

**Brilliant Home Technology
Supply Line Agreement**

This Supply Line Agreement (including the Standard Terms and Conditions of Purchase and Exhibits) (the “Agreement”) is entered as of [Please Insert Date] 2018 (the “Effective Date”) by and between Brilliant Home Technology, Inc. (“Brilliant”) and the entity identified immediately below (“Supplier”) (each individually a Party and jointly the Parties).

Brilliant Home Technology, Inc.
762 Judith Court
Incline Village, NV 89451

Supplier:

[Please Insert Supplier Name]
[Please Insert Supplier Address]

Attn: Brian Fukamoto
Phone: 408-507-4634
Email: brianf@brilliant.tech

Attn: _____
Phone: _____
Email: _____

RECITALS

- A. Supplier is in the business of designing, manufacturing, and/or supplying Product(s).
- B. Brilliant is in the business of designing, developing, distributing, marketing and selling products containing electronic assemblies and systems.
- C. Whereas, the Parties desire that Supplier supply to Brilliant certain Product(s), pursuant to the terms and conditions set forth below for purposes of having such Product(s) incorporated, embodied or otherwise implemented into or with the Brilliant product(s).

NOW, THEREFORE AND IN WITNESS WHEREOF, in consideration of the foregoing and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the terms and conditions set forth below in this Agreement and have caused this Agreement to be executed by their duly authorized representatives.

Brilliant Home Technology, Inc.

Supplier

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

STANDARD TERMS AND CONDITIONS OF PURCHASE

1. Definitions.

1.1 “**Approved Purchasers**” means (a) Brilliant subsidiaries; and (b) those third parties that Brilliant communicates in writing to Supplier are authorized to (i) construct, manufacture or assemble Brilliant’s products or subassemblies for or on behalf of Brilliant and/or (ii) perform repair or warranty services for or on behalf of Brilliant for Brilliant’s products within which the Products are embedded, bundled or otherwise sold by Brilliant on a commercial basis.

1.2 “**Brilliant Customizations**” means those ideas, inventions, designs, or concepts for modifying (1) Supplier’s standard commercial product to make such product comply with the Specifications for a particular Product and (2) Tooling.

1.3 “**Brilliant-Owned Materials**” means any and all (a) Specifications for a Product or other information or materials, furnished by Brilliant to Supplier; (b) any ideas, inventions, designs or concepts which were conceived, created, reduced to practice or developed, by or for Brilliant either (i) prior to the Effective Date and/or (ii) during the Term of this Agreement, independently and without use of any of Supplier’s equipment, supplies, facilities, intellectual property or Confidential Information and (c) Brilliant Customizations.

1.4 “**Delivery Date**” means the date on which a Product shall arrive at the Designated Delivery Location; as such date is specified on the PO instructions.

1.5 “**Designated Delivery Location**” means the final physical address to which Supplier is instructed in writing to deliver a Product in connection with a particular PO.

1.6 “**Epidemic Failure**” or “**EF**” means deviations which are within the scope of a Product’s warranty obligation that seriously impair the use of Products existing at the time of delivery, but which are not reasonably discernible at that time, and which are evidenced by substantially, repetitive defect due to the same cause and occurring in the same series of the Products. EF is quantified as deviations in a Product occurring during the applicable warranty period that appear in (a) one-tenth of one percent (0.1%) or greater of the quantity of units of a Product shipped in any two consecutive months and resulting from a single and identical root cause; and/or (b) one percent (1%) or greater of the aggregate quantity of units of a Product(s) shipped in any three consecutive months resulting from multiple and different root causes.

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1.7 “**Estimated Quantities**” means the estimated quantities of Product(s) for which an Ordering Entity reasonably expects to issue POs over a defined period of time, as such quantities are set forth in Forecasts from time to time.

1.8 “**Fiscal Year**” is January 1 through December 31.

1.9 “**Forecast**” means a non-binding forecast provided by an Ordering Entity to Supplier from time to time under this Agreement.

1.10 “**Ordering Entity**” means either Brilliant and/or its Approved Purchasers, but in either case, the actual entity that submits a PO to Supplier pursuant to this Agreement.

1.11 “**Products**” means the goods, components and/or materials that an Ordering Entity may purchase from Supplier pursuant to this Agreement, as such are set forth in a PO and described in a Product Schedule.

1.12 “**Product Schedule**” means a schedule that Brilliant and Supplier enter into in writing from time to time, a form of which is attached hereto as Exhibit A, which sets forth, among other things, (a) the description of the Product, including Specification(s); (b) the fees an Ordering Entity will pay for each unit of the Product; and (c) the Program Manager for the Product. Where applicable, Product Schedules will also include a description of the development efforts within a Product Schedule that Supplier will undertake to implement the Brilliant Customizations, together with (i) the development schedule for any Pre-Production Units associated with such efforts; (ii) a description of any fees that Brilliant shall pay Supplier for such efforts; and (iii) any other details relevant to such efforts the Parties deem appropriate. A sample is attached as Schedule 1 to Exhibit A (“Development Work”). Each Product Schedule shall be substantially in the form set forth in Exhibit A hereto and shall be sequentially numbered (e.g., Exhibit A-1, Exhibit A-2, Exhibit A-3 and so forth) and attached and incorporated hereto. Each Product Schedule shall be performed independently and not affected by the terms and conditions set forth in other Product Schedules, unless Brilliant and Supplier explicitly agree otherwise in writing in the Product Schedule.

1.13 “**Pre-Production Units**” means those units of a Product that Supplier manufactures prior to the first commercial release by Brilliant of the Product, which units (a) are inclusive of any applicable Brilliant Customizations for the same; and (b) are intended to be used by Brilliant for evaluation, certification and/or testing by Brilliant, third

parties on behalf of Brilliant and/or its customers of the Brilliant product within which the Products will be included.

1.14 “**Program Manager**” means an individual appointed by Brilliant and Supplier, for each Party respectively, relative to a particular Product.

1.15 “**Purchase Order**” or “**PO**” means a purchase order issued by an Ordering Entity to Supplier pursuant to this Agreement which: (a) authorizes Supplier to ship a definite quantity of Products at a specified schedule; and (b) sets forth the Delivery Date and, as needed, Designated Delivery Location for such Products.

1.16 “**Service Parts**” mean a Product procured for the purpose of providing repair or warranty services on (a) Brilliant products within which the Product is incorporated, embodied or otherwise implemented and/or (b) Products which are themselves stand-alone accessories to Brilliant products, in either case, where such Product is purchased after mass production of a Product has ceased.

1.17 “**Specifications**” means the then-current specifications for a Product, as such are confirmed and mutually agreed to in writing between the Parties for the applicable Product. The preliminary specifications for each Product shall be set forth in the corresponding Product Schedule. Specifications may be amended from time to time in accordance with this Agreement.

1.18 “**Supplier-Owned Materials**” means any ideas, inventions, designs or concepts of Supplier which were conceived, created, reduced to practice, or developed (a) prior to the Effective Date of this Agreement; and/or (b) during the Term of this Agreement, independently and without use of any of Brilliant’s equipment, supplies, facilities, intellectual property or Confidential Information. Supplier-Owned Materials shall not include Brilliant-Owned Materials.

1.19 “**Testing Services**” means certification and other testing services performed by Supplier in connection with Pre-Production Units and/or pre-production Tooling.

1.20 “**Tooling**” means pre- or post-production tooling elements and test and assembly fixtures used by Supplier to assemble, manufacture or test Products or Pre-Production Units.

2. **Scope of Relationship.**

2.1 **Purchase.** Supplier agrees to sell to Ordering Entities, accept POs (as such may be issued) and grant the Ordering Entities the option to purchase, all or any portion of the Estimated Quantities pursuant to the terms and conditions of this Agreement. Nothing in this Agreement

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shall prevent Brilliant from procuring like or comparable products from other sources. This Agreement does not authorize Supplier to produce or deliver any of the Products or any other goods or services unless and until such time that a PO is issued in writing by an Ordering Entity and such PO is accepted by Supplier, unless Brilliant and Supplier expressly agree otherwise in writing.

2.1.1 **Eligible Purchasers.** During the periods for which Brilliant provides Supplier written authorization therefor, Ordering Entities may submit, change and cancel POs under and in accordance with this Agreement. The quantities of Product purchased by all Ordering Entities shall be included in determining the volume of Brilliant’s purchases under this Agreement. Supplier agrees to provide to Brilliant copies of all POs submitted by the Ordering Entities as requested. Brilliant shall be entitled to add or withdraw the authorization of an Ordering Entity at any time in Brilliant’s sole discretion by written notice to Supplier, which notice may be in the form of an email or other electronic communication. In the case of a withdrawal, upon receipt of such notice by Supplier, the applicable third party shall no longer be deemed an Ordering Entity for purposes of this Agreement; provided, however, Supplier may, fulfill any POs accepted by Supplier from such Ordering Entity as of the effective date of such withdrawal. Should Supplier’s obligations extend beyond such effective date of such withdrawal solely due to the time it took for the written notice to be received by Supplier from Brilliant, Supplier may, with the prior written approval of Brilliant, fulfill any POs accepted by Supplier as of the date of receipt of such withdrawal notice. Brilliant agrees that it will not unreasonably withhold any such consent.

2.1.2 **Purchase Order Responsibility.** Supplier shall invoice the Ordering Entity which submits the PO in accordance with the Product Schedule, and understands and agrees that such Ordering Entity is solely responsible for payment or resolution of disputes related to such POs.

2.1.3 **Benefits.** Ordering Entity shall be a third-party beneficiary to this Agreement including being entitled to the benefits and protections including indemnity, representations and warranties, and remedies set forth in this Agreement, with respect to POs placed by the Ordering Entities pursuant to this Agreement to the same extent as Brilliant itself. Notwithstanding the foregoing, Brilliant shall be entitled to all rights, benefits and protections under this Agreement (including, without limitation, indemnity and warranty protection) for those Products purchased by Ordering Entities for the benefit of Brilliant as if Brilliant had purchased such Products directly from Supplier.

2.2 **Exclusivity.** Products that incorporate, embody or otherwise implement a Brilliant Customization shall be deemed exclusive to Brilliant. Supplier shall not have any

right, title or interest to make, use, sell, offer to sell, import, export, license or otherwise dispose of such Products to any other party.

2.3 Addition of Products to Agreement. From time to time, Brilliant may notify Supplier if it wishes to add new product(s) to this Agreement. New product(s) shall be added by means of a new Product Schedule or by amendment of an existing Product Schedule applicable to the new product.

2.4 Discontinuance of Products. Subject to the obligations set forth in Section 9.11 (General Product Support) below, Supplier shall provide Brilliant at least twelve (12) months prior written notice of Supplier's intent to discontinue the manufacture and/or sale of any of the Products (each an "EOL Notice") and the date that such discontinuous would be effective (the "EOL Date"). Ordering Entities shall have the right to make and Supplier shall accept last-time purchases of reasonable quantities (as determined by Brilliant) of any such Products by Ordering Entities submitting a PO prior to the EOL Date for delivery of such Products over issued period of time designated by the Ordering Entities.

2.5 New Products or Product Upgrades. Supplier shall offer Brilliant the opportunity to be first to market with new products Supplier plans to offer and/or upgrade to the Product(s) which are reasonably applicable to and/or capable of being used in Brilliant's then-current products or those on Brilliant's then-current product roadmap, to the extent Supplier has access to such information.

2.6 Tooling, Pre-Production Units and Testing Services. Brilliant may elect to purchase Testing Services, Tooling and/or Pre-Production Units for some or all of the Products. In the event of such election, the following terms shall apply:

2.6.1 Fees and Payment. Brilliant will contact Supplier for a price quote for such Pre-Production Units, Tooling and/or Testing Services (the "Price Quote"). The Price Quote will include the applicable Pre-Production Units, Tooling and/or Testing Services, the fees for such Pre-Production Units, Tooling and/or Testing Services (the "Fees") and any resulting deliverables from Supplier to Brilliant (e.g., EVT parts, tools, test results, etc.). If the terms set forth in a Price Quote from Supplier are acceptable to Brilliant, Brilliant shall issue a PO to Supplier for the Pre-Production Units, Tooling and/or Testing Services identified in such Price Quote. Supplier shall acknowledge in writing each PO and shall accept or reject in writing each such PO. Prices for particular Pre-Production Units, Tooling and Testing Services shall be as set forth in the corresponding PO covering such Pre-Production Units, Tooling and Testing Services.

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2.6.2 Pre-Production Units. Supplier acknowledges and agrees that title to the Pre-Production Units shall pass to Brilliant upon delivery to Brilliant.

2.6.3 Tooling. Supplier acknowledges and agrees that the Tooling (including Brilliant Customizations) is proprietary to Brilliant, and shall be and remain the exclusive property of Brilliant.

(a) Such Tooling shall be treated as Brilliant's Confidential Information pursuant to the terms of Section 11 (Confidentiality) below, whether or not marked as such. Additionally, Supplier shall (i) insure such Tooling while in its possession; and (ii) be responsible for all losses of or damage to or destruction of such Tooling while in Supplier's possession, ordinary wear and tear excepted.

(b) Subject to the terms and conditions of this Agreement, Brilliant hereby grants to Supplier a non-exclusive, non-transferable, non-sublicenseable, royalty-free license to use such Tooling solely to manufacture under this Agreement pursuant to a PO (i) Products for the Ordering Entities, or (ii) Pre-Production Units for Brilliant. Supplier agrees not to use such Tooling for any other purpose without the prior written consent of Brilliant. Additionally, Brilliant provides such Tooling to Supplier on an "AS IS" basis and without any warranty of any kind or nature, express, implied, statutory or otherwise.

(c) Supplier shall maintain all Tooling in its possession in good condition and repair and as otherwise required herein, including without limitation, Section 9.11 (General Product Support) below. To the extent such Tooling remains in Supplier's possession, Brilliant's representatives shall be permitted to visit Supplier's facility during normal working hours upon reasonable notice to Supplier to inspect, repair, maintain or retrieve the Tooling.

2.6.4 No Interest. Supplier acknowledges and agrees that it has no ownership interest in the Pre-Production Units or such Tooling, including, but not limited to, any security interest therein.

2.6.5 Testing Services. Upon its completion of Testing Services, Supplier will deliver a test report containing the completed tests, a summary of the test results, and a list of testing failures to Brilliant (each a "Test Report"). Upon Brilliant's written request, Supplier will demonstrate the testing failures to Brilliant's technical representative using the test equipment and tools in the applicable labs, subject to lab availability. Any re-testing requested by Brilliant may be subject to additional testing services fees to be paid in accordance with the payment terms set forth in Section 3 (Pricing; Payment Terms). All Test Reports shall be the property of Brilliant and be treated as Brilliant's Confidential Information pursuant to the terms

of Section 11 (Confidentiality) below, whether or not marked as such.

2.7 Program Managers. Each Party shall appoint one (1) or more Program Managers for the Products, each as set forth in the applicable Product Schedule. Such individuals may be updated from time to time by providing written notice to the other Party, which notice may be in the form of an email or other electronic communication. Each Party shall provide the other Party with commercially reasonable advance written notice in the case of any change to its Program Manager for a Product.

2.8 Provision of Services.

2.8.1 Services. Brilliant may engage Supplier to perform services in conjunction with the Products that Brilliant procures from Supplier pursuant to this Agreement and Supplier agrees to perform such services as described in Product Schedules executed by the Parties from time to time (the "Services"). Except as otherwise provided herein, Supplier shall have no obligation to perform any Services under this Agreement and Brilliant shall have no obligation to pay for such Services, unless and until a Product Schedule describing such Services has been signed by both Parties.

2.8.2 Payment. Brilliant shall pay Supplier non-recurring engineering charges ("NRE") or such other service charges on a time and materials basis (each a "Services Charge") (if any) in accordance with the development and milestone schedule (the "Development Schedule") set forth in the applicable Product Schedule.

2.8.3 Development Schedule. Supplier will deliver the deliverables to Brilliant in accordance with the Development Schedule for each program.

2.9 Ownership and Licenses

2.9.1 Brilliant-Owned Materials.

(a) Brilliant retains all right, title and interest in and to its Brilliant-Owned Materials. Supplier understands and agrees that Brilliant-Owned Materials are based on Brilliant's designs for its own products. As such, Supplier hereby agrees to irrevocably assign and transfer to Brilliant and does hereby assign and transfer to Brilliant all of its worldwide right, title and interest in and to the Brilliant-Owned Materials, including all associated intellectual property and moral rights therein. All such Brilliant-Owned Materials shall at all times be and remain the sole and exclusive property of Brilliant. Supplier agrees to treat all Brilliant-Owned Materials as Brilliant's Confidential Information (as defined below) in accordance with Section 11 (Confidentiality) whether or not marked as such. During and after this Agreement, Supplier will assist

Brilliant-Owned Materials / Brilliant Confidential

Brilliant in every reasonable way, at Brilliant's expense, to assign, secure, perfect, register, maintain, and defend for Brilliant's benefit all statutory protections or proprietary rights in and to the Brilliant-Owned Materials.

(b) Subject to the terms and conditions of this Agreement and solely for the term of the applicable Product Schedule, Brilliant hereby grants to Supplier a limited, non-exclusive, non-transferable, non-sublicensable, royalty-free license to use the Brilliant-Owned Materials solely for the purpose of (a) incorporating the Brilliant Customizations into the applicable Product or Tooling on behalf of Brilliant and (b) manufacturing the Products which embody the Brilliant-Owned Materials exclusively for the Ordering Entities pursuant to PO(s) issued under this Agreement, solely for Brilliant. Supplier's rights to use the Brilliant-Owned Materials are limited to those expressly granted in this Section and shall terminate automatically upon conclusion of the development effort of the Brilliant Customizations or the manufacture of such Product and use of such Tooling, whichever occurs last.

(c) Supplier shall not use the Brilliant-Owned Materials in the production of materials for any other party or for itself, without Brilliant's express prior written authorization.

(d) Except for the express license granted pursuant to this Section, nothing in this Agreement shall be construed as confirming by implication, estoppel or otherwise upon Supplier any license or other right, title or interest in and to the Brilliant-Owned Materials or any other intellectual property of Brilliant. Brilliant or its licensors retain all rights, title and interest in and to the Brilliant-Owned Materials and any derivative works thereof and any intellectual property rights associated therewith or embodied therein.

(e) Brilliant provides the Brilliant-Owned Materials on an "AS IS" basis and without any warranty of any kind or nature, express, implied, statutory or otherwise. Supplier shall maintain all tangible Brilliant-Owned Materials provided by Brilliant to Supplier in good condition and repair. Supplier shall also insure such tangible Brilliant-Owned Materials while in its possession and shall be responsible for all losses of or damage to or destruction of the Brilliant-Owned Materials while in Supplier's custody, ordinary wear and tear excepted.

2.9.2 Supplier-Owned Materials. Supplier retains all right, title and interest in and to its Supplier-Owned Materials. Supplier agrees that it will not incorporate or permit to be incorporated, any Supplier-Owned Materials into any Brilliant-Owned Materials without Brilliant's prior written consent. In the event

Supplier incorporates any such Supplier-Owned Materials into any Brilliant-Owned Materials, Supplier hereby grants to Brilliant and Brilliant's designees a royalty-free, perpetual, irrevocable, worldwide, fully paid-up license (with rights to sublicense through multiple tiers of sublicensees) to practice all patent, copyright, moral right, mask work, trade secret and other intellectual property rights relating to and/or otherwise embodied therein with the Brilliant-Owned Materials.

2.9.3 Except as expressly set forth in this Agreement, neither Party grants the other Party any other right, title or interest, whether express, implied, or by virtue of estoppel or otherwise, to its intellectual property rights. Neither Party shall reverse engineer, disassemble or decompile the other Party's intellectual property (e.g., for Supplier, Brilliant-Owned Materials; for Brilliant, Supplier-Owned Materials).

3. Pricing; Payment Terms.

Prices. Prices for the Products shall be as set forth on a Product Schedule or as mutually agreed to by the Parties in writing and set forth in the PO covering such Products. Unless expressly agreed to otherwise by Brilliant in a Product Schedule, all prices shall be deemed inclusive of any and all shipping, freight or related expenses associated with delivery of a Product to the Designated Delivery Location. There shall be no increase in prices without express written agreement from Brilliant. Supplier shall reduce the price of each Product in accordance with the cost-down schedule(s) set forth in the applicable Product Schedule or such other schedule mutually agreed to by the Parties from time to time in writing (which writing may be documented via email). If no such schedule is attached for a particular Product or the Parties have not confirmed in writing an alternative cost-down schedule, then Supplier shall reduce the price of such Product by five percent (5%) per Brilliant fiscal quarter in each Fiscal Year. In this regard, Supplier will make all possible efforts to reduce the costs of the Products during the Term of this Agreement.

3.1.1 Price Adjustments. If requested by either Party, Supplier and Brilliant shall meet during each Brilliant fiscal quarter of each Fiscal Year and review the price of each Product and other business terms of this Agreement and the Product Schedules. In general, prices for Products will be adjusted to reflect (a) change in market conditions of the Products; or (b) pass through of cost reductions from Supplier to Brilliant.

3.2 **Taxes.** Prices are exclusive of all taxes. The Ordering Entity shall pay all import duties, customs fees, sales (unless an exemption certificate is furnished by the Ordering Entity to Supplier), use and value added taxes (except for taxes imposed on Supplier's net income) with
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respect to any Products sold and any services rendered to the Ordering Entity in respect of this Agreement. Such taxes, when applicable, will appear as separate items on Supplier's invoice. If applicable law requires the Ordering Entity to withhold any income taxes levied by the United States, or other applicable jurisdiction, on payments to be made pursuant to this Agreement (the "Withholding Tax"), the Ordering Entity shall be entitled to deduct such Withholding Tax from the payments due Supplier hereunder.

3.3 **Invoicing and Payment.** Undisputed invoices for Products shall be due and payable sixty (60) days after the date of actual receipt of the Products, receipt of Supplier's invoice for such Products, after the date set forth in the applicable Product Schedule, or after acceptance by Brilliant of the relevant milestone, whichever is latest. Invoices for Products shall contain, at a minimum, the Designated Delivery Location, PO number, Brilliant part number, quantity of Products shipped, Delivery Date and unit price. Payment shall not constitute acceptance.

3.4 **Bill of Materials and Sourcing Strategy.**

3.4.1 Upon Brilliant's request, Supplier shall furnish Brilliant with Supplier's costed ("open-book") bill of materials for the Products (the "BOM").

3.4.2 Supplier shall expend best efforts to design the Product with zero (0) single/sole source components. Upon final release of the BOM, Supplier shall provide Brilliant with a written, detailed explanation of the reason for using any component that is not at least dual-sourced. In addition, Supplier shall prepare a written risk assessment and contingency plan to address each single/sole source component in the event such component becomes unavailable. Such document shall also include any second sourcing efforts underway or planned for the future.

4. Purchase Orders and Delivery Schedules.

4.1 **Forecasts.** Forecasts issued hereunder by an Ordering Entity are non-binding and shall not represent a commitment to purchase by the Ordering Entity. Any Forecasts provided by an Ordering Entity to Supplier from time to time are for estimation and pricing purposes only, and neither such quantities nor any other provision of this Agreement shall be construed to obligate any Ordering Entity to purchase any or all of the Products. Supplier shall treat any such Forecasts, and all Product related information supplied by Brilliant, as Confidential Information in accordance with Section 11 (Confidentiality) below.

4.2 **No New Terms.** All POs shall be governed solely by the terms and conditions of this Agreement, which shall supersede any preprinted terms and conditions on Supplier's acknowledgment, invoice or other documentation or the

Ordering Entity's PO or any modifications thereto by Supplier.

4.3 Acceptance of Purchase Orders. Supplier shall notify the Ordering Entity by telephone or email (and promptly confirm in writing) within two (2) business days after receipt of a PO if Supplier is unable to accept the Ordering Entity's requested delivery schedule. Failure of Supplier to object to the requested delivery schedule within two (2) business days shall constitute acceptance of such PO. Under no circumstances shall an Ordering Entity be liable for more than the quantities specified in an accepted PO (the "Binding Order"). If Supplier desires to manufacture above the Binding Order, it does so at its own cost and risk. Under no circumstances shall the Ordering Entities have any liability for Products in excess of the Binding Order or amounts for which the Ordering Entity may not re-schedule or cancel pursuant to Sections 4.5 (Quantity Increases and Shipment Schedule Changes) and 4.6 (Rights of Cancellation) respectively (whichever is less), even if the Ordering Entity is aware of or otherwise approves such additional units for manufacture.

4.4 Lead Times. Supplier shall notify Brilliant in writing of all changes in lead times for each Product. In the event there is an increase in the lead time, Supplier agrees to support the Ordering Entities with the forecasted quantities within the increased period.

4.5 Quantity Increases and Shipment Schedule Changes. For any POs issued by an Ordering Entity in accordance with this Agreement, such Ordering Entity may (a) increase the quantity of Products and/or (b) reschedule the quantity of Products and their corresponding Delivery Dates as provided in the table set forth in Exhibit D at no additional cost to the Ordering Entity, other than those costs specifically incurred by the Ordering Entity to purchase additional units of Products. Any increases or rescheduling beyond those parameters specified herein shall be subject to material availability; provided, that Supplier agrees to use commercially reasonable efforts to fulfill all such requests. If Supplier will incur any additional costs beyond those that would customarily be payable by the Ordering Entity for a Product solely as a result of meeting a schedule increase in excess of the parameters specified immediately above (the "Excess Cost"), Supplier will inform the Ordering Entity as soon as commercially practicable and obtain the Ordering Entity's prior written approval to incur any Excess Cost.

4.6 Rights of Cancellation. An Ordering Entity may cancel all or a portion of a PO, subject to the limitations set forth in the table set forth in Exhibit D by providing Supplier with a written notice for all such cancellations.

4.7 Obligation to Mitigate. Supplier shall at all times use prudent material planning practices, including by way of *Brilliant-Owned Materials / Brilliant Confidential*

example, reducing manufacturing and lead-times for Products in response to the then-current Forecast by such Ordering Entity. In the event that the Ordering Entity cancels a PO for which such Party has a financial responsibility to Supplier pursuant to Section 4.6 (Rights of Cancellation) above (each a "Cancellation Event"), Supplier shall use commercially reasonable efforts to minimize the Ordering Entity's liability for a Cancellation Event, including but not limited to canceling orders for components and/or reselling or reusing work in progress in excess of such cancelled PO. Notwithstanding anything to the contrary in this Agreement, as a condition of the Ordering Entity's financial obligation to Supplier for a Cancellation Event, Supplier shall submit a written claim for payment to the Ordering Entity for the affected Product (each a "Reimbursement Claim") within thirty (30) days of receipt of the Ordering Entity's cancellation notice applicable to such event. The Reimbursement Claim shall include a detailed explanation of all costs for which Supplier is seeking payment for the Cancellation Event, including a description of the type of cost (e.g., work in progress, unique parts, etc.). Concurrent with the Reimbursement Claim, Supplier shall submit reasonable supporting documentation of the attempts by Supplier to mitigate the financial obligation of the Ordering Entity for the Cancellation Event. If Supplier fails to submit a Reimbursement Claim prior to the expiration of such thirty (30) day period, the Ordering Entity shall not have any financial obligation to Supplier with respect to the Cancellation Event. In no event shall the Ordering Entity's financial responsibility to Supplier for a Cancellation Event exceed the amounts specified in the original Reimbursement Claim for the Cancellation Event unless expressly approved otherwise by the Ordering Entity in writing. Notwithstanding anything to the contrary in this Section 4.7, Supplier shall not have the right to sell the finished goods or works-in-progress ("WIP") that are unique to Brilliant to any party without Brilliant's prior written approval.

4.8 Allocation. Supplier shall use its commercially reasonable efforts to maintain sufficient production capacity in order to supply all Products that an Ordering Entity orders from Supplier. Supplier agrees that, in the event of an Allocation Situation (as defined below), Supplier shall use its commercially reasonable efforts to fulfill all Ordering Entities' POs in their entirety, and in any event, Supplier's allocation plan shall be no less favorable to Ordering Entities than that provided to any other Supplier customer. Supplier shall provide Brilliant and each Ordering Entity with as much notice as possible if it has reason to believe that Supplier's output of the Product will not be sufficient to meet all of such Parties' requirements for any period. In its notice, Supplier shall inform Brilliant and each Ordering Entity of the percentage of Products ordered it commits to deliver to such Parties during the Allocation Situation and

the expected length of the Allocation Situation. "Allocation Situation" shall mean a production capacity shortage caused solely by an event specified in Section 17.3 (Force Majeure).

5. Packing and Shipment. Supplier shall comply with all packaging, labeling and serialization requirements for each Product in accordance with the corresponding Product Schedule. Unless otherwise specified by an Ordering Entity, Supplier will package and pack all goods in a manner which is (a) in accordance with good commercial practice; (b) acceptable to common carriers for shipment at the lowest rate for the particular goods; (c) in accordance with International Chamber of Commerce ("ICC") and other applicable industry or international standards and regulations, including any equivalent foreign regulations; and (d) adequate to ensure safe arrival of the goods at the named destination. Supplier will mark all containers with necessary lifting, handling and shipping information and with PO numbers and date of shipment. An itemized packing list must accompany each shipment that shall include (i) prominently the PO number; and (ii) the description, part number, revision level, and quantity of the Products so shipped.

6. Title and Delivery.

6.1 Title & Risk of Loss. Except as stated otherwise in a Product Schedule, (a) delivery of Products shall be made via the carrier and to the place specified on the face of the applicable PO, Delivery at Place ("DAP"): Designated Delivery Location (Incoterms 2010 applied); and (b) title and risk of loss for the Products shall pass to the Ordering Entity concurrently with transfer of responsibility based on such Incoterm. If no Delivery Date is specified, delivery will be made by the most expeditious form of land transportation or such other delivery method mutually agreed to by the Parties. If no method of shipment is specified, Supplier agrees to use the least expensive reputable carrier. Supplier agrees to promptly notify the Ordering Entity if at any time it appears that the delivery schedule for the Products may not be met.

6.2 Delivery. The Delivery Date shall be pursuant to the schedule set forth in the PO or as otherwise mutually agreed to by the Parties in writing. Supplier shall immediately notify the Ordering Entity in writing of any anticipated delay in meeting the delivery schedule, stating the root cause and corrective action for the delay. If Supplier's delivery fails to meet the schedule for which it committed, then Supplier, upon the Ordering Entity's request, shall expedite the routing at Supplier's expense. However, if Supplier's delivery fails to meet the schedule by an excess of three (3) business days, then the Ordering Entity, at its sole option and without any additional expense or liability to the Ordering Entity, may (a) require Supplier to expedite the routing by the fastest available commercial

carrier; (b) reschedule the delivery for the applicable PO; or (c) cancel the PO in whole or in part (notwithstanding rights otherwise specified in Section 4.6 (Rights of Cancellation)). If the Ordering Entity and Supplier mutually agree to accelerate delivery for any reason other than delays caused by Supplier, the Ordering Entity and Supplier shall agree to review any costs associated with expediting said delivery, provided that all costs shall be agreed upon to prior to delivery.

6.3 Changes by Supplier. Supplier shall not deliver Products (a) earlier than three (3) business days prior to the scheduled Delivery Date; or (b) later than the scheduled Delivery Date, without the Ordering Entity's consent, and the Ordering Entity may return early, late or excess shipments at Supplier's sole risk and expense.

7. Inspection and Acceptance. All Products are subject to the Ordering Entity's inspection and test before final acceptance at the Ordering Entity's facility. If any Product delivered hereunder fails to conform to the Specifications, the Ordering Entity shall notify Supplier of such failure within no more than ten (10) business days of receipt. If the Ordering Entity affirmatively acknowledges acceptance or fails to advise of a rejection prior to the expiration of such ten (10) business day period, then the Products shall be deemed accepted. Where notified of a rejection, Supplier shall have up to two (2) days thereafter to deliver to the Ordering Entity conforming Products. If Supplier fails to cure all nonconformities within such two (2) day period, the Ordering Entity shall have the right, without liability, to cancel POs for that Product and any other Products, the acceptance of which is impractical in the Ordering Entity's reasonable opinion as a result of Supplier's failure to meet the Specifications. If an inspection or test is made on Supplier's premises, Supplier shall provide the Ordering Entity's inspectors with reasonable facilities and assistance at no additional charge.

8. Certifications; Changes.

8.1 Certifications. Supplier shall, at its sole expense, obtain for the Products, and maintain in effect as of the Delivery Date for units of Products to the Ordering Entity, those certifications and approvals set forth in the Specifications and/or Product Schedule, if any (the "Minimum Certifications"). If requested by Brilliant, Supplier shall submit to Brilliant copies of the corresponding certificates and/or compliance reports for the Minimum Certifications and shall appropriately affix on each Product the safety and/or emissions marks of the applicable testing bodies in accordance with each such body's requirements. Where third party certifications are required, Products subject to such certifications shall be tested and approved to the standards/norms of the applicable testing body in effect at the time Product is delivered.

8.2 **Product Changes.** Supplier shall give Brilliant one-hundred and eighty (180) days prior written notice before implementing any changes (a) which will affect the form, fit or function of any of the Products; (b) to Supplier's part number for a Product; (c) to any process; and/or (d) in or additions to the location of manufacture of the Product. Brilliant shall have the right to accept or reject the proposed change within ninety (90) days after receipt of written notice. Upon rejection of any proposed change, Brilliant shall be entitled to (i) terminate in whole or in part, without cost or penalty, any affected Product remaining undelivered under accepted POs or require delivery by Supplier of some or all of such unchanged Product; and (ii) treat such situation as if an EOL Notice has been issued and, as such, the last time buy terms and conditions in Section 2.4 (Discontinuance of Products) shall apply with respect to order and delivery placement of the unchanged Product.

8.3 **Change Procedures.** If Brilliant desires to modify a Product Schedule in any manner, Brilliant shall provide written notice to Supplier's Program Manager for the applicable Product, which notice may be by any reasonable means, including email or an electronic submission via an electronic data management system mutually agreed to by the parties (each a "Change Request"). Supplier shall accept each Change Request within five (5) business days of receipt, unless it is reasonably anticipated to result in increased costs to Supplier, in which case, Supplier must notify Brilliant in writing prior to the expiration of such five (5) day period of such rejection and the Parties shall negotiate such change on a case-by-case basis. In the case of a rejection, Supplier shall provide Brilliant with a written explanation detailing the reasons for such rejection. Neither Party is permitted to make any change to a Product Schedule that would result in increased costs to Brilliant or a delay in the schedule set forth therein without the written approval of Brilliant's Program Manager for such Product and Supplier's Program Manager for such Product.

9. **Warranty.**

9.1 **Code of Conduct.** Supplier represents and warrants that Supplier shall comply with Brilliant's then-current "Worldwide Code of Conduct," a copy of which is attached hereto as Exhibit C.

9.2 **General Warranty.** Supplier warrants that it has full power and authority to enter into and perform under this Agreement and deliver the Products to the Ordering Entities without encumbrances and otherwise in the manner contemplated in this Agreement.

9.3 **Product Warranty.** Supplier represents and warrants that all Products delivered shall (a) be free from defects in materials and workmanship; and (b) conform to the Specifications, in each case, for a period of twenty-four (24) *Brilliant-Owned Materials / Brilliant Confidential*

months from the date of delivery to the applicable Ordering Entity or for the period provided in Supplier's standard warranty covering the Products, whichever is longer. This warranty shall not apply to defects or non-conformities in a Product which directly result from misuse, neglect, improper installation or unusual physical or electrical stress.

9.4 **Warranty of Title.** Supplier represents and warrants that: (a) Ordering Entity shall acquire good and clear title to the Products free and clear of all liens, claims, and encumbrances; and (b) all Products, including all parts and components thereof, shall be new and will not be used, reconditioned or refurbished without the prior written consent of Brilliant.

9.5 **Remedies.** If during the warranty period, an Ordering Entity identifies a warranty problem that is not an EF, such Ordering Entity shall promptly notify Supplier and Supplier shall provide such Ordering Entity with a Return Material Authorization (or "RMA") within twenty-four (24) hours of such notice. Within five (5) business days after receipt of any returned Products, Supplier shall at the Ordering Entity's option, either repair or replace such Products, or credit the Ordering Entity's account for the same. Replacement and repaired Products shall be warranted for the remainder of the warranty period or six (6) months, whichever is longer. Cost of return transit for all defective Products returned to the Ordering Entity shall be borne by Supplier.

9.6 **Warranty Data.** To better serve Brilliant's return and repair operation, Brilliant may request and Supplier shall comply with Brilliant's request, that Supplier provide certain information to help ensure the Parties can effectively and efficiently communicate about defect or non-conformities seen in a Product as well as any information as may be necessary for Brilliant to troubleshoot or otherwise perform repairs of Brilliant products within which the Products are included. In support of this effort and if so requested by Brilliant, Supplier agrees to provide the following information to Brilliant, and shall promptly update such information when applicable: (a) list of all test material (equipment, software, etc.) which is utilized to test the functionality of the Product; (b) list of all "defect" or "fault" codes utilized by Supplier (so that any Brilliant feedback is understandable); (c) contact information for Supplier's quality engineering department; and (d) schematics and/or gerber files or other comparable documents of the Products.

9.7 **Epidemic Failure.** In the case of an EF, Supplier's obligations shall be, within two (2) days, to propose an action plan to fix the failure of any affected Products and to implement this action plan upon Brilliant's acceptance thereof. If the action plan is not acceptable to Brilliant, Brilliant can require Supplier at Brilliant's option to repair

or replace the affected lot of Products or to refund to Brilliant all amounts paid for such affected lot of Products with no further liability or obligation by Brilliant or any Ordering Entity to Supplier for such lot of Products. Brilliant shall have the option of requiring Supplier to issue an immediate RMA for the affected lot of Products. Any repair or replacement shall be done at mutually agreed-upon location(s); provided, however, that costs of repair or replacement together with the shipping, transportation and other costs of gathering and redistributing the Products shall be borne by Supplier. In addition to bearing the costs associated therewith, if requested by Brilliant, Supplier shall support and provide at Supplier's expense a sufficient number of Products to permit the field exchange or "hot swap" of Products at customer sites. All Brilliant incurred costs in troubleshooting or reworking shall be borne by Supplier. The Parties agree to use all diligent efforts to complete the repair or replacement of all of the affected Products within ten (10) business days after written notice of EF by Brilliant to Supplier (or such other time period mutually agreed in writing by the parties). Supplier also agrees to support Brilliant with accelerated shipments of replacement Product to cover Brilliant's supply requirements. If the corrective action cannot be completed within ten (10) business days because the rework required cannot physically be completed in such time (e.g., a mask change), and Brilliant agrees that such action cannot be completed within such ten (10) day period, Supplier shall provide an aggressive recovery plan, that minimizes the length of time to repair or replace all affected Products and Supplier shall complete such corrective action as soon as reasonably possible using Supplier's most diligent efforts.

9.8 Quality Assurance. Supplier will establish, maintain and manage a quality assurance program for the Products that is consistent with standard industry practices to ensure that the overall reliability, quality and performance objectives for the Products stated in the Specifications are achieved.

9.9 Quarantine Process. An Ordering Entity may issue stop ship or suspension of shipment notices from time to time to prevent Products with possible quality issues from entering Brilliant's customer base. In any such instance, Brilliant or the Ordering Entity will provide Supplier with reasonable detail to understand the nature of the quality concern driving such decision. To accommodate this action, Supplier must have in place a fully documented "Stop Ship" or quarantine process to remove and isolate such Product from the Supplier's final shipping area such that the affected Products will not ship or continue to be shipped to the Ordering Entities or the Designated Delivery Location(s).

9.10 Services Warranty. Supplier represents and warrants that all Services shall be completed in a professional, workmanlike manner, with the degree of skill *Brilliant-Owned Materials / Brilliant Confidential*

and care that is required by current, good and sound professional procedures and practices and shall comply with the foregoing warranty for a period of ninety (90) days from the date of acceptance by Brilliant.

9.11 General Product Support.

9.11.1 Ordering Entities shall have the right to procure Service Parts on an individual basis. Ordering Entities will include any order for Service Parts in the Forecasts and POs, as needed, unless the Parties agree otherwise on a case-by-case basis.

9.11.2 Except as expressly stated otherwise in a Product Schedule, this Section shall apply to all Products. Supplier shall provide reasonable manufacturing support for the Products throughout the Product Life (as defined below) and the Support Life (as defined below) for no additional charge. During Product Life and Support Life, Supplier shall, at its sole expense, maintain the technical expertise and capability to support the Products, including but not limited to, trained personnel with sufficient training to be able to repair the Products, retention and maintenance of the Tooling and any other equipment needed for the manufacture of additional units of Products and/or the repair of the Products as well as ready access to historical and current manufacturing documents. Additionally, Supplier is required to support Brilliant's repair centers with any test, assembly and debug equipment Brilliant deems necessary to support the repair operation at Brilliant's cost. This includes existing Supplier platforms and fixtures that have been modified for Brilliant to support the Products. "Product Life" as used in this Section means the period that spans from the date of the first shipment of a Product from Supplier to the date the Product is removed from Brilliant's then-current price list or Brilliant products within which the Products are incorporated, embodied or otherwise implemented on such price list. "Support Life" as used in this Section means that period of time from the date that the Product is removed from Brilliant's then-current price list (if sold on a stand-alone basis) or Brilliant products within which the Products are incorporated, embodied or otherwise implemented on such price list, whichever is applicable, plus three (3) years.

10. Indemnity by Supplier; Insurance.

10.1 General Indemnity. Supplier shall, at its expense, (a) defend or settle any claim, suit or proceeding that is instituted by a third party against Brilliant and its subsidiaries and its and their officers, directors, employees, agents, Ordering Entities and customers (the "Brilliant Indemnified Parties"), to the extent such claim, suit or proceeding arises out of, results from or is in connection with (i) the death or bodily injury to any person (including,

without limitation, whether such death or bodily injury results from Supplier and/or the Products, Tooling or Services themselves); (ii) provision of hazardous materials to Brilliant; (iii) violation of the environmental compliance portion of the Specifications; (iv) destruction or damage to property by Supplier or the Products, Tooling or Services; (v) contamination of the environment and any associated clean-up costs or any violation of governmental law, regulation, or orders relating to the manufacture or disposal of the Products by Supplier or a third party on behalf of seller; or (vi) any negligent or willful acts, errors or omissions by Supplier, its employees, officers, agents or representatives in the performance of this Agreement; and (b) pay all damages awarded therein against the Brilliant Indemnified Parties or agreed upon in settlement by Supplier (including other reasonable costs incurred by Brilliant or its subsidiaries, including reasonable attorney's fees, in connection with enforcing this Section 10.1).

10.2 Intellectual Property Indemnity. Supplier shall, at its expense, (a) defend or settle any claim, suit or proceeding that is instituted by a third party against the Brilliant Indemnified Parties, to the extent such claim, suit or proceeding arises out of, results from or is in connection with any actual or alleged infringement by any Product provided by Supplier or its agents or representatives directly or indirectly to Brilliant of any patent, copyright, trademark, mask work right or other proprietary right(s) of a third party or that Supplier misappropriated a trade secret in the development thereof; and (b) pay all damages awarded therein against the Brilliant Indemnified Parties or agreed upon in settlement by Supplier (including other reasonable costs incurred by Brilliant or its subsidiaries, including reasonable attorney's fees, in connection with enforcing this Section); provided, that Supplier is promptly notified, rendered reasonable assistance by Brilliant and its subsidiaries (at Supplier's expense), and permitted to direct the defense or settlement of such claim.

10.2.1 Options. Should the use by Brilliant, or Ordering Entities (other than Brilliant) or customers, of any Products procured from Supplier be enjoined or at Brilliant's sole discretion likely to be enjoined, Supplier shall, at its sole expense, either: (a) substitute fully equivalent non-infringing Products, Services and/or Tooling; (b) modify the infringing Products, Services and/or Tooling so that they no longer infringe but remain fully equivalent; (c) obtain for Brilliant or Brilliant's customers the right to continue use of the Products, Services and/or Tooling; or (d) if none of the foregoing is possible, refund the purchase price paid for the infringing Products, Services and/or Tooling.

10.2.2 Exceptions. Supplier's indemnification obligations pursuant to this Section shall not apply to claims for infringement arising solely from changes made to the Products or Tooling by Brilliant where such changes are *Brilliant-Owned Materials / Brilliant Confidential*

made without the approval or authorization of Supplier, which but for the modification, the Product or Tooling would be non-infringing.

10.3 Limited Restrictions on Settlement. Notwithstanding anything to the contrary in Sections 10.1 or 10.2, Supplier shall not enter into any settlement to the extent that such settlement involves monetary payment by the Brilliant Indemnified Parties or that may result in liability to the Brilliant Indemnified Parties, without the prior written consent of Brilliant. Supplier shall not, however, be responsible for any costs of fees incurred by a Brilliant Indemnified Party after Supplier assumes the defense pursuant to Sections 10.1 and/or 10.2, but Brilliant may participate and retain its own counsel at its own expense.

10.4 Insurance. During the Term and for a period of six (6) months thereafter, Supplier shall carry and maintain insurance coverage reasonably adequate to cover its obligations hereunder, but in any case, such coverage shall meet or exceed the minimum insurance requirements set forth in Exhibit B attached. Supplier's obligations under this Section 10.4 shall in no way affect the indemnification, remedy or warranty provisions set forth in this Agreement. Brilliant shall not by reason of its inclusion as an additional insured incur liability to the Supplier's insurance companies for payment of premium for such insurance. Supplier agrees that upon notice of a claim against Brilliant involving Product sold to Brilliant that Supplier will immediately and without delay notify all insurance carriers which issued policies to Supplier. Thereafter, Supplier agrees to keep Brilliant fully informed of all activity, including but not limited to providing Brilliant with all correspondence, and action taken with regard to any claim that has been presented to them or with regard to any claim by any insurance carrier.

11. Confidentiality.

11.1 Definition. "Confidential Information" means any information that is transmitted by one Party to the other Party in connection with the performance or implementation of this Agreement and, if in written form, is marked "Confidential" or with a similar legend by the disclosing Party before being furnished to the other, or if disclosed orally or visually is information that the receiving Party should reasonably discern, by an objective examination of the disclosure and the surrounding facts and circumstances, to be confidential in nature. Brilliant's Confidential Information shall include the Brilliant-Owned Materials. Each Party agrees that it shall use the same degree of care and means that it utilizes to protect its own information of a similar nature, but in any event not less than reasonable care and means, to prevent the unauthorized use or the disclosure of such Confidential Information to third parties. The

Confidential Information may be disclosed only to employees or contractors of a recipient with a "need to know" who are instructed and agree not to disclose the Confidential Information and not to use the Confidential Information for any purpose, except as set forth herein. Recipient shall have appropriate written agreements with any such employees or contractors sufficient to allow the recipient to comply with the provisions of this Agreement. Each of the Parties further agrees to make no use of such Confidential Information except as expressly permitted by this Agreement. Notwithstanding anything to the contrary in this Section 11.1, Brilliant shall have the right to disclose the terms and conditions of this Agreement, together with the content of the Product Schedules, to the Ordering Entities so long as such Ordering Entities are subject to written agreements sufficient to allow Ordering Entities to comply with this Section 11.

11.2 Exclusions. The Confidential Information of a Party shall not include data or information which: (a) was in the public domain at the time it was disclosed or falls within the public domain, by no fault of the receiving Party; (b) was known to the receiving Party at the time of disclosure; (c) was disclosed after written approval of the disclosing Party; (d) becomes known to the receiving Party from a source other than the disclosing Party without breach of this Agreement by the receiving Party; or (e) was independently developed by the receiving Party without the use of or reference to Confidential Information received from the disclosing Party. The receiving Party shall have the burden of establishing the applicability of any of the foregoing exceptions.

11.3 Compelled Disclosure. Nothing in this Agreement shall prevent the receiving Party from disclosing Confidential Information to the extent the receiving Party is legally compelled to do so by any governmental investigative or judicial agency pursuant to proceedings over which such agency has jurisdiction; provided, however, that prior to any such disclosure, the receiving Party shall (a) assert the confidential nature of the Confidential Information to the agency; (b) immediately notify the disclosing Party in writing of the agency's order or request to disclose; and (c) cooperate fully with the disclosing Party in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of the compelled disclosure and protecting its confidentiality.

11.4 Publicity. Neither Party shall advertise, publish or otherwise disclose the existence, as well as the terms and conditions of this Agreement without the prior written consent of the other Party, except as required by law or otherwise expressly authorized pursuant to this Section 11. However, each Party may disclose the terms and conditions of this Agreement to its lawyers or financial auditors,

provided that such lawyers and auditors agree not to disclose the terms and conditions of this Agreement.

12. **Term; Termination.**

12.1 Term. The term of this Agreement shall be for three (3) years from the Effective Date and shall thereafter renew automatically for successive one (1) year periods on the terms and conditions set forth herein ("Term"). This Agreement may also be terminated as provided below in this Section 12.

12.2 Termination for Convenience. Brilliant may terminate this Agreement, in whole or in part, including any accepted POs, with or without cause, upon ninety (90) days prior written notice, without any charge or other penalty, except as provided for in Section 4.6.

12.3 Termination for Breach. Either Party may terminate this Agreement, in whole or in part, including any accepted or pending POs, if the other Party breaches any material term or condition of this Agreement and fails to remedy the breach within thirty (30) days or a mutually agreed upon date or time frame after receipt of written notice detailing any such breach.

12.4 Effect of Termination. Upon any expiration or termination of this Agreement, this Section 12.4 shall apply.

12.4.1 Last Time Buy. In the event of termination or expiration of this Agreement other than by Supplier pursuant to Section 12.3 (Termination for Breach) for Brilliant's uncured material breach, the Ordering Entities may up to the effective date of termination, place and Supplier will accept, final POs for Products. for delivery as designated by Brilliant.

12.4.2 Claims. Any claim by Supplier on account of canceled POs shall be submitted in accordance with the provisions set forth in Sections 4.6 and 4.7.

12.4.3 Obligations Upon Termination; Survival of Obligations. In addition to Supplier's obligation to supply and Ordering Entity's right to distribute, Products in inventory or subject to any pending POs and the terms and conditions (e.g., payment, title, delivery, inspection, acceptance, warranty, compliance with laws and commodity or customs handling) and obligations associated with the fulfillment of such POs and Products delivered pursuant to such POs, Sections 1, 2.1.2, 2.1.3, 2.2, 2.9.1(a), 2.9.2, 2.9.3, 9.3-9.5, 9.7, 10, 11, 12.4, 14 and 17 shall survive any expiration or termination of this Agreement.

12.4.4 Return of Materials. Supplier shall, at Brilliant's sole option and written request, return or destroy and certify the destruction of, any of Brilliant's Confidential

Information, Brilliant-Owned Materials and/or Tooling in its possession and control. Brilliant shall, at Supplier's sole option and written request, return or destroy and certify destruction of any of Supplier's Confidential Information. Notwithstanding the foregoing, each Party shall have the right to continue to use the other Party's Confidential Information for the sole purpose of fulfilling any then-pending obligations in effect as of the effective date of termination, but only so long as such obligation remains in effect pursuant to the terms and conditions of this Agreement.

12.4.5 Limitation of Liability upon Termination. In the event of termination by either Party in accordance with any of the provisions of this Agreement, neither Party shall be liable to the other, because of such termination, for compensation, reimbursement or damages on account of the loss of prospective profits or anticipated sales or on account of expenditures, investments, leases or commitments in connection with the business or goodwill of Brilliant or Supplier.

13. Compliance with Laws.

13.1 Compliance with Laws. Each Party shall comply with all applicable United States and foreign laws, regulations and rules of any governmental authority having jurisdiction over such Party's activities under this Agreement and shall obtain all necessary permits, licenses and consents of governmental authorities necessary for such Party to fulfill its rights or exercise its obligations contemplated by this Agreement. Supplier hereby represents and warrants that no consent, approval or authorization of or designation, declaration or filing with any governmental authority is required in connection with the valid execution, delivery and performance of this Agreement. Supplier and its suppliers shall cooperate with Brilliant to ensure the compliance of its Products with specific legal requirements applicable to the countries into which Products are being sold.

13.2 Export Control. Each Party agrees to comply with all applicable export and re-export control laws and regulations. Specifically, Supplier covenants that it shall not, directly or indirectly, sell, export, re-export, transfer, divert, or otherwise dispose of any Brilliant-Owned Materials (including products derived from or based on such technology) received from Brilliant under this Agreement to any country (or national thereof) subject to antiterrorism controls or U.S. embargo, or to any other person, entity, or destination prohibited by the laws or regulations of the United States, without obtaining prior authorization from the competent government authorities as required by those laws and regulations.

13.3 Labor Laws. Supplier and its suppliers and/or the Supplier subcontractors, if any, shall not employ any underage individuals inconsistent with the laws of the country with respect to the manufacture, assembly and test of the Products or pack out of Products, and shall comply with all applicable child labor laws, rules and regulations of the country where the Products will be manufactured, assembled or tested or Product units packed out. If there are no labor laws in the applicable country where the Products are being manufactured, assembled, tested or packed out that establish a minimum age for workers or if the laws, rules or regulations of such country are unclear as to the minimum age for workers, then Supplier and its suppliers and/or permitted Supplier subcontractors, if any, shall not employ any individual under the age of sixteen (16) to manufacture the Products or pack out the Products. Supplier shall comply with the legal requirements and standards of its industry as applicable under the national law of the countries in which Supplier is operating, including, but is not limited to, the laws and regulations governing the following: environmental, health, safety, labor, employment, child labor, intellectual property, discrimination and human rights. Supplier and its suppliers must not use forced labor.

13.4 C-TPAT Compliance. Brilliant is committed to supply chain security and compliance with the requirements of the U.S. Customs and Border Protection's Customs Trade Partnership Against Terrorism (C-TPAT) program. Supplier agrees it shall be C-TPAT compliant within ninety (90) days of the Effective Date, to keep abreast of changes to the C-TPAT guidelines found at http://www.cbp.gov/xp/cgov/import/commercial_enforcement/ctpat/, and to update relevant policies, procedures, and practices to ensure continuing compliance. If Supplier utilizes subcontractors to fulfill Brilliant's contract requirements, Supplier shall also ensure that their subcontractors are in compliance with C-TPAT guidelines. Brilliant may, at its discretion and expense, audit Supplier's compliance with the C-TPAT guidelines or may engage outside consultants to perform the audits at its expense. Although Brilliant will generally provide Supplier with advance notice of such compliance audits, Brilliant reserves the right to perform unannounced audits of Supplier compliance. Supplier also understands that U.S. Customs and Border Protection personnel may undertake an on-site verification visit of Supplier's facilities to validate C-TPAT compliance.

13.5 Foreign Corrupt Practices Act. In conformity with the United States Foreign Corrupt Practices Act and with Brilliant's established corporate policies regarding foreign business practices, Supplier and its employees and agents shall not directly or indirectly make or offer, payment, promise to pay, or authorize payment, or offer a gift, promise to give, or authorize the giving of anything of value for the purpose of influencing an act or decision of an

official of any government (including a decision not to act) or inducing such a person to use his influence to affect any such governmental act or decision in order to assist Brilliant in obtaining, retaining or directing any such business.

14. Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, LOSS OF PROFITS OR REVENUE OR OTHER CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE BREACH THEREOF, WHETHER OR NOT THE PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. NOTHING HEREIN SHALL HAVE THE EFFECT OF LIMITING OR EXCLUDING EITHER PARTY'S LIABILITY FOR DEATH OR PERSONAL INJURY CAUSED BY NEGLIGENCE. THE LIMITS OF LIABILITY CONTAINED HEREIN DO NOT APPLY TO FULFILLMENT OF THE INDEMNITY OBLIGATIONS ARISING PURSUANT TO SECTION 10 AND/OR A BREACH OF THE CONFIDENTIALITY OBLIGATIONS SET FORTH IN SECTION 11.

15. Commodity Classification; Customs Clearance.

15.1 Classification. Prior to the first commercial shipment of each Product to an Ordering Entity under this Agreement, the Parties shall agree on the classification of the Product under the Harmonized Tariff System. Supplier shall provide all information under its control which is necessary or useful for Brilliant or an Ordering Entity to obtain any export or import licenses required for the Ordering Entity to ship or receive Products, including, but not limited to, certificates of origin, NAFTA, manufacturer's affidavits, Buy America qualification, and U.S. Federal Communications Commission's identifier, if applicable.

15.2 Customs Clearance. Upon Brilliant's request, Supplier will promptly provide Brilliant with a statement of origin for all Products and United States Customs documentation for Products wholly or partially manufactured outside of the United States. Supplier shall also provide Brilliant, upon Brilliant's request, with any other customs documentation for Products shipped to Brilliant in locations other than the United States.

16. ISO Certification. Supplier's right to manufacture each Product is conditioned on Supplier's agreement to create and maintain, at its expense, (a) processes and procedures applicable to the manufacture of the Products which comply with all ISO quality standards and environmental management standards applicable to manufacturers of similar products; and (b) a change management process for modifying the foregoing to include revision control (the "ISO Certification"). All such
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processes and procedures shall be maintained in a written form in a designated area and made available to Brilliant at any time upon request. If Supplier is not compliant with the ISO Certification as of the Effective Date, Supplier shall be compliant with such certification within twenty (20) business days of the Effective Date. If Supplier fails to maintain compliance with the ISO Certification at any time after that twenty (20) business day period, Supplier shall promptly notify Brilliant in writing of such non-compliance. Supplier will have a period of twenty (20) business days in which to cure such non-compliance (with such period commencing as of the date that Supplier becomes aware of such non-compliance) or if such non-compliance cannot reasonably be cured by Supplier prior to the expiration of such twenty (20) business day period, submit a plan to Brilliant detailing the actions that Supplier will take to cure any non-compliance for Brilliant's approval prior to the expiration of such twenty (20) business day period. If Supplier submits a plan and Brilliant approves the same, Supplier will immediately implement the corrective action at its expense. If such plan is not acceptable to Brilliant, then Supplier can, at Brilliant's option, either require Supplier to submit a new plan until such time that Brilliant approves the same, at Supplier's expense, or terminate this Agreement upon written notice to Supplier, notwithstanding any cure period otherwise set forth in this Agreement. Should either Supplier or Supplier's sub-contractors lose such ISO Certification, Supplier will notify Brilliant immediately and will then have sixty (60) days to be recertified.

17. Miscellaneous.

17.1 Assignment. Neither Party shall have the right to assign this Agreement or delegate obligations without the express written consent of the other Party; provided, however, that either Party may assign its interest in this Agreement in connection with a merger or other business combination or sale of substantially all of the assets of a business unit where such Party is not the surviving entity and Brilliant may also assign this Agreement to a majority-owned subsidiary. Any attempted prohibited assignment or delegation shall be null and void.

17.2 Notices. Except for POs which may be sent by local mail, or electronically transmitted, all notices and communications hereunder shall be sent to the individual(s) at the address or email address, set forth at the beginning of this Agreement (a) by first class or certified mail, postage prepaid; (b) by email; (c) delivered personally; or (d) sent by commercial overnight courier with written verification. In the case of Brilliant, such notices shall be sent with a copy to Brilliant's General Counsel at the same address with an email also sent to legal@brilliant.tech. Any such notice shall be deemed given when received, if sent by personal delivery, facsimile or commercial overnight carrier, or three

(3) days after posting, if sent by first class or certified mail. Either Party may change the designated individual(s) and/or their address or email address by written notice to the other Party.

17.3 Force Majeure. Neither Party shall be liable to the other for any alleged loss or damages resulting from failure to perform due to acts of God, natural disasters, acts of civil or military authority, government priorities, fire, floods, epidemics, quarantine, energy crises, terrorism, war or riots. Each Party shall promptly notify the other Party of such event in writing. If Supplier is unable to deliver in accordance with agreed delivery schedules, Supplier shall provide Brilliant with a contingency plan for a continuing supply of Products. An Ordering Entity may either extend the time of performance or cancel the uncompleted portion of the PO at no cost to such Ordering Entity, notwithstanding anything to the contrary in Section 4.6.

17.4 Disputes. If any controversy or claim arises relating to this Agreement, the Parties will attempt in good faith to negotiate a solution to their differences, including progressively escalating any controversy or claim through senior levels of management. If negotiation does not result in a resolution within sixty (60) days of the date when one Party first notifies the other in writing of the controversy or claim, either Party may bring an action under this Agreement. Pending settlement of any dispute, and provided the Ordering Entity(ies) has paid or tendered payment of any undisputed sums due to Supplier, Supplier agrees to continue to produce and deliver Products under this Agreement if Brilliant so directs for a period of at least ninety (90) days. Each Party will promptly notify the other party in writing of any dispute.

17.5 Governing Law and Venue. This Agreement, including all matters of construction, validity, and performance, shall be governed by and construed and enforced in accordance with the laws of the State of California, without regard to its conflict of law rules. The Parties hereto agree that the exclusive jurisdiction and venue for any action brought between the Parties under this Agreement shall be the federal courts sitting in the Northern District of California, and each of the Parties hereby agrees and submits itself to the exclusive jurisdiction and venue of such courts for such purpose, to the exclusion of all other venues, forums or jurisdictions. The Parties hereto further agree to waive any objection they may have now or during the Term of this Agreement to the venue of any action brought related to this Agreement in the Northern District of California. The Parties hereto further agree to accept service of process, for any action brought related to this Agreement in the Northern District of California, by the mailing of process by registered or certified mail, postage prepaid, return receipt requested, to the representative or address specified in this Agreement, or such other representative or

address as has been identified as of such time as service is to be made, and the Parties hereto irrevocably waive any objection that service of process must conform to the Hague Convention on Service of Process Abroad or other applicable law or treaty regarding service of process, in favor of the procedure for service of process set forth herein.

17.6 Waiver. No waiver of any default hereunder or any terms or conditions of this Agreement shall be deemed to be a waiver of any other or subsequent default or of any other term or condition, but shall apply solely to the instance to which such waiver is directed.

17.7 Severability. If any term, condition, or provision of this Agreement, or portion thereof, is found to be invalid, unlawful or unenforceable to any extent, the Parties shall endeavor in good faith to agree to such amendments that will preserve, as far as possible, the intentions expressed in this Agreement. Such invalid term, condition or provision will be severed from the remaining terms, conditions and provisions, which will continue to be valid and enforceable to the fullest extent permitted by law.

17.8 Attorney's Fees. In any action to enforce this Agreement, the prevailing Party shall be awarded all court costs and reasonable attorney's fees incurred. Additionally, attorney's fees incurred in enforcing any judgment are recoverable as a separate item, and this paragraph regarding post-judgment attorney's fees shall be severable from the other provisions of this Agreement, shall survive any judgment, and shall not be deemed merged into any judgment.

17.9 Language. This Agreement is in the English language only, which language shall be controlling in all respects, and all versions hereof in any other language shall not be binding on the parties hereto. All notices to be made or given pursuant to this Agreement shall be made in the English language.

17.10 Parties Represented by Counsel. The Parties acknowledge that each Party to this Agreement has been represented by counsel in connection with this Agreement. Accordingly, any rule of law or any legal or administrative decision that would require interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived.

17.11 Equitable Relief. If either Party breaches any of its obligations with respect to confidentiality, or if such a breach is likely to occur, the other Party shall be entitled to equitable relief, including specific performance or an injunction, in addition to any other rights or remedies, including money damages, provided by law.

17.12 Independent Contractor. Brilliant is interested only in the results obtained hereunder; the manner and means of achieving the results are subject to Supplier's sole control. The Parties are independent contractors for all purposes. There is no relationship of agency, partnership, joint venture, employment or franchise between the Parties. Supplier has no authority to bind Brilliant or to incur any obligations on Brilliant's behalf. Except as otherwise outlined in the Agreement, Supplier shall be responsible for all costs and expenses incident to completing each PO and shall provide its own supplies and equipment. Supplier acknowledges and agrees that Supplier and Supplier's employees, agents or contractors are not entitled to any employee benefits of Brilliant, including without limitation, group health insurance, workers' compensation insurance,

unemployment compensation, disability, liability, or any other type of insurance.

17.13 Entire Agreement, Modification. This Agreement, including any Exhibits or Product Schedules incorporated herein and POs issued hereunder, are intended to be the complete, final and exclusive statement of the terms of the agreement between the Parties and supersede any and all other prior or contemporaneous agreements and negotiations, oral or written, between them relating to the subject matter hereof and may be executed in one or more counterparts, each of which will be deemed an original, and all of which together shall constitute one and the same instrument. No modification, alteration or amendment shall be effective unless made in writing and signed by duly authorized representatives of both parties.

EXHIBIT A-[]
PRODUCT SCHEDULE

SAMPLE

[THE PRODUCT SCHEDULE SHOULD BE COMPLETED WITH AS MUCH DETAIL AS POSSIBLE AS IT SETS FOR THE SCOPE OF EACH PARTY'S RIGHTS AND OBLIGATIONS. THE SPECIFICATION AND OTHER PROVISIONS SHOULD CONTAIN OBJECTIVE CRITERIA SO THERE IS NO DISPUTE AS TO WHETHER, FOR EXAMPLE, A PRODUCT COMPLIES WITH THE SPECIFICATION OR WHETHER A MILESTONE IS ACHIEVED. WHERE POSSIBLE, BRILLIANT INTERNAL CODE NAMES SHOULD BE USED.]

This Exhibit A-[] is entered into between **[FILL IN NAME OF SELLER]** ("Supplier") and Brilliant Home Technology, Inc. ("Brilliant") as of the date last signed below (the "Product Schedule"). This Product Schedule shall be governed by that Supply Line Agreement entered into between the parties as of **[FILL IN DATE OF AGREEMENT]** (the "Agreement"). Capitalized terms not defined in this Product Schedule shall have the meaning set forth in the Agreement.

1. Project Schedule Effective Date: **[INSERT DATE]**_____
2. Program Managers:

The Parties hereby appoint the following individual(s) as the program managers to act as such party's primary point of contact for purposes of this Product Schedule:

<i>Supplier</i>	<i>Brilliant</i>
Primary Contact	Primary Contact
Name:	Name:
Title:	Title:
Email Address:	Email Address:
Phone Number:	Phone Number:
Alternative Contact	Alternative Contact
Name:	Name:
Title:	Title:
Email Address:	Email Address:
Phone Number:	Phone Number:

3. Product Specifications:

General Description of Product:
[TO BE ADDED]

Product Specification as of Project Schedule Effective Date:
[TO BE ADDED]

- a. EMI/EMC Compliance.

Supplier understands that Brilliant's final end products are subject to certain EMI and EMC standards.

Supplier shall use commercially reasonable efforts to design the Products in such a way, that when it's integrated into Brilliant products, the combination will not cause any EMI or EMC problems in such products, where this is reasonable anticipated to be applicable. When applicable, Brilliant will make every reasonable effort to provide data, samples and support, so that the Supplier can meet any EMI and EMC requirements.

If a Product is deemed to be the source of an EMI and/or EMC problem in the finished Brilliant product, the Supplier will work diligently and in cooperation with Brilliant to address the problem as soon as commercially practicable. Supplier shall use reasonable commercial efforts to provide samples of such modified Product to Brilliant in ten (10) business days or within such other time period the parties may agree to from time to time. Supplier shall use reasonable commercial efforts to provide mass production parts that meet the new specification in the fastest possible time after approval.

Supplier is responsible for all costs associated with finding and resolving such EMI and EMC issues within the Products, including but not limited to, the engineering time and third-party test laboratory costs required to resolve the issues.

b. Additional Specifications.

(i) The specification for each respective Product is attached to this Exhibit A, as amended from time to time in accordance with Brilliant’s ECO process.

(ii) Then-current released version of document titled “Environmental Specification – General,” inclusive of all applicable related environmental specification documents related thereto.

Brilliant and Supplier acknowledge and agree that the foregoing is the Specification for the Product as of the Project Schedule Effective Date, and the Specification may be modified in accordance with the Agreement.

Product Packaging Requirements:

[Describe in detail any product packaging requirements. Also list all items that will be in the box with the Product (e.g., product, software, screen protectors, headsets, etc.)]

Product Labeling/Serialization Requirements:

[TO BE ADDED]

Required Certifications for Product:

[TO BE ADDED]

4. Product Pricing*:

Product	Product Includes Brilliant Customizations? Y or N	Production Price	Effectivity Period of Pricing	Service Parts Price (Non-Production)

Additionally, for prices after those months specified above, the Parties shall mutually confirm in writing the final, agreed to amount for each Product and the duration of such agreed to pricing (where such writing may be via email so long as it denotes mutual agreement as to the final pricing terms).

5. Lead Times for Products:

Product	Material Lead Time	Assembly Lead Time

6. Incoterms, Title and Risk of Loss:

Check which option shall apply:

___ The terms specified in Section 6.1 (Title and Risk of Loss) of the Agreement shall apply without modification.

___ The following terms and conditions shall apply to the Products purchased pursuant to this Product Schedule:

Alternative Incoterms:	
Alternative transfer of title and risk of loss terms:	

7. Re-Scheduling Terms:

Check which option shall apply: **[PLEASE COMPLETE]**

___ The Parties agree that the re-scheduling terms set forth in the Agreement shall govern the Products purchased pursuant to this Product Schedule without modification.

___ The Parties agree that the following re-scheduling shall govern the Products purchased pursuant to this Product Schedule:

[INSERT ALTERNATIVE HERE]

8. Cancellation Terms:

Check which option shall apply: **[PLEASE COMPLETE]**

___ The Parties agree that the cancellation terms set forth in the Agreement shall govern the Products purchased pursuant to this Product Schedule without modification.

___ The Parties agree that the following cancellation terms shall govern the Products purchased pursuant to this Product Schedule:

[INSERT ALTERNATIVE HERE]

9. Tooling:

Check with option shall apply: **[PLEASE COMPLETE]**

___ There is no Tooling for this Product.

___ Yes, there is Tooling for this Product.

Where “yes” is noted above, the following shall also apply:

What is the expected “life” of each Tool? (i.e., Number of shots? Number of parts made?)	
What is the per Tool price?	
How many Tools must Supplier maintain in support of requirements outlined in Section 9.11? (Minimum requirement of two (2))	

10. Repair Documentation Required:

Does Brilliant require schematics, gerber files or comparable documentation on the Product for repair purposes?

[PLEASE COMPLETE]

___ Yes ___ No

Where “yes” is noted above, include description of required documentation and expected delivery dates:

Description of Documentation	Required Delivery Date

IN WITNESS WHEREOF, the Parties hereto have caused this Product Schedule to be executed by their duly authorized officers.

“Brilliant”
Brilliant Home Technology, Inc.

“Supplier”
[FILL IN NAME OF SELLER]

By _____
Signature

By _____
Signature

Typed or Printed Name

Typed or Printed Name

Title

Title

Date

Date

SCHEDULE 1 to EXHIBIT A
DEVELOPMENT WORK

DESCRIPTION OF NRE AND DEVELOPMENT OBLIGATIONS
FOR PRODUCT SCHEDULE A-[]

[PLEASE COMPLETE]

Description of Product	Description of Development Work	NRE	Development Schedule	Payment Schedule

EXHIBIT B

MINIMUM INSURANCE REQUIREMENTS

Certificates of insurance for insurance policies required below shall be furnished by Supplier to Brilliant before the Effective Date of the Agreement and not later than ten (10) days prior to each insurance policy renewal date. Such insurance certificates shall be subject to the reasonable approval of Brilliant, but any acceptance of insurance certificates by Brilliant shall not limit or relieve Supplier of the duties and responsibilities with respect to maintaining insurance assumed by Supplier under this Agreement. If Supplier fails to provide a certificate of insurance for any required insurance policy, and any subsequent policy renewal, in a form reasonably acceptable to Brilliant within three (3) days after written notice that such certificate of insurance has not been received, or is reasonably disapproved, by Brilliant, then Brilliant, in addition to Brilliant's other rights and remedies under this Agreement, may obtain at Supplier's sole cost and expense a policy of insurance satisfying the insurance requirements related to such certificate of insurance.

1. Supplier shall, at its own expense, at all times during the Term of this Agreement provide and maintain in effect those insurance policies and minimum limits of coverage as designated below, and any other insurance required by law of the state and/or country in which Supplier is located.

A. **Workers' Compensation and Employer's Liability Insurance:** Workers' Compensation insurance or the equivalent for non-United States operations shall be provided as required by any applicable law or regulation and, in accordance with the provisions of all applicable laws. If Supplier's operations are in the United States, the employer's liability insurance shall be provided in amounts not less than \$1,000,000 per illness or injury.

B. **Commercial General Liability Insurance:** Supplier shall carry Commercial General Liability insurance covering all operations, including products liability, by or on behalf of Brilliant, and providing insurance for bodily injury, property damage, personal injury, blanket contractual, independent contractors, severability of interest and advertising injury, as those terms are defined by Commercial General Liability insurance policies, with limits of not less than \$8,000,000 each occurrence and \$8,000,000 in the aggregate. If Supplier's policy of Commercial General Liability insurance required under this Agreement is written on a claims-made basis, Supplier shall provide "tail coverage" for claims made for a minimum of one (1) year following the expiration or earlier termination of this Agreement (and such coverage shall be expressly set forth in the applicable Certificate of Insurance). Supplier shall furnish Certificates of Insurance annually to Brilliant as evidence of this required insurance. Brilliant and any other additional insureds required to be named in Supplier insurance policies under this Agreement, and their respective officers, directors, employees, agents and invitees, shall be included as Additional Insureds for the Commercial General Liability coverage required to be maintained by Supplier under this Agreement. Supplier's insurance must be the primary policy with respect to any loss.

C. **Business Interruption Insurance:** Supplier shall carry all risk property insurance providing coverage for Supplier's property and business interruption/loss of income/extra expense insurance in amounts satisfactory to cover at least nine (9) months of loss of income from Supplier's business.

D. **Errors and Omissions Insurance:** Supplier shall carry Errors and Omissions insurance providing coverage for Supplier's wrongful act(s) in Supplier's performance of technology services; or result in the failure of Supplier's Products to perform the function or serve the purpose intended. Errors and Omissions insurance shall be provided in amounts not less than \$3,000,000 per wrongful act.

E. **Comprehensive Automobile Liability Insurance:** Supplier shall carry Automobile Liability Insurance of at least \$1,000,000 for each person and accident, bodily injury and property damage combined. Comprehensive Automobile Insurance shall include coverage for Owned, Hired and Non-Owned automobiles.

F. **Property Insurance:** Property insurance is required with limits equal to or greater than the replacement value of any Brilliant property under the care, custody and control of the Supplier.

2. Evidence of coverage set forth herein shall provide to Brilliant thirty (30) days written notice prior to cancellation, termination, alteration or material change to such insurance. Brilliant shall have the right to inspect or obtain a copy of the original policies of insurance evidencing this coverage. Supplier will provide Brilliant with a certificate of insurance

evidencing the required insurance coverage along with the copy of the additional insured endorsement on the general liability policy, and the waiver of subrogation endorsement on the workers' compensation policy within the time periods set forth above ("Certificate of Insurance"). New certificates shall be sent to Brilliant upon renewal or expiration of the insurance policy.

3. All such insurance shall be written by insurance companies who maintain a current A.M. Best rating of A-, VII or better. All insurance documents shall be signed by an authorized representative of the insurance company(ies) and shall be issued and submitted to the following (or such other address specified by Brilliant from time to time): Brilliant Home Technology, Inc., Attention: Brilliant Risk Management Department, 241A S. San Mateo Drive, San Mateo, CA 94401.

4. These policies shall provide that such insurance shall not be canceled, materially altered, or non-renewed without affording Brilliant at least thirty (30) days advance written notice.

EXHIBIT C

SUPPLIER CODE OF BUSINESS CONDUCT

1. **Supplier Integrity, Ethics Program Expectations**

Brilliant Home Technology, Inc. is committed to the highest codes of legal and ethical conduct. In support of this commitment, Brilliant has adopted a Supplier Code of Business Conduct (“Code”). This Code applies to all contractors, consultants and agents, providing services for, representing or acting on behalf of Brilliant (each a “Supplier”). We require Suppliers to maintain an effective integrity, ethics and compliance program and to meet the requirements of this Supplier Standards of Business Conduct.

2. **Raising Questions and Reporting**

No code or policy can anticipate every situation or provide definitive answers to all questions that may arise. Accordingly, this Code is intended to highlight areas of ethical risk, provide guidance in recognizing and dealing with ethical issues, and establish mechanisms to report unethical conduct. Each of us is responsible for adhering to the codes in this Code, for raising questions if we are in doubt about the best course of action, and for reporting possible misconduct promptly after it comes to our attention.

Suppliers can report concerns or possible misconduct (including complaints or concerns about accounting, internal accounting controls or auditing matters) by contacting Brilliant’s Office of General Counsel at legal@brilliant.tech or through Brilliant’s ethics email at ethics@brilliant.tech.

Our Suppliers should provide their employees with avenues for raising legal or ethical issues or concerns without fear of improper retaliation. Our Suppliers should also take action to prevent, detect, and correct any retaliatory actions.

It is important that Brilliant be made aware of circumstances that may indicate possible violations of law or this Code. Brilliant and applicable law prohibit any form of retaliation for raising concerns or reporting possible misconduct in good faith or for assisting in the investigation of possible misconduct.

3. **Compliance with Laws**

It is Brilliant’s policy to conduct its business in accordance with all applicable laws, rules and regulations of the United States and all countries in which Brilliant does business. Brilliant expects all Suppliers to carry out their responsibilities on behalf of Brilliant in accordance with the law and to refrain from illegal conduct. Our Suppliers must act ethically always and ensure the integrity of their operations. Acting with integrity means being accountable for the highest codes of behavior. In addition, our Suppliers must comply fully with all applicable laws and regulations, their contractual obligations with us and this Code.

4. **The Responsible Business Alliance (RBA) Code of Conduct**

Brilliant expects our Suppliers’ providing goods or services used to produce electronics goods to comply with the RBA (formerly known as Electronics Industry Code of Conduct (EICC)) Code of Conduct, which supports our philosophy. Brilliant expects our Suppliers to comply with the RBA code regardless of local business practices or social customs.

For more information on the RBA and to view the RBA Code of Conduct, visit <http://www.responsiblebusiness.org/standards/code-of-conduct/>

5. **Conflicts of Interest**

Suppliers should avoid business and personal situations that may give rise to a conflict of interest. A “conflict of interest” occurs when an individual’s own interests (including the interests of a family member or an organization with which an individual has a significant relationship) interfere or appear to interfere with the interests of Brilliant. Many conflicts of interest or potential conflicts of interest may be resolved or avoided if they are appropriately disclosed and approved. In some instances, disclosure may not be sufficient and Brilliant may require that the conduct in question be stopped or that actions taken be reversed where possible.

6. Protecting Sensitive Information

Brilliant's confidential information is a valuable asset that should be protected. Suppliers are expected to protect the confidentiality of Brilliant's information, to use Brilliant's confidential information only for business purposes, and to limit dissemination of Brilliant's confidential information (both inside and outside Supplier) to those who have a need to know the information for business purposes in accordance with the terms of any applicable agreement between the Brilliant and the Supplier.

We require our Suppliers properly to handle and protect from improper disclosure any sensitive information, including classified, controlled, proprietary and personal information; competition sensitive information and intellectual property. Information should not be used for any purpose (e.g., advertisement, publicity, and the like) other than the business purpose for which it was provided, unless there is prior authorization from the owner. Suppliers must comply with all contractual obligations and applicable laws, including data privacy laws.

7. Security of Supply Chain

In addition to complying with our security requirements, Suppliers are encouraged to implement practices and procedures to ensure the security of their people, property and other assets, including their supply chain. Suppliers are encouraged to participate in the Customs-Trade Partnership Against Terrorism initiative of the United States Department of Homeland Security.

8. Intellectual Property

Brilliant respects the intellectual property rights of others. Suppliers are expected to conduct their activities on behalf of Brilliant in a manner consistent with applicable intellectual property laws and other binding obligations governing intellectual property rights, including protection against disclosure, theft and/or infringement of patents, copyrights, trade secrets and trademarks.

9. Anti-corruption

No one acting on behalf of Brilliant may use bribes, kickbacks or other corrupt practices in conducting Brilliant's business. Suppliers must comply with the Foreign Corrupt Practices Act whether located in the United States or abroad. The Foreign Corrupt Practices Act is a U.S. law that generally prohibits giving, offering or promising anything of value to a foreign official, or a foreign political party, candidate or official, for the purpose of influencing them to misuse their official capacity in order to obtain or keep business or direct business to anyone, or gain an improper advantage.

We require our Suppliers to refrain from offering or making any improper payments of money (or anything of value) to government officials, political parties, candidates for public office, or other persons. This includes a prohibition on facilitating payments intended to expedite or secure performance of a routine governmental action that the government official is already obligated to perform like obtaining a visa or customs clearance, even in locations where such activity may not violate local law. Payments made to protect personal safety are permitted where there is an imminent threat to health or safety but must be properly recorded and reported to the buyer representative as promptly as possible under the circumstances.

We require our Suppliers to use due diligence to prevent and detect corruption in all business arrangements, including partnerships, subcontracts, joint ventures, offset agreements, and the hiring of intermediaries such as agents or consultants.

10. Gifts and Business Courtesies

We believe our Suppliers should compete on the merits of their products and services. The exchange of business courtesies may not be used to gain an unfair competitive advantage or exercise improper influence. In any business relationship, our Suppliers must ensure that the offering, receipt of any gift, or business courtesy is permitted by law and regulation and complies with any contractual obligations, and that any exchanges do not violate the rules and standards of the recipient's organization, and are consistent with reasonable marketplace customs and practices.

Actions taken on behalf of Brilliant should be free from any suggestion that favorable treatment was sought by, received from, or given to individuals or organizations that do business or are seeking to business with Brilliant. Neither Brilliant employees nor Suppliers may solicit or accept gifts, money, services or anything else of value when doing so may

influence, or be perceived as influencing, a decision or action. Similarly, neither Brilliant employees nor Suppliers may offer or give gifts, money, services or anything else of value when doing so may influence, or be perceived as influencing, a decision or action.

11. Good Trade Practices

Our Suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the import of parts, components, and technical data. We require our Suppliers to provide truthful and accurate information and obtain appropriate licenses and/or consents where necessary.

Our Suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the export of parts, components, and technical data. We require our Suppliers to provide truthful and accurate information and obtain appropriate licenses and/or consents where necessary.

Suppliers must comply with any applicable laws and regulations regarding conflict minerals and assist us in meeting our obligations under law and regulation. We report annually to the United States Securities and Exchange Commission on our use of conflict minerals (tantalum, tin, tungsten and gold) originating in the Democratic Republic of Congo (DRC) or any of the DRC's adjoining countries in products manufactured or contracted to be manufactured by the company and are required to conduct due diligence on the use of conflict minerals in our supply chain. Our Suppliers must support our efforts to conduct due diligence on the use of conflict minerals in our supply chain, including the identification of products in their supply chain that contain conflict minerals and validating the country of origin of these minerals.

12. Accurate Records

Suppliers must create and maintain accurate records. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. When a record is no longer needed to conduct current business, records should still be retained based on the applicable retention requirements. Suppliers must not falsify or provide fraudulent records, billings or other statements to us or our customers.

Please review this Code carefully and give copies to any of your employees or associates who you believe should be aware of these policies. If you have any questions about this policy, please contact Brilliant's Office of the General Counsel.

EXHIBIT D

CAPACITY, RESCHEDULE AND CANCELLATION SCHEDULES

Table Applicable to Section 4.5 of the Agreement:

Except as agreed to otherwise by the Parties in a Product Schedule, the following shall apply to each Product:

Number of Days Prior to Scheduled Delivery Date* ¹	Allowable Increases (%) to PO or then-current Forecast	Maximum Reschedule Quantity per PO or then-current Forecast
0-30	20%	50%
31-60	40%	70%
61-90	60%	100%
91+	100%	100%

*Where lead-time of a Product is less than 90 days, this chart will be adjusted as appropriate to account for the shortened manufacturing cycle.

Table Applicable to Section 4.6:

Except as agreed to otherwise by the Parties in a Product Schedule, the following shall apply to each Product:

Status of Product Prior to Scheduled Delivery Date	Allowable Cancellation	Financial Responsibility of Ordering Entity
Product is in finished goods form*	No cancellation allowed	Subject to Section 4.7, 100% (e.g., standard purchase of the Products cancelled).**
Materials received by Supplier for Product, but not in finished goods form	Cancellation allowed	Subject to Section 4.7, cancellation allowed subject to cancellation charges for ACTUAL material costs of UNIQUE parts purchased to lead-time of such materials for the PO being cancelled and which cannot be cancelled by Supplier or otherwise reused. If partial assembly has been completed, that too will be taken into account based upon the assembly lead time for this Product. The cancellation costs shall not include profit or mark-up.
Materials <u>not</u> received by Supplier for Product, but on order or in-transit	Cancellation allowed	Subject to Section 4.7, the parties will negotiate the amounts payable by the Ordering Entity, not to exceed the actual cost of the impacted material(s) at the time of cancellation. The cancellation costs shall not include profit or mark-up.
Outside of lead-time for Product**	Cancellation allowed	No charges unless expressly agreed otherwise by the Parties in writing

* For purposes of this Exhibit D, a unit of Product shall be deemed “finished goods” if it is manufactured, assembled, tested and packaged by Supplier for Brilliant (or an Ordering Entity) and are ready for sale/shipment to the Designated Delivery Location.

** If Supplier elects to build Products ahead into finished goods form, Supplier will only be compensated based on the delta between what the WIP would have been and the standard purchase price for the Product. To determine what the WIP would have been, the parties will calculate the standard manufacturing lead-time relative to original scheduled Delivery Date, with the assumption that Supplier would customarily begin manufacture and assembly only on a schedule to have the materials in finished goods form just before shipment from the factory.

For purposes of this Exhibit D, “lead-time” shall mean either (a) the time period(s) set forth in a Product Schedule for the Product or (b) if none is so designated, the number of days from the date a PO is submitted until the time it is delivered to Designated Delivery Location.