



Neros Supplier General Terms and Conditions

These General Terms and Conditions (“Terms”) govern all purchase orders (“Purchase Orders”) issued by Neros, Inc. or its Affiliates (“Neros”) to the seller identified on the Purchase Order (“Seller”) for products or services (“Products”). These Terms, together with the applicable Purchase Order, form the binding agreement (“Contract”) between the parties.

1. Ordering and Contract Formation

1.1. Neros may issue Purchase Orders for Products, which may include non-binding forecasts for planning purposes. Seller shall confirm or reject a Purchase Order within five (5) business days. Seller is deemed to have accepted a Purchase Order if it fails to object within that time or commences performance. Upon acceptance, a binding Contract is formed consisting solely of these Terms and the Purchase Order. Any additional or different terms proposed by Seller are rejected.

1.2. Changes, Cancellations.

(a) Neros may change or cancel a Purchase Order. If a change affects cost or timing, the parties will negotiate an equitable adjustment. For cancellation, Neros’ sole liability is to pay for: (i) raw materials and components (if any) that were purchased by Seller in order to meet the requirements of the Purchase Order and that: (A) met all of the relevant Specifications under the Contract; (B) were ordered no earlier than applicable lead times of the materials and components in order to meet the delivery dates specified in the Purchase Order; and (C) could not be returned for a refund or credit or used for or sold to any of Seller’s other customers.

(b) Purchase Order Disclaimer. NEROS MAKES NO WARRANTIES REGARDING THE QUANTITY OF PRODUCTS THAT IT OR ANY OTHER AUTHORIZED PURCHASERS WILL ORDER, IF ANY, QUANTITIES REFERENCED IN A PURCHASE ORDER ARE NON-BINDING.

1.3. *Obsolescence.* Seller will use commercially reasonable efforts to manage component obsolescence. If Neros’ changes cause materials to become excess and obsolete, the parties will negotiate in good faith an equitable disposition and cost-sharing plan.

2. Product Supply and Delivery

2.1. *Manufacturing, Test & Quantity.* Seller will manufacture, test, and supply the Products in strict compliance with the Contract and any other instructions and Specifications provided by each Product. Quantities and delivery dates shall be as stated in the applicable Purchase Order, unless otherwise agreed in writing.

2.2. *Shortage of Supply.* If Seller anticipates a supply constraint, it shall promptly notify Neros and use commercially reasonable efforts to mitigate the impact. During any such constraint, Seller will allocate its available capacity to Neros on a basis that is no less favorable than that provided to other customers.

2.3. *Custom Products.* Seller shall not manufacture or transfer or sell any custom Products to any third parties without Neros’ prior written approval.

2.4. *Delivery.* Seller will deliver Products in accordance with the quantities and delivery dates in the Purchase Order. Unless specified otherwise, delivery is DAP (Incoterms 2020) at such Neros-controlled, third party, or customer facility as designated by Neros in its sole discretion, although title and risk of loss will transfer upon delivery to such facility and acceptance by Neros. Seller will pack and ship Products according to Neros’ instructions or applicable industry standards.

2.5. *Delivery Failures.* Time and quantity are of the essence. If Seller fails to deliver the correct quantity of conforming Products on time, Neros may, at its option: (a) cancel the relevant Purchase Order without liability; (b) require Seller to use expedited freight at Seller’s expense; or (c) procure substitute goods and hold Seller accountable for any additional costs. If the Purchase Order includes a rating under the Defense Priorities and Allocations System (e.g., “DX” or “DO”), the following language applies: “This is a rated order



certified for national defense use and you are required to follow all the provisions of the Defense Priorities and Allocations System regulation (15 CFR part 700)."

3. Price and Payment

3.1. *Price.* The purchase price is: (a) stated in the Purchase Order and, unless expressly agreed otherwise in writing (e.g., in a production pricing agreement), a firm fixed price for the duration of the Contract which is not subject to increase for any reason, including increased raw material costs, increased labor or other manufacturing costs, increased development costs, or changes in volumes or program length from those estimated or expected; (b) inclusive of those taxes, if any, applicable pursuant to Section 3.4 and any duties applicable to provision of the Products; and (c) inclusive of all storage, handling, packaging, labeling, shipping and all other expenses and charges, and any charge for non-returnable packaging will be deducted from the purchase price if Neros elects to use returnable packaging.

3.2. *Payment.* Seller may invoice upon Product delivery. Neros will pay correct, undisputed invoices within sixty (60) days of receipt. Payment does not constitute acceptance of non-conforming Products or waive any of Neros' rights.

3.3. *Set-Off.* Neros may set off any undisputed amounts Seller owes to Neros under the same Contract against any amounts Neros owes to Seller.

3.4. *Taxes.* Unless otherwise stated in the Contract, the Contract price is inclusive of all applicable federal, state, provincial, and local taxes including sales, value added, surcharges, or similar turnover taxes or charges. The Products purchased from Seller are for resale, and Seller will not charge sales, use, or similar taxes on its invoices to Neros if Neros has provided Seller a valid resale/exemption certificate. If Seller is required by law to pay or collect from Neros any taxes or charges, Seller will separately invoice Neros for such taxes or charges subject to Section 13 (Credits; Customs). Each Party shall be responsible for any taxes on property it owns or leases, for franchise and privilege taxes on its business, for taxes based on its net income or gross receipts, and for employer-related taxes with respect to its personnel.

4. Quality

4.1. *Quality Requirements.* Seller will provide all Products in accordance with the most current Specifications, any Neros Supplier Handbook, and any Neros Supplier Code of Conduct. Seller shall comply with all applicable laws and regulations concerning hazardous substances (including GADSL and RoHS), conflict minerals, and supply chain transparency. Seller shall meet the requirements of the Production Part Approval Process ("PPAP") as specified by Neros and provide all necessary quality documentation, including IMDS submissions. In case of conflicting standards, the higher quality standard will control. If the Purchase Order indicates that it is subject to a country-of-origin or other sourcing requirement, Seller shall ensure that all Products meet the identified requirement.

4.2. *Inspections.* Neros or its designated third party may, at any time, inspect Seller's facilities and interview Seller Personnel to verify, validate and monitor compliance with this Contract, including Specifications and the Contract, including inspection of work in progress or completed Products, development and manufacturing processes, working conditions, and on-site living conditions, as applicable. Seller will ensure that Seller Personnel who are knowledgeable of the relevant facilities attend such inspections.

4.3. *End of Life Notification.* As applicable, Seller shall provide Neros with not less than twelve (12) months' notification of end of life for each Product and of Seller's proposed transition plan for replacement Products. The Parties shall discuss in good faith the transition plan for replacement Products.

5. Representations and Warranties

5.1. *Seller's Representations and Warranties.*

- (a) Products. Seller represents and warrants that for the duration of the Warranty Period, all Products will: (a) be new, merchantable, and free from defects in design (except for designs provided by Neros), material, and workmanship ("New Material"); (b) conform to all Specifications and other requirements of the Contract; (c) be fit for the purposes intended by Neros; (d) be delivered free and



clear of all liens and encumbrances; (e) comply with all applicable laws in the countries where they are to be sold; and (f) not infringe any third-party Intellectual Property Rights. Seller further warrants that Products will be free of viruses or other malicious code and will not trigger any open source or third-party licensing obligations for Neros.

- (b) General. Seller represents and warrants as follows: (i) Seller will perform all of its obligations under the Contract in a professional and workmanlike manner, in accordance with industry standards and all of the terms of the Contract; (ii) Seller has the right and ability to enter into, perform the obligations under and agree to the covenants contained in the Contract; (iii) as a signatory to these General Terms, Seller is executing these General Terms on its own behalf and on behalf of its Affiliates, and Seller has the full right and authority to bind its Affiliates to the terms and conditions set forth in these General Terms; and (iv) to the extent that Products will be imported into the country of delivery by Seller, Seller will: (A) complete Neros' supply chain security assessment via Neros' Supplier Portal at least once per calendar year and as requested by Neros; and (B) either: (1) be certified under the applicable trade security program by the applicable authorities in the country of delivery (e.g., Customs-Trade Partnership Against Terrorism or "C-TPAT" certified by U.S. Customs & Border Protection for deliveries into the United States) (as applicable, the "Trade Security Program"), and will maintain that certification throughout the term of the Contract; or (2) comply with the applicable Trade Security Program(s) including, as applicable, the C-TPAT security procedures that may be found on the U.S. customs website at www.cbp.gov.
- (c) Compliance with Laws; Lobbying; Conflicts. Seller represents and warrants that it is not debarred, suspended, or otherwise prohibited from doing business with any government entity and is in compliance with all applicable anti-corruption, anti-money laundering, and trade sanction laws. Seller hereby certifies to the best of its knowledge and belief that no U.S. federal appropriated funds have been or will be paid to any person influencing or attempting to influence an officer or employee of any U.S. agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress on its behalf in connection with the awarding of this Contract. Seller will provide Neros with a completed copy of OMB Standard Form LLL, Disclosure of Lobbying Activities, if any registrants under the Lobbying Disclosure Act of 1995 have made or later make lobbying contact on behalf of Seller with respect to this Contract. Seller represents that it is not aware of any conflict of interest created by this Contract under FAR Subpart 9.5, and Seller shall immediately notify Neros if this representation could no longer be made. Seller will promptly notify Neros of any violation of the preceding representations and warranties. Breach of any representation or warranty under this Subsection shall be deemed a default under the Contract for which Neros may immediately terminate the Contract without being required to provide notice or permit Seller to cure such default.
- (d) Future Performance. All representations and warranties of Seller extend to future performance of the Products throughout the Warranty Period and are not modified, waived or discharged by delivery, inspection, tests, acceptance or payment. Neros' approval of any design, drawing, material, process or specifications will not relieve Seller of these representations and warranties.
- (e) Other Warranties. The warranties set forth herein are in addition to any warranties express or implied by law or equity or otherwise made by Seller.
- (f) Application of Warranties. Seller agrees that the warranties referenced herein extend to all Products notwithstanding the fact that such Products may be produced in whole or in part by any of Seller's own suppliers and that such warranties shall not be disclaimed or otherwise limited in any way due to the fact that any Products have been produced by Seller's suppliers.
- (g) Notice. Seller shall immediately notify Neros in writing in the event Seller breaches, or has reason to believe that it will become in breach of, any of its representations or warranties under the Contract.

5.2. Rejection. If an Authorized Purchaser rejects Products as defective or non-conforming, Seller shall promptly provide the Authorized Purchaser with a return merchandise authorization ("RMA"), the quantities under the Purchase Order will be reduced by the number of Products rejected by such Authorized Purchaser unless the Authorized Purchaser otherwise notifies Seller, and Seller will not replace reduced quantities without a new Purchase Order from such Authorized Purchaser. Following



rejection, Seller will, without prejudice to any other right or remedy of Neros, at Neros' or the Authorized Purchaser's sole discretion and at Seller's sole expense: (a) accept return of the Products at full invoice price, plus transportation charges; and/or (b) provide replacement conforming Products within 24 hours of receipt of a Purchase Order for replacement parts; and/or (c) repair or retrofit (at any time prior to shipment from Neros) Products so that they are non-defective and conform to the requirements of the Contract. After complying with the foregoing, Seller may test any Products which are rejected under RMA, and the Parties shall work in good faith to resolve any dispute as to whether the rejection was correct including (if necessary) escalation to the dispute resolution mechanism set forth in Section 16 below.

5.3. Corrective Action. Seller will immediately notify Neros in writing when it becomes aware of any ingredient, component, design or defect in the Products that is or may become harmful to persons or property or fails to meet the Specifications or other requirements of the Contract. Promptly upon learning of defective or non-conforming Products, and in addition to complying with Section 5.2 above, Seller will develop, document and implement corrective actions in accordance with all applicable quality control policies and standards of Neros, including by: (a) promptly investigating and reporting on the root cause of the problem; (b) remedying the cause of the problem and resume performance in accordance with the Contract; (c) implementing and notifying Neros of measures taken by Seller to prevent recurrences if the problem is otherwise likely to recur; (d) making written recommendations to Neros for improvements in procedures; and (e) in the event of a Recall, take all actions necessary or requested by Neros to assist with the Recall.

5.4. Anti-Counterfeiting. Seller represents and warrants that all electronic parts delivered under this Contract will be obtained from Original Equipment Manufacturers ("OEMs"), Original Component Manufacturers ("OCMs"), or their authorized dealers. If electronic parts cannot be obtained from OEMs, OCMs, or their authorized dealers, and must be procured from alternate source(s), Seller shall obtain Buyer's written approval before making such procurements. Seller shall employ, or cause to be employed, inspection, testing, and authentication processes reasonably designed to detect and avoid counterfeit material, which includes any unlawful or unauthorized reproduction, substitution, or alteration that has been knowingly mismarked, misidentified, or otherwise misrepresented to be authentic, unmodified material from the OEM, or a source with the express written authority of the OEM, including an authorized aftermarket manufacturer (collectively, "Counterfeit Material"), and shall provide written description of Seller's detection and avoidance processes and a certification of Seller's use of such processes to Buyer on or before delivery. Seller shall immediately notify Buyer when Material is found or suspected to be Counterfeit Material. Notice must be in writing and must be provided to Buyer within 10 days of discovery. Upon request, Seller shall provide OEM/OCM documentation that enables traceability of the affected material to the applicable OEM/OCM. Should any material delivered under this Contract be found to constitute or include Counterfeit Material, Seller shall, at its expense, promptly replace such Counterfeit Material with genuine parts conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, Seller shall be liable for all costs relating to the removal and replacement of Counterfeit Material, including, without limitation, Buyer's costs of removing Counterfeit Material, of installing replacement New Material and of any testing/corrective action necessitated by the replacement of Counterfeit Material. The remedies contained in this paragraph are in addition to any remedies Buyer may have at law, equity, or under other provisions of this Contract. Seller shall include this clause or equivalent provisions in any agreements that Seller issues for the delivery of material that will be included in or furnished to Buyer.

5.5. The provisions of this Section 5 are in addition to Seller's other obligations under the Contract and Neros' other rights and remedies provided at law, in equity, and in the Contract.

6. Third-Party Claims.

6.1. Indemnification. Seller will indemnify, defend, and hold harmless Neros, its Affiliates, Authorized Purchasers, and their respective directors, officers, employees, and agents ("Indemnified Parties") from any and all claims, liabilities, and expenses (including attorneys' fees) ("Losses") arising from: (a) any breach of Seller's representations, warranties, or obligations under the Contract; (b) any Recall of



Products; (c) any spill or discharge of hazardous materials caused by Seller or the Products; or (d) any claim that the Products infringe a third party's Intellectual Property Rights.

6.2. *Limitations.* Seller's indemnification obligation will not apply to the extent that Losses are caused by the gross negligence or willful misconduct of the Indemnified Party.

6.3. *Indemnification Procedures.* The Indemnified Party will provide prompt written notice of any claim. Seller may assume the defense of the claim with counsel reasonably satisfactory to Neros. The Indemnified Party will cooperate with Seller in the defense. Seller will not settle any claim without Neros' prior written consent if the settlement involves an admission of liability, imposes any obligation on Neros, or does not include a full release of the Indemnified Party. If Seller fails to assume the defense, the Indemnified Party may defend or settle the claim, and Seller will be liable for all resulting Losses.

6.4. *Infringement Claims.* If any Product becomes, or in Seller's reasonable opinion is likely to become, the subject of an infringement or misappropriation Claim for reasons other than an Intellectual Property Right of Neros, Seller will promptly notify Neros (the "Infringement Notice") and, at Seller's expense and in addition to indemnifying Neros Indemnitees as provided in this Section 7 (Indemnification) and to the other rights Neros may have under these General Terms: (a) promptly at Seller's expense secure the right to continue manufacturing and selling the Product; or (b) if this cannot be accomplished with Commercially Reasonable Efforts, then replace or modify the Product to make it non-infringing or without misappropriation; provided, however, that any such replacement or modification may not degrade the performance or quality of the Product or disrupt Neros' business operations; or (c) if neither of the foregoing can be accomplished by Seller with Commercially Reasonable Efforts, then, no earlier than 180 days after the date of Seller's Infringement Notice, Seller may stop selling the affected Product to Neros. During the foregoing 180-day period of time and unless prohibited by Law, Seller shall not suspend delivery of the affected Product under Contracts with any Authorized Purchaser and Seller shall not increase the prices charged therefor as the direct result of such infringement or misappropriation Claim. If Seller chooses to stop selling any such Product and Seller is not otherwise prohibited by Law from selling the Product, Seller will be deemed to be in default and Neros may exercise its termination and other rights and remedies.

7. Compliance with Laws.

7.1. Seller shall comply with all Laws applicable to its business or the performance of its obligations under the Contract, as such Laws may be enacted and/or revised from time to time, including all Laws pertaining to: (a) manufacture, sale, delivery, and/or use of the Products; (b) occupational safety and health; (c) protection of persons and property from death, injury or damage; (d) labor and employment, including equal employment opportunity and workers' compensation; (e) tax; (f) the environment and the use, handling, storage, labeling, and disposal of toxic or hazardous materials; (g) money laundering, anti-terrorism, trade embargos, and economic sanctions; and (h) anti-bribery and anti-corruption. Without limiting the foregoing, Seller shall comply with, and shall cause each of its Affiliates and each of their respective directors, officers, managers, employees, representatives and agents to comply with, the United States Foreign Corrupt Practices Act of 1977, 15 U.S.C. § 78dd-1 et seq. ("FCPA"), the U.K. Bribery Act 2010, and all other applicable anti-bribery and anti-corruption Laws, which shall also include implementation and maintenance of internal controls to ensure such compliance. Upon request, Seller will provide Neros with evidence of such compliance and all information reasonably required for Neros to comply with any applicable Laws. Seller will provide Neros with accurate material safety data sheets regarding the Products. To the extent not prohibited by Law, Seller will promptly notify Neros in writing of any investigation or inquiry into whether Seller (or any of its subcontractors) is charged with failing to comply with any Laws that will or may impact, or are otherwise applicable to, one or more Products and/or Seller's performance under any Contract.

7.2. Without limiting the applicability of Section 7, Seller shall comply with the below-listed requirements of the Federal Acquisition Regulation ("FAR") and the Defense Federal Acquisition Supplement ("DFARS"), which are incorporated into this Contract by reference as if fully set forth herein. The full text of the FAR and DFARS is available at www.acquisition.gov/far and www.acquisition.gov/dfars. Unless otherwise specified, the date of the incorporated provisions is the date



of the last signature on this agreement. In each of these provisions, the term “Contractor” shall mean Seller, the term “Contract” shall mean the Contract, including the Purchase Order, and the term “Government,” “Contracting Officer,” and equivalent terms shall mean Buyer or Buyer’s purchasing representative, except in those provisions applicable to data rights, intellectual property, and audit: FAR 52.203-17 pertaining to whistleblower rights; FAR 52.203-19 pertaining to the employee and vendor confidentiality agreements; FAR 52.204-21 pertaining to information systems; FAR 52.204-23 pertaining to Kaspersky Lab; FAR 52.204-25 (excluding paragraph (b)(2)) and DFARS 252.204-7018 pertaining to certain telecommunications and video surveillance services and equipment; FAR 52.204-27 pertaining to ByteDance; FAR 52.204-30 pertaining to restricted products and services; FAR 52.209-6 pertaining to suspension and debarment from government contracting; FAR 52.212-5 and FAR 52.244-6 pertaining to commercial items; FAR 52.219-8 pertaining to small businesses; FAR 52.222-35, FAR 52.222-36, and FAR 52.222-37 pertaining to equal opportunity for veterans and individuals with disabilities; FAR 52.222-40 and 29 C.F.R. part 471, Appendix A to Subpart A pertaining to the National Labor Relations Act; FAR 52.222-50 pertaining to human trafficking; FAR 52.227-11; FAR 52.240-1 pertaining to unmanned aircraft systems; DFARS 252.204-7000 pertaining to disclosure of contract information; DFARS 252.204-7012, DFARS 252.204-7020, and DFARS 252.204-7021 pertaining to information systems to the extent that Seller receives or generates covered defense or federal contract information; DFARS 252.225-7007, DFARS 252.225-7009 (excluding paragraphs (d) and (e)(1)), DFARS 252.225-7012, DFARS 252.225-7052, and DFARS 252.225-7060 pertaining to Product origin requirements; FAR 52.227-11, FAR 52.227-14, and DFARS 252.227-7015 pertaining to inventions and data rights and only applicable as between Seller and the U.S. Government without the modification of terms described in this Section; DFARS 252.246-7008 pertaining to electronic parts, and DFARS 252.244-7000 pertaining to commercial items and components.

7.3. Without limiting the applicability of Section 7, Seller shall comply with all applicable export control and economic sanctions laws and regulations of the United States or any other applicable jurisdiction (“Trade Laws and Regulations”). Seller shall immediately notify Neros if becomes aware of any failure to comply with Trade Laws and Regulations and shall cooperate with Neros in the investigation of such failures to comply. Seller shall provide, in writing, to Neros the export jurisdiction and classification of all Products and shall inform Neros of any changes to this information. Upon request, Seller shall provide to Neros all documents required to clear the Products through customs in the country of delivery. Seller represents and warrants that the Products have not been supplied by any party who is located in, or under the control of, a national or resident of any country or region currently subject to a comprehensive US embargo (including Cuba, Iran, North Korea, Syria, and Crimea, Donetsk, or Luhansk regions of Ukraine), or any person on any applicable government restricted or sanctioned party lists.

8. Intellectual Property Rights.

8.1. *Ownership.* If Seller, working under the direction of Neros, as a result of Seller’s performance for custom Products under the Contract or use of or exposure to Neros’ Confidential Information creates, conceives, develops, collects or first reduces to practice: (a) any invention, process, method, composition, useful ornamentation, modification, embodiment or improvement or other technical subject matter, including any know-how and engineering related thereto, whether or not patentable; (b) any document, plan, specification, drawing, design, manual, report, software, firmware, database, layout, mask work or other copyrightable or otherwise protectable work; or (c) any improvement in the design of the Products or any alternative or improved method of accomplishing the objectives of the Contract (collectively referred to herein as “Inventions”), such Inventions and the Intellectual Property Rights thereunder will be owned solely by Neros and be deemed confidential and proprietary property of Neros. Seller hereby irrevocably transfers, conveys and assigns all of Seller’s right, interests and title under any Inventions to Neros. Seller will immediately disclose all Inventions to Neros in writing and will cooperate (and cause its employees to cooperate) in executing any documents and taking any other actions necessary or convenient to patent, copyright, assign to Neros or otherwise perfect or protect such Inventions for the benefit of Neros.

8.2. *License to Neros.* Seller hereby grants to Neros, its Affiliates, and their respective successors and assigns, and Neros hereby accepts, a non-exclusive, irrevocable, royalty-free, fully paid up worldwide



license, including the right to sublicense to others in connection with providing the Products to Neros, under all applicable Intellectual Property Rights owned or controlled by Seller or its Affiliates to (a) make, have made, repair, reconstruct, rebuild, relocate, use, sell and import the Products; and (b) to reproduce, modify, make derivative works, display, perform and distribute any software, documentation and other work of authorship furnished by Seller in the course of Seller's activity under the Contract, and any derivative works based thereon, subject to the other provisions of the Contract ("License"). Seller acknowledges and agrees that the License will be effective from the first date of delivery of the Products under the Contract and extend for so long as Neros produces, maintains or repairs any Neros Product that incorporates the Product or products substantially similar to the Product. The License is intended to be a license to rights in "intellectual property" as contemplated in Section 365(n) of the United States Bankruptcy Code, and is supplementary to any other rights of Neros under the Contract and any other agreement with Seller.

8.3. *License to Seller.* Neros hereby grants to Seller a limited, non-exclusive, non-assignable, non-sub licensable, license to use, copy, modify, make derivative works of, manufacture, import, and distribute any information or technology in which Neros has any Intellectual Property Rights solely to the extent necessary for Seller to perform its obligations under the Contract. Seller agrees that it will not engage in, nor will it authorize or allow others to engage in, reverse engineering, disassembly or decompilation of any information or technology in which Neros has any Intellectual Property Rights. Except as expressly provided in the Contract, no other rights or licenses are granted to Seller, including by way of implication, waiver, or estoppel.

8.4. *Seller Personnel.* Seller represents and warrants that it has in place with Seller Personnel (either directly or indirectly through their respective employers) and subcontractors such written agreements respecting Intellectual Property Rights as are necessary to comply with its obligations under this Section 8.

9. Duration and Termination of the Contract.

9.1. *Duration.* The Contract will come into effect as set forth in Section 1 and shall remain in effect until terminated under this Section 9 or by mutual written agreement of the parties.

9.2. *Termination for Cause.* Either party may terminate the Contract for cause: (a) if the other party fails to cure a material breach within thirty (30) days of written notice (if curable); or (b) immediately upon written notice if the other party becomes insolvent, files for bankruptcy, or has a receiver appointed. Neros may also terminate the Contract immediately for cause if Seller is debarred or breaches its representations regarding compliance with anti-corruption laws.

9.3. *Termination for Convenience.* Neros may terminate the Contract for convenience at any time by giving Seller written notice. Neros may also, in its discretion, convert a termination for cause into a termination for convenience. Upon termination for convenience, Neros' sole liability is for payments as specified in the "Changes, Cancellation, and Obsolescence" section.

9.4. *Obligations Upon Termination.* Upon any termination, Seller shall cease work, deliver all finished Products, and cooperate in transitioning supply to an alternate supplier if requested by Neros. Neros will pay for all conforming Products received. If Neros terminates for convenience or if Seller terminates for cause, Neros will also pay for Seller's reasonable, non-recoverable costs for raw materials purchased for the terminated order.

10. Confidential Information.

10.1. *Non-Disclosure.* Neros' form of mutual non-disclosure agreement as of the Effective Date or, if applicable, the signed non-disclosure agreement then in effect between the Parties ("NDA") sets forth the Parties' respective confidentiality obligations hereunder. The terms of the NDA are hereby incorporated by reference in these General Terms, except that any permitted use and disclosure identified as the purpose of the NDA is extended to include performance of this Contract and any higher-tier contract under which this Contract is issued, and the obligations of the Parties under the NDA will continue in force throughout the term of these General Terms and each Contract even in the event of the expiration of the NDA. Notwithstanding anything to the contrary, any information or technology pertaining to Neros or its



Products (e.g. tooling used to make Neros-specific parts), whether or not patented or patentable, including all designs, drawings, schematics, and blueprints, and any modifications, deviations, improvements, or adaptations thereof, whether made by Neros, Seller or any other third party, shall be Neros' Confidential Information and owned by Neros. Nothing in this Contract prevents any lawful reporting of waste, fraud, or abuse to a designated investigative or law enforcement representative of a U.S. federal department or agency authorized to receive such information in connection with a U.S. Government award.

11. Assignment and Subcontracting.

11.1. Neither party may assign these General Terms or any Contract without the other party's prior written consent, which will not be unreasonably withheld. Notwithstanding the foregoing, Neros may assign its rights and obligations to an Affiliate, or to a successor in connection with a merger, acquisition, or sale of all or substantially all of its assets, without Seller's consent. Any attempted assignment in violation of this provision will be void. Any permitted subcontracting, assignment or delegation does not relieve Seller of any responsibility under the Contract.

11.2. If Seller intends that all or part of the fabrication, modification, repair or refurbishment of tooling that is Neros Property or manufacture of Products will be subcontracted to a third-party, Seller will: (a) give Neros advance written notice of the identity of the subcontractor and the proposed location of Neros Property and obtain Neros' prior written permission; (b) inform the subcontractor in writing that it is a bailee-at-will, through the Seller, of tooling owned by Neros; (c) be solely responsible for payments to the subcontractor; and (d) include in its purchase order for tooling or Products, a waiver of subcontractor liens. Neros has no obligation to Seller or any subcontractor other than payment to Seller of the price in Neros' Purchase Order.

12. Force Majeure. Neither party will be liable for any delay or failure to perform its obligations (other than payment obligations) if the delay or failure is caused by an event beyond its reasonable control, including acts of God, war, terrorism, fire, flood, epidemic, or government acts ("Force Majeure"). The affected party must promptly notify the other Party and use commercially reasonable efforts to mitigate the impact of the event. If the Force Majeure event continues for more than 30 days, the party may terminate the affected Contract by giving written notice.

13. Credits; Customs. Credits or benefits resulting from the Contract and/or associated with the Products (including trade credits, export credits or the refund of duties, taxes, or fees) belong to Neros unless otherwise prohibited by applicable Law. Seller will provide Neros with all information, certificates and records relating to the Products (including Trade Preference Certificates of Origin, such as USMCA) as necessary for Neros to: (a) receive these benefits, credits, and rights; (b) fulfill any customs obligations, origin marking or labeling requirements, and certification or local content reporting requirements; (c) claim preferential duty treatment under applicable trade preference regimes; and (d) participate in any duty deferral or free trade zone programs of the country of import. Seller will obtain all pre-delivery export licenses and authorizations and pay all pre-delivery export taxes, duties, and fees unless otherwise stated in the Contract, in which case Seller will provide all information and records necessary to enable Neros to obtain such export licenses or authorizations.

14. Insurance. At all times throughout the term of the Contract, Seller shall procure and maintain, at its sole cost and expense, and upon request furnish to Neros a certificate evidencing the following insurance: (a) commercial general liability insurance with minimum coverage of the equivalent of at least Two Million Dollars (\$2,000,000) combined single limit per occurrence for bodily injury and/or property damage, as well as contractual liability coverage and naming Neros as an additional insured or equivalent insurance for commercial general liability such as Public and Products Liability insurance; (b) employer's liability insurance with minimum coverage of the equivalent of at least One Million Dollars (\$1,000,000); (c) automobile liability insurance on all owned, non-owned and/or hired vehicles with minimum coverage of the equivalent of at least One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and/or property damage, and physical damage insurance for the actual cash value of each such vehicle; (d) if applicable, all risk property perils insurance covering the full replacement value of Neros Property while in Seller's care, custody, or control and naming Neros as loss payee; (e) workers' compensation insurance as required by applicable Law in all locales where Seller Personnel perform in



connection with the Contract; (e) cybersecurity liability in the equivalent of Two Million Dollars (\$2,000,000) per claim and aggregate providing coverage for privacy and network security liability arising out of any act, error, or omission that results in unauthorized access to Seller's computer systems, transmission of malicious code, or the unauthorized disclosure or misappropriation of confidential or personally identifiable information; and (f) additional insurance as required by applicable Law.

15. Limitation of Liability. TO THE MAXIMUM EXTENT PERMITTED BY LAW, AND EXCEPT AS OTHERWISE SET FORTH IN THE CONTRACT, NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES (INCLUDING LOSS OF PROFITS OR REVENUE), WHETHER BASED IN CONTRACT, TORT, OR ANY OTHER LEGAL THEORY. EACH PARTY'S TOTAL LIABILITY FOR ALL CLAIMS ARISING OUT OF OR RELATED TO THIS CONTRACT WILL NOT EXCEED THE TOTAL AMOUNT PAID OR PAYABLE BY NEROS TO SELLER IN THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO THE CLAIM, PROVIDED, HOWEVER THAT, LIMITATIONS WILL NOT APPLY TO LIABILITY ARISING FROM A PARTY'S BREACH OF CONFIDENTIALITY OBLIGATIONS, INDEMNIFICATION OBLIGATIONS, GROSS NEGLIGENCE, OR WILLFUL MISCONDUCT.

16. Miscellaneous.

16.1. *Advertising and Publicity.* During and after the term of these General Terms and each Contract, Seller will not advertise or otherwise disclose its relationship with Neros without Neros' prior written consent, except as may be required to perform thereunder or as required by Law. Neither party shall have any right or license to use the trademarks, service marks or logos of the other party for any purpose without first obtaining written consent of the other party from an authorized representative thereof.

16.2. *Audit and Inspection Rights.* Neros and its authorized representatives shall have the right from time to time to access Seller's premises and verify: (a) Seller's compliance with the terms of this Contract and any Purchase Order or agreement completed pursuant to this Contract; and (b) Seller's performance or ability to perform under this Contract. Seller will maintain records as necessary to demonstrate Seller's compliance with the terms of this Contract, including showing that amounts charged to Neros are true and correct. Neros and its representatives may audit Seller's records made within five years prior to the audit date (including transactions completed), to the extent needed to verify compliance with this Contract, including verifying that quantities shipped and the prices charged match the agreed prices. Any audit will be conducted at Neros' expense (but will be reimbursed by Seller if the audit uncovers errors in the amounts charged in excess of 5% or other Seller breaches that expose Neros to potential liability).

16.3. *Counterparts.* These General Terms may be executed in counterparts, each of which shall be an original and together which shall constitute one and the same instrument.

16.4. *Electronic Communication.* Seller will comply with the method of electronic communication specified by Neros from time to time, including requirements for electronic funds transfer, purchase order transmission, electronic signature, and communication.

16.5. *Entire Agreement.* These General Terms and each Contract constitute the entire agreement between the Parties with respect to their subject matter, and supersedes all prior oral or written representations or agreements by the Parties with respect to the subject matter thereof, including, without limitation, Article 2 of the Uniform Commercial Code. No subsequent terms, conditions, understandings, or agreements purporting to modify these General Terms or the Contract will be binding unless in writing and signed by both Parties. No additional or different terms (including those in Seller's quotations, acknowledgments, or invoices) shall apply, and this Contract shall constitute the entire agreement.

16.6. *Environmentally Friendly Practices.* In addition to complying with all environmental and safety requirements, to the maximum extent practicable, Seller will use environmentally conscious materials and practices in the development, manufacturing, packaging and delivery of all Products.



16.7. *Governing Law; Dispute Resolution.*

- (a) These General Terms and each Contract will be governed by the laws of California, without regard to its conflict of law principles. The UN Convention on Contracts for the International Sale of Goods will not apply.
- (b) The Parties will attempt to resolve any dispute through good faith negotiations. Each party shall participate in the mediation process in good faith, with each bearing its own expenses and equally sharing the fees and expenses of the mediator.
- (c) If the Parties are unable to resolve a Dispute through good-faith negotiations within 60 days after commencing mediation, then and only then the Dispute shall be resolved exclusively by final and binding arbitration conducted by the JAMS in accordance with the then-current JAMS Streamlined Arbitration Rules & Procedures. The existence, content and result of the arbitration shall be held in confidence by the Parties, their representatives, any other participants, and the arbitrator. The arbitration will be conducted by a single arbitrator selected by agreement of the Parties or, failing such agreement, appointed in accordance with the JAMS rules. The arbitration will be conducted in the English language in Los Angeles, California. Each party will bear its own expenses in the arbitration and will share equally the costs of the arbitration; provided, however, that the arbitrator may, in their discretion, award reasonable costs and fees to the prevailing party. The arbitrator will have full power and authority to determine issues of arbitrability and to interpret or construe the applicable provisions of these General Terms or the Contract and to fashion appropriate remedies for breaches hereof (including interim or permanent injunctive relief); provided that the arbitrator will not have any right or authority: (i) in excess of the authority of a court having jurisdiction over the Parties and the Dispute would have absent this arbitration agreement; (ii) to award damages in excess of the types and limitation of damages found in these General Terms or the Contract; or (iii) to modify the terms of these General Terms or the Contract. The award of the arbitrator will be issued within 30 days of the completion of the hearing, shall be in writing, and shall state the reasoning on which the award is based. Judgment upon the award rendered in the arbitration may be entered in any court of competent jurisdiction. The Parties further consent to the jurisdiction of any state or federal court with subject matter jurisdiction located within a district that encompasses assets of a party against whom a judgment (or award) has been rendered for the enforcement of the judgment (or award) against the assets of such party.
- (d) Notwithstanding the foregoing, either party may seek injunctive or other equitable relief in any court of competent jurisdiction to prevent irreparable harm for which monetary damages would be an inadequate remedy.
- (e) Each party will continue performing its obligations under the General Terms and the Contract while a Dispute is being resolved unless and until such obligations are terminated by the termination or expiration thereof.

16.8. *Independent Efforts and Similar Goods.* Provided there is no infringement of the other party's Intellectual Property Rights, nothing in these General Terms or in any Contract will impair either party's right to develop, manufacture, purchase, use, sell or market, directly or indirectly, alone or with others, products or services competitive with those offered by Seller.

16.9. *Interpretation.* When used in these General Terms, (a) "including" (and any of its derivative forms) means "including without limitation", (b) "may" means has the right, but not the obligation to do something and "may not" means does not have the right to do something, (c) "will" and "shall" are expressions of command, not merely expressions of future intent or expectation, and (d) terms defined in the singular include the plural and vice versa. These General Terms and each Contract, including any exhibits and Contract Documents thereto, shall be construed without the aid of any canon or rule of law requiring interpretation against the party drafting or causing the drafting of an agreement or the portions of an agreement in question, it being agreed that all Parties hereto have participated in the preparation thereof. Section references are to sections of the document in which the reference is contained and will be deemed to refer to and include all subsections of the referenced section. The section headings in these General Terms are for reference purposes only and may not be construed to modify or restrict any of the



terms of these General Terms and/or the Contract. These General Terms and the Contract Documents are written in the English language, and the English version shall prevail over any translation thereof.

16.10. *No Third Party Beneficiaries.* Unless otherwise expressly provided for herein, no provisions of the General Terms or the Contract are intended or shall be construed to confer upon or give to any person or entity other than Seller, Neros or any Authorized Purchaser any rights, remedies or other benefits under or by reason thereof.

16.11. *Notices.* Any notice or other communication required or permitted in the Contract must be in writing and will be effective on the date of actual receipt if the date of actual receipt is a business day or on the next business day if the date of actual receipt is not a business day. Any notice to Neros shall be effective only if delivered contemporaneously to Neros and via e-mail to legal@neros.tech

16.12. *Precedence.* In the event of a conflict in the Contract Documents, the order of precedence will be: (a) this Contract; (b) any written agreement signed by authorized representatives of both Parties expressly amending a Contract Document; (c) the applicable Purchase Order; (d) any exhibits, attachments, schedules, and documents included or referenced in these General Terms or the Purchase Order which are Product-specific, including a pricing agreement; and (e) any other Contract Document. These General Terms shall supersede any Seller standard terms and conditions that are attached to Neros' Purchase Order, and such purported terms and conditions are void.

16.13. *Relationship of the Parties.* The Parties are independent contractors and no other relationship is intended, including, without limitation, a partnership, franchise, joint venture, agency, employer/employee, fiduciary, master/servant relationship, or other special relationship. Neither party shall act in a manner that expresses or implies a relationship other than that of independent contractor, nor bind the other party.

16.14. *Seller's Conduct.* Seller shall comply with all applicable laws regarding labor, safety, and environmental standards, as well as Neros' supplier code of conduct as may be provided from time to time. This includes maintaining a sustainable supply chain and a zero-tolerance policy for child or forced labor. Neros reserves the right to verify Seller's compliance.

16.15. *Severability.* If for any reason a court of competent jurisdiction finds any provision of these General Terms or any Contract to be unenforceable, that provision will be enforced to the maximum extent permissible so as to implement the intent of the Parties, and the remainder of the General Terms or Contract (as applicable) will continue in full force and effect.

16.16. *Survival.* The expiration or termination of the General Terms or any Contract shall not affect either Seller's obligations, representations, and warranties or Neros' rights thereunder with respect to Products delivered or ordered prior to such expiration or termination. Without limiting the foregoing, Sections 1.2, 1.3, 2.3, 2.5, and 3-18 shall survive termination or expiration of the Contract and these General Terms.

16.17. *Waiver.* The failure of either party to enforce on a particular occasion any right or remedy provided in these General Terms, in the Contract, by Law, or in equity will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.

17. Definitions. Terms used in these General Terms with initial capitalization have the meanings specified where used or in this Section.

17.1. *"Affiliate"* means with respect to an entity, any other entity or person controlling, controlled by, or under common control with, such entity. For purposes of the Contract, "control" means possessing, directly or indirectly, the power to direct or cause the direction of the management, policies or operations of an entity, whether through ownership of voting securities, by contract or otherwise.

17.2. *"Authorized Purchaser"* means Neros or any other entity that is authorized in writing by Neros to purchase Products on behalf of Neros.

17.3. *"Claim"* means any demand, or any civil, criminal, administrative or investigative claim, action or proceeding (including arbitration) asserted, commenced or threatened against an entity or person by an



unaffiliated third party. For purposes of this definition, an employee of either party is considered an unaffiliated third party.

17.4. “Commercially Reasonable Efforts” means taking all such steps and performing in such a manner as a well-managed company would undertake where it was acting in a determined, prudent and reasonable manner to achieve a particular desired result for its own benefit.

17.5. “Contract Documents” means these General Terms, the applicable Purchase Order, documents and attachments referenced in any of the foregoing (including Specifications), pricing agreements, statements of work, and any other additional written agreements signed by authorized representatives of both Parties that pertain to the Products.

17.6. “Dispute” means, collectively, any dispute, controversy, difference or claim arising out of or relating to this Contract, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it.

17.7. “Effective Date” means the date last signed below or the date that Neros issues the Purchase Order to which these General Terms are attached.

17.8. “General Terms” means these General Terms and Conditions and all exhibits, schedules or attachments hereto, and any documents, requirements, or Specifications referenced herein or therein.

17.9. “Intellectual Property Rights” means any right arising under U.S. or foreign Law relating to patent, trademark, mask work, copyright, moral, industrial design right, trade dress, or trade secret right or any other proprietary rights similar to the aforementioned rights and protected under foreign Law.

17.10. “Law(s)” means any statute, regulation, ordinance, rule, order, decree or governmental requirement enacted, promulgated or imposed by any governmental authority at any level (e.g., municipal, county, province, state or national).

17.11. “Neros Property” means any tooling, equipment, materials, and other property owned, leased or otherwise provided by Neros under the Contract.

17.12. “Original Equipment Manufacturer” and “Original Component Manufacturer” mean a company that produces parts, components, or products, which are not sourced from another producer.

17.13. “Purchase Order” means a written or electronic order for Products issued by Neros or an Authorized Purchaser to Seller.

17.14. “Recall” means any recall campaign, service campaign, corrective action, or other voluntary or involuntary action or effort in which Neros or any Neros customer participates with respect to Neros Products that incorporate Products.

17.15. “Seller Personnel” means all personnel furnished by Seller to perform its obligations under the Contract, including employees and independent contractors of Seller, its Affiliates and subcontractors.

17.16. “Software” means software provided for use in development, testing, or production of Products, including firmware.

17.17. “Specifications” means the most current version of all applicable specifications and requirements either: (a) provided by Neros, including other documents or requirements specifically incorporated or referenced in these General Terms, Purchase Orders, bills of materials, statements of work, project schedules, drawings, and CAD data; or (b) any samples, drawing, CAD data, spec sheets, or other descriptions or specifications or representations provided by Seller that are approved by Neros or relied upon by Neros.

17.18. “Neros Supplier Handbook” means the most current version of written guidelines, standards and requirements provided by Neros regarding development and production of Products under these General Terms, which may be provided by Neros electronically or via a web-based portal.



17.19. "Warranty Period" means, for each Product, the longer of: (a) the warranty period required by applicable Law; or (b) 24 months from the date of delivery to Neros, unless a different period is specified in the applicable Purchase Order.