contracts, net of tax	$ (207)	$ (30)	Net revenues, COGS, and SG&A	$ 309	Interest and other expense, net
Non-designated foreign currency hedge contracts	—	—		$ (210)	Interest and other expense, net
Designated interest rate swaps, net of tax	$ (39)		Interest and other expense, net		

We did not have fair value hedges or net investment hedges outstanding as of July 1, 2017 or April 1, 2017. As of July 1, 2017, no deferred tax assets were recognized for designated foreign currency hedges.

ASC 815 requires all derivative instruments to be recognized at their fair values as either assets or liabilities on the balance sheet. We determine the fair value of our derivative instruments using the framework prescribed by ASC 820, *Fair Value Measurements and Disclosures*, by considering the estimated amount we would receive or pay to sell or transfer these instruments at the reporting date and by taking into account current interest rates, currency exchange rates, current interest rate curves, interest rate volatilities, the creditworthiness of the counterparty for assets, and our creditworthiness for liabilities. In certain instances, we may utilize financial models to measure fair value. Generally, we use inputs that include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; other observable inputs for the asset or liability; and inputs derived principally from, or corroborated by, observable market data by correlation or other means. As of July 1, 2017, we have classified our derivative assets and liabilities within Level 2 of the fair value hierarchy prescribed by ASC 815, as discussed below, because these observable inputs are available for substantially the full term of our derivative instruments.

The following tables present the fair value of our derivative instruments as they appear in our consolidated balance sheets as of July 1, 2017 and April 1, 2017:

(In thousands)	Location in Balance Sheet	As of July 1, 2017	As of April 1, 2017
Derivative Assets:			
Designated foreign currency hedge contracts	Other current assets	$ 1,633	$ 1,645
Non-designated foreign currency hedge contracts	Other current assets	$ 96	$ 218
Designated interest rate swaps	Other current assets	$ 25	$ 64
		$ 1,754	**$ 1,927**
Derivative Liabilities:			
Designated foreign currency hedge contracts	Other current liabilities	$ 1,306	$ 894
Non-designated foreign currency hedge contracts	Other current liabilities	$ 149	$ 72
Designated interest rate swaps	Other current liabilities	$ —	$ —
		$ 1,455	**$ 966**

Other Fair Value Measurements

Fair value is defined as the exit price that would be received from the sale of an asset or paid to transfer a liability, using assumptions that market participants would use in pricing an asset or liability. The fair value guidance establishes the following three-level hierarchy used for measuring fair value:

- Level 1 — Inputs to the valuation methodology are quoted market prices for identical assets or liabilities.
- Level 2 — Inputs to the valuation methodology are other observable inputs, including quoted market prices for similar assets or liabilities and market-corroborated inputs.
- Level 3 — Inputs to the valuation methodology are unobservable inputs based on management's best estimate of inputs market participants would use in pricing the asset or liability at the measurement date, including assumptions about risk.

Our money market funds carried at fair value are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices.

Fair Value Measured on a Recurring Basis

Financial assets and financial liabilities measured at fair value on a recurring basis consist of the following as of July 1, 2017 and April 1, 2017.

	As of July 1, 2017		
(In thousands)	**Level 1**	**Level 2**	**Total**
Assets			
Money market funds	$ 95,718	$ —	$ 95,718
Designated foreign currency hedge contracts	—	$ 1,633	$ 1,633
Non-designated foreign currency hedge contracts	$ —	$ 96	$ 96
Designated interest rate swaps	$ —	$ 25	$ 25
	$ 95,718	**$ 1,754**	**$ 97,472**
Liabilities			
Designated foreign currency hedge contracts	$ —	$ 1,306	$ 1,306
Non-designated foreign currency hedge contracts	$ —	$ 149	$ 149
	$ —	**$ 1,455**	**$ 1,455**

	As of April 1, 2017		
	Level 1	**Level 2**	**Total**
Assets			
Money market funds	$ 80,676	$ —	$ 80,676
Designated foreign currency hedge contracts	—	1,645	1,645
Non-designated foreign currency hedge contracts	—	218	218
Designated interest rate swaps	—	64	64
	$ 80,676	**$ 1,927**	**$ 82,603**
Liabilities			
Designated foreign currency hedge contracts	$ —	$ 894	$ 894
Non-designated foreign currency hedge contracts	—	72	72
	$ —	**$ 966**	**$ 966**

Other Fair Value Disclosures

The Term Loan (which is carried at amortized cost), accounts receivable and accounts payable approximate fair value.

12. COMMITMENTS AND CONTINGENCIES

The Company is a party to various other legal proceedings and claims arising out of the ordinary course of its business. We believe that except for those matters described below, there are no other proceedings or claims pending against us the ultimate resolution of which could have a material adverse effect on our financial condition or results of operations. At each reporting period, management evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under ASC 450, *Contingencies*, for all matters. Legal costs are expensed as incurred.

Litigation and Related Matters

Italian Employment Litigation

Our Italian manufacturing subsidiary is party to several actions initiated by former employees of our facility in Ascoli-Piceno, Italy. We ceased operations at the facility in fiscal 2014 and sold the property in fiscal 2017. These include actions claiming (i) working conditions and minimum salaries should have been established by either a different classification under their national collective bargaining agreement or a different agreement altogether, (ii) certain solidarity agreements, which are arrangements between the Company, employees and the government to continue full pay and benefits for employees who would otherwise be terminated in times of low demand, are void, and (iii) rights to payment of the extra time used for changing into and out of the working clothes at the beginning and end of each shift.

In addition, a union represented in the Ascoli plant filed an action claiming that the Company discriminated against it in favor of three other represented unions by (i) interfering with an employee referendum, (ii) interfering with an employee petition to recall union representatives from office, and (iii) excluding the union from certain meetings.

Finally, we have been added as defendants on claims filed against Pall Corporation prior to our acquisition of the plant in August 2012. These claims relate to agreements to "freeze" benefit allowances for a certain period in exchange for Pall's commitments on hiring and plant investment.

As of July 1, 2017, the total amount of damages claimed by the plaintiffs in these matters is approximately $4.7 million. At this point in the proceedings, we believe losses are unlikely and therefore no amounts have been accrued. In the future, we may receive adverse rulings from the courts which could change our judgment on these cases.

SOLX Arbitration

In July 2016, H2 Equity, LLC, formerly known as Hemerus Corporation, filed an arbitration claim for $17 million in milestone and royalty payments allegedly owed as part of our acquisition of the filter and storage solution business from Hemerus Medical, LLC ("Hemerus") in fiscal 2014. The acquired storage solution is referred to as SOLX.

At the closing in April 2013, Haemonetics paid Hemerus a total of $24 million and agreed to a $3 million milestone payment due when the United States Food and Drug Administration ("FDA") approved a new indication for SOLX (the “24-Hour Approval”) using a filter acquired from Hemerus. We also agreed to make future royalty payments up to a cumulative maximum of $14 million based on the sale of products incorporating SOLX over a ten year period.

Due to performance issues with the Hemerus filter, Haemonetics filed for, and received, the 24-Hour Approval using a Haemonetics filter. Accordingly, Haemonetics did not pay Hemerus the $3 million milestone payment because the 24-Hour Approval was obtained using a Haemonetics filter, not a Hemerus filter. In addition, we have not paid any royalties to date as we have not made any sales of products incorporating SOLX.

H2 Equity claims, in part, that we owe them $3 million for the receipt of the 24-Hour Approval despite the use of a Haemonetics filter to obtain the approval and that we have failed to make commercially reasonable efforts to market and sell products incorporating SOLX. While we believe that we have meritorious defenses to these claims, as of July 1, 2017 we have recorded a liability of $0.4 million which is reflective of the current settlement discussions.

Product Recall

In June 2016, we issued a voluntary recall of certain whole blood collection kits sold to our Blood Center customers in the U.S. The recall resulted from some collection sets' filters failing to adequately remove leukocytes from collected blood. As a result of the recall, our blood center customers may have conducted further tests to confirm the blood was adequately leukoreduced, sold the blood labeled as non-leukoreduced at a lower price or discarded the blood collected using the defective sets. We recorded $7.1 million of charges during fiscal 2017, which consisted of $3.7 million of charges associated with customer returns and inventory reserves and $3.4 million of charges associated with customer claims. Although there have been no additional charges recorded in the current period, we may record incremental charges in future periods.

The $3.4 million liability associated with customer claims are based on claims seeking reimbursement for $14.2 million in losses sustained as a result of the recall. We believe it is probable that we will incur expenses as a result of these claims and that our range of loss is $3.4 million to $14.2 million, however, we do not have sufficient information to develop a best estimate within this range. Accordingly, during fiscal 2017 we recorded a liability of $3.4 million, which represents the low end of the range. While the customers making these claims purchased substantially all the affected units, incremental charges may

be recorded in future periods as additional customer returns and claims data becomes available. We have an enforceable insurance policy in place which we believe provides coverage for a portion of the claims received to date. Accordingly, as of July 1, 2017, we had an insurance receivable of $2.9 million. We will assess the potential for additional insurance recoveries as we receive more information about customer claims in future reporting periods.

13. SEGMENT AND ENTERPRISE-WIDE INFORMATION

We determine our reportable segments by first identifying our operating segments, and then by assessing whether any components of these segments constitute a business for which discrete financial information is available and where segment management regularly reviews the operating results of that component. Our operating segments are based primarily on geography. North America Plasma is a separate operating segment with dedicated segment management due the size and scale of the Plasma business unit. We aggregate components within an operating segment that have similar economic characteristics.

The Company’s reportable segments are as follows:

- Japan
- EMEA
- North America Plasma
- All Other

The Company has aggregated the Americas Blood Center and Hospital and Asia - Pacific operating segments into the All Other reportable segment based upon their similar operational and economic characteristics, including similarity of operating margin.

Management measures and evaluates the operating segments based on operating income. Management excludes certain corporate expenses from segment operating income. In addition, certain amounts that management considers to be non-recurring or non-operational are excluded from segment operating income because management evaluates the operating results of the segments excluding such items. These items include restructuring and turnaround costs, deal amortization, and gains on divestitures. Although these amounts are excluded from segment operating income, as applicable, they are included in the reconciliations that follow. Management measures and evaluates the Company's net revenues and operating income using internally derived standard currency exchange rates that remain constant from year to year; therefore, segment information is presented on this basis.

During the first quarter of fiscal 2018, management changed the cost reporting structure such that a portion of corporate expenses were reclassified into the operating segments. Accordingly, the prior year numbers have been updated to reflect this reclassification.

Selected information by business segment is presented below:

	Three Months Ended	
(In thousands)	**July 1, 2017**	**July 2, 2016**
Net revenues		
Japan	$ 15,232	$ 14,566
EMEA	43,008	45,741
North America Plasma	77,536	73,475
All Other	78,174	78,020
Net revenues before foreign exchange impact	213,950	211,802
Effect of exchange rates	(2,999)	(1,846)
Net revenues	**$ 210,951**	**$ 209,956**

(In thousands)	Three Months Ended July 1, 2017	Three Months Ended July 2, 2016
Segment operating income		
Japan	$ 6,738	$ 6,156
EMEA	8,571	8,276
North America Plasma	24,102	25,168
All Other	27,686	27,170
Segment operating income	67,097	66,770
Corporate operating expenses	(39,311)	(46,139)
Effect of exchange rates	(2,201)	(1,306)
Restructuring and turnaround costs	(2,483)	(18,816)
Deal amortization	(6,491)	(7,075)
Asset impairments	—	(1,315)
Operating income	**$ 16,611**	**$ (7,881)**

Our products are organized into four categories for purposes of evaluating their growth potential: Plasma, Blood Center, Cell Processing and Hemostasis Management. Management reviews revenue trends based on these business units; however, no other financial information is currently available on this basis.

Net revenues by business unit are as follows:

(In thousands)	Three Months Ended July 1, 2017	Three Months Ended July 2, 2016
Plasma	$ 101,507	$ 97,649
Blood Center	65,565	70,943
Cell Processing	26,336	26,076
Hemostasis Management	17,543	15,288
Net revenues	**$ 210,951**	**$ 209,956**

Net revenues generated in our principle operating regions on a reported basis are as follows:

(In thousands)	Three Months Ended July 1, 2017	Three Months Ended July 2, 2016
United States	$ 131,052	$ 125,700
Japan	14,916	14,964
Europe	37,222	40,367
Asia	25,940	26,992
Other	1,821	1,933
Net revenues	**$ 210,951**	**$ 209,956**

14. ACCUMULATED OTHER COMPREHENSIVE LOSS

The components of Accumulated Other Comprehensive Loss are as follows:

(In thousands)	Foreign Currency	Defined Benefit Plans	Net Unrealized Gain/Loss on Derivatives	Total
Balance as of April 1, 2017	$ (29,835)	$ (2,272)	$ (766)	$ (32,873)
Other comprehensive income (loss) before reclassifications[(1)]	3,845	—	(246)	3,599
Amounts reclassified from Accumulated Other Comprehensive Loss[(1)]	—	—	30	30
Net current period other comprehensive income (loss)	3,845	—	(216)	3,629
Balance as of July 1, 2017	$ (25,990)	$ (2,272)	$ (982)	$ (29,244)

(1) Presented net of income taxes, the amounts of which are insignificant.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with both our interim consolidated financial statements and notes thereto which appear elsewhere in this Quarterly Report on Form 10-Q and our annual consolidated financial statements, notes thereto and the MD&A contained in our Annual Report on Form 10-K for the year ended April 1, 2017. The following discussion may contain forward-looking statements and should be read in conjunction with the "Cautionary Statement Regarding Forward-Looking Information" in this discussion.

Our Business

Haemonetics is a global healthcare company dedicated to providing a suite of innovative hematology products and solutions to customers to help them improve patient care and reduce the cost of healthcare. Our technology addresses important medical markets, including blood and plasma component collection, the surgical suite, and hospital transfusion services.

Blood and its components (plasma, platelets, and red cells) have many vital and frequently life-saving clinical applications. Plasma is used for patients with major blood loss and is manufactured into biopharmaceuticals to treat a variety of illnesses, including immune diseases and coagulation disorders. Red cells treat trauma patients or patients undergoing surgery with high blood loss, such as open heart surgery or organ transplant. Platelets have many uses in patient care, including supporting cancer patients undergoing chemotherapy. Blood is essential to a modern healthcare system.

Haemonetics develops and markets a wide range of devices and solutions to serve our customers. We provide plasma collection systems and software which enable plasma fractionators to make life saving pharmaceuticals. We provide analytical devices for measuring hemostasis which enable healthcare providers to better manage their patients' bleeding risk. Haemonetics makes blood processing systems and software which make blood donation more efficient and track life giving blood components. Finally, Haemonetics supplies systems and software which facilitate blood transfusions and cell processing.

Products

Our products are organized into four categories for purposes of evaluating and developing their growth potential: Plasma, Hemostasis Management, Blood Center and Cell Processing. For that purpose, "Plasma" includes plasma collection devices and disposables, plasma donor management software, and anticoagulant and saline sold to plasma customers. "Hemostasis Management" includes devices and methodologies for measuring coagulation characteristics of blood, such as our TEG® Hemostasis Analyzer. "Blood Center" includes blood collection and processing devices and disposables for red cells, platelets and whole blood as well as related donor management software. "Cell Processing" includes surgical blood salvage systems, specialized blood cell processing systems, disposables and blood transfusion management software.

We believe that Plasma and Hemostasis Management have the greatest growth potential, while Cell Processing innovation offers an opportunity to increase market share and expand into new segments. Blood Center competes in challenging markets which require us to manage the business differently, including reducing costs, shrinking the scope of the current product line, and evaluating opportunities to exit unfavorable customer contracts. We are progressing toward a streamlined operating model with a management and cost structure that can bring about sustainable productivity improvement across the organization. Overall implementation of our new operating model began in fiscal 2017 and will continue into fiscal 2019.

Plasma

Built around our automated plasma collection devices and related disposables, our portfolio of products and services is designed to support multiple facets of plasma collector operations. We have a long-standing commitment to understanding our customers' collection and manufacturing processes. As a result, we aim to design equipment that is durable, dependable, and easy to use, and provide comprehensive training and support to our plasma collection customers.

Today, the vast majority of plasma collections worldwide are performed using automated collection technology because it is safer and more cost-effective. With our PCS® (Plasma Collection System) brand automated plasma collection technology, more plasma can be collected during any one donation event because the other blood components are returned to the donor through the sterile disposable sets used for the plasma donation procedure.

We offer multiple products necessary for plasma collection and storage, including PCS brand plasma collection equipment and disposables, plasma collection containers and intravenous solutions. We also offer a portfolio of integrated information technology platforms for plasma customers to manage their donors, operations, and supply chain. Our software products automate the donor interview and qualification process, streamline the workflow process in the plasma center, provide the controls necessary to evaluate donor suitability, determine the ability to release units collected, and manage unit distribution. With our software solutions, plasma collectors can manage processes across the plasma supply chain, react quickly to business changes, and implement opportunities to reduce costs.

Hospital

Hemostasis Management

We have two device platforms which we market to hospitals and laboratories as an alternative to less comprehensive blood tests: the TEG® 5000 analyzer, which we acquired in the 2007 acquisition of Haemoscope Corporation, and the TEG® 6s device, which we license from Cora Healthcare, Inc., a company established by Haemoscope's founders. Under the license from Cora Healthcare, we have exclusive perpetual rights to manufacture and commercialize TEG 6s in hospitals and hospital laboratory fields.

Both of our TEG systems are blood diagnostic instruments that measure a patient's hemostasis. This information enables caregivers to decide the best blood-related clinical treatment for the patient in order to minimize blood loss and reduce clotting risk. The TEG 5000 analyzer is approved for a broad set of indications in all of our markets. The TEG 6s and TEG Manager are approved for the same set of indications as the TEG 5000 in Europe, Australia and Japan. In the U.S., TEG 6s is approved for limited indications, including cardiovascular surgery and cardiology. We are pursuing a broader set of indications for the TEG 6s in the U.S., including trauma.

Cell Processing

Haemonetics offers a range of solutions that improve a hospital's systems for acquiring blood, storing it in the hospital, and dispensing it efficiently and correctly. Over the last few years, hospitals have become increasingly focused on of their need to control costs and improve patient safety by managing blood more effectively. Our products and integrated solution platforms help hospitals optimize performance of blood acquisition, storage, and distribution.

Cell Salvage

The Cell Saver® system is a surgical blood salvage system targeted to procedures that involve mid to high-volume blood loss, such as cardiovascular or orthopedic surgeries. It has become the standard of care for these surgeries. The Cell Saver Elite® system is our most advanced autotransfusion option to minimize allogeneic blood use for surgeries with medium to high blood loss.

The OrthoPAT® surgical blood salvage system is targeted to orthopedic procedures, such as hip and knee replacements, which involve slower, lower volume blood loss that often occurs well after surgery. The system is designed to remain with the patient following surgery, to recover blood and produce a washed red cell product for autotransfusion.

Transfusion Management

Our Transfusion Management software products help hospitals track and safely deliver stored blood products. SafeTrace Tx® is our software solution that helps manage blood product inventory, perform patient cross-matching, and manage transfusions. In addition, our BloodTrack® suite of solutions manages tracking and control of blood products from the hospital blood center through transfusion to the patient.

Blood Center

We offer automated blood component and manual whole blood collection systems to blood collection centers to collect blood products efficiently and cost effectively. We market the MCS® (Multicomponent Collection System) brand apheresis equipment which is designed to collect specific blood components integrated from the donor. Utilizing the MCS automated platelet collection protocols, blood centers collect one or more therapeutic “doses” of platelets during a single donation. The MCS two-unit protocol or double red cell collection device helps blood collectors optimize the collection of red cells by automating the blood separation function, eliminating the need for laboratory processing, and enabling the collection of two units of red cells from a single donor thus maximizing the amount of red cells collected per eligible donor and helping to mitigate red cell shortages in countries where this problem exists. Blood collectors can also use the MCS system to collect one unit of red cells and a "jumbo" (double) unit of plasma, or one unit of red cells and one unit of platelets from a single donor. The MCS plasma protocol, which provides the possibility of collecting 600-800ml of plasma for either transfusion to patients or for use by the pharmaceutical industry, completes the comprehensive portfolio of different blood component collection options on this device.

Haemonetics also offers a portfolio of products for manual whole blood collection and processing. Haemonetics' portfolio of disposable whole blood collection and component storage sets offer flexibility in collecting a unit of whole blood and the subsequent production and storage of the red blood cell, platelet or plasma products, including options for in-line or dockable filters for leukoreduction of any blood component.

With the ACP® (Automated Cell Processor) brand, Haemonetics offers a solution to automate the washing and freezing of red cell components. The automated red cell washing procedure removes plasma proteins within the red cell units to provide a safer

product for transfusion to frequently transfused patients, neonates, or patients with a history of transfusion reactions. The automated glycerolization and deglycerolization steps are required to prepare red cells for frozen storage. Freezing the red cell units can expand the shelf life of these products up to 10 years. Customers utilize this technology to implement strategic red cell inventories for large scale catastrophes, storage of rare blood types, or enhanced inventory management.

Blood Center software solutions help blood center collectors improve efficiencies of blood collection and supply and help ensure donor safety. This includes solutions for blood drive planning, donor recruitment and retention, blood collection, component manufacturing and distribution. Our products SafeTrace® and El Dorado Donor® donation and blood unit management systems span blood center operations and automate and track operations from the recruitment of the blood donor to the disposition of the blood product. Our Hemasphere® software solution provides support for more efficient blood drive planning, and Donor Doc® and e-Donor® software help to improve recruitment and retention.

Recent Developments

NexSys PCS™

In July 2017, we received United States Food and Drug Administration ("FDA") 510(k) clearance for our NexSys PCS™ plasmapheresis system (formerly referred to as PCS 300). We expect to immediately begin limited production of devices and to pursue further regulatory clearances for additional enhancements to the overall product offering.

Our planned roll out of this new platform includes the placement of a significant number of new devices. Such placements will require meaningful capital expenditures and new customer contracts that reflect pricing and volumes appropriate to these investments. As of June 30, 2017, approximately 20,000 devices of our current generation Plasma system are placed with customers.

Divestiture

On April 27, 2017, we sold our SEBRA line of benchtop and hand sealers to Machine Solutions Inc. because it was no longer aligned with our long-term strategic objectives. In connection with this transaction, we received net proceeds of $9.0 million and recorded a pre-tax gain of $8.0 million. The proceeds received are subject to a post-closing adjustment based on final asset values as determined during the 90 day transition period. The SEBRA portfolio includes a suite of products which primarily include radio frequency sealers that are used to seal tubing as part of the collection of whole blood and blood components, particularly plasma. The SEBRA product line generated approximately $6.5 million of revenue in our Plasma business unit in fiscal 2017.

Restructuring Initiative

During fiscal 2017, we launched a multi-year restructuring initiative designed to reposition our organization and improve our cost structure. This initiative included a reduction of headcount and operating costs, simplification of certain product lines, and modification of manufacturing operations to align with our strategic direction.

During the three months ended July 1, 2017 and July 2, 2016, we incurred $2.5 million and $17.7 million, respectively, of restructuring and turnaround costs under the initial phase of the restructuring initiative. This initial phase of the multi-year restructuring initiative is substantially complete. Additionally, during the three months ended July 2, 2016, we recorded $1.1 million of restructuring and turnaround costs under a prior program. We continue to assess non-core and underperforming assets and evaluate opportunities to improve our cost structure as part of our turnaround and expect to incur additional charges and benefits during fiscal 2018 and beyond.

Product Recall

In June 2016, we issued a voluntary recall of certain whole blood collection kits sold to our Blood Center customers in the U.S. The recall resulted from some collection sets' filters failing to adequately remove leukocytes from collected blood. As a result of the recall, our blood center customers may have conducted further tests to confirm the blood was adequately leukoreduced, sold the blood labeled as non-leukoreduced at a lower price or discarded the blood collected using the defective sets. We recorded $7.1 million of charges during fiscal 2017, which consisted of $3.7 million of charges associated with customer returns and inventory reserves and $3.4 million of charges associated with customer claims. Although there have been no additional charges recorded in the current period, we may record incremental charges in future periods.

The $3.4 million of charges associated with customer claims are based on claims seeking reimbursement for $14.2 million in losses sustained as a result of the recall. While the customers making these claims purchased substantially all the affected units, incremental charges may be recorded in future periods as additional data supporting the claims becomes available. We have an enforceable insurance policy in place which we believe provides coverage for a portion of the claims received to date. As of April 1, 2017, we had an insurance receivable of $2.9 million. We will assess the potential for additional insurance recoveries as we receive more information about customer claims in future reporting periods.

Financial Summary

(In thousands, except per share data)	Three Months Ended July 1, 2017	July 2, 2016	% Increase/ (Decrease)
Net revenues	$ 210,951	$ 209,956	0.5 %
Gross profit	$ 91,665	$ 91,056	0.7 %
% of net revenues	*43.5%*	*43.4 %*	
Operating expenses	$ 75,054	$ 98,937	(24.1)%
Operating income (loss)	$ 16,611	$ (7,881)	*n/m*
% of net revenues	*7.9%*	*(3.8)%*	
Interest and other expense, net	$ (1,359)	$ (2,177)	n/m
Income (loss) before provision for income taxes	$ 23,252	$ (10,058)	*n/m*
Provision for income taxes	$ 3,115	$ 288	*n/m*
% of pre-tax income	*13.4%*	*(2.9)%*	
Net income (loss)	$ 20,137	$ (10,346)	*n/m*
% of net revenues	*9.5%*	*(4.9)%*	
Net income (loss) per share - basic and diluted	$ 0.38	$ (0.20)	*n/m*

Net revenues were flat for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, net revenues increased 1.0% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Revenue increases in Plasma and Hemostasis Management were partially offset by declines in our Blood Center and Cell Processing business units during the three months ended July 1, 2017.

We reported operating income for the three months ended July 1, 2017, as compared to an operating loss in the same period of fiscal 2017, primarily as a result of a reduction in restructuring and turnaround costs and a full quarter of savings realized in the current year period from the fiscal 2017 restructuring program. The increase in operating income was partially offset by additional costs associated with the purchases of liquid solutions from alternate sources, as described further in our Gross Profit discussion.

Management's Use of Non-GAAP Measures

Management uses non-GAAP financial measures, in addition to financial measures in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), to evaluate our operating results. These non-GAAP financial measures should be considered supplemental to, and not a substitute for, our reported financial results prepared in accordance with U.S. GAAP. Constant currency growth, a non-GAAP financial measure, measures the change in sales between the current and prior year periods using a constant currency conversion rate. We have provided this non-GAAP financial measure because we believe it provides meaningful information regarding our results on a consistent and comparable basis for the periods presented.

RESULTS OF OPERATIONS

Net Revenues by Geography

(In thousands)	Three Months Ended July 1, 2017	July 2, 2016	% Increase/ (Decrease)	Currency impact	Constant currency growth [1]
United States	$ 131,052	$ 125,700	4.3 %	— %	4.3 %
International	79,899	84,256	(5.2)%	(1.5)%	(3.7)%
Net revenues	$ 210,951	$ 209,956	0.5 %	(0.5)%	1.0 %

[1] Constant currency growth, a non-GAAP financial measure, measures the change in sales between the current and prior year periods using a constant currency. See *"Management's Use of Non-GAAP Measures."*

Our principal operations are in the U.S., Europe, Japan and other parts of Asia. Our products are marketed in approximately 100 countries around the world through a combination of our direct sales force, independent distributors and agents. Our revenue generated outside the U.S. was 37.9% and 40.1% of total net revenues for the three months ended July 1, 2017 and

July 2, 2016, respectively. International sales are generally conducted in local currencies, primarily Japanese Yen, Euro, Chinese Yuan and Australian Dollars. Our results of operations are impacted by changes in foreign exchange rates, particularly in the value of the Yen, Euro and Australian Dollar relative to the U.S. Dollar. We have placed foreign currency hedges to mitigate our exposure to foreign currency fluctuations.

Please see the section entitled “Foreign Exchange” in this discussion for a more complete explanation of how foreign currency affects our business and our strategy for managing this exposure.

Net Revenues by Business Unit

	Three Months Ended				
(In thousands)	July 1, 2017	July 2, 2016	% Increase/ (Decrease)	Currency impact	Constant currency growth [1]
Plasma	$ 101,507	$ 97,649	4.0 %	(0.3)%	4.3 %
Blood Center	65,565	70,943	(7.6)%	(0.5)%	(7.1)%
Cell Processing	26,336	26,076	1.0 %	(0.5)%	1.5 %
Hemostasis Management	17,543	15,288	14.8 %	(1.9)%	16.7 %
Net revenues	$ 210,951	$ 209,956	0.5 %	(0.5)%	1.0 %

[1] Constant currency growth, a non-GAAP financial measure, measures the change in sales between the current and prior year periods using a constant currency. See *"Management's Use of Non-GAAP Measures."*

Plasma

Plasma revenue increased 4.0% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, plasma revenue increased 4.3% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. This revenue growth was primarily driven by an increase in sales of Plasma disposables during the three months ended July 1, 2017 due to continued strong performance in the U.S. This increase was partially offset by a $1.2 million decrease resulting from the divestiture of our SEBRA product line.

We have continuing delays in the expansion of our liquid solutions production capacity that require us and our customers to obtain alternative sources of supply. We expect purchases from these alternate sources to continue until we can complete the expansion and produce solutions at the necessary level. While these purchases continue, we will see a reduction in revenue from our liquid solutions business and increased costs to serve our customers.

Blood Center

Platelet

Platelet revenue declined by 4.4% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, platelet revenue decreased 3.1% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. The decrease during three months ended July 1, 2017, excluding the impact of foreign exchange, was driven by declines in Asia, Europe and the Middle East, partially offset by growth in Russia. Improved collection efficiencies that increase the yield of platelets per collection and more efficient use of collected platelets have resulted in flat markets for platelet usage and related disposables in Europe and Japan. Within these flat markets, the use of "double dose" collection methods and other alternative collection procedures have increased. In Japan, usage of double dose collections comprised approximately 40% of all platelets collected. While Platelet revenue in Japan for three months ended July 1, 2017 increased as compared to the same period of fiscal 2017 due to order timing in the prior period, we expect the continued market shift toward double dose collection techniques to result in an overall decline in revenue during fiscal 2018.

Red Cell and Whole Blood

Red cell revenue decreased 11.1% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, red cell revenue decreased 11.0% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. During fiscal 2016, the American Red Cross and two group purchasing organizations representing other U.S. blood collectors ("Blood Center GPOs") requested updated contracts for sole source supply on apheresis red cell collections. The American Red Cross contract resulted in our gaining 100% share of their apheresis red cell collection business and higher sales volumes, but at lower prices. The impact of the price concessions began in the third quarter of fiscal 2016, while the achievement of 100% share of the American Red Cross' business occurred in the fourth quarter of fiscal 2017. While we expect this negative impact to continue in the first half of fiscal 2018, we anticipate stabilization in the second half of fiscal 2018 after annualization of the final price concessions.

Whole blood revenue decreased 6.7%, both with and without the effect of foreign exchange, for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. The demand for whole blood disposable products in the U.S. continued to decrease in fiscal 2018 due to a sustained decline in transfusion rates and actions taken by hospitals to improve blood management techniques and protocols. In response to this trend, U.S. blood center collection groups selected single source vendors for their whole blood collection products and became primarily focused on obtaining the lowest average selling prices. While whole blood revenue decreased as compared to the prior year period, we continued to see a moderation in the rate of decline of this market during the first quarter of fiscal 2018. We expect to see continued declines in transfusion rates and the market to remain price-focused and highly competitive for the foreseeable future.

Software, Equipment and Other

Blood Center software, equipment and other revenue decreased 16.3% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, software, equipment and other revenue decreased 16.1% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. These decreases were largely attributable to order timing in Asia and one time sales of equipment to the American Red Cross in the prior period to support our increased share of their apheresis red cell collection business.

Cell Processing

Cell Salvage

Cell Salvage revenue consists primarily of the Cell Saver and OrthoPAT products. Cell Saver revenue declined 6.0% during the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, Cell Saver revenue decreased 5.2% for the three months ended July 1, 2017, as compared with the same period of fiscal 2017. This decrease was due to declines in Japan and Western Europe, partially offset by growth in China. OrthoPAT revenue decreased 31.5% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, OrthoPAT disposables revenue decreased 31.1% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Better blood management has reduced orthopedic blood loss and continues to impact demand for OrthoPAT. Recent trends in blood management, particularly the adoption of tranexamic acid to treat and prevent orthopedic post-operative blood loss, continue to lessen hospital use of OrthoPAT.

Transfusion Management

Transfusion Management software revenue includes BloodTrack, SafeTrace Tx and other hospital software. Transfusion Management software revenue increased 15.4% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, Transfusion Management software revenue increased by 16.2% for the three months ended July 1, 2017 compared to the same period of fiscal 2017, due to BloodTrack growth in the U.S. and Europe and SafeTrace Tx growth in the U.S.

Hemostasis Management

Revenue from our Hemostasis Management products increased 14.8% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, Hemostasis Management revenue increased 16.7% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. The revenue increase was primarily attributable to the growth of TEG disposables, principally in the U.S. and China. The TEG 6s and TEG Manager are approved for the same set of indications as the TEG 5000 in Europe, Australia and Japan. In the U.S., TEG 6s is approved for limited indications, including cardiovascular surgery and cardiology. The release of TEG 6s continues to significantly contribute to the overall growth in Hemostasis Management in the U.S. and Europe. We are pursuing a broader set of indications for the TEG 6s in the U.S., including trauma.

Gross Profit

(In thousands)	Three Months Ended July 1, 2017	July 2, 2016	% Increase/ (Decrease)
Gross profit	$ 91,665	$ 91,056	0.7%
% of net revenues	43.5%	43.4%	

Gross profit increased 0.7% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, gross profit increased 2.9% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Gross profit margin was flat for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. As discussed above, we are experiencing delays in the expansion of our liquid solutions production capacity that have required us and our customers to obtain alternative sources of supply. Gross profit margin for the current year period was negatively impacted by additional costs associated with these purchases from alternate sources. We expect purchases from these alternate sources to continue until we can complete the expansion and produce solutions at the necessary level. Gross profit margin during the prior year period was negatively impacted by charges associated with the whole blood collection kits recall. The impact of cost savings initiatives during both the current and prior year periods partially offset the impact of these additional charges. Gross profit margin continues to be impacted by the inefficiency of underutilized productive capacity. We continue to seek opportunities to rationalize our manufacturing network.

Operating Expenses

(In thousands)	Three Months Ended July 1, 2017	July 2, 2016	% Increase/ (Decrease)
Research and development	$ 8,193	$ 11,437	(28.4)%
% of net revenues	3.9%	5.4%	
Selling, general and administrative	$ 66,861	$ 87,500	(23.6)%
% of net revenues	31.7%	41.7%	
Total operating expenses	$ 75,054	$ 98,937	(24.1)%
% of net revenues	35.6%	47.1%	

Research and Development

Research and development expenses decreased 28.4% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, research and development expenses decreased 26.6% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. The decrease, on a constant currency basis, for the three months ended July 1, 2017 was primarily driven by lower restructuring and turnaround costs in the current period and reduced spending on several projects in our Blood Center business unit to better align with our long-term product plans. We expect to continue to invest resources in clinical programs for our Hemostasis Management business unit, most notably a global registry study for our TEG platform.

Selling, General and Administrative

Selling, general and administrative expenses decreased 23.6% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. Without the effect of foreign exchange, selling, general, and administrative expenses decreased 22.2% for the three months ended July 1, 2017, as compared to the same period of fiscal 2017. The decrease for the three months ended July 1, 2017 was primarily the result of a reduction in restructuring and turnaround costs due to significant levels of such costs incurred in the prior year period in connection with our global strategic review.

Interest and Other Expense, Net

Interest expense from our term loan borrowings, which constitutes the majority of expense, decreased during the three months ended July 1, 2017 as compared to the prior year period due to principal payments on our term loan and a reduction in our borrowings on our revolving credit line. The effective interest rate on total debt outstanding as of July 1, 2017 was 2.5%.

Income Taxes

We conduct business globally and report our results of operations in a number of foreign jurisdictions in addition to the United States. Our reported tax rate is generally lower than the U.S. federal statutory rate as the income tax rates in the foreign jurisdictions in which we operate are generally lower than the U.S. statutory tax rate. Additionally, our reported tax rate is lower than the statutory tax rate as a result of the release of valuation allowance against tax attributes in certain jurisdictions which can be utilized to offset current year earnings.

The effective tax rate for the three months ended July 1, 2017 was 13.4%, as compared to (2.9%) for the three months ended July 2, 2016.

The change in our reported tax rate is primarily the result of the Company incurring a small loss during the first quarter ending July 2, 2016, the expected tax benefit of which was more than offset by a discrete tax expense from the establishment of a tax reserve. The combination of these factors led to the negative 2.9% tax rate reported in the first quarter of the prior fiscal year as compared to the Company generating profits and tax expense during the quarter ended July 1, 2017.

During the three months ended July 1, 2017, we recorded a $3.1 million tax provision, which includes a tax provision recorded on year-to-date income as well as a $0.4 million discrete tax provision for international items and tax reserves.

We are in a three year cumulative loss position in the U.S. and, accordingly, maintain a valuation allowance against our U.S. deferred tax assets. We also maintain a valuation allowance against certain foreign deferred tax assets primarily in Switzerland, Puerto Rico, Luxembourg and France which we have concluded are not more-likely-than-not realizable.

Liquidity and Capital Resources

The following table contains certain key performance indicators we believe depict our liquidity and cash flow position:

(Dollars in thousands)	July 1, 2017	April 1, 2017
Cash & cash equivalents	$ 171,739	$ 139,564
Working capital	$ 322,566	$ 298,850
Current ratio	2.6	2.4
Net debt[(1)]	$ (131,304)	$ (175,083)
Days sales outstanding (DSO)	65	60
Disposable finished goods inventory turnover	3.8	4.2

[(1)]Net debt position is the sum of cash and cash equivalents less total debt.

In fiscal 2017, we launched a multi-year restructuring initiative designed to reposition our organization and improve our cost structure. During the three months ended July 1, 2017 and July 2, 2016, we incurred $2.5 million and $17.7 million, respectively, of restructuring and turnaround costs under the initial phase of this initiative. This initial phase of the multi-year restructuring initiative is substantially complete. We continue to assess non-core and underperforming assets and evaluate opportunities to improve our cost structure as part of our turnaround and expect to incur additional charges and benefits during fiscal 2018 and beyond.

Our primary sources of liquidity are cash and cash equivalents, internally generated cash flow from operations and proceeds from employee stock option exercises. Although cash flow from operations could be negatively impacted by continued declines in our Blood Center business, we believe these sources are sufficient to fund our cash requirements over at least the next twelve months. Our expected cash outlays relate primarily to investments, capital expenditures, including the NexSys PCS, cash payments under the loan agreement, restructuring and turnaround initiatives and other acquisitions.

Debt

As of July 1, 2017, we had $171.7 million in cash and cash equivalents, substantially held in the U.S. or in countries from which it can be freely repatriated to the U.S. We currently have a credit agreement ("Credit Agreement") with certain lenders (together, “Lenders”) which provides for a $475.0 million term loan ("Term Loan") and a $100.0 million revolving loan ("Revolving Credit Facility" and together with the Term Loan, the "Credit Facilities"). Interest is based on the Adjusted LIBOR plus a range of 1.125% to 1.500% depending on achievement of leverage ratios and customary credit terms which include financial and negative covenants. The Credit Facilities mature on July 1, 2019. At July 1, 2017, $303.5 million was outstanding under the Term Loan and no amount was outstanding on the Revolving Credit Facility. We also have $46.6 million of uncommitted operating lines of credit to fund our global operations and there are no outstanding borrowings as of July 1, 2017.

During the three months ended July 1, 2017, we paid $11.9 million in principal repayments for the Term Loan. We have scheduled principal payments of $49.8 million required during the remainder of fiscal 2018. We were in compliance with the leverage and interest coverage ratios specified in the Credit Agreement as well as all other bank covenants as of July 1, 2017.

Cash Flows

	Three Months Ended		
(In thousands)	July 1, 2017	July 2, 2016	Increase/ (Decrease)
Net cash provided by (used in):			
Operating activities	$ 38,425	$ 30,695	$ 7,730
Investing activities	(3,740)	(22,392)	18,652
Financing activities	(3,549)	(4,986)	1,437
Effect of exchange rate changes on cash and cash equivalents[(1)]	1,039	(192)	1,231
Net increase in cash and cash equivalents	$ 32,175	$ 3,125	

[(1)]The balance sheet is affected by spot exchange rates used to translate local currency amounts into U.S. Dollars. In accordance with U.S. GAAP, we have removed the effect of foreign currency throughout our cash flow statement, except for its effect on our cash and cash equivalents.

Net cash provided by operating activities increased by $7.7 million during the three months ended July 1, 2017, as compared to the three months ended July 2, 2016. The increase in cash provided by operating activities was primarily due to net income, as adjusted for depreciation and amortization, partially offset by a decrease in working capital as compared to the prior year period. A decrease in other current assets was more than offset by a decrease in accrued expenses, most notably accrued payroll. The decrease in accrued payroll was driven by the payout of annual variable compensation during the period.

Net cash used in investing activities decreased by $18.7 million during the three months ended July 1, 2017, as compared to the three months ended July 2, 2016. The decrease in cash used in investing activities was primarily the result of a reduction in capital expenditures during the three months ended July 1, 2017 as compared to the same period in the prior fiscal year, and proceeds received related to the divestiture of our SEBRA product line.

Net cash used in financing activities decreased by $1.4 million during the three months ended July 1, 2017, as compared to the three months ended July 2, 2016, primarily due to an increase in the proceeds received from the exercise of stock options, partially offset by principal repayments on our Term Loan.

Concentration of Credit Risk

Concentrations of credit risk with respect to trade accounts receivable are generally limited due to our large number of customers and their diversity across many geographic areas. A portion of our trade accounts receivable outside the United States, however, include sales to government-owned or supported healthcare systems in several countries, which are subject to payment delays and local economic conditions. Payment is dependent upon the financial stability and creditworthiness of those countries' national economies.

We have not incurred significant losses on receivables. We continually evaluate all receivables for potential collection risks associated with the availability of government funding and reimbursement practices. If the financial condition of customers or the countries' healthcare systems deteriorate such that their ability to make payments is uncertain, allowances may be required in future periods.

Inflation

We do not believe that inflation had a significant impact on our results of operations for the periods presented. Historically, we believe we have been able to mitigate the effects of inflation by improving our manufacturing and purchasing efficiencies, by increasing employee productivity, and by adjusting the selling prices of products. We continue to monitor inflation pressures generally and raw materials indices that may affect our procurement and production costs. Increases in the price of petroleum derivatives could result in corresponding increases in our costs to procure plastic raw materials.

Foreign Exchange

During the three months ended July 1, 2017, approximately 38% of our sales were generated outside the U.S., generally in foreign currencies, yet our reporting currency is the U.S. Dollar. We also incur certain manufacturing, marketing and selling costs in international markets in local currency. Our primary foreign currency exposures relate to sales denominated in Euro, Japanese Yen, Chinese Yuan and Australian Dollars. We also have foreign currency exposure related to manufacturing and other operational costs denominated in Swiss Francs, Canadian Dollars, Mexican Pesos, and Malaysian Ringgit. The Yen, Euro, Yuan and Australian Dollar sales exposure is partially mitigated by costs and expenses for foreign operations and sourcing products denominated in foreign currencies. Since our foreign currency denominated Yen, Euro, Yuan and Australian Dollar sales exceed the foreign currency denominated costs, whenever the U.S. Dollar strengthens relative to the Yen, Euro, Yuan or Australian Dollar, there is an adverse effect on our results of operations and, conversely, whenever the U.S. Dollar weakens relative to the Yen, Euro, Yuan or Australian Dollar, there is a positive effect on our results of operations. For Swiss Francs, Canadian Dollars Mexican Pesos, and Malaysian Ringgit our primary cash flows relate to product costs or costs and expenses of local operations. Whenever the U.S. Dollar strengthens relative to these foreign currencies, there is a positive effect on our results of operations. Conversely, whenever the U.S. Dollar weakens relative to these currencies, there is an adverse effect on our results of operations.

We have a program in place that is designed to mitigate our exposure to changes in foreign currency exchange rates. That program includes the use of derivative financial instruments to minimize, for a period of time, the unforeseen impact on our financial results from changes in foreign exchange rates. We utilize forward foreign currency contracts to hedge the anticipated cash flows from transactions denominated in foreign currencies, primarily Japanese Yen and Euro, and to a lesser extent Swiss Francs, Australian Dollars, Canadian Dollars, and Mexican Pesos. This does not eliminate the volatility of foreign exchange rates, but because we generally enter into forward contracts one year out, rates are fixed for a one-year period, thereby facilitating financial planning and resource allocation. These contracts are designated as cash flow hedges. The final impact of currency fluctuations on the results of operations is dependent on the local currency amounts hedged and the actual local currency results.

Recent Accounting Pronouncements

Standards to be Implemented

Revenue from Contracts with Customers (Topic 606)

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU No. 2014-09, Revenue from Contracts with *Customers (Topic 606).* ASU No. 2014-09 stipulates that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, an entity should apply the following steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. ASU No. 2014-09 will be effective for annual reporting periods beginning after December 15, 2017, including interim periods within those reporting periods. Early adoption is permitted for annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period.

In March 2016, the FASB issued ASU No. 2016-08, Revenue from Contracts with Customers (Topic 606): Principal versus *Agent Considerations (Reporting Revenue Gross versus Net)*. The purpose of ASU No. 2016-08 is to clarify the guidance on principal versus agent considerations. It includes indicators that help to determine whether an entity controls the specified good or service before it is transferred to the customer and to assist in determining when the entity satisfied the performance obligation and as such, whether to recognize a gross or a net amount of consideration in their consolidated statement of operations. The effective date and transition requirements are consistent with ASU No. 2014-09.

In April 2016, the FASB issued ASU No. 2016-10, Revenue from Contracts with Customers (Topic 606): Identifying *Performance Obligations and Licensing*. The guidance clarifies that entities are not required to assess whether promised goods or services are performance obligations if they are immaterial in the context of the contract. ASU No. 2016-10 also addresses how to determine whether promised goods or services are separately identifiable and permits entities to make a policy election

to treat shipping and handling costs as fulfillment activities. In addition, it clarifies key provisions in Topic 606 related to licensing. The effective date and transition requirements are consistent with ASU No. 2014-09.

We have established a cross-functional implementation team consisting of representatives from all of our business units and regions. During fiscal 2017, we analyzed the impact of the standard on our contract portfolio by reviewing a representative sample of our contracts to identify potential differences that would result from applying the requirements of the new standard. The implementation team has apprised both management and the audit committee of project status on a recurring basis.

We have not finalized our assessment of the impact of Topic 606, however we believe our recognition of software revenue will be the most impacted. Software revenue accounts for approximately 7.5% of the Company's total revenue. We continue to analyze performance obligations, variable consideration and disclosures. Additionally, we are monitoring updates issued by the FASB. During the first half of fiscal 2018, we expect to substantially complete our impact assessment and initiate efforts to redesign impacted processes, policies and controls.

Other Recent Accounting Pronouncements

In January 2016, the FASB issued ASU No. 2016-01, Financial Instruments-Overall (Subtopic 825-10): Recognition and *Measurement of Financial Assets and Financial Liabilities*. ASU No. 2016-01 requires entities to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value with changes recognized in net income. However, an entity may choose to measure equity investments that do not have readily determinable fair values at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. It also simplifies the impairment assessment of equity investments without readily determinable fair values by requiring a qualitative assessment to identify impairment. ASU No. 2016-01 also requires separate presentation of financial assets and financial liabilities by measurement category and form of financial asset and liability. ASU No. 2016-01 is effective for fiscal years beginning after December 15, 2017 and is applicable to us in fiscal 2019, including interim periods within those fiscal years. Early adoption of certain provisions is permitted. Management does not believe that the adoption of ASU No. 2016-01 will have a material effect on our financial position or results of operations.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). ASU No. 2016-02 is intended to increase the transparency and comparability among organizations by recognizing lease asset and lease liabilities on the balance sheet, including those previously classified as operating leases under current U.S. GAAP, and disclosing key information about leasing arrangements. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2018 and is applicable to us in fiscal 2020, including interim periods within those fiscal years. Earlier adoption is permitted. The impact of adopting ASU No. 2016-02 on our financial position and results of operations is being assessed by management.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326). The guidance requires that financial assets measured at amortized cost be presented at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis. The income statement reflects the measurement of credit losses for newly recognized financial assets, as well as the expected credit losses during the period. The measurement of expected credit losses is based upon historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. Credit losses relating to available-for-sale debt securities will be recorded through an allowance for credit losses rather than as a direct write-down to the security. The updated guidance is effective for annual periods beginning after December 15, 2019, and is applicable to us in fiscal 2021. Early adoption is permitted. The impact of adopting ASU No. 2016-13 on our financial position and results of operations is being assessed by management.

In August 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flow (Topic 230). The guidance reduces diversity in how certain cash receipts and cash payments are presented and classified in the Statements of Cash Flows. The guidance is effective for annual periods beginning after December 15, 2017, and is applicable to us in fiscal 2019. Early adoption is permitted. The adoption of ASU 2016-15 is not expected to have a material effect on our consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16, Income Taxes (Topic 740). The guidance requires companies to recognize the income tax effects of intercompany sales and transfers of assets, other than inventory, in the income statement as income tax expense (or benefit) in the period in which the transfer occurs. The guidance is effective for annual periods beginning after December 15, 2017, and is applicable to us in fiscal 2019. Early adoption is permitted for all entities as of the beginning of an annual reporting period. The impact of adopting ASU No. 2016-16 on our financial position and results of operations is being assessed by management.

In January, 2017 the FASB issued ASU No. 2017-01, Business Combinations: Clarifying the Definition of a Business (Topic *805).* The purpose of the update is to change the definition of a business to assist entities with evaluating when a set of

transferred assets and activities is a business. The guidance is effective for annual periods beginning after December 15, 2017, and is applicable to us in fiscal 2019. Early adoption is permitted for all entities as of the beginning of an annual reporting period. The impact of adopting ASU No. 2017-01 is not expected to have a material effect on our consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-07, Compensation - Retirement Benefits (Topic 715). The guidance revises the presentation of net periodic pension cost and net periodic post-retirement benefit cost. The guidance is effective for annual periods beginning after December 15, 2018, and is applicable to us in fiscal 2020. Early adoption is permitted for all entities as of the beginning of an annual reporting period. The impact of adopting ASU No. 2017-07 is not expected to have a material effect on our consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09, Compensation - Stock Compensation: Scope of Modification Accounting (Topic 718). The guidance clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. The guidance is effective for annual periods beginning after December 15, 2017, and is applicable to us in fiscal 2019. Early adoption is permitted for all entities as of the beginning of an annual reporting period. The impact of adopting ASU No. 2017-09 on our financial position and results of operations is being assessed by management.

Cautionary Statement Regarding Forward-Looking Information

Statements contained in this report, as well as oral statements we make which are prefaced with the words “may,” “will,” “expect,” “anticipate,” “continue,” “estimate,” “project,” “intend,” “designed,” and similar expressions, are intended to identify forward looking statements regarding events, conditions, and financial trends that may affect our future plans of operations, business strategy, results of operations, and financial position. These statements are based on our current expectations and estimates as to prospective events and circumstances about which we can give no firm assurance. Further, any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made. As it is not possible to predict every new factor that may emerge, forward-looking statements should not be relied upon as a prediction of our actual future financial condition or results.

These forward-looking statements, like any forward-looking statements, involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. Factors that may influence or contribute to the inaccuracy of the forward-looking statements or cause actual results to differ materially from expected or desired results may include, without limitation, demand for whole blood and blood components, changes in executive management, changes in operations, restructuring and turnaround plans, asset revaluations to reflect current business conditions, asset sales, technological advances in the medical field and standards for transfusion medicine and our ability to successfully offer products that incorporate such advances and standards, product quality, market acceptance, regulatory uncertainties, including in the receipt or timing of regulatory approvals, the effect of economic and political conditions, the impact of competitive products and pricing, blood product reimbursement policies and practices, foreign currency exchange rates, changes in customers’ ordering patterns including single-source tenders, the effect of industry consolidation as seen in the plasma and blood center markets, the effect of communicable diseases and the effect of uncertainties in markets outside the U.S. (including Europe and Asia) in which we operate and other risks detailed under Item 1A. Risk Factors included in this report, if any, as well as those described in our Annual Report on Form 10-K for the fiscal year ended April 1, 2017. The foregoing list should not be construed as exhaustive.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure relative to market risk is due to foreign exchange risk and interest rate risk.

Foreign Exchange Risk

See the section above entitled Foreign Exchange for a discussion of how foreign currency affects our business. It is our policy to minimize, for a period of time, the unforeseen impact on our financial results of fluctuations in foreign exchange rates by using derivative financial instruments known as forward contracts to hedge anticipated cash flows from forecasted foreign currency denominated sales and costs. We do not use the financial instruments for speculative or trading activities.

We estimate the change in the fair value of all forward contracts assuming both a 10% strengthening and weakening of the U.S. Dollar relative to all other major currencies. In the event of a 10% strengthening or weakening of the U.S. Dollar, the change in fair value of all forward contracts would result in a $3.8 million impact to the fair value of the forward contracts.

Interest Rate Risk

Our exposure to changes in interest rates is associated with borrowings on our Credit Agreement, all of which is variable rate debt. Total outstanding debt under our Credit Facilities as July 1, 2017 was $303.5 million with an interest rate of 2.5% based on prevailing LIBOR rates. An increase of 100 basis points in LIBOR rates would result in additional annual interest expense of $3.0 million. On December 21, 2012, we entered into interest rate swap agreements to effectively convert $250.0 million of borrowings from a variable rate to a fixed rate. The interest rate swaps qualify for hedge accounting treatment as cash flow hedges.

ITEM 4. CONTROLS AND PROCEDURES

We conducted an evaluation, as of July 1, 2017, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer (our principal executive officer and principal financial officer, respectively) regarding the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rule 13a-15 of the Securities Exchange Act of 1934 (the “Exchange Act”). Because the material weakness in our internal control over financial reporting for inventory that existed as of April 1, 2017 has not yet been fully remediated, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of July 1, 2017.

We have advised our audit committee of this deficiency in our internal control over financial reporting, and the fact that this deficiency constitutes a material weakness. A material weakness in internal control over financial reporting is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis by our internal controls.

Because a material weakness was determined to exist, we performed additional procedures to ensure our consolidated financial statements included in this quarterly report on Form 10-Q are presented fairly, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with accounting principles generally accepted in the United States.

As we continue to evaluate and work to improve our internal control over financial reporting, management may determine that it is necessary to take additional measures to address control deficiencies or may determine that it is necessary to modify the remediation plan described below. The operation of the control change will need to be observed for a period of time before management is able to conclude that the material weakness has been remediated. If not remediated, this material weakness could result in a material misstatement to our consolidated financial statements. Management continues to monitor implementation of its remediation plan and timetable and believes the efforts described below will effectively remediate the material weaknesses.

We are undertaking steps to strengthen our controls over accounting for inventory, including:

- Increasing oversight by our management in the calculation and reporting of certain inventory balances;
- Enhancing policies and procedures relating to account reconciliation and analysis; and
- Strengthening communication and information flows between the inventory operations department and the corporate controller's group.

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-a5(f). The Company’s internal control system was designed to provide reasonable assurance to the Company’s management and Board of Directors regarding the preparation and fair presentation of published financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Controls

Except as noted in the preceding paragraphs, there has not been any change in our system of internal control over financial reporting during the quarter ended July 1, 2017 that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

Information with respect to this Item may be found in Note 12, *Commitments and Contingencies* to the Unaudited Consolidated Financial Statements in this Quarterly Report on Form 10-Q, which is incorporated herein by reference.

Item 1A. Risk Factors

There are no material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended April 1, 2017.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. [Removed and Reserved]

Item 6. Exhibits

10.1*	Second Amended and Restated License Agreement by and among Cora Healthcare, Inc., CoraMed Technologies, LLC, and Haemonetics Corporation dated August 14, 2013
10.2†	Amended and Restated Performance Share Unit Agreement between Haemonetics Corporation and Christopher Simon dated June 6, 2017
10.3†	Form of Performance Share Unit Agreement under 2005 Long-Term Incentive Compensation Plan
31.1	Certification pursuant to Section 302 of Sarbanes-Oxley Act of 2002, of Christopher Simon, President and Chief Executive Officer of the Company
31.2	Certification pursuant to Section 302 of Sarbanes-Oxley of 2002, of William Burke, Executive Vice President, Chief Financial Officer of the Company
32.1	Certification Pursuant to 18 United States Code Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of Christopher Simon, President and Chief Executive Officer of the Company
32.2	Certification Pursuant to 18 United States Code Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of William Burke, Executive Vice President, Chief Financial Officer of the Company
101**	The following materials from Haemonetics Corporation on Form 10-Q for the quarter ended July 1, 2017, formatted in Extensible Business Reporting Language (XBRL); (i) Consolidated Statements of Income (Loss) and Comprehensive Income (Loss), (ii) Consolidated Balance Sheets, (iii) Consolidated Statements of Cash Flows, and (iv) Notes to Consolidated Financial Statements.

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* Confidential treatment has been requested as to certain portions of this exhibit. A complete version of this exhibit has been filed separately with the U.S. Securities and Exchange Commission.

† Management contract or compensatory plan or arrangement.

** In accordance with Rule 406T of Regulation S-T, the XBRL-related information in Exhibit 101 to this Form 10-Q is deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act, is deemed not filed for the purposes of section 18 of the Exchange Act, and otherwise is not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HAEMONETICS CORPORATION

8/7/2017 By: /s/ Christopher Simon

Christopher Simon,
President and Chief Executive Officer
(Principal Executive Officer)

8/7/2017 By: /s/ William Burke

William Burke, Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

[***] CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

SECOND AMENDED AND RESTATED LICENSE AGREEMENT NO. 3
(Cora to Haemonetics; Current and Future IP specific to TEG 6000 apparatus)

This SECOND AMENDED AND RESTATED LICENSE AGREEMENT (including without limitation the schedules attached hereto, this "License Agreement") dated as of August 14, 2013 (the "Effective Date"), is entered into by and among: Cora Healthcare, Inc. (f/k/a Haemoscope Corporation), a Delaware corporation ("Cora Healthcare") and CoraMed Technologies, LLC, Delaware limited liability company ("CoraMed" and, collectively with Cora Healthcare, "Cora"), both having principal offices at 6225 West Howard Street, Niles, Illinois 60714; and Haemonetics Corporation, a Massachusetts corporation having its principal office at 400 Wood Road, Braintree, Massachusetts 02184-9144 ("Haemonetics").

WHEREAS, pursuant to an Asset Purchase Agreement, dated as of October 29, 2007 (the "Purchase Agreement"), Cora Healthcare sold to Haemoscope (as defined below) certain of Cora Healthcare's assets and liabilities relating to hemostasis analysis and monitoring (the "Asset Purchase");

WHEREAS, pursuant to the terms and conditions of License Agreement No. 3 (Haemoscope to Haemonetics; Current and Future IP specific to TEG 6000 apparatus) by and between Cora Healthcare and Haemonetics Corporation (the parent of Haemoscope Corporation) executed on November 20, 2007 ("Original Agreement No. 3"), Cora Healthcare granted to Haemonetics an exclusive license in the Hospitals and Labs Fields (as defined below) in and to certain Licensed IP (as defined below);

WHEREAS, CoraMed was formed for the purpose of developing and commercializing certain of Cora Healthcare's intellectual property rights not sold to Haemonetics in the Asset Purchase, and pursuant to the terms and conditions of one or more separate agreements, Cora Healthcare has assigned or granted or may assign or grant to CoraMed rights in and to such intellectual property rights;

WHEREAS, as a result of such relationship between Cora Healthcare and CoraMed, the Parties amended and restated Original Agreement No. 3 pursuant to the terms of the Amended and Restated License Agreement by and among Cora Healthcare, CoraMed and Haemonetics executed on May 20, 2008 (the "First Amended and Restated License Agreement No. 3");

WHEREAS, to facilitate the commercial distribution of the next generation thrombelastography product and guide the development and regulatory approval of the TEG 6000 Analyzer (as defined below) and consumables with reagents used in analyzing blood hemostasis with such analyzer, and the future development of consumable and reagent combinations, the Parties desire to amend and restate the First Amended and Restated License Agreement No. 3 pursuant to the terms of this License Agreement;

WHEREAS, the Parties, or Affiliates thereof, may enter into a Supply Agreement (as defined on and described under Schedule E attached hereto), pursuant to which Haemonetics will supply analyzers and consumables to CoraMed;

WHEREAS, subject to the terms and conditions of this License Agreement, Haemonetics desires and is willing to secure from CoraMed, and CoraMed desires and is willing to grant to Haemonetics an exclusive license in the Hospitals and Labs Fields; and

WHEREAS, the parties understand and agree that the transfer of rights to the Licensed IP hereunder constitutes a transfer of all substantial rights to such Licensed IP within the meaning of the United States tax laws.

NOW, THEREFORE, in consideration of these premises and the mutual covenants, agreements, representations and warranties herein contained, the Parties hereby agree as follows:

1. Certain Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Purchase Agreement. The following terms shall have the meanings set forth below:

1.1 "Abandon" or "Abandonment" shall have the meanings set forth in the Purchase Agreement.

1.2 "Affiliate" shall have the meaning set forth in the Purchase Agreement.

1.1 "Amended and Restated License Agreement No. 1" means that certain Amended and Restated License Agreement No. 1 by and between Cora and Haemonetics dated as of May 20, 2008.

1.2 "Amended and Restated License Agreement No. 5" means that certain Amended and Restated License Agreement No. 5 by and between Cora and Haemonetics dated as of May 20, 2008.

1.3 "CMS" means the Centers for Medicare & Medicaid Services.

1.4 "Confidential Financial Information" is defined in Section 13.1(a).

1.5 "Control," "Controls" or "Controlled by" means, the possession of (whether by ownership or license), or the ability of Cora Healthcare, CoraMed, or Cora to grant access to, or a license or sublicense of an item or right as provided for herein, any agreement or other arrangement with any Third Party existing at the time Cora Healthcare, CoraMed, or Cora would be required hereunder to grant Haemonetics such access, right or (sub)license.

1.6 "Copyrights" means copyrights and related rights in original published and unpublished works of authorship fixed in a tangible medium of expression and related registrations and applications for registration in the United States Copyright Office or in any similar office or agency anywhere in the world.

1.7 "Cora" is defined in the introductory paragraph.

1.8 "CoraMed Assigned IP" is defined in Section 8.1(b).

1.9 "CoraMed Code" is defined in Section 2.6(c).

1.10 "CoraMed Sublicensee/Customer" means any sublicensee, customer, distributor, purchaser, consignee or lessee of CoraMed or any of its Affiliates.

1.11 "Development Agreement" means one or more Development Agreements that may be entered into by CoraMed and Haemonetics or Affiliates thereof, following the date of this License Agreement, relating to the development or improvement of TEG 6000 Products.

1.12 "Designated Products" is defined in Section 2.3(b).

1.13 "End-User License" is defined in Section 2.3(c)(i).

1.14 "End-Users" means customers who acquire rights to the Licensed Software for their internal use and not for redistribution, remarketing, time-sharing, or service bureau use.

1.15 "Excluded License" means any license, including but not limited to any open source license, that requires as a condition of use, modification or distribution of software subject to such license, that such software or other software combined and/or distributed with such software be (a) disclosed or distributed in source code form; (b) licensed for the purpose of making derivative works; or (c) redistributable at no charge.

1.16 "Exploit" means to research, develop, make, have made, import, use, sell, offer for sale, market, dispose of, or otherwise practice the subject matter of the applicable Patents or Know-How.

1.17 "Governmental Authority" means any government, any governmental or regulatory entity or body, department, commission, board, agency or instrumentality, and any court, tribunal or judicial body, in each case whether federal, state, county, provincial, and whether local or foreign.

1.18 "HAE Code" is defined in Section 2.6(c).

1.19 "Haemonetics" shall have the meaning set forth in the Introductory Paragraph.

1.20 "Haemonetics Licensed Copyrights" means, other than Copyrights in the Haemonetics Licensed Software or the Haemonetics Licensed Documentation, any and all Copyrights Controlled by Haemonetics after the Effective Date that are associated with any and all works of authorship constituting the Haemonetics Licensed Know-How, including without limitation, lab notebooks and drawings.

1.21 "Haemonetics Licensed Documentation" means any and all end user documentation and technical documentation (e.g., source code documentation and other technical documentation) that is associated with the Haemonetics Licensed Software or TEG 6000 Products made commercially available by Haemonetics during the term of this License Agreement, including without limitation owners manuals, instructions for use and photographs.

1.22 "Haemonetics Licensed Know-How" means any and all Know-How now or hereafter Controlled by Haemonetics the subject matter of which is specific to the manufacturing or configuration of a TEG 6000 Product.

1.23 "Haemonetics Licensed Know-How Rights" means any and all rights, under applicable trade secret laws, in and to any and all Haemonetics Licensed Know-How.

1.24 "Haemonetics Licensed IP" means, collectively, the Haemonetics Licensed Copyrights, Haemonetics Licensed Know-How Rights and Haemonetics Licensed Patents.

1.25 "Haemonetics Licensed Patents" means any and all Patents now or hereafter Controlled by Haemonetics the subject matter of which is specific to the configuration of a TEG 6000 Product.

1.26 "Haemonetics Licensed Software" means any and all software Controlled by Haemonetics after the Effective Date that is used specifically in the configuration of a TEG 6000 Product.

1.27 "Haemonetics Sublicensee/Customer" means any sublicensee, customer, distributor, purchaser, consignee or lessee of Haemonetics or any of its Affiliates.

1.28 "Haemoscope" means Haemoscope Corporation (f/k/a Huron Acquisition Corporation), a Massachusetts corporation.

1.29 "Hospitals and Labs Field" means the fields of (a) any and all providers, wherever located, of primarily "in-patient hospital services" (as defined by CMS as services that are eligible for reimbursement under Part A of the Medicare program, assuming, for this purpose, that such provider were located within the United States of America, but excluding any skilled nursing facility or assisted living facility) and/or (b) any and all diagnostic laboratories, wherever located, that serve as laboratories for a majority of a Hospital's in-patient hemostasis testing.

1.30 "IP License Agreements" is defined in Section 2.3(b)

1.31 "Joint Product Claim" is defined in Section 10.2(b)(ii).

1.32 "Know-How" means all confidential, technical and/or proprietary information and knowledge, whether or not patentable and whether or not in written form, including, without limitation, information, inventions, specifications, know-how and knowledge regarding inventions, discoveries, techniques, research in progress, trade secrets, systems, methods, processes, algorithms, technical data, formulae, drawings, designs, schematics, blueprints, flow charts, models, prototypes, techniques, practices, manufacturing and design information, information regarding biological reagents, and financial, business, marketing and client information.

1.33 "Laws" means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any federal, national, multinational, state, provincial, county, city or other political subdivision, domestic or foreign.

1.34 "Licensed Copyrights" means, other than Copyrights in the Licensed Software or the Licensed Documentation, any and all Copyrights Controlled by CoraMed after the Effective Date that are associated with any and all works of authorship constituting the Licensed Know-How, including without limitation, lab notebooks and drawings.

1.35 "Licensed Documentation" means any and all end user documentation and technical documentation (e.g., source code documentation and other technical documentation) that is associated with the Licensed Software or TEG 6000 Products made commercially available by CoraMed during the term of this License Agreement, including without limitation owners manuals, instructions for use and photographs.

1.36 "Licensed IP" means, collectively, the Licensed Copyrights, Licensed Know-How Rights and Licensed Patents.

1.37 "Licensed Know-How" means any and all Know-How now or hereafter Controlled by CoraMed the subject matter of which is specific to the manufacturing or configuration of a TEG 6000 Product.

1.38 "Licensed Know-How Rights" means any and all rights, under applicable trade secret laws, in and to any and all Licensed Know-How.

1.39 "Licensed Patents" means any and all Patents now or hereafter Controlled by CoraMed the subject matter of which is specific to the configuration of a TEG 6000 Product. The Licensed Patents that exist as of the Effective Date are listed on Schedule A hereto.

1.40 "Licensed Software" means any and all software Controlled by CoraMed after the Effective Date that is used specifically in the configuration of a TEG 6000 Product.

1.41 "License Term" is defined in Section 2.6(a)(i).

1.42 "Manufacturing Information" is defined in Section 2.4(b).

1.43 "Manufacturing License" is defined in Section 2.3(a).

1.44 "Non-Torsion Products" means any and all products or combinations of products that measure hemostasis but are not Torsion Products. As used herein, such products shall include accessories and consumables customarily included or used with such products.

1.45 "Object Code" means computer software programs, assembled or compiled substantially or entirely in binary form, which are readable and usable by computer equipment, but not generally readable by humans without reverse assembly, reverse compiling or reverse engineering.

1.46 "Party" means Cora Healthcare, CoraMed or Haemonetics, individually, and "Parties" means Cora Healthcare, CoraMed and Haemonetics, collectively.

1.47 "Patents" means patents and patent applications (which for the purposes of this License Agreement shall be deemed to include certificates of invention and applications for certificates of invention), including provisionals, divisionals, continuations, continuations-in-part, reissues, reexaminations, renewals, extensions, supplementary protection certificates, and the like of any such patents and patent applications, and any foreign equivalents thereof, and shall include patents whose term has been extended by statutory patent term adjustments or extensions in any jurisdiction in the world, including but not limited to those patent term adjustments and extensions granted under 35 U.S.C. § 154(b) or 35 U.S.C. § 156.

1.48 "Person" shall have the meaning set forth in the Purchase Agreement.

1.49 "Product Claim" is defined in Section 10.2(b)(i).

1.50 "Product Developments" is defined in Section 2.4(b).

1.51 "Representatives" shall have the meaning set forth in Section 13.4.

1.52 "Resellers" means distributors, wholesalers, and retailers of TEG 6000 Products.

1.53 "Source Code" means the human readable representation of a computer program or designs written in any computer-programming language (e.g., VHDL, Verilog, Matlab, SPICE, C, C++, TCL, Perl, assembly code, etc.).

1.54 "Spin-off Affiliate" is defined in Section 18.5(c).

1.55 "Statement of Work" is defined in Section 5.

1.56 "Successor Company" is defined in Section 18.5(c)(i).

1.57 "TEG 6000 Analyzer" means (a) the four channel resonant frequency hemostasis measurement device developed by CoraMed and delivered to Haemonetics hereunder, and (b) improvements thereto either (i) developed by CoraMed pursuant to a Development Agreement or (ii) developed by Haemonetics (for the avoidance of doubt, such improvements shall not be deemed to include any device that is not a four channel resonant frequency hemostasis measurement device), in any case the making, using, selling, offering for sale or importing of which by Haemonetics or any of its Affiliates would, but for the licenses granted in Section 2.1 and/or Section 2.3 below of this License Agreement, (i) infringe a Valid Claim of the Licensed Patents, (ii) misappropriate any Licensed Know-How, or (iii) infringe any Licensed Copyright or Copyright in any Licensed Software or Licensed Documentation, in each case, in the country in which any such product is so made, used, sold, offered for sale or imported by Haemonetics or any of its Affiliates or on Haemonetics' or any such Affiliate's behalf.

1.58 "TEG 6000 Product(s)" means (a) the TEG 6000 Analyzer, and (b) accessories and consumables currently included or used with the TEG 6000 Analyzer or hereafter either (i) developed by CoraMed for inclusion or use with the TEG 6000 Analyzer pursuant to a Development Agreement, or (ii) developed by Haemonetics, the making, using, selling, offering for sale or importing of which by Haemonetics or any of its Affiliates would, but for the licenses granted in Section 2.1 and/or Section 2.3 below of this License Agreement, (i) infringe a Valid Claim of the Licensed Patents, (ii) misappropriate any Licensed Know-How, or (iii) infringe any Licensed Copyright or Copyright in any Licensed Software or Licensed Documentation, in each case, in the country in which any such product is so made, used, sold, offered for sale or imported by Haemonetics or any of its Affiliates or on Haemonetics' or any such Affiliate's behalf.

1.59 "Third Party" means any Person other than Cora Healthcare, CoraMed, Haemonetics and each of their respective Affiliates.

1.60 "Title 11" shall have the meaning set forth in Section 17.

1.61 "Valid Claim" means a claim of any issued and unexpired patent within the Licensed Patents which has not lapsed, become abandoned or been held revoked, invalid, or unenforceable by a decision of a court or administrative or government authority or agency of competent jurisdiction from which no appeal can be or has been taken within the time allowed for such appeal, and which has not been admitted to be invalid or unenforceable through reissue, disclaimer or otherwise.

2. License Grants.

2.1 Patents and Know-How. CoraMed hereby grants to Haemonetics and its Affiliates, and Haemonetics, on behalf of itself and its Affiliates, hereby accepts, a worldwide, exclusive (even as to each of Cora Healthcare and CoraMed, acting individually or collectively), royalty-free, fully paid-up, perpetual, irrevocable, transferable (subject to the requirements set forth in this License Agreement under Section 18.5 below) right and license under the Licensed Patents and Licensed Know-How Rights, in the Hospitals and Labs Fields only (subject to Section 2.5(b)), to use, sell, have sold, offer for sale, and have offered for sale Non-Torsion Products, and the right to practice the methods claimed or included in such Licensed Patents and/or Licensed Know-How in connection with using, selling, having sold, offering for sale, and having offered for sale such Non-Torsion Products. Subject to the terms and conditions hereof, Haemonetics may sublicense, directly or indirectly (through multiple tiers), the rights granted to Haemonetics under this Section 2.1 to any Person.

2.2 Sublicenses. All sublicenses granted by Haemonetics shall be no less protective in all materials respects of the Licensed IP than the terms and conditions of this License Agreement or shall be null and void. Within 30 days of the end of each calendar quarter, Haemonetics shall provide CoraMed a written report listing each sublicensee to which it has sublicensed rights under Section 2.1 above.

2.3 Manufacturing License; License from Haemonetics.

(a) Manufacturing License. CoraMed hereby grants to Haemonetics and its Affiliates, and Haemonetics, on behalf of itself and its Affiliates, hereby accepts, a worldwide, exclusive (as described below) (even as to Cora), perpetual, irrevocable, transferable (subject to the requirements set forth in this License Agreement under Section 18.5 below) right and license,

(i) under the Licensed Patents and Licensed Know-How Rights, to make, have made, import and have imported TEG 6000 Products, and the right to practice the methods claimed or included in such Licensed Patents and/or Licensed Know-How in connection with making, having made, importing and having imported such TEG 6000 Products,

(ii) under the Licensed Copyrights, to reproduce, display, perform, distribute, modify and create derivative works of the works of authorship that are the subject matter of the Licensed Copyrights,

(iii) to use, reproduce and modify and create derivative works of all or any portion or portions of the Source Code of the Licensed Software for internal research and development purposes, including creating new versions of the Licensed Software and different software products based on the Licensed Software,

(iv) to use, reproduce, display and modify and create derivative works of all or any portion or portions of the Object Code of the Licensed Software and to distribute such Object Code, and

(v) to use, reproduce, display, modify and create derivative works of and distribute all or any portion or portions of the Licensed Documentation and to distribute such Documentation,

(the "Manufacturing License"). The Manufacturing License set forth in this Section 2.3(a) shall be exclusive (even as to each of Cora Healthcare and CoraMed, acting individually or collectively) in, and limited to, the Hospitals and Labs Field (subject to Section 2.5(b)). Subject to the terms and conditions hereof, Haemonetics may sublicense, directly or indirectly (through multiple tiers), the rights granted to Haemonetics under this Section 2.3(a) to any Person; provided, however, that sublicenses granted by Haemonetics shall be no less protective in all material respects of the Licensed IP than the terms and conditions of this License Agreement or shall be null and void. Within 30 days of the end of each calendar quarter, Haemonetics shall provide CoraMed a written report listing each sublicensee to which it has sublicensed rights under this Section 2.3.

(b) License of Haemonetics Licensed IP. CoraMed acknowledges and agrees that Haemonetics owns all right, title and interest in and to any Haemonetics Licensed IP. Haemonetics hereby grants to CoraMed, and CoraMed hereby accepts, a worldwide, non-exclusive, perpetual, irrevocable, royalty-free, fully paid-up, transferable (subject to the requirements set forth in this License Agreement under Section 18.5 below) right and license, outside the Hospitals and Labs Field in connection with Designated Products, to:

(i) make, have made, import, have imported use, sell, have sold, offer for sale, and have offered for sale Designated Products incorporating the Haemonetics Licensed Patents and Haemonetics Licensed Know-How Rights, and the right to practice the methods claimed or included in such Haemonetics Licensed Patents and Licensed Know-How in connection with making, having made, importing, having imported, using, selling, having sold, offering for sale and having offered for sale such Designated Products;

(ii) use, reproduce and modify and create derivative works of all or any portion or portions of any Source Code included in Haemonetics Licensed Software, for internal research and development purposes;

(iii) use, reproduce, display, perform and modify and create derivative works of all or any portion or portions of any Object Code included in any Haemonetics Licensed Software and to distribute such Object Code;

(iv) use, reproduce, display, distribute and modify and create derivative works of all or any portion or portions of documentation included in the Haemonetics Licensed Documentation.

As used in this Section 2.3(b), "Designated Products" means any and all products that measure hemostasis but do not rely on torsion wire-based technology to do so, the making, using, selling, offering for sale or importing of which by Cora Healthcare and/or CoraMed would, but for the licenses granted in those certain license agreements, dated either as of May 20, 2008 or as of the date hereof, by and between Cora and Haemonetics or Haemoscope (including this License Agreement) (collectively, the "IP License Agreements"), either (1) infringe a Valid Claim of the Patents included in the applicable licensed assets or rights, or (2) misappropriate any Know-How included in the applicable licensed assets or rights, in each case, in the country in which any such product is so made, used, sold, offered for sale or imported by Cora Healthcare and/or Cora or on Cora Healthcare's and/or CoraMed's behalf.

Subject to the terms and conditions hereof, CoraMed may sublicense, directly or indirectly, (through multiple tiers), the rights granted to CoraMed under this Section 2.3(b) to any Person. All sublicenses granted by CoraMed shall be no less protective in all material respects of the Haemonetics Licensed IP than the terms and conditions of this License Agreement or shall be null and void. Within 30 days of the end of each calendar quarter, CoraMed shall provide Haemonetics a written report listing each sublicensee to which it has sublicensed rights under this Section 2.3(b).

(c) Sublicenses. CoraMed hereby grants to Haemonetics and its Affiliates, and Haemonetics, on behalf of itself and its Affiliates, hereby accepts, the right to:

(i) grant sublicenses for use of the Object Code of the Licensed Software, only as integrated in any product in the Hospitals and Labs Field to End-Users, only for use of the Licensed Software only for use in connection with any product in the Hospitals and Labs Field, and not for redistribution, pursuant to written agreements that protect the Licensed Software in a manner consistent with the terms of this License Agreement, which may be unsigned in either "shrink wrapped" form or an electronic equivalent which permits the End-User to view and indicate agreement with the license terms prior to using the applicable software ("End-User License"); and

(ii) to grant sublicenses to Resellers for redistribution of the Licensed Software for use in connection with any product in the Hospitals and Labs Field, pursuant to written agreements that protect the Licensed Software in a manner consistent with the terms of this License Agreement.

2.4 Exercise of the Manufacturing License.

(a) TEG 6000 Analyzer. In the case of the TEG 6000 Analyzer, the Parties shall cooperate to transition the manufacturing of the TEG 6000 Analyzer from CoraMed to Haemonetics as described on Schedule D attached hereto.

(b) TEG 6000 Analyzer and Other Products. For the TEG 6000 Analyzer and each other product for which specifications are disclosed by CoraMed to Haemonetics pursuant to this License Agreement, during the six (6) month period following disclosure of the final specifications for each such product to Haemonetics, CoraMed shall promptly for each such product, at Haemonetics' cost and expense, (i) provide Haemonetics or Haemonetics' designated Third Party contract manufacturer with such instructions, specifications, and other know-how and materials describing the composition and manufacture of the applicable TEG 6000 Products, including a description of the suppliers, raw materials, processes, equipment, and instruments used for the manufacture of such components, all in sufficient detail to reasonably enable Haemonetics to manufacture such components in the same manner as such manufacture is performed by or for CoraMed, (ii) use reasonable commercial efforts to assist Haemonetics or Haemonetics' designated Third Party contract manufacturer in securing supply terms for raw materials that are similar to the terms in CoraMed's agreements with its suppliers of raw materials, (iii) provide reasonable cooperation to Haemonetics (including the reasonable availability of CoraMed personnel) and (iv) grant rights to Haemonetics, free of charge, under any regulatory applications (including all documents, data and information related to such applications) and regulatory approvals, licenses, registrations and authorizations, in each case of (i) through (iii) above, as necessary to enable Haemonetics to manufacture and have manufactured and import and have imported such TEG 6000 Products. At Haemonetics' cost and expense, within thirty (30) days after the end of each calendar quarter in which CoraMed

has developed a Product Development (as defined below) pursuant to the Development Agreement, CoraMed shall provide Haemonetics with a written report listing any and all updates, modifications, improvements or other developments (collectively, "Product Developments") relating to the subject matter of clauses (i) through (iv) of the immediately preceding sentence along with descriptions sufficient for Haemonetics to manufacture the applicable TEG 6000 Product (such ongoing disclosures, the "Manufacturing Information"); provided, however, that CoraMed shall not be obligated to provide such written report to Haemonetics for a calendar quarter in which CoraMed has not developed a Product Development. Such obligation shall continue until the date on which Haemonetics, or a contract manufacturer on the behalf of Haemonetics, begins commercial manufacturing of such TEG 6000 Products. Any non-public materials and information released to Haemonetics under this Section 2.4 shall be treated confidentially in accordance with Section 13, and shall be used by Haemonetics and its contract manufacturer authorized under this Section 2.4, only to manufacture the TEG 6000 Products in accordance with Section 2.3.

(c) If CoraMed develops a Product Development that is not covered by the Development Agreement, CoraMed will not be obligated to provide such Product Development to Haemonetics unless CoraMed and Haemonetics first agree upon the financial terms relating to such Product Development. All such Product Developments provided by CoraMed to Haemonetics hereunder shall be deemed to have been developed by CoraMed pursuant to a Development Agreement for the purposes of this License Agreement (including Section 6.3(a) herein) and shall be subject to the obligation of Haemonetics to pay the Future Payments (as defined in Schedule B to this License Agreement) with respect to such Product Developments hereunder, unless the Development Agreement or another agreement between CoraMed and Haemonetics specifies another payment arrangement with respect to such Product Developments.

2.5 Abandonment of Market.

(a) In the event Haemonetics and all of its Affiliates or direct or indirect successors or assigns Abandons, in the Hospitals and Labs Field, all Non-Torsion Products, and Haemonetics provides either Cora Healthcare or CoraMed with written notice of such Abandonment, then (i) the license granted under Section 2.1 shall become non-exclusive effective upon the date of receipt of such notice and (ii) the licenses granted to CoraMed under Section 2.3(b) shall also be exercisable in the Hospitals and Labs Field on a non-exclusive basis effective upon the date of receipt of such notice.

(b) In the event Cora Healthcare, CoraMed and all of their Affiliates or direct or indirect successors or assigns Abandons, outside the Hospitals and Labs Field, all Non-Torsion Products, and Cora provides Haemonetics with written notice of such Abandonment, then the licenses granted under Sections 2.1 and 2.3 shall also apply to TEG 6000 Products outside of the Hospitals and Labs Field on a non-exclusive basis effective upon the date of receipt of such notice.

2.6 Restrictions.

(a) Covenants.

(i) For as long as any of the license grants by CoraMed to Haemonetics and its Affiliates set forth in Sections 2.1 and 2.3 are in effect (the "License Term"), Haemonetics shall not, and shall cause its Affiliates not to, and shall use commercially reasonable efforts to cause the Haemonetics Sublicensees/Customers not to, Exploit or otherwise practice the subject matter of the Licensed IP by

(A) researching, developing, using, manufacturing or have manufactured any TEG 6000 Products intended by Haemonetics or the applicable Affiliate for use solely outside of the Hospitals and Labs Field; or

(B) marketing, selling, offering to sell, importing, distributing or otherwise disposing of any TEG 6000 Products outside of the Hospitals and Labs Field.

(ii) During the License Term, Haemonetics shall label all TEG 6000 Products distributed or sold by or on behalf of Haemonetics with the following phrase (or similar words which fairly convey such products are for sale or use only in the Hospitals and Labs Field): "permitted for sale or use only in in-patient hospitals and any laboratories that are primary providers of such hospitals."

(iii) During the License Term, without the prior written consent of CoraMed, Haemonetics shall not, in the development and commercialization of TEG 6000 Products, intentionally (A) design, modify or

otherwise improve any such TEG 6000 Products with the sole goal or intent of improving its efficacy or performance outside the Hospitals and Labs Field, or (B) optimize, induce, support or encourage the use of any TEG 6000 Products solely outside the Hospitals and Labs Field.

(iv) Notwithstanding the foregoing to the contrary, this Section 2.6(a) shall expire upon receipt by Haemonetics of the notice described in Section 2.5(b).

(b) Actions of Haemonetics' Sublicensee/Customer or Affiliates. Notwithstanding anything contained herein to the contrary, prior to the receipt by Haemonetics of the notice described in Section 2.5(b), (i) Haemonetics shall not Exploit or otherwise practice, (ii) Haemonetics shall not allow any Haemonetics Affiliates to Exploit or otherwise practice, (iii) Haemonetics shall use commercially reasonable efforts to prevent Haemonetics Sublicensees/Customers from Exploiting or otherwise practicing, and (iv) with respect to any distributor, sublicense or other agreements entered into by Haemonetics or any Haemonetics Affiliates, or purchase orders issued or accepted by Haemonetics or any Haemonetics Affiliates, in each case after the Effective Date, Haemonetics shall expressly prohibit in writing all Haemonetics Sublicensees/Customers of TEG 6000 Products from Exploiting or otherwise practicing, the subject matter of the Licensed IP outside the Hospitals and Labs Field. With respect to not allowing certain activities by Haemonetics Sublicensees/Customers as set forth in clause (iii) of the first sentence of this Section 2.6(b), the Parties understand and agree that, without limiting Haemonetics' obligations under such clause, once Haemonetics learns of any violation of its obligations not to allow any Haemonetics Sublicensee/Customer to conduct those prohibited activities, Haemonetics shall promptly use best efforts to end all such prohibited activities by such Haemonetics Sublicensee/Customer within a commercially reasonable time period, and if unable to end all such prohibited activities by such efforts, shall in all events within ninety (90) days of first learning of any such prohibited activities by such Haemonetics Sublicensee/Customer: (x) terminate the sublicense to such Haemonetics Sublicensee/Customer; and (y) stop selling (directly or indirectly through other Haemonetics Sublicensees/Customers or otherwise) TEG 6000 Products to such Haemonetics Sublicensee/Customer. If CoraMed notifies Haemonetics in writing of any Haemonetics Sublicensee/Customer conducting any such prohibited activities, Haemonetics shall thereafter confirm in writing to CoraMed that Haemonetics has complied with the immediately preceding sentence for such Haemonetics Sublicensee/Customer. In any written agreement with a Haemonetics Sublicensee/Customer, Haemonetics shall require that the Haemonetics Sublicensee/Customer agree that CoraMed shall be treated as an intended third party beneficiary for purposes of enforcing under such agreement the restrictions described in this Section 2.6.

(c) Excluded License. Haemonetics' license to the Licensed Software, and CoraMed's license to the Haemonetics Licensed Software, do not include any license, right, power or authority to subject the Source Code or Object Code of the Licensed Software (collectively, the "CoraMed Code") or the Source Code or Object Code of the Haemonetics Licensed Software (collectively, the "HAE Code"), respectively, in whole or in part to any terms of an Excluded License. By way of example, CoraMed and Haemonetics, as applicable, do not have any license, right, power or authority to do either of the following:

(i) with respect to Haemonetics, create derivative works of the Licensed Software in any manner that would cause the CoraMed Code to become subject to any of the terms of an Excluded License, and with respect to CoraMed, create derivative works of the Haemonetics Licensed Software in any manner that would cause the HAE Code, in whole or in part to become subject to any of the terms of an Excluded License; or

(ii) with respect to Haemonetics, distribute the Licensed Software or derivative works thereof in any manner that would cause the CoraMed Code in whole or in part to become subject to any of the terms of an Excluded License, and with respect to CoraMed, distribute the Haemonetics Licensed Software or derivative works thereof in any manner that would cause the HAE Code in whole or in part to become subject to any of the terms of an Excluded License.

Nothing in this Section 2.6(c) prohibits: (1) Haemonetics from distributing with the TEG 6000 Products any software that is not subject to an Excluded License as described above, nor from distributing with the TEG 6000 Products software subject to an Excluded License in a manner that does not subject, or purport to subject, the CoraMed Code (or any CoraMed intellectual property associated therewith) to the terms of an Excluded License; and (2) CoraMed from distributing with the Haemonetics Licensed Software any software that is not subject to an Excluded License as described above, nor from distributing with the Haemonetics Licensed Software subject to an Excluded License in a manner that does not subject, or purport to subject, the HAE Code (or any Haemonetics intellectual property associated therewith) to the terms of an Excluded License.

2.7 Rights Held by Affiliates of Cora. Cora hereby represents that it has entered into a written agreement with each of its Affiliates (including, without limitation, Gabriel Raviv and Eli Cohen), and has caused each of its Affiliates to enter into a written agreement with Cora, pursuant to which such Affiliate assigned and assigns to Cora Healthcare or CoraMed all of each such Affiliate's rights in (a) any and all Patents, the subject matter of which has applicability in the research, development, manufacture, use, sale or importation of any TEG 6000 Product, other than the Patents licensed by Cora to Haemonetics pursuant to that certain License Agreement dated May 20, 2008, by and between the Parties and titled Amended and Restated (Sub)License Agreement No. 2 (Cora to Haemonetics; DA'AT Patent), (b) any and all Know-How or software the subject matter of which has applicability in the research, development, manufacture, use, sale or importation of any TEG 6000 Product, (c) any and all Copyrights that are embodied in any and all works of authorship constituting the Know-How the subject matter of which has applicability in the research, development, manufacture, use, sale or importation of any TEG 6000 Product and (d) all other intellectual property and trade secret rights that claim or cover such Patents, Know-How, software and Copyrights, or the subject matter of such intellectual property rights. In any written agreement entered into with an Affiliate of Cora pursuant to this Section 2.7, Cora represents and covenants that is has required and shall require that each Affiliate agree that Haemonetics shall be treated as an intended third party beneficiary for purposes of enforcing under such agreement the assignments described in this Section 2.7.

2.8 Reservation of Rights. Except as expressly set forth herein: (a) CoraMed reserves all right, title, and interest in the Licensed IP, and intellectual property rights associated with the Licensed Software and the Licensed Documentation; and (b) Haemonetics reserves all right, title, and interest in the intellectual property rights associated with the Haemonetics Licensed IP, and intellectual property rights associated with the Haemonetics Licensed Software and the Haemonetics Licensed Documentation.

2.9 Allocation. The parties agree to allocate the amounts payable hereunder among the acquired assets for all purposes (including financial accounting and tax purposes) in accordance with the allocation schedule attached hereto as Schedule E.

2.10 Covenants of CoraMed.

(a) Hospital and Labs Field.

(i) During the License Term, CoraMed shall not, and shall cause its Affiliates (including Cora Healthcare) not to, and shall use commercially reasonable efforts to cause the CoraMed Sublicensees/Customers not to, Exploit or otherwise practice the subject matter of the Licensed IP by

(A) researching, developing, using, manufacturing or have manufactured any TEG 6000 Products intended by CoraMed or the applicable Affiliate for use solely in the Hospitals and Labs Field; or

(B) marketing, selling, offering to sell, importing, distributing or otherwise disposing of any TEG 6000 Products in the Hospitals and Labs Field.

(ii) During the License Term, CoraMed shall label all TEG 6000 Products distributed or sold by or on behalf of CoraMed with the following phrase (or similar words which fairly convey such products are for sale or use only outside the Hospitals and Labs Field): "not permitted for sale to or use in in-patient hospitals and any laboratories that are primary providers of such hospitals."

(iii) During the License Term, without the prior written consent of Haemonetics or pursuant to a Development Agreement, CoraMed shall not, in the development and commercialization of TEG 6000 Products, intentionally (A) design, modify or otherwise improve any such TEG 6000 Products with the sole goal or intent of improving its efficacy or performance in the Hospitals and Labs Field, or (B) optimize, induce, support or encourage the use of any TEG 6000 Products solely in the Hospitals and Labs Field.

(iv) Notwithstanding the foregoing to the contrary, this Section 2.10(a) shall expire upon receipt by CoraMed of the notice described in Section 2.5(a).

(b) Actions of CoraMed Sublicensee/Customer or Affiliates. Notwithstanding anything contained herein to the contrary, prior to the receipt by CoraMed of the notice described in Section 2.5(a), (i) CoraMed shall not Exploit or otherwise practice, (ii) CoraMed shall not allow any Affiliates of CoraMed to Exploit or otherwise practice, (iii) CoraMed shall use commercially reasonable efforts to prevent CoraMed Sublicensees/Customers from Exploiting or otherwise practicing, and (iv) with respect to any distributor, sublicense or other agreements entered into by CoraMed or any Affiliates of CoraMed, or purchase orders issued or accepted by CoraMed or any Affiliates of CoraMed, in each case after the Effective Date, CoraMed shall expressly prohibit in writing all CoraMed Sublicensees/Customers of TEG 6000 Products from Exploiting or otherwise practicing, the subject matter of the Licensed IP in the Hospitals and Labs Field. With respect to not allowing certain activities by CoraMed Sublicensees/Customers as set forth in clause (iii) of the first sentence of this Section 2.10(b), the Parties understand and agree that, without limiting CoraMed's obligations under such clause, once CoraMed learns of any violation of its obligations not to allow any CoraMed Sublicensee/Customer to conduct those prohibited activities, CoraMed shall promptly use best efforts to end all such prohibited activities by such CoraMed Sublicensee/Customer within a commercially reasonable time period, and if unable to end all such prohibited activities by such efforts, shall in all events within ninety (90) days of first learning of any such prohibited activities by such CoraMed Sublicensee/Customer: (x) terminate the sublicense to such CoraMed Sublicensee/Customer; and (y) stop selling (directly or indirectly through other CoraMed Sublicensees/Customers or otherwise) TEG 6000 Products to such CoraMed Sublicensee/Customer. If Haemonetics notifies CoraMed in writing of any CoraMed Sublicensee/Customer conducting any such prohibited activities, CoraMed shall thereafter confirm in writing to Haemonetics that CoraMed has complied with the immediately preceding sentence for such CoraMed Sublicensee/Customer. In any written agreement with a CoraMed Sublicensee/Customer, CoraMed shall require that the CoraMed Sublicensee/Customer agree that Haemonetics shall be treated as an intended third party beneficiary for purposes of enforcing under such agreement the restrictions described in this Section 2.10.

2.11 Research and Development Activities. For the avoidance of doubt, the Parties acknowledge and agree that CoraMed shall be permitted to pursue research and development activities relating to all Non-Torsion Products in the Hospitals and Labs Field, so long as such activities do not violate the covenants set forth in Section 2.10. The foregoing acknowledgement and agreement shall be deemed to apply to all of the IP License Agreements and the Supply Agreement.

3. Compensation. In consideration of the license rights granted herein by CoraMed to Haemonetics relating to the TEG 6000 Products, Haemonetics shall pay CoraMed the payment amounts set forth on and as described in Schedule B attached hereto.

4. Regulatory Matters. Notwithstanding Section 2.4(b)(iv) above, the Parties shall pursue certain regulatory objectives as described on Schedule C attached hereto.

5. Further Development. From time to time, each Party may require certain services of the other Party in seeking regulatory objectives for TEG 6000 Products as are described on statements of work which are executed by both Parties pursuant to this License Agreement (the "Statements of Work"), each of which shall expressly reference this License Agreement. Such services shall be provided in accordance with the provisions of this License Agreement and the applicable Statement of Work. Each Statement of Work will contain a description of the tasks to be performed and, if necessary, the deliverables and documentation to be produced by the applicable Party. Also included, if applicable, will be a schedule of payments and payment terms. The applicable Statement of Work may include such additional terms and conditions as the Parties may wish to include. Each Party shall provide the services requested by the other Party to the extent that such Party has the capability to provide such Services; provided, however, that the foregoing provision shall not be deemed to obligate such Party to engage or employ additional personnel to provide such Services unless otherwise set forth in the applicable Statement of Work. In the event of a conflict between any term or condition of this License Agreement and any Statement of Work, the applicable term or condition of this License Agreement shall govern. Upon execution of any Statement of Work, the terms and conditions of such Statement of Work are hereby incorporated into and become part of this License Agreement.

6. Transfer of Copies of Licensed IP; Disclosure and Technical Assistance.

6.1 Transfer of Copies of Licensed IP. On the Effective Date, CoraMed shall transfer to Haemonetics copies of all documents and materials (including without limitation software) Controlled by CoraMed, embodying the Licensed IP, the subject matter of the Licensed IP, the Licensed Software and Licensed Documentation, including without limitation the following documents and materials to the extent available as of the Effective Date and each of the Milestone Payment Dates:

(a) 510(k) submission including all attachments, addendums and amendments;

(b) Technical File satisfying Directive 98/79/EC;

(c) Design History File as required per 21 C.F.R. 820.30 including but not limited to all documents relating to design and development plans, design inputs, design outputs, meeting minutes and outcome of design reviews, design verification and tracing, and design validation;

(d) Risk Management File satisfying the requirements of ISO 14971 if not included and identified above;

(e) Bill of Materials including identification of all parts/components for the TEG 6000 Products and associated reagent cartridge systems including but not limited to drawings, specifications, manufacturing instructions and inspection/calibration procedures; and

(f) complete technical transfer documents including but not limited to any process Failure Mode Effects Analysis (pFMEA), process validation protocols and reports and shipping studies.

In addition, following the Effective Date, during the term of the Supply Agreement, to the extent that Haemonetics or its Affiliates possess any of the documents or materials described in Sections 6.1(a)-(f), then within thirty (30) days following a written request from CoraMed, Haemonetics shall provide copies of all such documents or materials to CoraMed.

6.2 Disclosure by Haemonetics; General Technical Assistance.

(a) At CoraMed's cost and expense, at least 6 months prior to Haemonetics' reasonably anticipated commercialization of any TEG 6000 Products, Haemonetics Licensed IP, Haemonetics Licensed Software or Haemonetics Licensed Documentation, Haemonetics shall provide CoraMed with a written report listing any and all of such newly developed TEG 6000 Products, Haemonetics Licensed IP, Haemonetics Licensed Software and Haemonetics Licensed Documentation. Such list shall include a brief description of the TEG 6000 Products, Haemonetics Licensed IP, Haemonetics Licensed Software and Haemonetics Licensed Documentation so as to allow CoraMed to understand the subject matter of the TEG 6000 Products, Haemonetics Licensed IP, Haemonetics Licensed Software and Haemonetics Licensed Documentation. Upon written request of CoraMed, Haemonetics shall provide CoraMed with access to and a right to review any and all of the TEG 6000 Products, Haemonetics Licensed IP, Haemonetics Licensed Software (in Source Code and Object Code form) and Haemonetics Licensed Documentation.

(b) At CoraMed's expense, the Parties shall provide appropriate technical and scientific personnel to meet at times and locations to be agreed upon in good faith to discuss any Haemonetics Licensed IP or the subject matter of the Haemonetics Licensed IP with respect to which CoraMed has not previously requested technical assistance. At such meetings, Haemonetics shall provide reasonable support from Haemonetics technical and scientific personnel, relating to the use and practice of such Haemonetics Licensed IP, solely to the extent permitted under the licenses granted to CoraMed herein.

6.3 Disclosure by CoraMed; General Technical Assistance.

(a) At Haemonetics' cost and expense, within 30 days of the end of each calendar quarter in which CoraMed develops any TEG 6000 Products, Licensed IP, Licensed Software or Licensed Documentation pursuant to a Development Agreement, CoraMed shall provide Haemonetics with a written report listing any and all of such newly developed TEG 6000 Products, Licensed IP, Licensed Software and Licensed Documentation. Such list shall include a brief description of the TEG 6000 Products, Licensed IP, Licensed Software and Licensed Documentation so as to allow Haemonetics to understand the subject matter of the TEG 6000 Products, Licensed IP, Licensed Software and Licensed Documentation. Upon written request of Haemonetics, CoraMed shall provide Haemonetics with access to and a right to review any and all of the TEG 6000 Products, Licensed IP, Licensed Software (in Source Code and Object Code form) and Licensed Documentation.

(b) At Haemonetics' cost and expense, the Parties shall provide appropriate technical and scientific personnel to meet at times and locations to be agreed upon in good faith to discuss any Licensed IP or the subject matter of the Licensed IP with respect to which Haemonetics has not previously requested technical assistance. At such meetings, CoraMed shall provide reasonable support from CoraMed technical and scientific personnel, relating to the use and practice of such Licensed IP, solely to the extent permitted under the licenses granted to Haemonetics herein.

7. Patent Marking. Haemonetics and/or its Affiliates shall mark and, if the applicable TEG 6000 Product is not so marked by Haemonetics or its Affiliates, shall use commercially reasonable efforts to cause any and all Haemonetics Sublicensees/Customers to mark, all TEG 6000 Products in a manner to provide sufficient notice under 35 U.S.C. § 287(a) and other applicable law. In the event that a TEG 6000 Product cannot be marked itself, the patent notice shall be placed on associated tags, labels, packaging, or accompanying documentation, either electronic or paper, as appropriate to provide sufficient notice under 35 U.S.C. § 287(a) and other applicable law.

8. Prosecution and Maintenance.

8.1 Filing, Prosecution and Maintenance of Licensed IP.

(a) CoraMed's Rights. As between CoraMed and Haemonetics, CoraMed, by counsel it so chooses, has the first right, but not the obligation, to file, prosecute and maintain with the U.S. Patent and Trademark Office, the U.S. Copyright Office or any similar office or agency, at its sole expense, the Licensed IP, in its own name and in countries designated by it at its sole discretion. CoraMed shall cause its patent counsel to provide Haemonetics with a list of the countries in which it has filed and/or intends to file applications. Such list shall be provided to Haemonetics at least sixty (60) days prior to the expiration of the corresponding United States priority date to allow Haemonetics to suggest that additional countries be added to the list or that one or more countries be deleted from the list. CoraMed agrees to file applications in the additional countries requested by Haemonetics unless it otherwise notifies Haemonetics under Section 8.1(b).

(b) Haemonetics' Rights. If CoraMed has decided not to exercise its rights in Section 8.1(a) above, then CoraMed shall give notice to Haemonetics of its determination not to file an application for and/or cease prosecution and/or maintenance of Licensed IP on a country by country basis and Haemonetics shall have the right, in its sole discretion, to file an application for, and/or continue prosecution and/or maintenance of such Licensed IP at its own expense and in the name of Haemonetics. In the event that Haemonetics elects to file an application for and/or continue prosecution and/or maintenance of such Licensed IP, then CoraMed hereby assigns and will assign to Haemonetics any and all right, title and interest it has in and to such specific Patent only in such country which CoraMed elects not to file or to cease prosecution or maintenance (and not any other Patent) (the "CoraMed Assigned IP"); provided, however, that Haemonetics hereby grants to CoraMed a worldwide, non-exclusive, royalty-free, fully paid-up, perpetual, irrevocable, transferable (subject to the requirements set forth in this License Agreement under Section 18.5 below) right and license under such CoraMed Assigned IP outside of the Hospitals and Labs Field, to make, have made, use, sell, have sold, offer for sale, have offered for sale, import and have imported Non-Torsion Products, and the right to practice the methods claimed or included in such CoraMed Assigned IP in connection with such products. If Haemonetics elects to file an application for and/or continue prosecution and/or maintenance of any such CoraMed Assigned IP, CoraMed shall execute all necessary documents and perform all necessary acts at Haemonetics' expense as may be reasonably necessary in a timely manner for Haemonetics to acquire ownership of any and all CoraMed Assigned IP and to perform any filing, prosecution or maintenance.

8.2 Cooperation. In any case of Section 8.1(a) or 8.1(b) set forth above, the Party controlling such prosecution or maintenance shall keep the other Party informed of developments in any such prosecution or maintenance.

9. Interference, Opposition, Reexamination, Reissue and Review.

9.1 Parties' Rights. Each Party shall, within five (5) days after learning of such event, inform the other Party of any request for, or filing or declaration of, any interference proceeding, opposition, reexamination, reissue or review related to any Patent included in the Licensed IP or CoraMed Assigned IP. The course of conduct with respect to any such action or proceeding shall be at the sole discretion of the Party owning such Patent; provided, however, in the event the Party owning such Patent decides not to take action with respect to such action or proceeding, then the Party owning such Patent shall give notice to the other Party reasonably in advance of any applicable deadlines, and the other Party shall have the sole discretion to determine the course of conduct with respect to such action or proceeding, at its expense.

9.2 Cooperation. At the expense of the Party controlling the course of conduct of the action or proceeding, the Parties shall cooperate fully with respect to any such action or proceeding, including to the extent permissible by law, providing each other with any information or assistance that either may reasonably request relating to the status of, or developments in, any such action or proceeding or any negotiation related thereto. The Party not controlling the course of conduct of the action or proceeding shall have the right to be kept fully informed and advise and comment with respect to decisions regarding the appropriate course of conduct for such action or proceeding.

9.3 Settlement or Resolution. No settlements, resolution or other voluntary final dispositions of an action or proceeding described in Section 9.1 that adversely affects the rights or obligations of a Party, including the rights or obligations of a Party under this License Agreement, shall be entered into or consented to in connection with any action or proceeding described in Section 9.1 without the prior written consent of the adversely affected Party, such consent not to be unreasonably withheld.

10. Enforcement and Defense.

10.1 Infringement by Third Parties.

(a) Notice of Infringement. Each Party shall provide written notice to the other Party promptly after becoming aware of any infringement of the Licensed IP in any field.

(b) Haemonetics' Rights. As between CoraMed and Haemonetics, if the applicable Licensed IP has applicability in the Hospitals and Labs Field, Haemonetics shall have the sole right, but not the obligation, under its own control and at its own expense, to prosecute any third party infringement of the Licensed IP and/or to defend the Licensed IP in any declaratory judgment action brought by a Third Party which alleges invalidity, unenforceability, or non-infringement of the Licensed IP. Haemonetics may not enter into any settlement, consent judgment, or other voluntary final disposition of any infringement or declaratory judgment action hereunder without the prior written consent of CoraMed, not to be unreasonably withheld.

(c) CoraMed's Rights. If (i) the applicable Licensed IP has no applicability in the Hospitals and Labs Field, or (ii) within three (3) months of written notice from CoraMed of any infringement of the Licensed IP, Haemonetics has not exercised its rights in Section 10.1(b) above with respect to a specific claim of infringement, then Haemonetics shall give notice to CoraMed reasonably in advance of any deadline for such enforcement (to the extent applicable), and CoraMed shall have the right in its sole discretion to bring suit on its own behalf, at its own expense, solely with respect to such specific claim of infringement. If the applicable Licensed IP has no applicability in the Hospitals and Labs Field, Haemonetics shall have a continuing right to intervene in such suit. At CoraMed's request, Haemonetics shall initiate or join in any such suit; in such event, CoraMed shall reimburse Haemonetics for its reasonable attorney's fees and costs.

10.2 Infringement Claims. Notwithstanding anything to the contrary in this License Agreement, in the event that any or all of this Section 10.2 conflicts with any or all of the indemnification provisions of the Purchase Agreement, the relevant provisions of the Purchase Agreement shall govern.

(a) Notice of Infringement. If the manufacture, sale, offer for sale, use or importation of any product or services that practices the Licensed IP in any field results in any claim, suit or proceeding filed by a Third Party alleging patent infringement by CoraMed or Haemonetics, such Party shall promptly notify the other Party in writing.

(b) Right to Assert Licensed IP.

(i) Notwithstanding anything herein to the contrary, subject to Section 10.2(b)(ii), if a claim, suit or proceeding is brought by a Third Party with respect to the product or service of either of the Parties that practices the Licensed IP (a "Product Claim"), then that Party shall have the sole and exclusive right, but not the obligation, to defend and control the defense such Product Claim, at its own expense, using counsel of its own choice; provided, however, that

(A) if the Party subject to the Product Claim is Haemonetics and Haemonetics desires to assert any Licensed IP in connection with the defense of the Product Claim, then (1) at Haemonetics' request, CoraMed shall initiate or join in the defense of any such Product Claim only with respect to the assertion of the Licensed IP in response to such Product Claim, (2) Haemonetics shall reimburse CoraMed for its reasonable attorney's fees and costs, (3) Haemonetics shall keep CoraMed informed of all material developments in connection with the assertion of the Licensed IP in response to such Product Claim, (4) CoraMed shall cooperate in all reasonable respects with Haemonetics in the assertion of the Licensed IP in response to the Product Claim, and (5) CoraMed shall have pre-approval rights with respect to all aspects of the assertion of the Licensed IP in response to the Product Claim; and

(B) if the Party subject to the Product Claim is CoraMed and CoraMed desires to assert any Licensed IP in connection with the defense of the Product Claim, then (1) CoraMed shall keep Haemonetics informed of all material developments in connection with any such Product Claim as such relate to the assertion of the Licensed IP in response thereto, (2) Haemonetics shall cooperate in all reasonable respects with CoraMed in the assertion of the Licensed IP in response to the Product Claim and (3) CoraMed shall consider in good faith the recommendations of Haemonetics with respect to the assertion of the Licensed IP in response to the Product Claim;

provided, further, that the Party subject to the Product Claim shall not enter into any settlement which admits or concedes that any aspect of the Licensed IP is invalid or unenforceable without the prior written consent of the other Party, such consent not to be unreasonably withheld.

(ii) Notwithstanding anything herein to the contrary, if a claim, suit or proceeding is brought by a Third Party against both Parties with respect to products or services of the Parties that practice the Licensed IP (a "Joint Product Claim"), then each Party shall have the sole and exclusive right, but not the obligation, to defend itself and control its defense of such Joint Product Claim, at its own expense, using counsel of its own choice; provided, however, that the Parties will use commercially reasonable efforts to agree upon a mutually beneficial strategy for the defense of the Joint Product Claim; provided, further that

(A) as between CoraMed and Haemonetics, CoraMed shall have the first right, but not the obligation, to assert the Licensed IP in response to the Joint Product Claim and, if CoraMed elects to so assert the Licensed IP, then (1) CoraMed shall keep Haemonetics informed of all material developments in connection with Joint Product Claim as such relate to the assertion of the Licensed IP in response thereto, (2) Haemonetics shall cooperate in all reasonable respects with CoraMed in the assertion of the Licensed IP in response to the Joint Product Claim and (3) CoraMed shall consider in good faith the recommendations of Haemonetics with respect to the assertion of the Licensed IP in response to the Joint Product Claim; and

(B) if CoraMed elects not to assert the Licensed IP in response to the Joint Product Claim, then (1) CoraMed shall give notice to Haemonetics reasonably in advance of any deadline for such assertion so that such rights are not lost in connection with the defense of the Joint Product Claim, (2) at Haemonetics' request, CoraMed shall initiate or join in the assertion of the Licensed IP in response to such Joint Product Claim, (3) Haemonetics shall reimburse CoraMed for its reasonable attorney's fees and costs associated with the assertion of the Licensed IP in response to such Joint Product Claim, (4) Haemonetics shall keep CoraMed informed of all material developments in connection with the assertion of the Licensed IP in response to such Joint Product Claim, (5) CoraMed shall cooperate in all reasonable respects with Haemonetics in the assertion of the Licensed IP in response to the Joint Product Claim, and (6) CoraMed shall have pre-approval rights with respect to all aspects of the assertion of the Licensed IP in response to the Joint Product Claim;

provided, further, that the Party controlling the assertion of Licensed IP in response to the Joint Product Claim shall not enter into any settlement which admits or concedes that any aspect of the Licensed IP is invalid or unenforceable without the prior written consent of the other Party.

10.3 Settlements. No settlements, consent judgments, or other voluntary final dispositions of a dispute adversely affecting the rights or obligations of a Party, including the rights or obligations of the Party under this License Agreement, shall be entered into in connection with any dispute, claim or proceeding described in Sections 10.1 or 10.2 without the prior written consent of the adversely affected Party, such consent not to be unreasonably withheld.

10.4 Recovery. Any recovery obtained by either or both Haemonetics and CoraMed in connection with or as a result of any action contemplated by this Section 10, whether by settlement or otherwise, shall be shared in order as follows:

(a) the Party that prosecuted the action shall recoup all of its costs and expenses incurred in connection with the action;

(b) the other Party shall then, to the extent possible, recover its costs and expenses incurred in connection with the action; and

(c) the amount of any recovery remaining shall then be shared based on the relative percentage that the amount of each Party's respective annual gross revenues from sales of products practicing the Licensed IP that is the subject of the action, and related disposables and supplies, in its last completed fiscal year represents in relation to an aggregate amount that is the sum of each Party's annual gross revenues from sales of products practicing the Licensed IP that is the subject of the action, and related disposables and supplies, in their respective last completed fiscal years (assuming, for the purposes of such calculation, that such gross revenues of CoraMed shall include all amounts paid by Haemonetics to CoraMed under this License Agreement arising from sales of products practicing the Licensed IP that is the subject of the action, and related disposables and supplies).

11. Representations and Warranties.

11.1 Haemonetics. Haemonetics hereby represents and warrants to CoraMed that:

(a) All corporate action on the part of Haemonetics and on the part of each of its officers and directors necessary for the authorization, execution and delivery of this License Agreement and the performance of its obligations hereunder has been taken;

(b) This License Agreement is the legal, valid and binding obligation of Haemonetics, enforceable against it in accordance with its terms; and

(c) Neither the execution and delivery of this License Agreement nor the performance of the obligations contemplated hereby will: (i) conflict with or result in any violation of or constitute a breach of any of the terms or provisions of, or result in the acceleration of any obligation under, or constitute a default under any provision of any contract or any other obligation to which Haemonetics is a party or under which Haemonetics is subject or bound, or (ii) violate any judgment, order, injunction, decree or award of any Governmental Authority against, or affecting or binding upon, Haemonetics or upon the assets, property or business of Haemonetics, or (iii) constitute a violation by Haemonetics of any applicable Law of any jurisdiction as such Law relates to Haemonetics or to the property or business of Haemonetics.

11.2 Cora. Each of Cora Healthcare and CoraMed hereby represents and warrants to Haemonetics that:

(a) All corporate action on the part of Cora and on the part of each of its officers and directors necessary for the authorization, execution and delivery of this License Agreement and the performance of its obligations hereunder has been taken;

(b) This License Agreement is the legal, valid and binding obligation of Cora, enforceable against it in accordance with its terms;

(c) The manufacture, use, importation, offer for sale and/or sale of the TEG 6000 Analyzer will not infringe or violate the intellectual property rights of any Third Party; and

(d) The Licensed IP licensed by CoraMed to Haemonetics pursuant to this Agreement, together with the licenses for Patents, Copyrights and Know-How Rights granted by Cora Healthcare to Haemonetics pursuant to the Amended and Restated License Agreement No. 1 and the Amended and Restated License Agreement No. 5, constitute all of the Patents, Copyrights and Know-How Rights owned by CoraMed or Cora Healthcare relating in any manner to any of the TEG 6000 Products. Cora Healthcare does not own any Patents, Copyrights or Know-How Rights solely applicable to the TEG 6000 Products or directed to the configuration of the TEG 6000 Analyzer.

(e) Neither the execution and delivery of this License Agreement nor the performance of the obligations contemplated hereby will: (i) conflict with or result in any violation of or constitute a breach of any of the terms or provisions of, or result in the acceleration of any obligation under, or constitute a default under any provision of any contract or any other obligation to which Cora Healthcare, CoraMed, or Cora is a party or under which Cora Healthcare, CoraMed, or Cora is subject or bound, or (ii) violate any judgment, order, injunction, decree or award of any Governmental Authority against, or affecting or binding upon, Cora Healthcare, CoraMed, or Cora or upon the assets, property or business of Cora Healthcare, CoraMed, or Cora, or (iii) constitute a violation by Cora Healthcare, CoraMed, or Cora of any applicable Law of any jurisdiction as such Law relates to it or to its property or business.

11.3 Disclaimer. IT IS FURTHER UNDERSTOOD BY THE PARTIES THAT THE LICENSED IP AND ANY LICENSES GRANTED BY CORAMED TO HAEMONETICS ARE PROVIDED UNDER THIS LICENSE AGREEMENT "AS IS" AND MAY CONTAIN DEFICIENCIES AND THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES INCLUDED IN THE PURCHASE AGREEMENT, CORA MAKES NO REPRESENTATIONS OR WARRANTIES UNDER THIS LICENSE AGREEMENT REGARDING THE USE OR PERFORMANCE OF SUCH LICENSED IP OR LICENSED RIGHTS. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES BY EACH PARTY AS SET FORTH IN SECTION 11.1 AND 11.2 ABOVE, AND BY CORA IN SECTION 2.7 ABOVE, EACH PARTY MAKES NO REPRESENTATIONS OR WARRANTIES UNDER THIS LICENSE AGREEMENT AND DISCLAIMS ALL IMPLIED REPRESENTATIONS AND WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. NOTWITHSTANDING THE FOREGOING TO THE CONTRARY, THE LICENSED IP IS SUBJECT TO THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THE PURCHASE AGREEMENT.

12. Term. This License Agreement shall remain in effect in accordance with its terms in perpetuity.

13. Confidentiality.

13.1 Confidentiality Obligation.

(a) During the term of this License Agreement and thereafter, except as expressly provided below, each of Haemonetics and CoraMed shall keep in strictest confidence, and shall cause its employees and agents, to keep in strictest confidence, (i) the existence, source, content and substance of the Source Code of the Licensed Software and the Licensed Know-How, and (ii) any information in reports delivered pursuant to Paragraph 2.5 of Schedule B attached hereto and any information disclosed under an Audit conducted in accordance with, and as defined under, Paragraph 2.7 of Schedule B attached hereto (such information disclosed in this clause (ii), collectively, "Confidential Financial Information"). No Party hereto nor its sublicensees shall use any such Source Code of the Licensed Software nor any of the Licensed Know-How other than for its own benefit, the benefit of its permitted Affiliates or the benefit of its sublicensees.

(b) During the term of this License Agreement and thereafter, except as expressly provided below, CoraMed shall keep in strictest confidence, and shall cause its employees and agents, to keep in strictest confidence, the content and substance of the Source Code included in the Haemonetics Licensed Software and the Confidential Financial Information. Neither CoraMed nor its sublicensees shall use any such Source Code included in the Haemonetics Licensed Software other than for its own benefit or the benefit of its sublicensees or such Confidential Financial Information other than for the purpose for which such Confidential Financial Information was provided.

(c) No Party hereto shall disclose the Source Code of the Licensed Software or Licensed Know-How to any party, other than furnishing such Source Code of the Licensed Software or Licensed Know-How to its or its sublicensees' employees, consultants, manufacturers, investors, potential acquirers, professional advisers and other Third Parties; provided that such employees, consultants, manufacturers, investors, acquirers, professional advisers and other Third Parties are bound by written agreements or, in the case of professional advisers, ethical duties, respecting such Source Code of the Licensed Software or Licensed Know-How in accordance with the terms of this Section 13.

(d) CoraMed shall not disclose the Source Code included in the Haemonetics Licensed Software to any party, other than furnishing such Source Code included in the Haemonetics Licensed Software to its or its sublicensees' employees, consultants, manufacturers, investors, potential acquirers, professional advisers and other Third Parties; provided that such employees, consultants, manufacturers, investors, acquirers, professional advisers and other Third Parties are bound by written agreements or, in the case of professional advisers, ethical duties, respecting such Source Code included in the Haemonetics Licensed Software in accordance with the terms of this Section 13.

(e) CoraMed shall not disclose the Confidential Financial Information to any party, other than furnishing such Confidential Financial Information to its employees, potential investors, investors, potential acquirers and professional advisers; provided that such employees, investors, acquirers and professional advisers are bound by written agreements or, in the case of professional advisers, ethical duties, respecting such Confidential Financial Information in accordance with the terms of this Section 13.

13.2 Exceptions. Notwithstanding the foregoing, Section 13.1 above shall not apply to all or any part of the Source Code of the Licensed Software, the Licensed Know-How or Confidential Financial Information that (i) is or becomes publicly known, from no act or failure to act on the part of the Party claiming the availability of the exception of this clause (i), (ii) is disclosed to the Party claiming the availability of the exception of this clause (ii) by a Third Party as a matter of right and without restriction on disclosure, or (iii) is developed independently by the Party claiming the availability of the exception of this clause (iii) without any reliance on or reference to Source Code of the Licensed Software, the Licensed Know-How or the Confidential Financial Information. Further, notwithstanding the foregoing, Section 13.1 above shall not apply to all or any part of the Source Code included in the Haemonetics Licensed Software or Confidential Financial Information that (i) is or becomes publicly known, from no act or failure to act on the part of Cora Healthcare, CoraMed, or Cora, (ii) is disclosed to CoraMed by a Third Party as a matter of right and without restriction on disclosure, or (iii) is developed independently by CoraMed without any reliance on or reference to the Source Code included in the Haemonetics Licensed Software.

13.3 Disclosures Required by Law. In the event the disclosure of the Licensed Know-How or, in the case of required disclosure by Cora, Confidential Financial Information, is required by applicable Law, judicial or regulatory subpoena or any securities exchange listing agreement to which a Party is a party, the Party required to make such disclosure must provide the other Party with prompt written notice of any such requirement in order to afford such other Party time either to seek an appropriate protective order (or other remedy) or a waiver of compliance therewith. If such order or other remedy is not obtained, the Party required to make such disclosure shall disclose only that portion of the subject Licensed Know-How or Confidential Financial Information that in the opinion of counsel to such Party is legally required to be disclosed and shall exercise all reasonable efforts to obtain assurances that confidential treatment will be accorded the Licensed Know-How and Confidential Financial Information. The Party to make the applicable disclosure shall cooperate reasonably with the other Party in all respects in seeking to obtain a protective order or other remedy or otherwise to diligently contest or limit the required disclosure.

13.4 Terms of License Agreement. In addition, no Party hereto will disclose the terms of this License Agreement to any Third Party without the prior written consent of the other Party, except that either Party may disclose the terms of this License Agreement to its employees, consultants, existing and potential investors, acquirers and lenders, the professional and legal advisers of any of the foregoing and its professional and legal advisers (collectively, "Representatives"), which Representatives have a "need-to-know" for the purposes of exercising such Party's rights or performing such Party's obligations under this License Agreement or evaluating, negotiating or documenting a contemplated investment, loan or acquisition; provided, however, that each such Representative is bound by a written agreement (or in the case of attorneys or other professional advisors, ethical duties) requiring such Representative to treat, hold and maintain the terms of this License Agreement as confidential information.

14. Exclusivity. Except as otherwise provided for herein, during the period beginning on the Effective Date and ending on the last to expire of the Licensed Patents that are in existence as of the Effective Date, Cora shall not, and shall not authorize any of its respective Affiliates to, directly or indirectly, market, distribute, license, sublicense, offer for sale, sell or otherwise provide any products related to hemostasis analysis or monitoring in the Hospitals and Labs Field, wherever located. In the event Haemonetics and all of its Affiliates or direct or indirect successors or assigns Abandons, in the Hospitals and Labs Field, all products directed to hemostasis analysis or monitoring, and Haemonetics provides either Cora Healthcare or CoraMed with written notice of such Abandonment, then Cora shall no longer be bound by this Section 14 effective upon the date of receipt of such notice.

15. Limitations.
****

16. Injunctive Relief; Costs of Actions. Notwithstanding anything to the contrary contained in this License Agreement, each of the Parties hereto acknowledges and agrees that a breach by it (or any of its Affiliates) of any of the provisions of this

License Agreement would cause irreparable injury to the other Party which would not be adequately compensated by money damages. Accordingly, in addition to any and all other rights and remedies existing, the other Party and/or its successors or assigns shall be entitled to obtain an injunction, specific performance or other appropriate equitable relief upon application to any court of competent jurisdiction in order to enforce or prevent any breach or threatened breach of this License Agreement, in each case without the requirement of posting a bond or proving actual damages. The prevailing Party in any legal action brought by one Party against the other arising out of this License Agreement, will be entitled, in addition to any other rights it may have, to reimbursement of its costs and expenses associated with such legal action, including court costs and reasonable attorneys' fees.

17. Bankruptcy. All rights and licenses granted by CoraMed under or pursuant to this License Agreement are, for all purposes of Section 365(n) of Title 11 of the United States Code ("Title 11"), licenses of rights to "intellectual property" as defined in Title 11. CoraMed agrees that, in the event of the commencement of bankruptcy proceedings by or against CoraMed under Title 11, Haemonetics, as licensee of such rights under this License Agreement, shall retain and may fully exercise all of its rights under this License Agreement (including the license granted hereunder) and all of its rights and elections under Title 11. Without limiting the generality of the foregoing, if this License Agreement is terminated under any applicable insolvency law, or CoraMed or an administrator refuses to further perform this License Agreement (or any of the obligations of CoraMed hereunder) under any applicable insolvency law, then Haemonetics may elect to retain all of its license rights under this License Agreement (including without limitation the rights described in Section 2 above) for the remainder of the term of this License Agreement.

18. Miscellaneous Provisions.

18.1 Recordation of License Agreement or Notice of License Agreement. If Haemonetics elects to record a notice of this License Agreement with the U.S. Patent and Trademark Office or any similar office or agency anywhere in the world, CoraMed will, at the cost and expense of Haemonetics, render all necessary assistance to Haemonetics to record such notice and to obtain all necessary governmental approvals with the relevant authorities for the recordation of such notice. Any such filing shall not constitute a breach of Section 13 above.

18.2 Amendment. This License Agreement may not be amended or modified except (a) by an instrument in writing signed by or on behalf of the Parties, or (b) by a waiver in accordance with Section 18.3.

18.3 Waiver. Any Party to this License Agreement may (a) extend the time for the performance of any of the obligations or other acts of the other Party, (b) waive any inaccuracy in the representations and warranties of the other Party contained herein or in any document delivered by such other Party pursuant hereto or (c) waive compliance with any agreement of the other Party or condition to the other Party's obligations contained herein. Any such extension or waiver shall be valid only if set forth in a writing executed by the Party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or waiver of the same term or condition or as a waiver of any other term or condition of this License Agreement. The failure of any Party to assert any of its rights under this Section 18.3 shall not constitute a waiver of any of such rights. No course of dealing between or among any persons having any interest in this License Agreement shall be deemed effective to modify, amend or discharge any part of this License Agreement or any rights or obligations of any Party under or by reason of this License Agreement. All rights and remedies existing under this License Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

18.4 Notices. All notices, claims, demands and other communications given or delivered under this License Agreement shall be in writing and shall be deemed to have been duly made or given when personally delivered, mailed by first class mail, return receipt requested, or delivered by express courier service or via facsimile (with hard copy to follow) to the respective Parties at the following addresses (or such other address for a Party as shall be specified in a notice given in accordance with this Section18.4):

If to Cora Healthcare and/or CoraMed:

Cora Healthcare, Inc.
6225 West Howard Street
Niles, IL 60714-3403
Facsimile:
Attention: Chief Executive Officer

and

CoraMed Technologies, LLC
6225 West Howard Street
Niles, IL 60714-3403
Facsimile:
Attention: Chief Executive Officer

with a copy to:

Reed Smith LLP
10 S. Wacker Drive, 40th Floor
Chicago, IL 60606
Facsimile: **********
Attention: **********

If to Haemonetics:

Haemonetics Corporation
400 Wood Road
Braintree, MA 02184-9144
Facsimile: **********
Attention: **********

with a copy to:

Goodwin Procter LLP
Exchange Place
53 State Street
Boston, MA 02109
Facsimile: **********
Attention: **********

Vice President and Chief Legal Officer

18.5 Assignment; Binding Agreement. Except as follows, neither Party may assign or transfer this License Agreement without the consent of the other Party. In the case of any such permitted assignment, the assignee assumes all responsibilities under this License Agreement.

(a) Notwithstanding the foregoing, subject to the terms and conditions of this License Agreement, including without limitation, the license rights granted herein, Cora Healthcare and/or CoraMed may assign or transfer this License Agreement in connection with the sale or transfer of all or substantially all of Cora Healthcare's and/or CoraMed's assets or business, as applicable, to which this License Agreement relates. Any sale, assignment, transfer, license or other disposition (including, without limitation by sale of stock or assets or by merger), whether by operation of law or otherwise, by Cora Healthcare, CoraMed, or Cora of any of the Licensed IP or the Copyrights in the Licensed Software and/or the Licensed Documentation, is subject to the obligations under this License Agreement, including the license rights set forth in Section 2 above.

(b) Notwithstanding the foregoing, subject to the terms and conditions of this License Agreement, including without limitation, the license rights granted herein, Haemonetics may assign or transfer this License Agreement in connection with the sale or transfer of all or substantially all of the assets or business of Haemonetics to which this License Agreement relates. Any sale, assignment, transfer, license or other disposition (including, without limitation by sale of stock or assets or by merger), whether by operation of law or otherwise, by Haemonetics of any of the Copyrights in the Haemonetics Derivative Works and the Cora Assigned IP is subject to the obligations under this License Agreement, including the license rights set forth in Sections 2 and 8.1(b) above.

(c) Notwithstanding the foregoing, in the case of a sale or spinout (e.g., a transaction in which equity owners of Haemonetics receive equity stakes in a newly spun out company (a "Spin-off Affiliate")) of all or substantially all the assets or business of a business unit, product line or other part of the business of Haemonetics having a TEG 6000 Product,

(i) upon written request from the buyer of, successor corporation to, Spin-off Affiliate, or succeeding party acquiring such business unit, product line or other part of the business of Haemonetics (collectively, a "Successor Company"), Cora shall enter into an agreement with Successor Company under which Cora shall license such Successor Company as to the TEG 6000 Product on substantially equivalent terms as the licenses under this License Agreement existing at the time of such sale or spinout and relevant to the applicable business unit, product line or other part of the business of Haemonetics; and

(ii) this License Agreement shall remain in place between Haemonetics and Cora.

(d) This License Agreement and the obligations of the Parties hereunder shall be binding upon and enforceable by, and shall inure to the benefit of, the Parties and their respective successors, executors, administrators, estates, heirs and permitted assigns, and no others.

18.6 Severability. Whenever possible, each provision of this License Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this License Agreement is held to be prohibited by or invalid under applicable law or public policy, such provision shall be ineffective only to the extent of such prohibition or invalidity, and all other terms of this License Agreement shall remain in full force and effect for so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

18.7 Construction. The language used in this License Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any person. The Parties intend that each representation, warranty and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant. The word "including" shall mean including without limitation regardless of whether such words are included in some contexts but not others.

18.8 Captions. The captions used in this License Agreement are for convenience of reference only and do not constitute a part of this License Agreement and shall not be deemed to limit, characterize or in any way affect any provision of this License Agreement, and all provisions of this License Agreement shall be enforced and construed as if no caption had been used in this License Agreement.

18.9 Entire Agreement. This License Agreement, including the Schedules hereto, and the documents referred to herein contain the entire agreement between the Parties, amends and restates the First Amended and Restated License Agreement No. 3 in its entirety, and supersedes any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way. Without limiting the foregoing, any provision of the First Amended and Restated License Agreement No. 3 not included in this License Agreement is terminated as of the date hereof.

18.10 Counterparts. This License Agreement may be executed in multiple counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument.

18.11 Governing Law. All questions concerning the construction, validity and interpretation of this License Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts executed in and to be performed in the Commonwealth of Massachusetts.

18.12 Parties in Interest. Nothing in this License Agreement, express or implied, is intended to confer on any person other than the Parties and their respective successors and assigns any rights or remedies under or by virtue of this License Agreement.

18.13 CONSENT TO JURISDICTION. THE PARTIES AGREE THAT JURISDICTION AND VENUE IN ANY ACTION BROUGHT BY ANY PARTY PURSUANT TO THIS LICENSE AGREEMENT SHALL PROPERLY AND EXCLUSIVELY LIE IN ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF ILLINOIS. BY EXECUTION AND DELIVERY OF THIS LICENSE AGREEMENT, EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY WITH RESPECT TO SUCH

ACTION. THE PARTIES IRREVOCABLY AGREE THAT VENUE WOULD BE PROPER IN SUCH COURT, AND HEREBY WAIVE ANY OBJECTION THAT SUCH COURT IS AN IMPROPER OR INCONVENIENT FORUM FOR THE RESOLUTION OF SUCH ACTION. THE PARTIES FURTHER AGREE THAT THE MAILING BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, OF ANY PROCESS REQUIRED BY ANY SUCH COURT SHALL CONSTITUTE VALID AND LAWFUL SERVICE OF PROCESS AGAINST THEM, WITHOUT NECESSITY FOR SERVICE BY ANY OTHER MEANS PROVIDED BY STATUTE OR RULE OF COURT.

18.14 Delivery by Facsimile; Electronic Copies. The Parties intend that each Party will receive a duplicate original of the counterpart copy or copies executed by it. For the purposes hereof, a facsimile or electronic copy (including a portable data format (PDF) copy) of this License Agreement and any amendments hereto, including the signature pages hereto and thereto, shall deemed to be an original and be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. Notwithstanding the foregoing, the Parties will deliver original execution copies of this License Agreement to one another as soon as practicable following execution hereof. At the request of any Party hereto or to any such contract, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No Party hereto or to any such contract shall raise the use of a facsimile or electronic means to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile or electronic means as a defense to the formation of a contract and each such party forever waives any such defense.

[Remainder of Page Intentionally Left Blank]

In Witness Whereof, the Parties have caused this License Agreement to be duly executed in their respective names and on their behalf, as of the date first above written.

HAEMONETICS CORPORATION

By: /s/ Christopher Lindop

Title: CFO

CORA HEALTHCARE, INC.

By: /s/ Gabriel Raviv

Title: President

CORAMED TECHNOLOGIES, LLC

By: /s/ Gabriel Raviv

Title: President

SCHEDULE A

Licensed Patents

Patent or Application Number	Patents	Country
7,261,861	HEMOSTASIS ANALYZER AND METHOD	US
PCT/US04/012833	HEMOSTASIS ANALYZER AND METHOD	PCT
2004235103	HEMOSTASIS ANALYZER AND METHOD	AU
200480012096.8	HEMOSTASIS ANALYZER AND METHOD	China
200910258228.X	HEMOSTASIS ANALYZER AND METHOD	China
4760396.4	HEMOSTASIS ANALYZER AND METHOD	EPO
2756/CHENP	HEMOSTASIS ANALYZER AND METHOD	India
2006-513340	HEMOSTASIS ANALYZER AND METHOD	Japan
2009-119597	HEMOSTASIS ANALYZER AND METHOD	Japan
7,879,615	HEMOSTASIS ANALYZER AND METHOD	US
PCT/US06/41097	HEMOSTASIS ANALYZER AND METHOD	PCT
6826380.5	HEMOSTASIS ANALYZER AND METHOD	EPO
8113669.5	HEMOSTASIS ANALYZER AND METHOD	Hong Kong
8,238,568	METHOD FOR ANALYZING HEMOSTASIS	US
11/756,801	APPARATUS FOR ANALYZING HEMOSTASIS	US
61/792,349	APPARATUS, CARTRIDGE AND METHOD FOR HEMOSTASIS TESTING	US

SCHEDULE B

Compensation Terms

1. **Certain Defined Terms.** The following terms (and their correlatives), in addition to terms defined on first use herein and in the main body of License Agreement, shall have the meanings set forth below:

1.1 "Audit" is defined in Paragraph 2.7 of this Schedule B.

1.2 "COGS" means cost of goods sold related to Net Sales under this License Agreement as determined under United States Generally Accepted Accounting Principles,**********

1.3 "Covered Reagents" means any and all reagents used in analyzing blood hemostasis with the TEG 6000 Analyzer.

1.4 "FDA" means the United States Food and Drug Administration and any successor agency thereto.

1.5 "Licensed Accessory Products" means any non-consumable accessory to the TEG 6000 Analyzer, including the EQC card and any other non-consumable accessory to the TEG 6000 Analyzer that may be developed and sold in the future.

1.6 "Licensed Consumable Product" means collectively the Licensed PlateletMapping Consumable Product and any Licensed Non-PlateletMapping Consumable Product.

1.7 "Licensed Non-PlateletMapping Consumable Product" means any TEG 6000 Product that is a consumable for the TEG 6000 Analyzer that is not a Licensed PlateletMapping Consumable Product.

1.8 "Licensed PlateletMapping Consumable Product" means any cartridge that includes one or more channels containing reagents that are used in order to measure inhibition of platelet receptors, e.g. a cartridge containing in separate channels at least one of the following reagents: Activator with platelet inhibitor, Activator with ADP and Activator with AA.

1.9 "Net Sales" means the sum of all amounts actually received by Haemonetics and its Affiliates with respect to the sale or provision, via license, sublicense or other revenue-producing arrangement, of TEG 6000 Products; provided, however, that such sales shall exclude all products sold by Haemonetics to CoraMed pursuant to the Supply Agreement, less:

(a) amounts repaid or credited by reason of rejection or return; and

(b) **********

****

Sales or other transfers between or among Haemonetics and any of its Affiliates for the purpose of subsequent resale to Third Parties shall not be included in the calculation of Net Sales.
****

1.10 "Regulatory Authority" means any national (*e.g.*, the FDA), supra-national (*e.g.*, the EMA), regional, state or local regulatory agency, department, bureau, commission, council or other governmental authority, in any jurisdiction in the world, involved in the granting of Regulatory Clearance.

1.11 "Regulatory Clearance" is defined in Paragraph 1 of Schedule C attached hereto.

2. Compensation; Reports.

2.1 Initial Payment. Haemonetics shall pay CoraMed ********** on the Effective Date.

2.2 Milestones. Haemonetics shall make the milestone payments set forth below (each, a "Milestone Payment") to CoraMed upon the occurrence of the corresponding milestone events set forth below (each, a "Milestone Event"). Each of the Milestone Payments will be payable to CoraMed by Haemonetics within thirty (30) days of the achievement of the specified Milestone Event. Each of the Milestone Payments are payable only once in total under this License Agreement, whether achieved by one or more TEG 6000 Products.

Milestone Events	***Milestone Payments***
Upon receipt of Regulatory Clearance (and transfer by CoraMed to Haemonetics of any such Regulatory Clearance, if applicable) for (a) the TEG 6000 Analyzer (described in Coramed Document #01-001 Rev. 09, CORA (TEG 6000) Instrument User Requirements, as such document may be modified from time to time with the consent of the Parties, such consent not to be unreasonably withheld) and (b) each Licensed Consumable Product (described in Coramed Document #01-002 Rev. 04, CORA System - Disposable Cartridge Requirements, as such document may be modified from time to time with the consent of the Parties, such consent not to be unreasonably withheld) with a Covered Reagent by the FDA for a claim in cardiac surgery inclusive of pre-, intra-, and post-operative monitoring of patients' hemostasis.	The lesser of ********** ********** ********** The Reagent Value shall be equal to ********** for each FDA-approved Covered Reagent and relevant clinical parameters (as they appear on the results screen of the TEG6000 CEU), subject to proration in accordance with the following sentence. In the event one or more clinical parameters for a Covered Reagent are not approved by the FDA, the Reagent Value for that Covered Reagent will be prorated in accordance with the ratio of the approved clinical parameters for that Covered Reagent over the total clinical parameters for that Covered Reagent.
Upon receipt of Regulatory Clearance (and transfer by CoraMed to Haemonetics of any such Regulatory Clearance, if applicable) for (a) the TEG 6000 Analyzer (described in Coramed Document #01-001 Rev. 09, CORA (TEG 6000) Instrument User Requirements, as such document may be modified from time to time with the consent of the Parties, such consent not to be unreasonably withheld) and (b) each Licensed Consumable Product (described in Coramed Document #01-002 Rev. 04, CORA System - Disposable Cartridge Requirements, as such document may be modified from time to time with the consent of the Parties, such consent not to be unreasonably withheld) with a Covered Reagent by the Regulatory Authority in the European Union for a claim in cardiac surgery inclusive of pre-, intra-, and post-operative monitoring of patients' hemostasis.	The lesser of ********** ********** ********** The Reagent Value shall be equal to ********** for each CE-approved Covered Reagent and relevant clinical parameters (as they appear on the results screen of the TEG6000 CEU), subject to proration in accordance with the following sentence. In the event one or more clinical parameters for a Covered Reagent are not approved by the CE, the Reagent Value for that Covered Reagent will be prorated in accordance with the ratio of the approved clinical parameters for that Covered Reagent over the total clinical parameters for that Covered Reagent.

2.3 Future Payments. Following the date that is the earlier of (i) two (2) years following the Effective Date and (ii) the date on which the aggregate payments described under this Paragraph 2.3 and Paragraph 2.4 of this Schedule B would have been equal to ********** had Haemonetics made such payments to CoraMed, Haemonetics shall pay to CoraMed the following payments for each Haemonetics fiscal quarter or portion thereof (each, a "Future Payment"):

(a) **********

****

(b) **********

****

(c) **********

****

(d) **********

****

For clarity, such Future Payments will not be payable by Haemonetics for merely offering, marketing or promoting TEG 6000 Products. Future Payments accrued during a Haemonetics fiscal quarter shall be due and payable on the thirtieth (30th) day following the end of such quarter. Any credits to be taken by Haemonetics as a result of deductions to Future Payments already paid shall be taken from the next Future Payment(s) due hereunder.

2.4 No Multiple Future Payments or COGS. Subject to the obligation of Haemonetics to pay Future Payments, if the sale of any TEG 6000 Product is covered by more than one item of Licensed IP, multiple Future Payments shall not be due, provided, however, that if multiple Future Payments would otherwise be due hereunder, Haemonetics will be required to pay the largest of such Future Payment amounts. Each item included within COGS shall not be deducted from calculations of Net Sales for more than one category of TEG 6000 Products.

2.5 Reports.

(a) *Frequency*. After the first commercial sale of a TEG 6000 Product, Haemonetics shall deliver reports to CoraMed within thirty (30) days of the end of each Haemonetics fiscal quarter, containing information concerning the immediately preceding Haemonetics fiscal quarter, as further described in Paragraph 2.5(b) of this Schedule B.

(b) *Content of Reports.*

(i) Each report delivered by Haemonetics to CoraMed shall contain at least the following information for the immediately preceding Haemonetics fiscal quarter:

(A) calculation of Net Sales for each TEG 6000 Product SKU sold in each country;

(B) total COGS incurred by Haemonetics for each of TEG 6000 Product SKU;

(C) total number of each TEG 6000 Product SKU sold in each country; and

(D) Future Payments for each TEG 6000 Product SKU payable on Net Sales in U.S. dollars pursuant to Paragraph 2.3 of this Schedule B, together with the exchange rates used for conversion, if applicable.

(ii) If no amounts are due to CoraMed for any Haemonetics fiscal quarter, the report shall so state.

2.6 Records. Haemonetics shall keep complete and accurate records for at least four (4) years after the end of the calendar year in which the sale of the applicable TEG 6000 Product occurred, which records shall contain sufficient information to permit CoraMed to confirm the accuracy of any reports delivered to Haemonetics and compliance in other respects with this License Agreement.

2.7 Audits. Haemonetics shall permit CoraMed to have access during normal business hours, at Haemonetics' premises, to such of the records of Haemonetics and its Affiliates as may be necessary to verify the accuracy of the reports provided to CoraMed under Paragraph 2.5 of this Schedule B and to confirm Haemonetics' and its Affiliates' compliance with the terms of the License Agreement (each, an "Audit"). Haemonetics shall only be subject to an audit by CoraMed one (1) time with respect to each calendar year. The fees and expenses incurred in connection with each Audit shall be paid by CoraMed unless such Audit identifies an underpayment of a Future Payment of greater than five percent (5%) or a breach of the License Agreement by Haemonetics or its Affiliates, in which case Haemonetics will reimburse CoraMed for such fees and expenses.

2.8 Payment Terms. All payments under this License Agreement shall be made when due hereunder in U.S. dollars by transfer to CoraMed to the bank account specified below or such other bank account as CoraMed may designate from time to time in writing. Any payments which fall due on a date which is a legal holiday in the jurisdiction in which the bank account resides may be made on the next following day which is not a legal holiday in such jurisdiction.

Bank Name: **********
Routing & Transit Number: **********
Beneficiary Name: **********
Beneficiary Account #: **********
Attn: **********

2.9 Taxes and Other Charges. In addition to any other amounts due hereunder, Haemonetics shall pay all foreign, federal, state, municipal and other governmental excise, sales, use, property, customs, import, value added, gross receipts and other taxes, fees, levies and duties of any nature now in force or enacted in the future that are assessed upon or with respect to the manufacture, use, offer for sale, sale or importation of the TEG 6000 Products, any payments made or owing hereunder, or otherwise arising in connection with this License Agreement or any transactions contemplated hereby, but excluding taxes based on CoraMed's net income or any withholding taxes required by the tax authorities from the country of payment on CoraMed's income.

SCHEDULE C

Regulatory Matters

1. **Cooperation.** At Haemonetics' expense, CoraMed shall fully cooperate with Haemonetics in connection with obtaining any clearances, approvals, permits and licenses required under any applicable law in order to sell, market, install and operate the TEG 6000 Products in the Hospitals and Labs Fields for cardiac surgery inclusive of pre-, intra-, and post-operative monitoring of patients' hemostasis ("Regulatory Clearances"). At Haemonetics' expense, CoraMed shall provide all data, information and documents required by Haemonetics to make any submissions to any Governmental Authority and shall assist in making such submissions for said Regulatory Clearance, with the assistance and cooperation of Haemonetics. Any data, information and documents that CoraMed provides to Haemonetics shall be complete, truthful and accurate to the actual knowledge of CoraMed. The foregoing provision shall not require CoraMed to provide assistance to Haemonetics with respect to any clearances, approvals, permits and licenses for the TEG 6000 Products for any other application.

2. **Regulatory Ownership.** Haemonetics shall be registered as the sole owner of any rights, title and interest to Regulatory Clearances, provided, however, that should any applicable law or regulation require that CoraMed alone be entitled to such ownership rights, the Parties shall promptly discuss and, if approved in writing by Haemonetics, CoraMed shall hold the applicable Regulatory Clearance as trustee for Haemonetics, and CoraMed hereby irrevocably consents to transfer, and does hereby irrevocably transfer, all such Regulatory Clearances to Haemonetics free of charge, or to provide reasonable assistance at Haemonetics' cost in its efforts to re-obtain the applicable Regulatory Clearances for the benefit of Haemonetics, its Affiliates or a Third Party named by Haemonetics.

SCHEDULE D

Manufacturing Transition

1. The Parties intend to develop and communicate a plan promptly following the Effective Date that will stipulate actions and timing to transition manufacturing of TEG 6000 Products from CoraMed to Haemonetics (such period, the "Transition Period").

2. During the Transition Period, Haemonetics will pay or reimburse all (i) reasonable and pre-approved out of pocket expenses and (ii) consulting time on an as needed basis at a full time equivalent rate to be mutually agreed in writing by the Parties.

3. Upon the written request of CoraMed received by Haemonetics during the six (6) months following first Regulatory Clearance, the Parties will enter into a supply agreement in the form attached hereto as Schedule F (the "Supply Agreement"), provided, however, that the only outstanding item remaining to be completed in the Supply Agreement as of the date hereof shall be the specifications for the products to be sold under the Supply Agreement. Pursuant to the Supply Agreement, Haemonetics will be responsible for the supply of TEG 6000 Analyzers, Licensed Accessory Products and Licensed Consumable Products related to the clinical and product development efforts of CoraMed (each such term as defined in Schedule B attached hereto).

4. As of the Effective Date, CoraMed will assign to Haemonetics, and Haemonetics will assume from CoraMed, all of CoraMed's rights and obligations under the following agreements (the "Manufacturing Agreements"):

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5. As of the Effective Date, Haemonetics will purchase from CoraMed the equipment and other assets listed below in consideration for the payment of the aggregate purchase price listed below.

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Part Number	Part Description	Voke Tool Number	Gate/ Runner/ Slider	Cavities
**********	****** ********	*********	***** ***** ******	*
**********	**********	*********	**** *****	*
**********	**********	*********	**** *****	*
**********	******	*********	**** *****	*
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**********	********	*********	**** ****** ****** *******	*
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Electronics Lay-up and Assembly Tooling:

Tools, stencils and assembly fixtures were produced for the following boards:

265_5506_100_A03,

265_5509_100_C02,

265_5501_120_C01,

265_5503_120_B03,

265_5500_100_B02,

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Costs incurred for DFMEA and PFMEA	
CoraMed's rights under the Manufacturing Agreeements	
Total Purchase Price	**********

SCHEDULE E

Allocation Schedule

	IRS Form 8594 Classification	Value
Machinery & Equipment	Class V	********** *
Patent, licenses, and other intellectual property	Class VI	**********
Goodwill	Class VII	**********
Purchase Price		**********

a) Subject to modification as current contract provisions indicate this as a maximum reimbursement allotment

SCHEDULE F

Form of Supply Agreement

SUPPLY AGREEMENT

This Supply Agreement (this "Supply Agreement") dated as of _____, 201_ (the "Effective Date"), is entered into by and between CoraMed Technologies, LLC ("CoraMed") having its principal office at 6225 West Howard Street, Niles, Illinois 60714 and Haemonetics Corporation, a Massachusetts corporation ("Haemonetics") having its principal office at 400 Wood Road, Braintree, MA 02184. CoraMed and Haemonetics are collectively referred to herein as the "Parties" and each individually as a "Party."

WHEREAS, to facilitate the commercial distribution of the next generation thrombelastography product and guide the development and regulatory approval of the product known as the TEG 6000 analyzer, described in more detail on Exhibit A attached hereto (the "TEG 6000 Analyzer"), accessories for the TEG 6000 Analyzer and consumables with reagents used in analyzing blood hemostasis with the TEG 6000 Analyzer, and the future development of consumable and reagent combinations, the Parties have entered into that certain Second Amended and Restated License Agreement No. 3, dated _____, 2013 (the "License Agreement"); and

WHEREAS, CoraMed desires to engage Haemonetics to supply to CoraMed, and Haemonetics desires to supply to CoraMed, the TEG 6000 Analyzer set forth on Exhibit A attached hereto and accessories, cartridges (including components) and reagents to be used with the TEG 6000 Analyzer, as may be mutually agreed upon by the Parties following the Effective Date (the "Additional Products", and together with the TEG 6000 Analyzer, the "Products") solely for purposes of CoraMed's sale outside the Hospitals and Labs Field (as defined in the License Agreement) and CoraMed's use, in each case in accordance with the terms and conditions of the License Agreement.

NOW, THEREFORE, in consideration of the premises, the mutual covenants, and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, each of the Parties, intending to be legally bound, hereby agree as follows:

1. Product Supply.

1.1 Products and Product Supply.

(a) Following the Effective Date, the Parties shall mutually cooperate in good faith to promptly finalize the list of Additional Products and the specifications for such Additional Products. Once the list of Additional Products and the specifications for such Additional Products are agreed upon in writing by the Parties, such Additional Products shall automatically be deemed to be included within the Products for all purposes under this Agreement, and Exhibit A to this Agreement shall automatically be amended to include such Additional Products.

(b) In accordance with the terms and conditions of this Supply Agreement, Haemonetics will supply CoraMed with Products ordered by CoraMed solely for purposes of use and sale outside the Hospitals and Labs Field (as defined in the License Agreement) in accordance with the terms and conditions of the License Agreement.

1.2 Forecasts. CoraMed will provide Haemonetics, on a monthly basis, a rolling nine (9) month forecast indicating CoraMed's anticipated monthly purchases of Products intended by CoraMed for commercial sale outside the Hospitals and Labs Field (the "Forecast"). In addition, from time to time CoraMed shall provide Haemonetics forecasts of CoraMed's anticipated purchases of Products intended by CoraMed for Development Use and Clinical Use (as defined in Section 1.5 below).

1.3 Purchase Orders. CoraMed may order Products for commercial sale outside the Hospitals and Labs Field by delivering, on a monthly basis, rolling firm orders for the next following three (3) month period on the form of purchase order attached hereto as Exhibit B (each a "Purchase Order"), and CoraMed may from time to time order Products for Development Use or Clinical Use by delivering Purchase Orders for such Products. CoraMed will allow for a lead time of at least fifteen (15) days between the time a Purchase Order is accepted by Haemonetics and the time the order for such Purchase Order will be due for shipment by Haemonetics to CoraMed. All Purchase Orders will be subject to the provisions of this

Supply Agreement, and to the extent the provisions of any Purchase Order conflict with the provisions of this Supply Agreement, the provisions of this Supply Agreement will govern. Terms, if any, included on any Purchase Orders, acknowledgment forms or other documents will not apply and are hereby voided, except for the quantity and type of Products being ordered, the specification of whether the Products are being purchased for the Development/Clinical Use Price, and shipping destination. Haemonetics will promptly (and in any event within ten (10) days of receipt) acknowledge receipt of each Purchase Order, by written or electronic response to CoraMed in accordance with the notice provisions of this Supply Agreement, specifying Haemonetics' acceptance or rejection of such Purchase Order, including in the case of any rejection, the reasons for such rejection. In the event that Haemonetics does not respond within such ten (10) days, the Purchase Order will be deemed accepted. In each monthly Purchase Order for Products for commercial sale outside the Hospitals and Labs Field, (a) CoraMed shall be obligated to purchase 100% of the Products projected in the Forecast to be purchased by CoraMed for the subsequent rolling three (3) month period, and (b) Haemonetics shall be obligated to accept such Purchase Order if CoraMed does not seek to purchase more than 135% of the aggregate amount of Products projected in the Forecast to be purchased by CoraMed for the subsequent rolling three (3) month period. Haemonetics shall be obligated to accept Purchase Orders for Products for Development Use and Clinical Use so long as such Purchase Orders are generally consistent with CoraMed's forecast for such Products. Once Haemonetics has accepted such Purchase Order, CoraMed may not cancel, suspend or modify such Purchase Order without Haemonetics' prior written consent, which will not be unreasonably withheld or delayed. Any costs resulting from such cancellation, suspension or modification, including the cost of any raw materials, and finished or partially finished Product, will be borne exclusively by CoraMed.

1.4 Discontinuance of Products. Haemonetics reserves the right not to supply one or more of the Products if production or sale of such Product has been discontinued by Haemonetics and Haemonetics does not intend to resume such production or sale. Haemonetics will provide CoraMed with ninety (90) days' prior written notice of the discontinuation of any Product; provided that Haemonetics will continue to make the Product available to support any accepted Purchase Orders (but not any renewals thereof) in existence as of the date of such notice of discontinuation, but only to the extent that such discontinuation would result in a breach under the terms of such accepted Purchase Orders.

1.5 Restricted Use Products. In each case in which CoraMed sells to a third party any cartridge, consumable or reagent that is a Product for which CoraMed has paid the Development/Clinical Use Price defined on Exhibit A attached hereto (each, a "Restricted Use Product"), CoraMed will enter into a written agreement with such third party under which CoraMed will restrict such third party, and require similar restrictions throughout such third party's supply chain, from using Restricted Use Products for any purpose other than for Development Use or Clinical Use (each as defined below) (the "Restricted Purpose"). CoraMed will exercise its reasonable commercial efforts to enforce such restrictions, including without limitation by (i) promptly suspending shipments of Restricted Use Products to a third party if CoraMed or Haemonetics reasonably suspect that the applicable Restricted Use Products are being sold or used by such third party for any purpose other than the Restricted Purpose, (ii) notifying Haemonetics and such third party in writing of such alleged violation, (iii) conducting an investigation of such violation as reasonably appropriate under the circumstances, (iv) following completion of such investigation, terminating sales of such Restricted Use Products to any such third party, the investigation of which revealed that such third party failed to comply with such restrictions, and (v) pursuing a damage claim (or, at CoraMed's option, authorizing Haemonetics to pursue such damage claim on its behalf) against any such third party that failed to comply with the applicable restrictions. In any written agreement with a third party, CoraMed will require that such third party agrees that Haemonetics will be treated as an intended third party beneficiary for purposes of enforcing under such agreement the restrictions described in this Section 1.5. As used in this Supply Agreement, (a) "Development Use" shall mean the use of cartridges in predefined configurations with experimental reagent configurations in order to support feasibility and design control efforts or the use of Products to support ongoing efforts of the foregoing; and (b) "Clinical Use" shall mean the use of cartridges and devices to support regulatory submission of items created under Development Use or the use of Products to support market development studies (e.g., investigator initiated studies).

1.6 Branding and Labeling of Products. The Products shall be branded and labeled (a) with such trademarks of CoraMed as are specified by CoraMed from time to time, so long as such branding and labeling are not inconsistent with applicable regulatory requirements and (b) in accordance with the terms and conditions of the License Agreement. To the extent that CoraMed requires that the Product be branded and labeled with its trademarks (instead of Haemonetics' trademarks), the reasonable incremental cost of such branding and labeling shall be included in the COGS for such Products.

1.7 Nonexclusive Relationship. The Parties acknowledge that the supply arrangement set forth in this Supply Agreement is a nonexclusive relationship, and that, subject to the limitations set forth in the License Agreement, (a) Haemonetics shall be entitled to supply the Products to other parties, including without limitation itself and its affiliates, and (b) CoraMed

shall be entitled to manufacture the Products or engage other parties to manufacture the Products and to purchase the Products from other parties.

2. Pricing; Payment.

2.1 Prices. The prices for the Products are set forth on Exhibit A attached hereto. The purchase price for the Products will be paid in U.S. dollars. In the event that Haemonetics agrees to expedite delivery of any Products, CoraMed is responsible for additional fees and costs due to the applicable expedited delivery. The fees and costs for expedited delivery described in the immediately preceding sentence may be reviewed periodically by the Parties.

2.2 Payments. Payments will be due thirty (30) days after the date of Haemonetics' invoice (which, if the applicable COGS for the Products sold pursuant to the invoices has not previously been specified, shall specify the applicable COGS). Payments may be made by check or wire transfer. All payments will be made without offsets or deductions other that with respect to portions of invoices that CoraMed disputes in good faith. If CoraMed believes in good faith that there is any error in an invoice delivered by Haemonetics, CoraMed must notify Haemonetics in writing of such error within thirty (30) days after CoraMed's receipt of such invoice. CoraMed hereby waives any right to dispute any invoice on the basis of purported error if CoraMed fails to provide such written notice to Haemonetics within such thirty (30)-day period. Any undisputed portion of an invoice that is not paid when due will accrue interest at the lesser of (i) one percent (1%) per month, or (ii) the highest rate of interest permitted by applicable law until such invoiced portion and all such interest is paid. In addition to any other remedies available to Haemonetics hereunder, at law or in equity, Haemonetics may suspend further shipments of Products if, and for so long as, any undisputed amount remains due and owing to Haemonetics hereunder for more than thirty (30) days, and any such suspension will not toll or otherwise extend the term of this Supply Agreement.

2.3 Taxes. Product pricing under this Supply Agreement or any Purchase Order does not include and is net of any foreign or domestic governmental taxes, assessments or charges of any kind, including excise, sales, use or value-added taxes, customs or other import duties, or other taxes, tariffs or duties, other than taxes on Haemonetics' net income. CoraMed will be responsible for, and will pay in a timely manner, all such taxes. CoraMed is responsible for providing Haemonetics with satisfactory evidence of exemption from such taxes or for paying such taxes to Haemonetics for remittance to tax authorities in jurisdictions where Haemonetics is qualified to do so and for paying such taxes directly where Haemonetics is not qualified to do so.

3. Shipping; Risk of Loss. Haemonetics will make the Products available to CoraMed Ex Works (Incoterms 2010) at Haemonetics' facility. CoraMed will arrange for shipment of Products by common carrier from Haemonetics' facility at CoraMed's own cost and expense, including paying for all freight, and other transportation costs, insurance charges, taxes, import and export duties, inspection fees and other charges applicable to the sale and transport of such Products. Title and risk of loss or damage to Products will pass from Haemonetics to CoraMed upon Haemonetics' delivery of such Products to the applicable common carrier at Haemonetics' facility.

4. Inspection and Acceptance. All deliveries of Products will be subject to CoraMed's inspection and acceptance at CoraMed's facilities. CoraMed will have thirty (30) days from the date of delivery to inspect deliveries. Inspection of deliveries and acceptance of inspected deliveries does not, however, alter or amend any rights that CoraMed may have under this Supply Agreement. No inspection or other action by CoraMed will in any way obligate CoraMed to purchase any defective or non-conforming Products or to retain any Products which, upon subsequent inspection or use, prove to be defective or non-conforming. Payment for Products delivered will not constitute acceptance.

5. Record Keeping; Retention; Examination.

5.1 CoraMed. CoraMed will keep, and will cause any third party to which it sells or otherwise distributes Product (or any third party in such third party's supply chain) to keep, complete and proper books of account and records relating to Product purchases, sales, returns, warranty claims, customer complaints, regulatory matters and the manner in which the Products are used (e.g., for Development Use, for Clinical Use or in some other manner). CoraMed will, and will cause such third parties to, maintain these records for at least four (4) years following the creation of the records or such longer period required by applicable law. Haemonetics will be entitled to examine and review all such records to confirm compliance with this Supply Agreement, including without limitation the payment provisions of this Supply Agreement. CoraMed will promptly notify Haemonetics in writing of any customer complaints, warranty claims or regulatory agency communications that relate

to the Products. CoraMed will not make any Product-related representation to or filing with any government or regulatory agency without first obtaining Haemonetics' prior written approval, unless such representation or filing is required by law.

5.2 Haemonetics. With respect to only Products sold by Haemonetics to CoraMed hereunder, Haemonetics will keep complete and proper books of account and records relating to Product purchases, sales, returns, warranty claims, customer complaints, regulatory matters and COGS for the Products. Haemonetics will maintain these records for at least four (4) years following the creation of the records or such longer period required by applicable law. CoraMed will be entitled to examine and review all such records to confirm compliance with this Supply Agreement. Haemonetics will promptly notify CoraMed in writing of any customer complaints, warranty claims or regulatory agency communications that relate to the Products. Haemonetics will not make any Product-related representation to or filing with any government or regulatory agency without first obtaining CoraMed's prior written approval, unless such representation or filing is required by law.

6. Meetings and Reviews. The Parties will, at mutually agreeable times and places, hold periodic meetings no less than once a year to review CoraMed's current forecasts for Products and quality issues with any Products delivered, to assess the efficiency of the administration and operation of this Supply Agreement and to confirm compliance with this Supply Agreement, including without limitation the payment provisions of this Supply Agreement.

7. Haemonetics Warranties; Limitation of Remedies and Damages for Breach.

7.1 Warranty.

(a) Haemonetics hereby represents, warrants and covenants that (i) for a period of one (1) year following the delivery of the Products to a common carrier for shipment to CoraMed, such Products will be free of defects in workmanship or material and will comply in all material respects with the applicable specifications for such Products, and (ii) that, to the best of Haemonetics' knowledge, Haemonetics' manufacturing processes or Products designed by Haemonetics or any of its affiliates do not infringe intellectual property rights of any third party. Without limitation, this limited warranty does not apply to defects resulting from Products that have been damaged or misused by any person or entity after title passes to CoraMed, or defects resulting from instructions provided by CoraMed. CoraMed will be liable for costs or expenses incurred by Haemonetics related to the foregoing exclusions. Such exclusions do not include defects primarily resulting from instructions supplied by Haemonetics.

(b) In addition, to the extent that Haemonetics receives a warranty for any of the Products from a third party and to the extent Haemonetics may assign its rights under such warranty to CoraMed, Haemonetics shall assign all of such assignable rights under such warranty to CoraMed.

7.2 DISCLAIMER. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 7.1(A) ABOVE, CORAMED ACKNOWLEDGES THAT HAEMONETICS IS SUPPLYING THE PRODUCTS ON AN "AS-IS" BASIS, AND HAEMONETICS MAKES NO OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO THIS SUPPLY AGREEMENT OR THE PRODUCTS TO BE SUPPLIED HEREUNDER, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, AND HAEMONETICS SPECIFICALLY DISCLAIMS ANY SUCH WARRANTIES.

7.3 Non-Conforming Products. If any Products supplied by Haemonetics to CoraMed fail to conform to the Product warranties set forth in Section 7.1(a) ("Non-Conforming Products"), then Haemonetics will at its election and its cost either (i) arrange for the prompt replacement of such Non-Conforming Products and ship the replacement Products to CoraMed's specified facility, or (ii) issue a credit to CoraMed for the price paid for any such Non-Conforming Products. Except as expressly set forth in Section 7.4 below, correction in the manner provided above will constitute CoraMed's sole remedy for, and complete fulfillment by Haemonetics of, all liabilities of Haemonetics with respect to the quality of the Products. Haemonetics will not accept return of Products except in accordance with this Section 7.3 and such reasonable instructions for returning Products as Haemonetics may provide from time to time. The foregoing will only apply if the claim is made by CoraMed in writing within thirty (30) days of its detection of a defect, and only if the defect was not caused by CoraMed or any of its employees, customers or contractors. Haemonetics' obligations under this Section 7.3 will apply only if the claim is made by CoraMed in writing within one year of delivery of the applicable Product to a common carrier for shipment to CoraMed. Except as provided in this Section 7.3 or Section 8, this Section 7.3 is Haemonetics sole responsibility, and CoraMed's sole remedy, for the failure of Products to conform to the warranties set forth in Section 7.1(a) above.

7.4 Liability. Without limiting the terms of Sections 8 or 9 below, Haemonetics' liability arising in connection with the sale of Products to CoraMed shall not be limited with respect to any liability of CoraMed to a third party in connection with a claim for personal injury or death resulting from the failure of Products to conform to the warranties set forth in Section 7.1(a) above.

8. Indemnification.

8.1 Indemnification by Haemonetics. Haemonetics will defend at its expense any third party claim, suit or proceeding (each, a "Claim") brought against CoraMed, its affiliates and its and their respective officers, directors, employees and agents (collectively, the "CoraMed Indemnitees") by any third party to the extent such Claim is based upon Haemonetics' breach of any obligation, representation warranty or covenant of this Supply Agreement, and Haemonetics will pay all costs, damages, expenses, losses, penalties, amounts paid in settlement, and fees ("Losses") incurred by the CoraMed Indemnitees in connection with such Claim.

8.2 Indemnification by CoraMed. Except for liability for which Haemonetics is responsible under Section 8.1, CoraMed will defend at its expense any Claim brought against Haemonetics, its affiliates and its and their respective officers, directors, employees and agents (collectively, the "Haemonetics Indemnitees") by any third party to the extent such Claim is based upon (a) CoraMed's breach of any obligation, representation warranty or covenant of this Supply Agreement, (b) any claim that Products designed by CoraMed or any of its affiliates infringe intellectual property rights of any third party, or (c) any claim against Haemonetics resulting from the use or misuse of the Products by CoraMed or the third parties to which CoraMed provides the Products, and CoraMed will pay all Losses incurred by the Haemonetics Indemnitees in connection with such Claim.

8.3 Indemnitee Obligations. Each person or entity seeking to be reimbursed, indemnified, or held harmless (each, an "Indemnitee") will

(a) provide the Party obliged to defend such Indemnitee with prompt written notice of any Claim from which such Indemnitee seeks to be defended, which notice will include a reasonable identification of the alleged facts giving rise to such Claim,

(b) grant such Party sole control over the defense of any such Claim,

(c) grant such Party the right to settle any such Claim, subject to the prior written consent of the Indemnitee, such consent not to be unreasonably withheld, and

(d) reasonably cooperate with such indemnifying Party and its agents at such indemnifying Party's cost in defense of any such Claim.

9. Limitation of Liability. **********
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10. Intellectual Property.

10.1 Ownership. Nothing in this Supply Agreement will affect the intellectual property rights of the Parties that existed prior to the commencement of this Supply Agreement. The Parties understand and agree that, except as specifically set forth herein, no license or other rights, either express or implied, are granted by either Party to the other under this Supply Agreement with respect to any intellectual property rights.

10.2 Limited Use License. CoraMed hereby grants Haemonetics during the term of this Supply Agreement a royalty-free, non-exclusive, non-transferable or assignable (except as set forth in Section 14.4 below) and sublicensable (through multiple tiers) right and license under any and all Intellectual Property Rights (as defined below) controlled by CoraMed for the sole purpose of enabling Haemonetics to perform its obligations under this Supply Agreement. Such limited right and license will extend to no other materials or for any other purpose and will terminate automatically upon expiration or termination of this Supply Agreement for any reason. For the purposes of this Section 10.2 (a) "Intellectual Property Rights" means, collectively, any and all rights in, to and under patents, trade secret rights, copyrights, trademarks, service marks, trade dress and similar rights of any type under the laws of any governmental authority, including without limitation, all applications and registrations relating to the foregoing; and (b) "control" means the possession of (whether by ownership or license) or the ability of CoraMed to grant access to any Intellectual Property Right or the subject matter of any Intellectual Property Right. Notwithstanding anything to the contrary herein, nothing stated herein shall affect the rights of the Parties under the License Agreement.

11. Confidentiality.

(a) Confidentiality Obligation. "Confidential Information" means any information or data disclosed or made available prior to the Effective Date or during the Term by either Party (the "Disclosing Party") to the other Party (the "Receiving Party") that is either marked or identified in writing within thirty (30) days of disclosure as confidential or proprietary, provided that information related to a Disclosing Party's present or future business plans, strategies or technology will be deemed Confidential Information of the Disclosing Party even if not so marked or identified. The Receiving Party will: (a) not use the Disclosing Party's Confidential Information except for the exercise of its rights or performance of its obligations hereunder; (b) not disclose such Confidential Information to any third party, other than (i) its employees and consultants who have a "need to know" for the Receiving Party to exercise its rights or perform its obligations hereunder and (ii) investors, prospective investors, acquirers, prospective acquirers, and professional advisers; provided that such employees and consultants, investors, prospective investors, acquirers, prospective acquirers and professional advisers are bound by agreements or, in the case of professional advisers, ethical duties respecting such Confidential Information in accordance with the terms of this Section 11; and (c) use reasonable measures to protect the confidentiality of such Confidential Information. If the Receiving Party is required by law to make any disclosure of such Confidential Information, the Receiving Party will first give written notice of such requirement to the Disclosing Party, and will permit the Disclosing Party to intervene in any relevant proceedings to protect its interests in the Confidential Information, and provide full cooperation to the Disclosing

Party in seeking to obtain such protection. Information will not be deemed Confidential Information hereunder if such information: (1) is known or becomes known (independently of disclosure by the Disclosing Party) to the Receiving Party prior to receipt from the Disclosing Party from a source other than one having an obligation of confidentiality to the Disclosing Party; (2) becomes publicly known, except through a breach hereof by the Receiving Party; or (3) is independently developed by the Receiving Party, which can be shown by written evidence. The terms of this Supply Agreement shall be deemed to be Confidential Information of each Party, and shall be subject to the confidentiality obligations set forth herein.

12. Term and Termination.

12.1 This Supply Agreement will remain in effect for a period of thirteen (13) years from the Effective Date unless terminated earlier under the provisions hereof. The term will be automatically extended for successive two (2) year renewal periods unless a Party gives written notice to the other Party at least six (6) months before the end of the initial term or any renewal period (such initial term plus any renewal period(s), the "Term").

12.2 This Supply Agreement may be terminated:

(a) at any time by the mutual written agreement of CoraMed and Haemonetics;

(b) by either Party, if the other Party defaults in any of its material obligations hereunder and such default is not cured in all material respects within thirty (30) days after written notice of such default is given to the defaulting Party;

(c) by Haemonetics if CoraMed fails to pay any amounts due pursuant to Section 2.2 above (other than amounts that are the subject of a good faith dispute between the Parties), and such failure to pay is not cured within thirty (30) days after written notice of such failure to pay is given to CoraMed; or

(d) at any time by either Party immediately upon written notice to the other Party if the other Party (i) ceases to carry on its business, liquidates or dissolves its business; (ii) becomes insolvent or makes an assignment for the benefit of creditors, or fails generally to pay its debts as they become due; (iii) voluntarily or involuntarily becomes the subject of any proceeding relating to bankruptcy, insolvency, receivership, liquidation or other similar proceeding; or (iv) consents to the appointment of a trustee or receiver for such other Party or any part of its property.

12.3 Following the date of expiration or earlier termination of this Supply Agreement pursuant to Section 12.2 above, CoraMed may not submit any further Purchase Orders to Haemonetics. To the extent any Purchase Order has been accepted by Haemonetics and is not fulfilled on the date of expiration or earlier termination of this Supply Agreement, the provisions of this Supply Agreement and such Purchase Order will continue to apply to such Purchase Order as if this Supply Agreement were still in effect; provided, however, that if a Purchase Order has been accepted by Haemonetics and is not fulfilled on the date of Haemonetics' termination of this Supply Agreement pursuant to Section 12.2(b), 12.2(c), or 12.2(d) above, Haemonetics may elect in its sole discretion to cancel its fulfillment of such Purchase Order, in which event CoraMed's financial obligation with respect to such Purchase Order will be limited to reimbursing Haemonetics for its reasonable costs incurred in fulfilling such Purchase Order prior to its cancellation, including without limitation the cost of finished goods in inventory, work in process and raw materials.

12.4 The provisions of Sections 1.5, 2.2, 2.3, 5, 7, 8, 9, 10.1, 11, 12.3, 12.4, 13.1 and 14 will survive the expiration or earlier termination of this Supply Agreement.

13. Insurance.

13.1 Requirements. From the earlier of (i) the date of CoraMed's first commercial sale of Products or (ii) the date that CoraMed enters into an agreement with a third party distributor for the distribution of the Products (such date, the "Insurance Date"), and for the reasonable anticipated life of any Products supplied by Haemonetics hereunder, CoraMed shall (or shall ensure that its distributors for the Products) maintain insurance as follows:

(a) Public or General Liability Insurance, not less than $1 million per occurrence and not less than $5 million in the aggregate;

(b) Product Liability Insurance, not less than $1 million per occurrence and not less than $5 million in the aggregate; and

(c) Workers Compensation Insurance or similar employers' liability insurance required in local jurisdictions with limits as prescribed by local law.

The coverage amounts specified above may be satisfied by CoraMed's or its distributor's base policy plus any umbrella policy. The above insurance to be purchased from insurance company rated by AM Best with a minimum financial strength rating of A- and a minimum financial size rating of X (7).

13.2 Certification. Within thirty (30) days following the Insurance Date and upon each policy renewal, CoraMed will deliver evidence of such insurance as required in Section 13.1 above, via a certificate of insurance issued by the insurer or by the broker, when so authorized by the insurer. Such certificate will be sent to Haemonetics pursuant to Section 14.3 below.

14. Miscellaneous Provisions.

14.1 Amendment. This Supply Agreement may not be amended or modified except (a) by an instrument in writing signed by or on behalf of the Parties, or (b) by a waiver in accordance with Section 14.2.

14.2 Waiver. Any Party to this Supply Agreement may (a) extend the time for the performance of any of the obligations or other acts of the other Party, (b) waive any inaccuracy in the representations and warranties of the other Party contained herein or in any document delivered by such other Party pursuant hereto or (c) waive compliance with any agreement of the other Party or condition to the other Party's obligations contained herein. Any such extension or waiver will be valid only if set forth in a writing executed by the Party to be bound thereby. Any waiver of any term or condition will not be construed as a waiver of any subsequent breach or waiver of the same term or condition or as a waiver of any other term or condition of this Supply Agreement. The failure of any Party to assert any of its rights under this Section 14.2 will not constitute a waiver of any of such rights. No course of dealing between or among any persons having any interest in this Supply Agreement will be deemed effective to modify, amend or discharge any part of this Supply Agreement or any rights or obligations of any Party under or by reason of this Supply Agreement. All rights and remedies existing under this Supply Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

14.3 Notices. All notices, claims, demands and other communications given or delivered under this Supply Agreement will be in writing and will be deemed to have been duly made or given when personally delivered, mailed by first class mail, return receipt requested, or delivered by express courier service or via facsimile (with hard copy to follow) to the respective Parties at the following addresses (or such other address for a Party as will be specified in a notice given in accordance with this Section 14.3):

If to CoraMed:

CoraMed Technologies, LLC
6225 West Howard Street
Niles, IL 60714-3403
Facsimile:
Attention: Chief Executive Officer

with a copy to:

Reed Smith LLP
10 S. Wacker Drive, 40th Floor
Chicago, IL 60606
Facsimile: **********
Attention: **********

If to Haemonetics:

Haemonetics Corporation
400 Wood Road
Braintree, MA 02184-9144
Facsimile: **********
Attention: **********
Vice President and Chief Legal Officer

with a copy to:

Goodwin Procter LLP
Exchange Place
53 State Street
Boston, MA 02109
Facsimile: **********
Attention: **********

Notwithstanding the foregoing, the Parties expressly agree that any notices, approvals or other communications regarding the submission of Purchase Orders, that are required herein to be given in writing will be deemed duly given and received if sent via electronic mail, provided the delivering Party has a computer notification of the transmitted notice having been sent and the delivering Party has no knowledge that the receiving Party is not available to retrieve such electronic mail message, to: in the case of CoraMed, [_____] at [_____]@[_____], with a copy to [_____] at [_____]@[_____]; and, in the case of Haemonetics, [_____] at [_____]@[_____], with a copy to [_____] at [_____]@[_____]. Either Party may change its address for the receipt of notices, requests, demands, claims, and other communications hereunder by giving the other Party notice of such change in the manner herein set forth.

14.4 Assignments; Successors; No Third-Party Rights. No Party may assign any of its rights, or delegate, or cause to be assumed, any of its obligations under this Supply Agreement without the prior written consent of the other Party (which consent will not be unreasonably withheld or delayed). Notwithstanding the foregoing, either Party shall be permitted to transfer all (but not less than all) of its rights and obligations under this Agreement in connection with the transfer of a majority of the voting securities or all or substantially all of the assets of such Party, whether by sale, merger or otherwise, without the prior consent of the other Party. Subject to the preceding sentence, this Supply Agreement will apply to, be binding in all respects upon, and inure to the benefit of, the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Supply Agreement will be construed to give any Person other than the Parties any legal or equitable right, remedy, or claim under or with respect to this Supply Agreement, or any provision of this Supply Agreement, except such rights as will inure to a successor or permitted assignee pursuant to this Section 14.4.

14.5 Severability. Whenever possible, each provision of this Supply Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Supply Agreement is held to be prohibited by or invalid under applicable law or public policy, such provision will be ineffective only to the extent of such prohibition or invalidity, and all other terms of this Supply Agreement will remain in full force and effect for so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

14.6 Construction. The language used in this Supply Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction will be applied against any person. The Parties intend that each representation, warranty and covenant contained herein will have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached will not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant. The word “including” will mean including without limitation regardless of whether such words are included in some contexts but not others.

14.7 Captions. The captions used in this Supply Agreement are for convenience of reference only and do not constitute a part of this Supply Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Supply Agreement, and all provisions of this Supply Agreement will be enforced and construed as if no caption had been used in this Supply Agreement.

14.8 Entire Agreement. This Supply Agreement, including the Exhibits hereto, and the documents referred to herein contain the entire agreement between the Parties, and supersedes any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way.

14.9 Counterparts. This Supply Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument.

14.10 Governing Law. All disputes, claims or controversies arising out of this Supply Agreement, or the negotiation, validity or performance of this Supply Agreement, or the transactions contemplated hereby, will be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts executed in and to be performed in the State of Delaware without regard to its rules of conflict of laws.

14.11 Arbitration. Except as otherwise expressly set forth in Section 14.11(f) below, any dispute, claim or controversy arising out of this Supply Agreement or any breach or threatened breach thereof (“Arbitrable Dispute”) will be

resolved by non-binding arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules, subject to the following:

(a) Any Party may demand that any Arbitrable Dispute be submitted to non-binding arbitration. The demand for arbitration will be in writing, will be served on the other Party in the manner prescribed herein for the giving of notices, and will set forth a short statement of the factual basis for the claim, specifying the matter or matters to be arbitrated.

(b) The arbitration will be conducted by a panel of three arbitrators, one selected by Haemonetics, one selected by CoraMed and the third to be selected jointly by the arbitrators selected by Haemonetics and CoraMed (collectively, the "Arbitrators") who will conduct such evidentiary or other hearings as they deem necessary or appropriate and thereafter will make their determination as soon as practicable. Any arbitration pursuant hereto will be conducted by the Arbitrators under the guidance of the Federal Rules of Civil Procedure and the Federal Rules of Evidence, but the Arbitrators will not be required to comply strictly with such Rules in conducting any such arbitration. All such arbitration proceedings will take place in the State of Delaware.

(c) Except as provided herein:

(i) each Party will bear its own "Costs and Fees," which are defined as all reasonable pre-award expenses of the arbitration, including travel expenses, out-of-pocket expenses (including, but not limited to, copying and telephone), witness fees, and reasonable attorney's fees and expenses;

(ii) the fees and expenses of the Arbitrators and all other costs and expenses incurred in connection with the arbitration ("Arbitration Expenses") will be borne equally by the Parties; and

(iii) notwithstanding the foregoing, the Arbitrators will be empowered to require any one or more of the Parties to bear all or any portion of such Costs and Fees and/or the fees and expenses of the Arbitrators in the event that the Arbitrators determine such Party has acted unreasonably or in bad faith.

(d) The Arbitrators will have the authority to award any remedy or relief that a court of the State of Delaware could order or grant, including, without limitation, specific performance of any obligation created under this Supply Agreement, the awarding of damages, the issuance of an injunction, or the imposition of sanctions for abuse or frustration of the arbitration process. The Arbitrators will render their decision and award upon the concurrence of at least two (2) of their number. Such decision and award will be in writing and counterpart copies thereof will be delivered to each Party. In rendering such decision and award, the Arbitrators will not add to, subtract from or otherwise modify the provisions of this Supply Agreement and any other agreement contemplated hereby to which CoraMed or Haemonetics or any of their respective subsidiaries is a party and will make their determinations in accordance therewith. Any Party to the arbitration may (i) seek to have judgment upon the award rendered by the Arbitrators entered in any court having jurisdiction thereof and (ii) appeal the decision and/or award to a court of competent jurisdiction.

(e) Each Party agrees that it will not file any suit, motion, petition or otherwise commence any legal action or proceeding for any matter which is required to be submitted to arbitration as contemplated herein except in connection with the enforcement of an award rendered by the Arbitrators or an appeal of the decision and/or award. Upon the entry of an order dismissing or staying any action or proceeding filed contrary to the preceding sentence, the Party which filed such action or proceeding will promptly pay to the other Party the reasonable attorney's fees, costs and expenses incurred by such other Party prior to the entry of such order.

(f) Notwithstanding the foregoing, any Party may apply to a court of law or equity for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof.

14.12 Parties in Interest. Nothing in this Supply Agreement, express or implied, is intended to confer on any person other than the Parties and their respective successors and assigns any rights or remedies under or by virtue of this Supply Agreement.

14.13 Consent to Jurisdiction. THE PARTIES AGREE THAT JURISDICTION AND VENUE IN ANY ACTION BROUGHT BY ANY PARTY PURSUANT TO THIS SUPPLY AGREEMENT WILL PROPERLY AND EXCLUSIVELY LIE IN ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF DELAWARE. BY EXECUTION AND

DELIVERY OF THIS SUPPLY AGREEMENT, EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY WITH RESPECT TO SUCH ACTION. THE PARTIES IRREVOCABLY AGREE THAT VENUE WOULD BE PROPER IN SUCH COURT, AND HEREBY WAIVE ANY OBJECTION THAT SUCH COURT IS AN IMPROPER OR INCONVENIENT FORUM FOR THE RESOLUTION OF SUCH ACTION. THE PARTIES FURTHER AGREE THAT THE MAILING BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, OF ANY PROCESS REQUIRED BY ANY SUCH COURT WILL CONSTITUTE VALID AND LAWFUL SERVICE OF PROCESS AGAINST THEM, WITHOUT NECESSITY FOR SERVICE BY ANY OTHER MEANS PROVIDED BY STATUTE OR RULE OF COURT.

14.14 Delivery by Facsimile; Electronic Copies. The Parties intend that each Party will receive a duplicate original of the counterpart copy or copies executed by it. For the purposes hereof, a facsimile or electronic copy (including a portable data format (PDF) copy) of this Supply Agreement and any amendments hereto, including the signature pages hereto and thereto, will deemed to be an original and be treated in all manner and respects as an original contract and will be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. Notwithstanding the foregoing, the Parties will deliver original execution copies of this Supply Agreement to one another as soon as practicable following execution hereof. At the request of any Party hereto or to any such contract, each other Party hereto or thereto will re-execute original forms thereof and deliver them to all other parties. No Party hereto or to any such contract will raise the use of a facsimile or electronic means to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile or electronic means as a defense to the formation of a contract and each such Party forever waives any such defense.

14.15 Independent Contractors. CoraMed and Haemonetics acknowledge that their relationship is that of independent contracting parties and this Supply Agreement does not create an agency, joint venture, partnership, employment or franchise relationship between them. Except as expressly set forth herein, neither Party will have the authority to bind the other in any manner whatsoever.

14.16 Force Majeure. If a Party will be hindered or delayed in the performance or observance of any of its obligations hereunder, other than payment obligations, by reason of labor unrest or work stoppages, interruption of telecommunications services, interruption of electrical power, wars, acts of terrorism, fires, floods, typhoons, earthquakes, other acts of God, epidemics, quarantine, political unrest, governmental restrictions or other events beyond the reasonable control of such Party, such Party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such Party continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without unreasonable delay. Promptly upon the occurrence of any such event, the affected Party will give written notice of such occurrence to the other Party, together with an estimate as to the period of duration of such event, and will keep such other Party informed from time to time as to the status of the first Party's efforts to recommence performance or observation of this Supply Agreement.

[Remainder of Page Intentionally Left Blank]

In Witness Whereof, the Parties have caused this Supply Agreement to be duly executed in their respective names and on their behalf, as of the date first above written.

HAEMONETICS CORPORATION

By:

Title:

CORAMED TECHNOLOGIES, LLC

By:

Title:

[Signature Page to Supply Agreement]

EXHIBIT A

Products and Prices

1. Definitions.

1.1 "Clinical Use" is defined in Section 1.5 of this Agreement.

1.2 "COGS" **********

1.3 "Development Use" is defined in Section 1.5 of this Agreement.

1.4 "Development/Clinical Use Price" is defined in Paragraph 2 of this Exhibit A.

2. Products and Prices.

Product	**Price Per Unit**
TEG 6000 Analyzer: The TEG 6000 Analyzer is defined in the License Agreement. Accessories: Any accessories that may be used with the TEG 6000 Analyzer	********** **********
Cartridges: Any cartridge that may be used with the TEG 6000 Analyzer and that Haemonetics has the ability to manufacture at commercial scale In the event that Haemonetics is not manufacturing a specific type of cartridge on a commercial basis, Haemonetics shall sell CoraMed the components for such cartridges (e.g., carriers with rings and laminates and reagents), pursuant to the terms hereof. Reagents: Any reagents that may be used with the TEG 6000 Analyzer	Products for Development Use or Clinical Use: ********** ********** Products for any other use: ********** ********** **********

EXHIBIT B

Form of Purchase Order

To be provided by HAE.

Exhibit 10.2

HAEMONETICS CORPORATION

2005 LONG-TERM INCENTIVE COMPENSATION PLAN

AMENDED AND RESTATED

PERFORMANCE SHARE UNIT AGREEMENT

WITH

Christopher Simon

HAEMONETICS CORPORATION
AMENDED AND RESTATED
PERFORMANCE SHARE UNIT AGREEMENT
UNDER 2005 LONG-TERM INCENTIVE COMPENSATION PLAN

THIS AMENDED AND RESTATED PERFORMANCE SHARE UNIT AGREEMENT ("Amended and Restated Agreement"), dated as of June 6, 2017, is by and between Haemonetics Corporation, a Massachusetts Corporation ("Company"), and Christopher Simon ("Employee").

WHEREAS, the Company has established the Haemonetics Corporation 2005 Incentive Compensation Plan, as amended ("Plan"), a copy of which has been provided to Employee, and which Plan is made a part hereof;

WHEREAS, the Company, upon the determination of the Compensation Committee of the Board of Directors of the Company ("Committee"), previously granted on June 29, 2016 (the "Grant Date") to the Employee a Performance Share Unit award pursuant to Article 10 (Other Stock Unit Awards) of the Plan with respect to the Company's $0.01 par value Common Stock ("Stock"), as provided in the Performance Share Unit Agreement dated June 29, 2016 (the "Prior Agreement"); and

WHEREAS, the Company and the Employee desire to make certain changes to the Prior Agreement in order to reform it to reflect the Committee's original intention and to impose continued employment requirements for accelerated vesting in connection with a Change in Control (as defined below).

NOW, THEREFORE, the parties hereby agree as follows to amend and restate the Prior Agreement in its entirety in the form of this Amended and Restated Agreement effective as of the Grant Date:

1. Grant of Performance Share Units.

Subject to the terms and conditions of this Agreement and of the Plan, the Company hereby grants to the Employee a target award ("Target Award") of 26,210 Performance Share Units ("PSUs"). Each unit represents the right to receive one share of Stock. Subject to satisfaction of the terms and conditions of this Agreement and the Plan, the PSUs shall be settled in Stock. No dividend equivalent rights are payable with respect to the PSUs.

2. Vesting Schedule.

(a) Vesting. The interest of the Employee in the PSUs shall vest, if at all, on May 10, 2019, (the "Maturity Date") according to the vesting schedule on *Schedule A* ("Vesting Schedule"), and also conditioned upon the Employee's continued employment with the Company through the Maturity Date.

(i) *Calculation of Revenue Metric*. The Revenue Performance Metric is determined by comparing Revenue to the Target Revenue on *Schedule A*. "Revenue" equals fiscal 2019 revenue determined in accordance with GAAP. Both Target Revenue and Revenue may be adjusted by the Committee to reflect mergers, acquisitions and divestures completed during the Performance Period and changes in GAAP which affect the comparability of results.

(ii) *Calculation of Operating Income Metric*. The Operating Income Metric is determined by comparing Operating Income to the Target Operating Income on *Schedule A*. "Operating Income" equals fiscal 2019 operating income determined in accordance with GAAP excluding cash severance, restructuring charges, restructuring related spending, non-cash charges related to transformation activity, impairment charges, and deal amortization. Both Operating Income and Target Operating Income may be adjusted by the Committee to reflect mergers, acquisitions and divestures completed during the Performance Period and changes in the Company's accounting practices and changes in GAAP which affect the comparability of results.

(iii) *Calculation of Expense Metric*. The Expense Metric is determined by comparing the General and Administrative Expense as a percentage of revenue, as determined in accordance with the Company's accounting practices, to the Target Expense on *Schedule A*. "General and Administrative Expense" equals selling, general and administrative expense reported on the Company's fiscal 2019 GAAP income statement, minus all expenses in that item related to sales and marketing in the Company's accounting records and excluding cash severance, restructuring charges, restructuring related spending, non-cash charges related to transformation activity, impairment charges, and deal amortization. Both revenue and selling, general and administrative expense may be adjusted by the Committee to reflect mergers, acquisitions and divestures completed during the Performance Period and changes in the Company's accounting policies and changes in GAAP which affect comparability of results.

(iv) *Calculation of Customer Facing Metric*. The Customer Facing Metric is determined by comparing the number of full time employment positions at the Company and its subsidiaries which are primarily engaged in sales, sales support, business development, clinical sales, donor sales, field service, global marketing, market intelligence, patience sales, software implementation, product and regional marketing and customer service, including software and hardware maintenance, and excluding all others such as Franchise Marketing, legal Enterprise Information Technology, Human Resources, Finance, Procurement, Regulatory, Quality, Manufacturing, Research and Development.

(v) *Weighting of Metrics.* In calculating the Share Payout, the Committee shall weigh each of the four Performance Metrics in accordance with the "Weight" column on *Schedule A*.

(vi) *Profit Requirement.* Notwithstanding the satisfaction of the Performance Metrics and the employment requirement, no Share Payout shall be made under this Agreement unless the Company achieves positive net income of at least one (1) dollar ($1.00) for the Performance Period (the "Profit Requirement").

(vii) *Negative Discretion.* The Committee may exercise negative discretion consistent with Section 162(m) of the Code to reduce the payment under this Agreement.

(viii) *Payment Timing.* Subject to any earlier payment made under Section 2(f) below, any Share Payout shall be made by the Company in a single payment of shares of

Stock (subject to applicable tax withholding) no earlier than the Maturity Date and no later than July 31, 2019 following certification by the Committee of the achievement of the Profit Requirement.

(b) Employment Required. Except as otherwise provided in this Section 2, if the Employee ceases to be an employee of the Company prior to the Maturity Date, the PSUs granted to the Employee hereunder shall not vest and instead shall be forfeited. In such event, vesting shall not be pro-rated between the Grant Date and the Maturity Date.

(c) Disability. If such termination of employment is because of the Employee's Disability while in the employ of the Company, then the continued employment requirement for the Employee shall cease to apply and the Profit Requirement for the PSUs shall be determined as of the End of the Performance Period and paid in accordance with Section 2(a) above; provided, however, that number of shares of Stock paid to the Employee shall be multiplied by a fraction, the numerator of which is the number of days elapsed from the Grant Date to the date of the Employee's Disability, and denominator of which is 1095.

(d) Death. If the termination of employment is because of the death of the Employee while in the employ of the Company, then the continued employment requirement for the Employee shall cease to apply and the Profit Requirement for the PSUs shall be determined as of the End of Performance Period and paid in accordance with Section 2(a) above; provided, however, that the number of shares of Stock to be paid to the Employee's estate shall be multiplied by a fraction, the numerator of which is the number of days elapsed from the Grant Date to the date of the Employee's death, and the denominator of which is 1095.

(e) Qualifying Retirement. If such termination of employment is because of the Employee's Qualifying Retirement while in the employ of the Company, then the continued employment requirement for the Employee shall cease to apply and the Profit Requirement for the PSUs shall be determined as of the End of the Performance Period and paid in accordance with Section 2(a) above; provided, however, that the number of shares of Stock to be paid to the Employee shall be multiplied by a fraction, the numerator of which is the number of days elapsed from the Grant Date to the date of the Employee's Qualifying Retirement, and the denominator of which is 1095.

(f) Qualifying Change in Control.

(1) Notwithstanding anything to the contrary contained in any employment agreement, severance agreement, change in control agreement or other agreement with the Employee, this Section 2(f) shall apply if a Change in Control (as defined in Section 2(g) below) occurs prior to the Maturity Date (a "Qualifying Change in Control") and while the Employee is in the employ of the Company or a Subsidiary.

(2) Effective as of immediately prior to a Qualifying Change in Control, but subject to the occurrence of such Change in Control, the number of PSUs eligible to be vested shall be equal to the number of shares under the Target Award. The number of PSUs determined in accordance with this Section 2(f)(2) is referred to as the "CIC Adjusted PSUs."

(3) The CIC Adjusted PSUs shall become vested on a Qualifying Change in Control and settled within five days following the occurrence of such Change in Control if a replacement or substitute award meeting the requirements of this Section 2(f)(3) is not provided to the Employee

in respect of such PSUs. An award meeting the requirements of this Section 2(f)(3) is referred to below as a "Replacement Award". An award shall qualify as a Replacement Award if:

(A) it is comprised of restricted stock units with respect to a publicly traded equity security of the Company or the surviving corporation or the ultimate parent of the applicable entity following the Qualifying Change in Control,

(B) it has a fair market value at least equal to the fair market value of the CIC Adjusted PSUs established pursuant to Section 2(f)(2) as of the date of the Qualifying Change in Control,

(C) it contains terms relating to service-based vesting (including with respect to termination of employment) that are substantially identical to the terms set forth in this Agreement and does not contain any terms related to performance-based vesting, and

(D) its other terms and conditions are not less favorable to the Employee than the terms and conditions set forth in this Agreement or in the Plan (including provisions that apply in the event of a subsequent Change in Control) as of the date of the Qualifying Change in Control.

The determination of whether the conditions of this Section 2(f)(3) are satisfied shall be made by the Committee, as constituted immediately prior to a Qualifying Change in Control, in its sole discretion, prior to such Change in Control. If a Replacement Award is provided, the CIC Adjusted PSUs shall not be settled upon a Qualifying Change in Control, but instead as provided under Section 2(f)(4) below.

(4) If, in connection with a Qualifying Change in Control, the Employee is provided with a Replacement Award, such Replacement Award shall vest on the Maturity Date and be settled at the time as set forth in Section 2(a)(viii), subject to the Employee having not incurred a termination of employment with the Company and its Subsidiaries prior to the Maturity Date; provided that, if, within two years following such Change in Control, the Employee incurs a termination of employment due to being a Good Leaver (as defined in Section 2(g) below), then the Replacement Award shall become fully vested effective as of such termination of employment, and the Company shall issue one share to the Employee for each share under the Replacement Award as soon as reasonably practicable, and in no event more than 10 days, following such termination of employment. For purposes of determining the time of an accelerated payout under this Section 2(f)(4), a termination of employment shall mean a "separation of service" within the meaning of Section 409A of the Code.

(g) Special Definitions. For purposes of this Agreement, the following terms have the meanings set forth below:

(1) "Change in Control" means the earliest to occur of the following events.

(A) a person, or any two or more persons acting as a group, and all affiliates of such person or persons, who prior to such time owned less than thirty-five percent (35%) of the then outstanding shares of the Common Stock, shall acquire such additional shares of the Common Stock in one or more transactions, or series of transactions, such that following such transaction or transactions such person or group and affiliates beneficially own thirty-five percent (35%) or more of the Common Stock outstanding,

(B) closing of the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, and

(C) the consummation of any merger, reorganization, consolidation or share exchange unless the persons who were the beneficial owners of the outstanding shares of the common stock of Company immediately before the consummation of such transaction beneficially own more than 50% of the outstanding shares of the common stock of the successor or survivor entity in such transaction immediately following the consummation of such transaction. For purposes of this definition, the percentage of the beneficially owned shares of the successor or survivor entity described above shall be determined exclusively by reference to the shares of the successor or survivor entity which result from the beneficial ownership of shares of Common Stock by the persons described above immediately before the consummation of such transaction.

Notwithstanding the foregoing, none of the above events or conditions shall constitute a Change in Control for purposes of this Agreement unless the event or condition also constitutes a "Change in Control Event" for purposes of Treas. Reg. §1. 409A-3(i)(5).

(2) "Disability" has the meaning given it in Article 2 of the Plan; provided, however, that the Employee must also be considered to be "disabled" for purposes of Treas. Reg. §1.409A-3(i)(4).

(3) "Good Leaver" means the involuntary termination of the Employee's employment by the Company other than a Termination for Cause, the Employee's resignation for Good Reason, or the Employee's termination of employment due to death, Disability or a Qualifying Retirement.

(4) "Good Reason" shall have the meaning given to such term in an employment agreement, severance or change in control agreement or, if there is no such agreement or if it does not define Good Reason, then Good Reason shall mean the occurrence of any one of the following, in the absence of Employee's written consent:

(A) a material diminution in the Employee's annual base salary or target annual incentive compensation from that in effect immediately prior to a Qualifying Change in Control,

(B) the assignment to the Employee of any duties materially inconsistent with Employee's positions (including status, offices, titles, and reporting requirements), authority, duties, or responsibilities, or any other action by the Company that results in a material diminution in such positions, authority, duties, or responsibilities, in each case, from those in effect immediately prior to a Qualifying Change in Control or

(C) the relocation of the Employee to a work location more than 50 miles from the Employee's current work location (unless, as a result of such relocation, the Employee's work location is closer to his or her place of residence);

provided that, in each case, (i) the Employee provides written notice to the Company of the existence of one or more of the conditions described in clauses described above within 30 days following the Employee's knowledge of the initial existence of such condition or conditions, specifying in reasonable detail the conditions constituting Good Reason, (ii) the Company and its

Subsidiaries fail to cure such event or condition within 30 days following the receipt of such notice and (iii) the Employee incurs a termination of Employment within 30 days following the expiration of such cure period.

(5) "Performance Period" shall mean the three (3) year period beginning on April 3, 2016 and ending on March 30, 2019 (the "End of the Performance Period").

(6) "Qualifying Retirement" shall mean that the Employee voluntarily retires from the employ of the Company or its Subsidiaries at or after both attaining age fifty-five (55) and completing five (5) consecutive years of service. For purposes of this Agreement, a "year of service" shall mean a twelve (12) month period of continuous full-time employment with the Company (determined without regard to any breaks in service due to any paid leave of absence or any unpaid leave of absence authorized in writing by the Company). For the avoidance of doubt, termination of the Employee's employment by the Company, either with or without Cause, shall not be treated as a Qualifying Retirement.

(7) "Termination for Cause" Unless otherwise provided under the termination with cause provisions of an individual employment agreement or change in control agreement, to invoke a Termination with Cause, the Company must provide written notice to the Employee of the existence of one or more grounds for termination as set forth below within 30 days following the Company's knowledge of the existence of such grounds, specifying in reasonable detail the grounds constituting cause, and, with respect to the grounds enumerated in clauses (B), (C) and (D) below, the Employee shall have 30 days following receipt of such written notice during which to remedy any such ground if it is reasonably subject to cure. "Cause" shall have the meaning given to such term in an employment agreement or change in control agreement covering the Employee or, if there is no such agreement or if it does not define Cause, then Cause shall mean the occurrence of any one of the following:

(A) Employee's conviction of (or a plea of guilty or nolo contendere to) a felony or any other crime involving moral turpitude, dishonesty, fraud, theft or financial impropriety,

(B) the Employee's failure to perform substantially the Employee's duties (other than any such failure resulting from Disability),

(C) the Employee engaging in gross misconduct, or

(D) the Employee willfully violating a material Company policy.

3. Restrictions, Forfeiture and Clawback.

(a) No Transfer. The PSUs granted hereunder may not be sold, transferred, pledged, assigned, encumbered, or otherwise alienated or hypothecated.

(b) Forfeiture. Except as provided for in Section 2, if the Employee's employment with the Company terminates for any reason**,** the balance of the PSUs subject to the provisions of this Agreement which have not vested at the time of the Employee's termination of employment shall be forfeited by the Employee, and the Employee shall have no future rights with respect to any such unvested PSUs.

(c) Clawback. This award and any resulting payment or Shares is subject to set-off, recoupment, or other recovery or "clawback" as required by applicable law or by any Company policy on the clawback of compensation, as amended from time to time.

4. Delivery of Shares.

The means of settlement of vested PSUs is that the Company shall deliver to the Employee a certificate or certificates, or at the election of the Company make an appropriate book entry, for the number of shares of Stock equal to the number of the Employee's PSUs that vest and are payable as specified in Section 2. An Employee shall have no further rights with regard to PSUs once the underlying Stock has been so delivered.

5. Employee Shareholder Rights.

Neither the Employee nor any person claiming through the Employee, will have any of the rights or privileges of a stockholder of Haemonetics with respect to the PSUs unless and until Stock has been issued, recorded on the records of the Company or its transfer agent, and delivered to the Employee. No dividend equivalents shall be paid on PSUs with respect to any cash dividends declared during any periods of time prior delivery of the shares of Stock.

6. Adjustments or Changes in Capitalization.

Adjustments as a result of changes in corporate capitalization and the like or as a result of a corporate transaction shall be made in accordance with Article 4 of the Plan.

7. Disability or Death of Employee.

Any Stock delivered pursuant to Section 4 shall be delivered to the Employee if legally competent or to a legally designated guardian or representative if the Employee is legally incompetent. If the Employee is not then living, the Stock shall be delivered to the representative of the Employee's estate.

8. Taxes.

The Employee acknowledges and agrees that any income or other taxes due from the Employee with respect to the PSUs issued pursuant to this Agreement, including Social Security and Medicare taxes that may be owed on account of the vesting of the PSUs (unless the Company elects to withhold such payroll taxes at a later time in accordance with applicable law), and federal, state and local income taxes that may be owed on account of payment of the PSUs, shall be the Employee's responsibility. By accepting this grant, the Employee agrees and acknowledges that the Company promptly may withhold from the Employee's compensation, including but not limited to Stock delivered pursuant to Section 4, the amount of taxes the Company is required to withhold pursuant to this Agreement, unless the Employee shall satisfy such withholding obligation to the Company as provided in Article 17 of the Plan.

9. Data Privacy Consent.

As a condition of the grant, the Employee consents to the collection, use and transfer of the Employee's personal data as described in this Section 9. The Employee understands that the Company and its subsidiaries hold certain personal information about the Employee, including the Employee's name, home address and telephone number, date of birth, social insurance (or security) number or identification number, salary, nationality, job title, any shares of Stock or directorships held in the Company (or any of its subsidiaries), details of all options or any other entitlement to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the purpose of implementing, managing and administering the Plan ("Data"). The Employee further understands that the Company and/or a subsidiary may transfer Data amongst themselves as necessary for the purpose of implementation,

administration and management of the Employee's participation in the Plan, and that the Company and/or a subsidiary may each further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. The Employee understands that these recipients may be located in the European Economic Area, or elsewhere, such as the United States or Canada, and that the recipient's country may have different data privacy laws and protections than the Employee's country. The Employee authorizes them to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Data to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf. The Employee understands that Data will be held only as long as is necessary to implement, administer and manage the Employee's participation in the Plan. The Employee understands that the Employee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to it or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Employee's local Human Resources representative. Refusal or withdrawal of consent may, however, affect the Employee's ability to exercise or realize benefits from the grant or the Plan. For more information on the consequences of the Employee's refusal to consent or withdrawal of consent, the Employee understands that the Employee may contact the Employee's local Human Resources representative.

10. Miscellaneous.

(a) Enforcement. The Company shall not be required (i) to transfer on its books any shares of Stock of the Company which shall have been sold or transferred in violation of any of the provisions set forth in this Agreement, or (ii) to treat as owner of such shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such shares shall have been so transferred.

(b) Further Acts. The parties agree to execute such further instruments and to take such action as may reasonably be necessary to carry out the intent of this Agreement.

(c) Notice. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon delivery to the Employee at her/his address then on file with the Company.

(d) No Guarantee of Employment. Nothing contained in the Plan or this Agreement shall be construed or deemed by any person under any circumstances to bind the Company to grant the Employee any right to remain an Employee of the Company during the vesting period or otherwise.

(e) Entire Agreement. This Agreement and the Plan constitute the entire agreement of the parties with respect to the subject matter hereof. The Agreement is subject to and shall be construed in accordance with the terms of the Plan, and words or phrases defined in the Plan shall have the same meaning for purposes of this Agreement unless the context clearly requires otherwise.

(f) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and applicable federal law, without regard to applicable conflicts of laws.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized representative, and the Employee has accepted this agreement, effective as of the Grant Date first above written.

HAEMONETICS CORPORATION

/s/ Michelle L. Basil
Its: Executive Vice President and General Counsel

/s/ Christopher Simon
Signature of Employee
Date: June 6, 2017

RETAIN A COPY OF THIS AGREEMENT FOR YOUR RECORDS

Exhibit 10.3

HAEMONETICS CORPORATION

2005 LONG-TERM INCENTIVE COMPENSATION PLAN

PERFORMANCE SHARE UNIT AGREEMENT

WITH

_____

HAEMONETICS CORPORATION
PERFORMANCE SHARE UNIT AGREEMENT
UNDER 2005 LONG-TERM INCENTIVE COMPENSATION PLAN

THIS PERFORMANCE SHARE UNIT AGREEMENT ("Agreement"), dated as of _____ , 2017 ("Grant Date") by and between Haemonetics Corporation, a Massachusetts Corporation ("Company"), and **[insert: applicable name]** ("Employee"), is entered into as follows:

WHEREAS, the Company has established the Haemonetics Corporation 2005 Incentive Compensation Plan, as amended, ("Plan"), a copy of which has been provided to Employee, and which Plan is made a part hereof; and

WHEREAS, the Compensation Committee of the Board of Directors of the Company ("Committee") has determined that the Employee shall be granted a Performance Share Unit award pursuant to Article 10 (Other Stock Unit Awards) of the Plan with respect to the Company's $0.01 par value Common Stock ("Stock"), subject to the restrictions as hereinafter set forth;

NOW, THEREFORE, the parties hereby agree as follows:

1. Grant of Performance Share Units.

Subject to the terms and conditions of this Agreement and of the Plan, the Company hereby grants to the Employee a target award ("Target Award") of [insert: applicable number] Performance Share Units ("PSUs"). Each unit represents the right to receive one share of Stock. Subject to satisfaction of the terms and conditions of this Agreement and the Plan, the PSUs shall be settled in Stock. No dividend equivalent rights are payable with respect to the PSUs.

2. Vesting.

(a) Performance Goals and Vesting Dates. The performance goals for the PSUs are set forth in Schedule A to this Agreement and apply in each case to the [insert: applicable period of time] period beginning on [insert: Start Date] (the "Performance Period"). The interest of the Employee in the PSUs shall vest, if at all, on the last day of the Performance Period (the "Maturity Date") according to the table set forth in Schedule A, and also conditioned upon the Employee's continued employment with the Company through the Maturity Date.

(b) Employment Required. Except as otherwise provided in this Section 2, if the Employee ceases to be an employee of the Company prior to the Maturity Date, the PSUs granted to the Employee hereunder shall not vest and instead shall be forfeited. In such event, vesting shall not be pro-rated between the Grant Date and the Maturity Date.

(c) Disability. If such termination of employment is because of the Employee's Disability while in the employ of the Company, then the continued employment requirement for the Employee shall cease to apply and the number of PSUs to be settled in shares of Stock shall be equal to the amount determined in accordance with Section 2(a) and the table set forth in Schedule A based on the Company's performance as of the end of the Performance Period, multiplied by a fraction, the numerator of which is the number of days elapsed from [insert: applicable date] to the date of the Employee's Disability, and denominator of which is [insert: applicable period.]

(d) Death. If the termination of employment is because of the death of the Employee while in the employ of the Company, then the continued employment requirement for the Employee shall cease to apply and the number of PSUs to be settled in shares of Stock and paid to the Participant's estate shall be equal to the amount determined in accordance with Section 2(a) and the table set forth in Schedule A based on the Company's performance as of the end of the Performance Period multiplied by a fraction, the numerator of which is the number of days elapsed from [insert: applicable date] to the date of the Employee's death, and the denominator of which is [insert: applicable period.]

(e) Qualifying Retirement. If such termination of employment is because of the Employee's Qualifying Retirement while in the employ of the Company, then the continued employment requirement for the Employee shall cease to apply and the number of PSUs to be settled in shares of Stock shall be equal to the amount determined in accordance with Section 2(a) and the table set forth in Schedule A based on the Company's performance as of the end of the Performance Period multiplied by a fraction, the numerator of which is the number of days elapsed from [insert: applicable date] to the date of the Employee's Qualifying Retirement and denominator of which is [insert: applicable period.]

(f) Qualifying Change in Control

(1) Notwithstanding anything to the contrary contained in any employment agreement, severance agreement, change in control agreement or other agreement with the Employee, this Section 2(f) shall apply if a Change in Control (as defined in Section 2(g) below) occurs prior to the Maturity Date (a "Qualifying Change in Control") and while the Employee is in the employ of the Company or a Subsidiary.

(2) Effective as of immediately prior to a Qualifying Change in Control, but subject to the occurrence of such Change in Control, the number of PSUs eligible to be vested shall be equal to the number of Shares under the Target Award. The number of PSUs determined in accordance with this Section 2(f)(2) is referred to as the "CIC Adjusted PSUs."

(3) The CIC Adjusted PSUs shall become vested on a Qualifying Change in Control and settled within five days following the occurrence of such Change in Control if a replacement or substitute award meeting the requirements of this Section 2(f)(3) is not provided to the Employee in respect of such PSUs. An award meeting the requirements of this Section 2(f)(3) is referred to below as a "Replacement Award". An award shall qualify as a Replacement Award if:

(A) it is comprised of restricted stock units with respect to a publicly traded equity security of the Company or the surviving corporation or the ultimate parent of the applicable entity following the Qualifying Change in Control,

(B) it has a fair market value at least equal to the fair market value of the CIC Adjusted PSUs established pursuant to Section 2(f)(2) as of the date of the Qualifying Change in Control,

(C) it contains terms relating to service-based vesting (including with respect to termination of employment) that are substantially identical to the terms set forth in this Agreement and does not contain any terms related to performance-based vesting, and

(D) its other terms and conditions are not less favorable to the Employee than the terms and conditions set forth in this Agreement or in the Plan (including provisions

that apply in the event of a subsequent Change in Control) as of the date of the Qualifying Change in Control.

The determination of whether the conditions of this Section 2(f)(3) are satisfied shall be made by the Committee, as constituted immediately prior to a Qualifying Change in Control, in its sole discretion, prior to such Change in Control. If a Replacement Award is provided, the CIC Adjusted PSUs shall not be settled upon a Qualifying Change in Control, but instead as provided under Section 2(f)(4) below.

(4) If, in connection with a Qualifying Change in Control, the Employee is provided with a Replacement Award, such Replacement Award shall vest on the Maturity Date and be settled at the time as set forth in Section 2(a), subject to the Employee having not incurred a termination of employment with the Company and its Subsidiaries prior to the Maturity Date; provided that, if, within two years following such Change in Control, the Employee incurs a termination of employment due to being a Good Leaver (as defined in Section 2(g) below), then the Replacement Award shall become fully vested effective as of such termination of employment, and the Company shall issue one share to the Employee for each share under the Replacement Award as soon as reasonably practicable, and in no event more than 10 days, following such termination of employment. For purposes of determining the time of an accelerated payout under this Section 2(f)(4), a termination of employment shall mean a "separation of service" within the meaning of Section 409A of the Code.

(g) Special Definitions. For purposes of this Agreement, the following terms have the meanings set forth below:

(1) "Change in Control" means the earliest to occur of the following events.

(A) a person, or any two or more persons acting as a group, and all affiliates of such person or persons, who prior to such time owned less than thirty-five percent (35%) of the then outstanding shares of the Common Stock, shall acquire such additional shares of the Common Stock in one or more transactions, or series of transactions, such that following such transaction or transactions such person or group and affiliates beneficially own thirty-five percent (35%) or more of the Common Stock outstanding,

(B) closing of the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, and

(C) the consummation of any merger, reorganization, consolidation or share exchange unless the persons who were the beneficial owners of the outstanding shares of the common stock of Company immediately before the consummation of such transaction beneficially own more than 50% of the outstanding shares of the common stock of the successor or survivor entity in such transaction immediately following the consummation of such transaction. For purposes of this definition, the percentage of the beneficially owned shares of the successor or survivor entity described above shall be determined exclusively by reference to the shares of the successor or survivor entity which result from the beneficial ownership of shares of Common Stock by the persons described above immediately before the consummation of such transaction.

Notwithstanding the foregoing, none of the above events or conditions shall constitute a Change in Control for purposes of this Agreement unless the event or condition also constitutes a "Change in Control Event" for purposes of Treas. Reg. §1. 409A-3(i)(5).

(2) "Disability" has the meaning given it in Article 2 of the Plan; provided, however, that the Employee must also be considered to be "disabled" for purposes of Treas. Reg. §1.409A-3(i)(4).

(3) "Qualifying Retirement" shall mean that the Employee voluntarily retires from the employ of the Company at or after both attaining age fifty-five (55), completing five (5) consecutive years of service. For purposes of this Agreement, a "year of service" shall mean a twelve (12) month period of continuous full-time employment with the Company (determined without regard to any breaks in service due to any paid leave of absence or any unpaid leave of absence authorized in writing by the Company).

(4) "Good Leaver" means the involuntary termination of the Employee's employment by the Company other than a Termination for Cause, the Employee's resignation for Good Reason, or the Employee's termination of employment due to death, Disability or a Qualifying Retirement.

(5) "Good Reason" shall have the meaning given to such term in an employment agreement, severance or change in control agreement or, if there is no such agreement or if it does not define Good Reason, then Good Reason shall mean the occurrence of any one of the following, in the absence of Employee's written consent:

(A) a material diminution in the Employee's annual base salary or target annual incentive compensation from that in effect immediately prior to a Qualifying Change in Control,

(B) the assignment to the Employee of any duties materially inconsistent with Employee's positions (including status, offices, titles, and reporting requirements), authority, duties, or responsibilities, or any other action by the Company that results in a material diminution in such positions, authority, duties, or responsibilities, in each case, from those in effect immediately prior to a Qualifying Change in Control, or

(C) the relocation of the Employee to a work location more than 50 miles from the Employee's current work location (unless, as a result of such relocation, the Employee's work location is closer to his or her place of residence);

provided that, in each case, (i) the Employee provides written notice to the Company of the existence of one or more of the conditions described in clauses described above within 30 days following the Employee's knowledge of the initial existence of such condition or conditions, specifying in reasonable detail the conditions constituting Good Reason, (ii) the Company and its Subsidiaries fail to cure such event or condition within 30 days following the receipt of such notice and (iii) the Employee incurs a termination of Employment within 30 days following the expiration of such cure period.

(5) "Qualifying Retirement" shall mean that the Employee voluntarily retires from the employ of the Company or its Subsidiaries at or after both attaining age fifty-five (55) and completing five (5) consecutive years of service. For purposes of this Agreement, a "year of service" shall mean a twelve (12) month period of continuous full-time employment with the

Company (determined without regard to any breaks in service due to any paid leave of absence or any unpaid leave of absence authorized in writing by the Company). For the avoidance of doubt, termination of the Employee's employment by the Company, either with or without Cause, shall not be treated as a Qualifying Retirement.

(6) "Termination for Cause" Unless otherwise provided under the termination with cause provisions of an individual employment agreement or change in control agreement, to invoke a Termination with Cause, the Company must provide written notice to the Employee of the existence of one or more grounds for termination as set forth below within 30 days following the Company's knowledge of the existence of such grounds, specifying in reasonable detail the grounds constituting cause, and, with respect to the grounds enumerated in clauses (B), (C) and (D) below, the Employee shall have 30 days following receipt of such written notice during which to remedy any such ground if it is reasonably subject to cure. "Cause" shall have the meaning given to such term in an employment agreement or change in control agreement covering the Employee or, if there is no such agreement or if it does not define Cause, then Cause shall mean the occurrence of any one of the following:

(A) Employee's conviction of (or a plea of guilty or nolo contendere to) a felony or any other crime involving moral turpitude, dishonesty, fraud, theft or financial impropriety,

(B) the Employee's failure to perform substantially the Employee's duties (other than any such failure resulting from Disability),

(C) the Employee engaging in gross misconduct, or

(D) the Employee willfully violating a material Company policy.

3. Restrictions, Forfeiture and Clawback.

(a) No Transfer. The PSUs granted hereunder may not be sold, transferred, pledged, assigned, encumbered, or otherwise alienated or hypothecated.

(b) Forfeiture. Except as provided for in Section 2, if the Employee's employment with the Company terminates for any reason**,** the balance of the PSUs subject to the provisions of this Agreement which have not vested at the time of the Employee's termination of employment shall be forfeited by the Employee, and the Employee shall have no future rights with respect to any such unvested PSUs.

(c) Clawback. This award and any resulting payment or Shares is subject to set-off, recoupment, or other recovery or "clawback" as required by applicable law or by any Company policy on the clawback of compensation, as amended from time to time.

4. Delivery of Shares.

The means of settlement of vested PSUs is that the Company shall deliver to the Employee a certificate or certificates, or at the election of the Company make an appropriate book entry, for the number of shares of Stock equal to the number of the Employee's PSUs that vest and are payable as specified in Section 2. An Employee shall have no further rights with regard to PSUs once the underlying Stock has been so delivered.

5. Employee Shareholder Rights.

Neither the Employee nor any person claiming through the Employee, will have any of the rights or privileges of a stockholder of Haemonetics with respect to the PSUs unless and until Stock has been issued, recorded on the records of the Company or its transfer agent, and delivered to the Employee. No dividend equivalents shall be paid on PSUs with respect to any cash dividends declared during any periods of time prior delivery of the shares of Stock.

6. Adjustments or Changes in Capitalization.

Adjustments as a result of changes in corporate capitalization and the like or as a result of a corporate transaction shall be made in accordance with Article 4 of the Plan.

7. Disability or Death of Employee.

Any Stock delivered pursuant to Section 4 shall be delivered to the Employee if legally competent or to a legally designated guardian or representative if the Employee is legally incompetent. If the Employee is not then living, the Stock shall be delivered to the representative of the Employee's estate.

8. Taxes.

The Employee acknowledges and agrees that any income or other taxes due from the Employee with respect to the PSUs issued pursuant to this Agreement, including Social Security and Medicare taxes that may be owed on account of the vesting of the PSUs (unless the Company elects to withhold such payroll taxes at a later time in accordance with applicable law), and federal, state and local income taxes that may be owed on account of payment of the PSUs, shall be the Employee's responsibility. By accepting this grant, the Employee agrees and acknowledges that the Company promptly may withhold from the Employee's compensation, including but not limited to Stock delivered pursuant to Section 4, the amount of taxes the Company is required to withhold pursuant to this Agreement, unless the Employee shall satisfy such withholding obligation to the Company as provided in Article 17 of the Plan.

9. Data Privacy Consent.

As a condition of the grant, the Employee consents to the collection, use and transfer of the Employee's personal data as described in this Section 9. The Employee understands that the Company and its subsidiaries hold certain personal information about the Employee, including the Employee's name, home address and telephone number, date of birth, social insurance (or security) number or identification number, salary, nationality, job title, any shares of Stock or directorships held in the Company (or any of its subsidiaries), details of all options or any other entitlement to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the purpose of implementing, managing and administering the Plan ("Data"). The Employee further understands that the Company and/or a subsidiary may transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and that the Company and/or a subsidiary may each further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. The Employee understands that these recipients may be located in the European Economic Area, or elsewhere, such as the United States or Canada, and that the recipient's country may have different data privacy laws and protections than the Employee's country. The Employee authorizes them to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Data to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant

to the Plan as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf. The Employee understands that Data will be held only as long as is necessary to implement, administer and manage the Employee's participation in the Plan. The Employee understands that the Employee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to it or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Employee's local Human Resources representative. Refusal or withdrawal of consent may, however, affect the Employee's ability to exercise or realize benefits from the grant or the Plan. For more information on the consequences of the Employee's refusal to consent or withdrawal of consent, the Employee understands that the Employee may contact the Employee's local Human Resources representative.

10. Miscellaneous.

(a) Enforcement. The Company shall not be required (i) to transfer on its books any shares of Stock of the Company which shall have been sold or transferred in violation of any of the provisions set forth in this Agreement, or (ii) to treat as owner of such shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such shares shall have been so transferred.

(b) Further Acts. The parties agree to execute such further instruments and to take such action as may reasonably be necessary to carry out the intent of this Agreement.

(c) Notice. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon delivery to the Employee at her/his address then on file with the Company.

(d) No Guarantee of Employment. Nothing contained in the Plan or this Agreement shall be construed or deemed by any person under any circumstances to bind the Company to grant the Employee any right to remain an Employee of the Company during the vesting period or otherwise.

(e) Entire Agreement. This Agreement and the Plan constitute the entire agreement of the parties with respect to the subject matter hereof. The Agreement is subject to and shall be construed in accordance with the terms of the Plan, and words or phrases defined in the Plan shall have the same meaning for purposes of this Agreement unless the context clearly requires otherwise.

(f) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and applicable federal law, without regard to applicable conflicts of laws.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized representative, and the Employee has accepted this agreement, all as of the Grant Date first above written.

HAEMONETICS CORPORATION

_____

_____
Signature of Employee

_____
Date:

RETAIN A COPY OF THIS AGREEMENT FOR YOUR RECORDS

Schedule A

Performance Goals

EXHIBIT 31.1

CERTIFICATION

I, Christopher Simon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Haemonetics Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

8/7/2017

/s/ Christopher Simon

Christopher Simon, President and Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, William Burke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Haemonetics Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

8/7/2017

/s/ William Burke

William Burke, Executive Vice President, Chief Financial Officer

(Principal Financial Officer)

EXHIBIT 32.1

Certification Pursuant To
18 USC. Section 1350,
As Adopted Pursuant To
Section 906 of the Sarbanes/Oxley Act of 2002

In connection with the Quarterly Report of Haemonetics Corporation (the "Company") on Form 10-Q for the period ended July 1, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher Simon, President and Chief Executive Officer of the Company, certify, pursuant to Section 1350 of Chapter 63 of Title 18, United States Code, that this Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

8/7/2017

/s/ Christopher Simon

Christopher Simon,

President and Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Haemonetics and will be retained by Haemonetics and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

Certification Pursuant To
18 USC. Section 1350,
As Adopted Pursuant To
Section 906 of the Sarbanes/Oxley Act of 2002

In connection with the Quarterly Report of Haemonetics Corporation (the "Company") on Form 10-Q for the period ended July 1, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William Burke, Executive Vice President, Chief Financial Officer of the Company, certify, pursuant to Section 1350 of Chapter 63 of Title 18, United States Code, that this Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

8/7/2017

/s/ William Burke

William Burke,

Executive Vice President, Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Haemonetics and will be retained by Haemonetics and furnished to the Securities and Exchange Commission or its staff upon request.