

GENERAL TERMS AND CONDITIONS FOR INDIRECT GOODS AND SERVICES

These General Terms and Conditions for Indirect Goods and Services (including the applicable Annex attached hereto) (the “GTCs”) are by and between Lucid USA, Inc., dba Lucid Motors, a Delaware corporation, and its Affiliates, with offices at 7373 Gateway Blvd, Newark, CA 94560 (“Lucid”), and the entity with whom Lucid has issued a PO (“Supplier”) effective as of the date of the PO (the “Effective Date”) and governs Supplier’s provision of all services, goods, and equipment (“Deliverables”). Lucid and Supplier are each a “Party”, and collectively, the “Parties”.

1. THE AGREEMENT

Unless the parties mutually agreed to contract terms fully executed by both parties, these GTCs, together with a purchase order (“PO”), and related change orders, constitute the exclusive and entire agreement between Lucid and Supplier with respect to its subject matter and merges, integrates and supersedes all prior and contemporaneous agreements and understandings between the parties. Additional terms and conditions for the purchase of capital equipment and related services are set forth in **Annex 1**. These GTCs are deemed accepted at the earlier of (a) five (5) calendar days after Lucid delivers the PO to Supplier unless Supplier provides Lucid with written rejection of the PO, (b) Supplier provides acknowledgment of the PO (which may occur via an electronic data interface or email), or (b) Supplier begins performance of Deliverables. If Supplier objects to any terms or conditions in a PO, Supplier must inform Lucid and propose alternative terms in a counteroffer. If Lucid accepts the counteroffer, Lucid will issue a revised PO with the alternative terms. If a revised PO is not issued to Supplier by Lucid, the Parties acknowledge and agree that such counteroffer is expressly rejected. Any alternative terms are expressly rejected unless incorporated into a PO issued by Lucid. Without limitation, any additional, contrary or different terms contained in any of Supplier’s confirmations, invoices or other communications, whether written or oral, and any other attempt to modify, supersede, supplement or otherwise alter this GTCs, are deemed rejected by Lucid unless such terms have been fully approved in a signed writing by authorized representatives of both Parties. Lucid may at any time cancel all or any part of a PO. Upon such cancellation, Supplier will, to the extent and at the times specified by Lucid, stop all work pertaining to the cancelled portion of the PO, incur no further costs, and protect all property in which Lucid has or may acquire an interest. Lucid will not be responsible for any costs in connection with a cancelled PO except for payment of the portion of the Deliverables provided prior to notice of the cancellation.

2. INVOICING

Lucid will not be required to pay Supplier any amounts other than the charges payable to Supplier under, and calculated, in accordance with a PO. Charges may not be increased during the term of the PO. Supplier shall submit invoices to Lucid monthly in accordance with the method of electronic communication and in the format specified by Lucid. Payment of Supplier’s invoices shall be due EOM NT60 days of receipt of each invoice by Lucid; provided, however, that (i) Lucid may withhold payment of any invoiced charges that Lucid disputes in good faith; (ii) payment of any charges shall not be deemed an approval of such charges, and Lucid may later dispute such charges; and (iii) payment of charges shall not relieve Supplier of any of its warranties or other obligations. If Supplier owes Lucid a credit or other amount (e.g., for delay or failure to achieve a milestone), Supplier will pay that amount by check or wire transfer within 45 days. Lucid may, upon written notice to Supplier, set off or recoup against sums payable by Lucid to Supplier any amounts for which Lucid determines in good faith Supplier is liable to Lucid. Charges, if any, that Supplier fails to invoice to Lucid within 120 days of the date that such charges should have been billed to Lucid will not be payable by Lucid.

3. TAXES

Each party remains solely responsible for taxes imposed or assessed on such party and its affiliates (or their activities). The only taxes for which Lucid will be responsible for paying Supplier are the Service-Related Taxes applicable to the Deliverables. Supplier’s invoices shall: (i) include any taxes; (ii) include a breakout between taxable and non-taxable charges; and (iii) show the tax rate, the value against which the tax rate is applied, and the total amount of tax due. If laws, rules or regulations require the withholding of income taxes or other taxes imposed upon payments, Lucid shall make such withholding payments as required and subtract such withholding payments from the payments. “**Service-Related Taxes**” means, for each project, transactional taxes in respect of the Deliverables that Supplier is legally responsible to collect and remit to the applicable taxing authorities and for which Lucid is responsible for paying or reimbursing Supplier, and does not include any taxes that are assessed on any goods or services used or consumed by Supplier (or its subcontractors) in providing the Deliverables where the tax is imposed on Supplier’s (or its subcontractor’s) acquisition or use of the goods or services in its provision of the Deliverables.

4. SERVICES

- 4.1 **Relationship of the Parties.** Supplier is an independent contractor and is not an agent, servant, employee, legal representative, partner or joint venturer of Lucid.
- 4.2 **Supplier Personnel.** Supplier will manage, supervise and provide direction to Supplier Personnel and cause them to comply with the obligations and restrictions applicable to Supplier. Supplier is responsible for the acts and omissions of Supplier Personnel. Supplier is responsible for validating the identity of and ensuring that Supplier Personnel assigned to perform Deliverables (i) have the legal right to work in the country(ies) in which they are assigned to work, and (ii) conform to all applicable Lucid Policies with respect to personal and professional conduct (including the wearing of an identification badge and adhering to general safety, dress, behavior, and security practices); and (iii) perform background checks of the personnel pursuant to Lucid Policies. “**Supplier Personnel**” means any personnel furnished by Supplier to perform any part of the Deliverables, including employees and independent contractors of Supplier, its affiliates and subcontractors.

5. PURCHASE OF GOODS

- 5.1 **Goods Warranty.** Supplier, on behalf of itself and its suppliers, represents and warrants to Lucid that the Deliverables will (i) be new and conform to all specifications and quality standards that have been furnished, specified or approved by Lucid; (ii) conform to all applicable Laws; (iii) be merchantable; (iv) be of good material and workmanship and free from defect; (v) be fit and sufficient for any use that is compatible with the description, purpose and specifications for the Deliverables; (vi) be fit and sufficient for the purposes intended by Lucid, including any specified performance in the component, subsystem, system, or location within the vehicle; (vii) be free and clear of any liens and encumbrances and will not infringe any Intellectual Property right of any third party; (viii) be free of malware and any malicious code or any code that causes a Lucid product to interoperate in an unintended manner; and (ix) will not cause any software or technology contained within or offered by Lucid to become subject to any license obligations or other Intellectual Property rights or restrictions of any third party, including any obligations that require attribution or that such software be licensed for the purpose of making derivative works or be redistributed in source code form or free of charge. “**Law(s)**” means any statute, regulation, ordinance, rule, order, decree or governmental requirement enacted, promulgated or imposed by any governmental authority at any level (e.g., municipal, county, province, state or national). For clarity, “**Law(s)**” includes all Anti-Bribery Laws.
- 5.2 **Delivery.** Time is of the essence with respect to the provision of Deliverables. Supplier will pack and ship Deliverables in accordance with industry standards and all applicable Laws, including labeling and hazardous materials instructions. Deliverables will be delivered DDP (Incoterms 2020) Lucid’s designated ship-to location and title will transfer upon receipt of the Deliverables by Lucid at such facility. Lucid may: (i) reject and return any non-conforming Deliverables to Supplier at Supplier’s expense, (ii) have the purchase order reduced by the number of Deliverables rejected by Lucid, (iii) require Supplier to deliver conforming Deliverables as soon as possible, (iv) retain and remediate or require Supplier to remediate the Deliverables at a location specified by Lucid, at Supplier’s expense, or (v) procure substitute Deliverables from an alternative supplier and charge back to Supplier the difference in price.
- 5.3 **Deliverables.** Supplier warrants that (i) each Deliverable will not, from the time of delivery to Lucid through the period ending one year after Lucid’s final acceptance of the Deliverable, deviate in any material respect from the specifications for such Deliverable; (ii) any software or system documentation developed for Lucid by or on behalf of Supplier will accurately and with reasonable comprehensiveness describe the operation, functionality and use of the software or system; and (iii) any Deliverables and other components of the Deliverables that are intended to interact or otherwise work together as part of a functioning system as indicated in their specifications under which they are to be produced, will be compatible and will properly inter-operate and work together as components of an integrated system. Deliverables will be subject to acceptance tests which are reasonably specified by Lucid and/or mutually agreed in writing by the Parties. Lucid shall not be liable, and Supplier shall not invoice Lucid, for any Deliverables which have not passed the applicable acceptance tests.

6. DATA SECURITY

- 6.1 **Security.** Supplier will: (i) establish, implement and maintain commercially reasonable safeguards against the destruction, loss, alteration and unauthorized access and use of Lucid Data in the possession or control of Supplier (or its subcontractors) that are no less rigorous than those maintained by Lucid as of the Effective Date and are no less rigorous than those maintained by Supplier for its own data of a similar nature; and (ii) comply with Lucid’s information and data security policies as disclosed to Supplier from time to time. “**Lucid Data**” means all data and information regarding Lucid, its customers and suppliers that is either: (i) furnished, disclosed or otherwise made available to Supplier Personnel, directly or indirectly, by or on behalf of Lucid; or (ii) collected or created by Supplier Personnel on behalf of Lucid in the course of performing the Deliverables. Lucid Data will be deemed to be Confidential Information subject to the NDA.

- 6.2 **Personal Data.** Certain elements of Lucid Data may be considered Personal Data. Supplier agrees that such Personal Data is disclosed to Supplier for the limited purpose of providing the Deliverables (including but not limited to the sale of goods). Supplier shall not sell, share, or otherwise disclose Personal Data to any third or combine Personal Data with any data it receives from any third party unless expressly agreed by Lucid and permitted by the Privacy Laws. Supplier shall reasonably cooperate with, and provide any necessary information and support to, Lucid for Lucid to fulfill any obligations (including, without limitation, fulfilling data subject rights requests) under the Privacy Laws. To the extent required by the Privacy Laws, Supplier is a service provider when delivering Deliverables to Lucid. “**Personal Data**” means data relating to, or that may be used to identify (alone or in combination with other information), an identified or identifiable natural person under the Privacy Laws. “**Privacy Laws**” means any applicable data protection laws that apply to the collection, use, storage, or transfer of Personal Data as may be defined in those laws including, but not limited to, (i) the General Data Protection Regulation (EU) 2016/679, Directive 2002/58/EC (as amended by Directive 2009/136/EC) as well as any similar laws in other European countries, and (ii) the data protection laws and regulations of the United States as may be in effect and applicable (including the California Consumer Privacy Act, the California Privacy Rights Act, the Virginia Consumer Data Protection Act, etc.).
7. **CONFIDENTIALITY.** Lucid’s mutual non-disclosure agreement as of the Effective Date in effect between the Parties (“**NDA**”) sets forth the Parties’ respective confidentiality obligations hereunder. The NDA is hereby incorporated by reference in the GTCs, and the terms and conditions of the NDA will continue in force throughout the duration of the GTCs. Supplier and its representatives (a) will protect and keep confidential the PO and GTCs, any other information obtained from Lucid related to Deliverables or during the performance of the Deliverables, or the manner of its disclosure, reasonably should be considered confidential or proprietary (including without limitation all information relating to Lucid’s technology, customers, business plans, marketing activities, and finances), (b) will use such information only for the purpose(s) for which it was originally disclosed and in any case only for the purpose of fulfilling its obligations under these GTCs, (c) shall immediately (and in no case more than 48 hours) notify Lucid after learning of any loss (whether actual or threatened) of confidentiality of any Lucid Confidential Information (including but not limited to Lucid Data), and (d) will return all such information to Customer promptly upon the termination of these GTCs. All such information will remain Lucid’s exclusive property, and Supplier will have no rights to use such information except as expressly provided herein. This provision will remain in effect beyond termination of any GTCs.
8. **NON-PUBLICITY.** Supplier will not use any trade name, trademark, service mark, logo, commercial symbol, or any other Intellectual Property of Lucid or publicize a relationship with Lucid in any manner (including any use in any client list, press release, advertisement, or any other marketing or promotional material) without prior written authorization of such use by Lucid.
9. **INTELLECTUAL PROPERTY RIGHTS**
- 9.1 **License.** To the extent Supplier’s Intellectual Property is embodied or incorporated in the Deliverables, Supplier hereby grants Lucid a non-exclusive, worldwide, perpetual, irrevocable, fully paid up license to use, make, have made, sell, offer to sell, reproduce, perform, display, distribute, and import Supplier’s Intellectual Property, adapt, modify, and create derivative works of such Supplier’s Intellectual Property, and sublicense the foregoing rights. “**Intellectual Property**” means, with respect to a party, any intellectual property that is (i) pre-existing intellectual property that is owned or controlled by such party as of the Effective Date, or (ii) created, conceived or first reduced to practice by such party other than in the course of the work performed under these GTCs. Intellectual Property means also all Intellectual Property throughout the world, whether existing now or in the future, whether patentable or not, including: (i) all patent rights and other rights in useful inventions and ornamental designs; (ii) all copyrights and other rights in works of authorship, software, databases, compilations, and collections of information; (iii) all rights in know-how and trade secrets, domain names, trademarks, service marks, and other proprietary trade designations.
- 9.2 **License.** To the extent Supplier’s Intellectual Property (as defined below) is embodied or incorporated in Deliverables, or is reasonably required to use the Deliverables, Supplier hereby grants Lucid a non-exclusive, worldwide, perpetual, irrevocable, fully paid up license to use, make, have made, sell, offer to sell, reproduce, perform, display, distribute, and import Supplier’s Intellectual Property, adapt, modify, and create derivative works of such Supplier’s Intellectual Property, and sublicense the foregoing rights. “**Intellectual Property**” means all intellectual property throughout the world, whether existing now or in the future, whether patentable or not, including, but not limited to: (a) all patent rights and other rights in useful inventions and ornamental designs; (b) all copyrights and other rights in works of authorship, software, databases, compilations, and collections of information; and (c) all rights in know-how and trade secrets, domain names, trademarks, service marks, and other proprietary trade designations.
- 9.3 **Lucid Materials.** Lucid grants Supplier a limited, nonexclusive, non-transferable, no-charge license during the Term to use the Lucid Materials for the sole purpose of providing the Deliverables. When Lucid Material is no longer required for performance of the Deliverables, or in any event upon expiration or termination of the applicable GTCs, Supplier will return it to Lucid in an agreed format or, at Lucid’s election, destroy it and certify the destruction of all copies in Supplier’s (and any subcontractor’s) possession or control. “**Lucid Materials**” means all information systems and technology, software, documentation, prototypes, tools, methods, forms, processes, workflows, data, compilations, designs, manuals, specifications and other material owned, licensed to, or developed by Lucid (or its Affiliates) that is made available to Supplier for use in rendering the Deliverables and any derivative works made thereto by Supplier.
- 9.4 **Ownership.** Lucid retains all right, title and interest in and to Lucid Materials and derivative works thereto made by Supplier. Lucid will own all Intellectual Property in and have the sole right to use all Deliverables and other work product created by Supplier or Supplier Personnel for Lucid under the GTCs (collectively, “**Developed Material**”). Developed Material will be deemed to be works made for hire owned by Lucid upon their creation. To the extent that any such Developed Material is not deemed to be a work made for hire and the property of Lucid by operation of Law, Supplier irrevocably assigns, transfers and conveys to Lucid, without further consideration, all of its right, title and interest in and to such Developed Material. Except as otherwise set forth in the GTCs, Supplier retains all right, title and interest in and to Supplier’s Intellectual Property.
10. **TERM; TERMINATION**
- 10.1 **Term.** In the absence of an executed agreement, these GTCs shall remain in effect until terminated or is superseded by a subsequent PO.
- 10.2 **Termination.** Lucid may terminate these GTCs as follows: (a) if Supplier has breached any material obligation under the GTCs and does not cure the breach within 15 days after receiving notice of it from Lucid, provided that Supplier will not be afforded any additional time or opportunity to cure if Supplier has previously breached the same material obligation; or (b) for convenience (i.e., without cause) at any time by giving Supplier at least 30 days’ prior written notice.
- 10.3 **Operational Transition.** Upon termination or expiration of these GTCs, Supplier will deliver to Lucid and/or a subsequent supplier any remaining property of Lucid in Supplier’s possession, including reports, data, work product, and Confidential Information (alternatively, as requested by Lucid, Supplier will destroy such property), and certify that all such Lucid property has been removed from Supplier’s systems, premises and control and either returned or destroyed. All materials in electronic form shall be delivered to Lucid on such media and in such file format as Lucid may direct.
11. **REPRESENTATIONS AND WARRANTIES**
- 11.1 **Performance of Deliverables.** Supplier represents and warrants that it will perform all Deliverables (i) in accordance with the GTCs; (ii) in a good, professional and workmanlike manner, free from defects in material and workmanship and in accordance with industry standards; (iii) in strict accordance with the specifications, samples and other descriptions provided to Lucid or approved or adopted by Lucid; (iv) in compliance with all applicable Laws; (v) efficiently and in a cost-effective manner subject to the requirements of these GTCs; and (vi) using qualified personnel with suitable training, education, experience and skill to perform the Deliverables in accordance with timing and other requirements of these GTCs.
- 11.2 **Non-Infringement.** Supplier represents and warrants that: (a) the Deliverables will not infringe or misappropriate any Intellectual Property rights of any third party; (b) Supplier has all rights and licenses necessary to convey to Lucid the ownership of (or license rights to Use) as required under these GTCs, all Intellectual Property rights in Deliverables, Developed Materials and other materials provided to Lucid; and (c) no Deliverables or other materials provided to Lucid, nor their use by Lucid will infringe or constitute an infringement or misappropriation of any Intellectual Property rights of any third party.
- 11.3 **Debarment.** At all times throughout the Term, Supplier represents and warrants that it shall not be: (a) debarred, suspended, excluded or disqualified from doing business with the United States Government; or (b) listed on the Excluded Parties List System maintained by the General Services Administration of the United States Government (found at www.epls.gov); or (c) an entity with which U.S. entities are prohibited from transacting business of the type contemplated by these GTCs or with which U.S. entities must limit their interactions to types approved by the Office of Foreign Assets Control, Department of the Treasury (“**OFAC**”), such as by Law, executive order, trade embargo, economic sanction, or lists published by OFAC. Supplier agrees to immediately notify Lucid in writing in the event Supplier breaches any of its representations and warranties or has reason to believe that it will become in breach of any of such representations and warranties
12. **INSURANCE**
- 12.1 **Types of Insurance.** Supplier shall procure and maintain (and shall cause each subcontractor to maintain), at its sole cost and expense, and upon request furnish to Lucid a certificate evidencing the following insurance: (a) commercial general liability insurance with minimum coverage of at least One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and/or broad form property damage, including products/completion operations, as well as contractual liability coverage and naming Lucid as an additional insured; (b) employer’s liability insurance with minimum coverage of at least One Million Dollars (\$1,000,000); (c) automobile liability insurance on all owned, non-owned and/or hired vehicles with minimum coverage of at least One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and/or property damage, and physical damage insurance for the actual cash value of each such vehicle; (d) if applicable, all risk property perils insurance covering the full

- replacement value of Lucid's property while in Supplier's care, custody, or control and naming Lucid as loss payee; and (e) errors and omissions liability insurance covering liability for loss or damage due to an act, error, omission or negligence, with a minimum limit per event of One Million Dollars (\$1,000,000). Supplier shall comply with all applicable workers' compensation and/or other Laws that may accrue in favor of any Supplier Personnel in all locales where Supplier Personnel perform(s) in connection with these GTCs. Supplier shall also procure and maintain any additional compulsory insurance coverage as required by applicable laws or statutes in states or jurisdictions where Supplier Personnel perform(s) in connection with these GTCs.
- 12.2 **Insurance, Generally.** Supplier will be responsible for all deductibles and retentions with regard to its insurance. In the case of loss or damage or other event that requires notice or other action under the terms of any insurance coverage described above, Supplier will be solely responsible for taking such action. The coverage limits set forth herein are minimum acceptable limits only; in the event that any of Supplier's insurance policies contain limits greater than those required, the additional insured status shall extend to the full policy limits. Supplier will provide Lucid with contemporaneous notice and such other reasonable and relevant information as Lucid may request regarding the event. The policies shall: (a) include Lucid and the Indemnified Parties as defined in these GTCs as additional insureds on a primary and non-contributory basis; (b) provide for severability of interests; (c) provide for waiver of subrogation; (d) be with one or more insurance companies rated A minus or better (as determined by A.M. Best & Company), and licensed to do business in the locations where Deliverables are to be performed; and (e) require the Supplier to give Lucid at least 30 days' prior written notice of non-renewal or cancellation that may affect Lucid's rights thereunder. Supplier will furnish to Lucid a certificate evidencing such coverages, upon request.
13. **INDEMNIFICATION**
- 13.1 **Indemnification by Supplier.** To the full extent permitted by applicable Law, Supplier will indemnify, defend and hold harmless Lucid, including its Affiliates, and their respective directors, officers, employees, distributors, agents, dealers, successors and assigns ("**Indemnified Parties**"), for all claims, liabilities, fines, penalties, damages, costs and expenses (including attorney fees, settlements, judgments, consequential damages and lost profits) (collectively, "**Losses**") incurred by the Indemnified Parties in connection with all claims (including lawsuits, administrative claims, regulatory actions, allegations and other proceedings to recover for personal injury or death, property damage, or economic losses) (collectively, "**Claims**") that in any way relate to or arise out of (a) any breach or non-fulfillment of Supplier's representations, warranties, performance or obligations under the GTCs; (b) any property damage, personal injury or death to the extent caused by any action or inaction of Supplier or the Supplier Personnel; (c) Supplier's or the Supplier Personnel's failure to comply with of applicable Laws; (d) any claim by or regarding Supplier Personnel against Lucid, including, but not limited to, any claim or allegation that Supplier Personnel are entitled to any compensation, benefits, or other rights from Lucid or any claim that Supplier Personnel are co-employed by Lucid and Supplier, or any claim that would otherwise be covered by workers compensation insurance; or (e) negligence, willful misconduct, fraud, misrepresentation, or violation of applicable Laws by Supplier or Supplier Personnel. Supplier's obligation to indemnify Lucid under this Section will apply regardless of whether the Claim arises in tort, negligence, contract, warranty, product liability, strict liability or otherwise.
- 13.2 **Infringement Claims.**
- (a) Supplier agrees to defend, hold harmless and indemnify the Indemnified Parties against any Losses resulting from Claims of infringement or misappropriation of the intellectual property rights of any third party and resulting damages and expenses (including attorney's and other professional fees, and litigation costs) arising out of or in connection with use or possession of any Deliverables. Such a defense and indemnification by Supplier includes direct and indirect infringement, including if the Deliverables, constitute only a portion of a patent claim, and this Supplier defense and indemnification shall apply even if Supplier was only making Deliverables in accordance with drawings or specifications supplied by Lucid. Lucid has the right to reasonably approve or reject Supplier's choice of attorneys for the defense, Supplier must keep Lucid fully informed of all activities in the defense, and Lucid has the unilateral right to take over the defense and/or settlement, with Supplier promptly reimbursing Lucid for all fees, costs, damages and settlement payments arising therefrom.
- (b) If any Deliverables become, or in Supplier's reasonable opinion are likely to become, the subject of an infringement or misappropriation Claim of a third party, Supplier will promptly notify Lucid in writing (the "**Infringement Notice**") and, at Supplier's expense and in addition to indemnifying the Indemnified Parties as provided in this Section 13 (Indemnification) and to the other rights Lucid may have under these GTCs: (i) promptly at Supplier's expense secure the right to continue manufacturing and selling the Deliverables; or (ii) if this cannot be accomplished, then replace or modify the Deliverables to make them non-infringing or without misappropriation; provided, however, that any such replacement or modification may not degrade the performance or quality of the Deliverables or disrupt Lucid's business operations. During the foregoing one hundred and eighty (180) -day period of time and unless prohibited by Law, Supplier shall not suspend delivery of the affected Deliverables and Supplier shall not increase the prices charged therefor as the direct result of such infringement or misappropriation Claim.
14. **LIABILITY. EXCEPT FOR LIABILITY FOR INDEMNIFICATION, LIABILITY FOR BREACH OF CONFIDENTIALITY, OR LIABILITY FOR INFRINGEMENT OR MISAPPROPRIATION OF INTELLECTUAL PROPERTY RIGHTS, OR AS OTHERWISE STATED IN THIS GTC, each party's liability for breach of these GTCs shall be limited to direct damages and in no event will either party be liable to the other for anticipated profits, interest, penalties or consequential, punitive, multiple, or exemplary damages.**
15. **DISPUTE RESOLUTION**
- 15.1 **Informal Dispute Resolution.** In the event any disputes, differences or controversies arise between the Parties, out of or in relation to or in connection with the provisions of these GTCs, the Parties shall thoroughly explore all possibilities for an amicable settlement.
- 15.2 **Jurisdiction and Venue.** Any dispute arising out of or relating to these GTCs that is not resolved through negotiation will be settled exclusively by final and binding arbitration conducted in accordance with the then-current Commercial Arbitration Rules of the Judicial Arbitration and Mediation Services/Endispute.
16. **MISCELLANEOUS**
- 16.1 **Permits.** Supplier will, at its cost and expense, obtain all necessary regulatory approvals, licenses, and permits (collectively, "**Permits**") applicable to its business and comply with all Laws applicable to its business or the performance of its obligations under these GTCs, as such Laws may be revised from time to time. To the extent Supplier (or any of its subcontractors) makes payments to any government official or any other person on behalf of Lucid, Supplier will maintain true, accurate and complete books and records concerning any such payments, including the purpose of each transaction.
- 16.2 **Laws.** Supplier will comply with, and perform the Deliverables in compliance with, all applicable Laws. To the extent not prohibited by Law, Supplier will promptly notify Lucid in writing of any investigation or inquiry into whether Supplier (or any of its subcontractors) is charged with failing to comply with any Laws that may or will impact, or are otherwise applicable to, Supplier's performance under these GTCs.
- 16.3 **Policies.** Supplier will comply with any Lucid policies, standards, rules, and procedures (collectively, "**Lucid Policies**") applicable to performance of the Deliverables or the Lucid Facility that are disclosed to Supplier in writing and as set forth in <https://lucidmotors.com/legal>, as such Lucid Policies may be revised from time to time.
- 16.4 **Force Majeure.** The affected party will promptly notify the other party of any Force Majeure Event and of its plans and efforts to implement a work-around, in which case the affected party will be excused from further performance of the affected obligations as long as the Force Majeure Event continues. The affected party will continue to use commercially reasonable efforts to perform to the extent possible and will comply with any applicable disaster recovery obligations. The affected party will notify the other party promptly when the Force Majeure Event has abated. If a Force Majeure Event prevents performance of the Deliverables for more than thirty consecutive days, then Lucid may terminate these GTCs as of a date specified by Lucid in a written notice of termination to Supplier, in which case Lucid will pay the charges for all Deliverables actually performed, but will not be liable for payment of any early termination charges or demobilization costs for the terminated Deliverables. "**Force Majeure Event**" means an event beyond the reasonable control of a party that delays or prevents the party from performing its obligations under these GTCs, provided that (a) the non-performing party is without fault in causing or failing to prevent the event, and (b) the event cannot be circumvented through the use of commercially reasonable alternative sources, workaround plans or other means.
- 16.5 **Waiver.** No failure or delay by a party in exercising any right, power or remedy will operate as a waiver of that right, power or remedy, and no waiver will be effective unless it is in writing and signed by an authorized representative of the waiving party. If a party waives any right, power or remedy, the waiver will not waive any successive or other right, power or remedy that a party may have.
- 16.6 **Remedies Cumulative.** All remedies provided in these GTCs are cumulative and in addition to and not in lieu of any other remedies available to a party under the GTCs, at law, or in equity.
- 16.7 **Assignment.** Supplier may not assign, transfer or otherwise convey or delegate any of its rights or duties under these GTCs to any other party (except to the successor in a merger or acquisition of Supplier) without the prior written consent of Lucid, and any attempt to do so will be void. These GTCs shall be binding upon the respective successors and permitted assigns of the parties.
- 16.8 **Governing Law.** These GTCs will be governed by the laws of the State of California, United States, excluding its rules on the conflict of laws. The Parties hereby consent to exclusive venue and jurisdiction for actions hereunder in the state and federal courts in Alameda County, California. The Parties expressly agree that the Uniform Convention on the International Sale of Goods shall not apply to any transaction between the Parties.
- 16.9 **Notices.** All formal notices, requests, demands, approvals and communications under these GTCs (other than routine operational communications) (collectively, "**Notices**") will be in writing and may be served either (i) in person or (ii) by registered or certified mail with proof of delivery. The Parties may mutually agree that certain types of routine approvals and notices of a non-legal nature may be given by electronic mail.

- 16.10 Order of Precedence. In the event of a conflict, the following order of precedence will apply (documents listed in descending order of priority): a) the applicable PO and any related change orders; b) contract terms fully executed by both parties; and c) these GTCs.
- 16.11 Severability. If any provision of an agreement is held invalid by a court with jurisdiction over the parties, such provision will be severed and the remainder of the agreement will remain in full force and effect.
- 16.12 Third Party Beneficiaries. These GTCs are entered into solely between Supplier and Lucid and/or its affiliate and, except for the parties' indemnification obligations under Section 13 (Indemnification) and the service recipients, will not be deemed to create any rights in, or any obligations to, any third parties.
- 16.13 Survival. Any provision of these GTCs that contemplates or governs performance or observance subsequent to termination or expiration thereof will survive the expiration or termination thereof for any reason, including the following Sections: 7 (Confidentiality), 9 (Intellectual Property Rights), 11 (Representations and Warranties of Supplier), 13 (Indemnification), 14 (Liability).

ANNEX 1 – PURCHASE OF CAPITAL EQUIPMENT

1.1 Provision of Contracted Items.

- (A) **Definitions.** Terms used in this Annex 1 with initial capitalization have the meanings specified in Exhibit 1, unless otherwise defined in the body of the GTCs.
- (B) **General.** Supplier will sell and provide, and Lucid will purchase, the Contracted Items in accordance with the terms of the GTCs. Unless otherwise provided in the PO, Supplier will design, engineer, manufacture or procure the Contracted Items and deliver and assist in the installation and start-up of Contracted Items at Lucid's Facility. If Lucid's PO identifies a Turnkey Project, Supplier shall provide training and Spares in accordance with the GTCs so as to provide Lucid with a Turnkey Project.
- (C) **Schedule.** Supplier will provide to Lucid for its approval a written critical path schedule for the performance of its obligations under the GTCs, including for design, manufacturing, delivery, installation, start-up, training, testing, and other obligations under the GTCs, including any applicable lead times for any purchases or aspects of Supplier's work (the "**Schedule**"). The Schedule will include all obligations of Supplier and Lucid required for the successful completion of the Preliminary Acceptance and Final Acceptance, and shall set forth the dates and milestones for successful achievement of Preliminary Acceptance and Final Acceptance. The Schedule must be approved in writing by Lucid. When approved by Lucid, the Schedule shall be incorporated by reference into the GTCs without the necessity of any further action by the Parties and Supplier shall be obligated to perform in accordance with the Schedule. Supplier and Lucid agree to promptly notify the other in writing of any anticipated or actual deviation from the Schedule, and the Parties will discuss the issue in good faith. Supplier will submit to Lucid a progress report on the first day of each month during the Term and, if applicable, proposed changes to the Schedule based on actual or anticipated deviations. Lucid must approve each change to the Schedule in writing, and each change must be reflected in a Change Order to be effective.
- (D) **Software, Media, and Documentation.** Supplier shall provide all Software (in source code and object code format), Media and Documentation to Lucid prior to Final Acceptance Testing of the Equipment, unless expressly stated otherwise in the GTCs. If Supplier is not required to provide any such materials directly to Lucid under the GTCs, Supplier shall deposit a copy of all such materials in escrow with an agreed, independent third party escrow agent. Unless otherwise stated in the GTCs, Supplier shall be responsible for paying the escrow agent's fees during the Warranty Period, and Lucid shall be responsible for paying such fees thereafter. The third party escrow agreement shall state that Lucid is entitled to prompt release of the escrowed materials upon written notice to the escrow agent of the occurrence of any of the Release Conditions. Lucid's Use of the Software, Media and Documentation will be subject to Section 9 of the GTCs (Intellectual Property) above.

1.2 Lucid Responsibilities.

- (A) **General.** In order to facilitate Supplier's performance of its obligations under the GTCs, Lucid will, at its own cost and expense, perform those tasks and fulfill those responsibilities of Lucid (including, as applicable, provision of Lucid-Supplied Items) as expressly set forth in the GTCs ("**Lucid Responsibilities**"). Supplier's performance of its obligations may be dependent in some circumstances on Lucid's timely and effective performance of the Lucid Responsibilities and timely decisions and approvals by Lucid.
- (B) **Savings Clause.** Lucid's failure to perform any of the Lucid Responsibilities (or cause them to be performed) will not constitute grounds for termination by Supplier; provided, however, that Supplier's nonperformance of its obligations under this GTCs will be excused if and to the extent (i) such nonperformance results from Lucid's failure to perform any Lucid Responsibilities, and (ii) Supplier provides Lucid with reasonable notice of such nonperformance and, if requested by Lucid, uses commercially reasonable efforts to perform notwithstanding Lucid's failure to perform. If Supplier's use of commercially reasonable efforts to perform in such a circumstance would cause Supplier to incur significant uncompensated expenses, Supplier may notify Lucid. In that case, Supplier's obligation to continue its efforts to work around Lucid's failure to perform will be subject to Lucid agreeing to reimburse Supplier for its actual, reasonable and incremental uncompensated expenses.
- (C) **Access to Lucid Systems and Facilities.**
 - (i) From time to time, Lucid may provide Supplier with access to proprietary computer systems and technologies owned and operated by Lucid and/or its affiliates (the "**Systems**") to facilitate the performance of Supplier's obligations under the GTCs. Supplier will only use the Systems for purposes of performing its obligations under the GTCs. Lucid may periodically monitor all uses of the Systems as allowed by law and review user access records maintained by Supplier. Supplier's users will have no expectation of privacy when using the Systems. Supplier shall be solely responsible for obtaining and maintaining the hardware and software it uses which are necessary to properly access the Systems and perform its obligations under the GTCs.
 - (ii) Lucid will provide Supplier's Personnel and agents reasonable access to and use of Lucid's Facility as strictly required for performance of Supplier's obligations under the GTCs. Supplier will use Lucid's Facility for the sole purpose of performing its obligations under the GTCs. Supplier will be responsible for any damage to Lucid's Facility caused by Personnel. Personnel must comply with all rules, restrictions, policies, procedures and guidelines applicable to Lucid's employees and other contractors, in addition to Supplier's own requirements relating to safety, obligations under Law and these GTCs.
 - (iii) Supplier shall permit Lucid, including its agents and representatives, at any time to enter into any portion of Lucid's Facility utilized by Personnel for purposes of performing the Services or delivering the Contracted Items. Supplier will return the area substantially in the same condition as upon commencing the Services or delivering the Contracted Items, subject to reasonable wear and tear.
 - (iv) Supplier acknowledges that any grant of access to Lucid's Facility is not a lease or grant of usufruct, that Supplier is merely being provided with rights of access to and use of Lucid's Facility to perform Supplier's obligations to Lucid, that Supplier is not a "lessee" or "tenant" with respect to Lucid's Facility, and that Supplier does not have any rights as a "lessee" or "tenant" or other property rights under applicable law with respect to Lucid's Facility. Supplier will have no expectation of privacy while accessing Lucid's Facility.

2. TURNKEY PROJECTS

- 2.1 **Definition.** A "**Turnkey Project**" is any project where Supplier supplies all components (including but not limited to equipment, tooling, and material handling, but excluding any Lucid-Supplied Items); engineering, manufacturing and other processes; designs; research and development necessary to complete design, development, manufacture and/or assembly; and relevant drawings, illustrations, pictures, samples, writings, or other specifications reasonably necessary or convenient to manufacture production parts or otherwise Use the Equipment in a cost effective manner to meet their intended purposes. Supplier has full responsibility for the provision of Contracted Items and their capability to manufacture production parts through PPAP and start of production, all in accordance with the GTCs.
- 2.2 **Approval Drawings.** Before actual production of Contracted Items under the Turnkey Project begins, Supplier will provide Lucid with approval drawings of the complete Turnkey Project and, as required, its sub-systems and components. If Supplier fails to provide such drawings, Lucid reserves the right to cancel the GTCs or any part thereof at any time during the development process. All delays and discrepancies (and required modifications) incurred due to missing approval drawings are Supplier's responsibility to resolve solely at its full expense and will not affect the Schedule.
- 2.3 **Turnkey Documentation.** Supplier will provide Lucid with Documentation including but not limited to a complete bill of materials, a copy of all concept, manufacturing, and assembly drawings, and complete Documentation on the Turnkey Project, its operation, and maintenance. All electronic copies of drawings, schematics, or other engineering items must be in the format reasonably required by Lucid (e.g., AutoCAD or Catia).

- 2.4 Inspection and Changes.** During all phases of the Turnkey Project, Lucid reserves the right to inspect, recommend, and request modifications or changes to the Turnkey Project as best suits Lucid's needs. If Supplier concludes during development that Specifications or Performance Requirements of the Contracted Items should change, Supplier will immediately notify Lucid and Lucid will begin the process for a Change Order. Any changes recommended by Supplier to Lucid must first be included in a Change Order before changes are made. Lucid reserves the right to refuse any such recommendations with respect to a Turnkey Project.

3. CHANGES

- 3.1** Except at Lucid's written instruction or with Lucid's written approval, Supplier will not change the Contracted Items (including fit, form, function, dimensions, composition, design, performance, color, weight, or appearance), the Schedule, Supplier's manufacturing process or location, or any other details with respect to performance of its obligations under the GTCs (including design, Specifications, materials, packaging, testing requirements, delivery date, installation or other services).
- 3.2** Lucid may, at any time, propose a change in writing with respect to any of the foregoing items in Section 3.1. Supplier will consider each such proposal in good faith and respond promptly in writing to identify what effect, if any, such changes would have on the Purchase Price, delivery date, warranties, indemnification, and other provisions of the GTCs and the reasons therefor including all cost information. Supplier shall not unreasonably withhold, condition or delay its consent to a change proposed by Lucid. Should Supplier be unwilling to accept and sign a Change Order as written, Supplier will notify Lucid within three business days after receipt of the Change Order giving the reasons therefor and the Parties will discuss the issues in good faith.
- 3.3** Supplier will work with Lucid in good faith to reduce the costs and expenses payable by Lucid under the GTCs. If Supplier learns of a possible change that may reduce costs, improve quality or otherwise be beneficial to Lucid, Supplier will promptly inform Lucid of the possible change. If Supplier's costs or expenses for performance of its obligations under the GTCs decrease (either due to a change or otherwise), Supplier will lower the prices charged to Lucid.
- 3.4** The Purchase Price may not increase in connection with any change unless the change is reflected in a written Change Order that is (a) signed by an authorized representative of Lucid and (b) either performed by Supplier or signed by an authorized representative of Supplier. Changes implemented by Supplier with Lucid's approval but without a written Change Order will be deemed not to increase the Purchase Price or impose any additional obligations on Lucid in connection with the GTCs.

4. PAYMENT AND INVOICING

- 4.1 Price.** The PO will specify the applicable prices for Equipment and other Contracted Items purchased from Supplier (the "Purchase Price") and specify any payment milestones, installment payments, early completion bonuses and/or delay damages as applicable. Upon Lucid's request, Supplier will provide personnel to provide technical assistance in the installation and start-up of the Equipment beyond those services included in the GTCs at agreed labor rates which are negotiated in good faith (with reference to competitive rates for comparable services). The Purchase Price includes all amounts payable by Lucid under the GTCs. Unless expressly stated otherwise in the PO, the Purchase Price is a firm, fixed price which is not subject to increase without Lucid's express written consent, which Lucid may withhold in its sole discretion. The Purchase Price may decrease pursuant to Section 3 (Changes).
- 4.2 Invoicing.** Invoices will be in the currency of the country of origin, unless otherwise agreed, will be sent to Lucid's Accounts Payable Department as reasonably directed by Lucid, and will be issued in accordance with any payment milestones set forth in the GTCs. The invoice will detail the Contracted Items for which payment is being requested, and the applicable PO number. Supplier must invoice Lucid for all payments (i.e., down payments, progressive payments, etc.). Supplier will invoice separately for each payment request. Charges associated with shipping for which Lucid is responsible will be invoiced separately. Unless expressly agreed otherwise in the GTCs, Supplier shall not issue any invoices hereunder until the Equipment achieves Final Acceptance. Any invoice not timely submitted within ninety (90) days after completion of the applicable services shall be deemed waived.
- 4.3 Payment.** Except as otherwise provided in the PO, Lucid will pay Supplier's charges sixty (60) days after receipt of each invoice; provided, however, that (i) Lucid may withhold payment of any invoiced charges that Lucid disputes in good faith; (ii) Lucid's payment of any charges shall not be deemed an approval of such charges or acceptance of non-conforming Contracted Items, and Lucid may later dispute such charges; (iii) Lucid's payment of charges shall not relieve Supplier of any of its warranties or other obligations under the GTCs; and (iv) Lucid may withhold twenty percent (20%) of the Purchase Price until Final Acceptance of the Contracted Items, unless expressly agreed otherwise by the Parties.
- 4.4 Set Off.** In addition to any right of setoff or recoupment provided by law or in equity, Lucid will be entitled at any time to set off or recoup against sums payable by Lucid to Supplier any amounts for which Lucid determines in good faith Supplier is liable to Lucid. Lucid will consult with Supplier prior to any such set off or recoupment.
- 4.5 Taxes, Customs, and Duties.**
- (A) Lucid shall pay (or reimburse) Supplier only for the following taxes in respect of the Contracted Items: sales, use, services, consumption, excise and other transaction-based taxes assessed by any governmental body, agency or taxing authority (including at the federal, state, county and/or local level) in respect of Lucid's purchase of tangible Contracted Items and/or Supplier's performance of services which are Contracted Items. Supplier shall pay and separately invoice Lucid for reimbursement of such taxes. Upon request, Lucid will provide Supplier with an exemption certificate for sales tax if delivery of the Equipment occurs within the United States. If Supplier manufactures the Equipment outside the United States, the sale pursuant to the GTCs shall be deemed to be an export sale and Supplier will charge the zero VAT rate with respect to the sale.
 - (B) If the GTCs or Lucid-issued shipping instructions do not indicate otherwise, Supplier will be the importer of record for customs purposes and will pay any and all customs, duties, and/or tariffs. Supplier will invoice Lucid for reimbursement if the GTCs expressly states that any such charges are Lucid's responsibility. Supplier will include supporting customs and broker documentation with invoices. All duty drawbacks and similar items belong to Lucid and upon request Supplier will provide to Lucid all necessary customs documentation to support any duty drawback claim (including, but not limited to, customs entry forms, commercial invoices and bills of lading).
 - (C) Supplier will remain responsible for and shall pay (without reimbursement) any and all: (i) taxes that are assessed on any goods or services used or consumed by Supplier (or its Affiliates) in performing its obligations under the GTCs where the tax is imposed on Supplier's (or its Affiliates') acquisition or use of the goods or services in the performance of such obligations, and other personal property taxes on property owned or leased by Supplier (or its Affiliates); (ii) taxes on its (or its Affiliates') revenue, net income or gross receipts; (iii) franchise and privilege taxes on its (or its Affiliates') business.
 - (D) The Parties agree to cooperate with each other to enable each to more accurately determine its own tax liability and to minimize such liability to the extent legally permissible.

5. PERSONNEL

5.1 Responsibilities.

- (A) Supplier will be solely responsible for recruiting, screening, investigating, hiring, employing, paying, training and terminating Personnel. Supplier will be solely responsible for determining Personnel's wages and other compensation, and for making all required deductions and withholdings from compensation and paying all applicable contributions, taxes, and assessments.

- (B) Lucid may, at its option, request Supplier to remove Personnel from performing Services or delivery Contracted Items based upon performance, behavior or other failures to comply with these GTCs. Upon Lucid's request, Supplier shall promptly implement corrective actions satisfactory to Lucid.
- (C) Supplier will be solely responsible for actions and inactions of Personnel. Lucid will have no responsibility for or liability to such Personnel.
- (D) Supplier agrees and acknowledges that neither Supplier nor its Personnel has any expectation of privacy with respect to Lucid's telecommunications, networking or information processing systems (including stored computer files, email messages and voice messages) and that the activities of Supplier and its Personnel, including the sending and receiving of any files or messages, on or using any of those systems may be monitored, and the contents of such files and messages may be reviewed and disclosed, at any time and without prior notice.

5.2 Staffing.

- (A) Supplier will deploy Personnel in numbers necessary to achieve or exceed Specifications.
- (B) Supplier will determine headcount strategy for performance of the Services.
- (C) Supplier will have processes in place to minimize absenteeism and workforce turnover.

5.3 Skills and Training.

- (A) **Skills.** Supplier will deploy Personnel with all skills necessary to achieve or exceed Specifications. If required or desirable, Personnel will have professional degrees, memberships, licenses or certifications necessary and appropriate for their duties. If any such licenses, memberships or certifications of Personnel lapse or are otherwise cancelled or terminated, Supplier must ensure reinstatement thereof on a timely basis or, alternatively, remove and replace the Personnel.
- (B) **Training.** Supplier will cause Personnel to comply with the following requirements and provide training thereon to:
 - (i) ensure Supplier will achieve or exceed Specifications;
 - (ii) perform all Services in a safe manner, and without damage to, loss or theft of personal or real property, injury to third parties, non-compliance with Laws and these GTCs of Law.
 - (iii) abide by rules, restrictions, policies, procedures and guidelines applicable to Lucid's personnel;
 - (iv) wear protective clothing to ensure safety;
 - (v) carry identification in a form acceptable to Lucid;
 - (vi) understand and employ operating procedures relevant to their duties; and
 - (vii) behave in a manner that will not adversely affect Lucid's business or reputation.
- (C) **Background Checks.** Supplier must perform lawful evaluations and background investigations on Personnel to determine that none:
 - (i) have been convicted or pled *nolo contendere* with respect to a misdemeanor involving moral turpitude or a felony;
 - (ii) are subject to pending charges therefor;
 - (iii) are ineligible to be hired due to immigration status;
 - (iv) have provided an invalid Social Security Number to Supplier;
 - (v) have engaged in conduct suggestive of a propensity to adversely affect Lucid's property, business, or reputation; or
 - (vi) have engaged in alcohol or substance abuse that is illegal or may have an adverse effect on one's ability to perform duties.
- (D) If Supplier wishes to retain Personnel despite negative evaluations or negative results of any background investigations, Supplier must so inform Lucid and obtain Lucid's written consent.
- (E) Any personal information gained by Supplier through an investigation under this Section 5.3 will be treated as highly confidential and in accordance with Government Requirements.

5.4 Verification. Supplier will complete employment eligibility verification of all Personnel following guidelines of the United States Department of Homeland Security, Bureau of Citizenship and Immigration Services.

5.5 Drug and Alcohol Abuse. Supplier will prohibit the consumption of alcohol or illegal drugs by any Personnel during the performance of Services or delivery of Contracted Items.

5.6 Key Personnel. Supplier will maintain and provide to Lucid a list of key Personnel, with work, home and emergency phone numbers to contact key Personnel at any time. Supplier will notify Lucid of any proposed changes in such key Personnel, and Lucid shall have the right to approve or disapprove any such proposed changes, which approval shall not be unreasonably withheld or delayed. Supplier will update this list and provide it to Lucid whenever a change to key Personnel occurs.

6. SHIPPING; DELIVERY; FORCE MAJEURE

6.1 Shipping and Packaging. Unless otherwise agreed in the GTCs, Supplier shall make all shipping arrangements including movement, insurance and rigging (e.g., machine lifting), and Supplier shall provide transportation management from the manufacturing location to Lucid's Facility. Supplier will provide packaging for the Contracted Items of sufficient quality, quantity and size to provide adequate protection from damage regardless of nature or origin, which may occur during transportation from Supplier to Lucid's Facility. Supplier will ensure that all Equipment and Spares are drained of all hazardous chemicals before shipment. Supplier will package the Equipment and Spares for shipment in accordance with standard commercial practices acceptable to common carriers at the lowest shipping rate available. Supplier's shipping containers must display: (a) the date of shipment; (b) Lucid's order number; (c) part number; (d) the quantity in the container; and (e) country of origin. Supplier will prepare all Equipment for shipment and load and secure the Equipment on trucks supplied according to the GTCs. Supplier will obtain permits that may be required for transportation. The Contracted Items will be delivered in lots to assist in the simultaneous installation of the Contracted Items according to the Schedule. Supplier will deliver to Lucid's Facility installation drawings indexed to the Equipment delivered.

- 6.2 Bonds.** If shipment of the Equipment, or any part thereof, is prevented by attachment, injunction, or otherwise at or in the course of transit from Supplier's Plant or other point of origin to Lucid's Facility as a result of any claim, Supplier will, at its own cost and expense, promptly furnish and post any bond which may be necessary to enable shipment to be made without delay.
- 6.3 Scheduled Delivery.** Supplier will deliver the Equipment and other Contracted Items in strict accordance with the Schedule and the GTCs. Time is of the essence. The delivery date(s) in the Schedule will be the exact date(s) the Equipment, complete to the Specifications and other requirements of the GTCs, will be delivered to Lucid's Facility, unless otherwise agreed in the GTCs. Late deliveries are subject to liquidated damages as provided in the GTCs. Unless otherwise stated in the GTCs, Supplier will deliver the Equipment DDP (Incoterms 2020) Lucid's Facility.
- 6.4 Delivery Flexibility.** Lucid may reschedule delivery of any Contracted Item up to one hundred and twenty (120) days beyond the original delivery date without liability, provided that (a) Supplier has available storage space at its facility or other point of origin, (b) no de-commissioning and re-commissioning prior to shipment is required, and (iii) Lucid makes payment to Supplier based on the date Supplier is otherwise able to run-off and ship such Contracted Item.
- 6.5 Liquidated Damages.** Supplier acknowledges that its failure to successfully complete and deliver the Equipment and other Contracted Items by the date(s) required in the Schedule may have a material adverse impact on Lucid's business and operations, and that the damages caused by such delay may not be susceptible of precise determination. Accordingly, Lucid may assess liquidated damages in an amount equal to ten percent (10%) of the total Purchase Price for each calendar week or portion thereof in which the Contracted Items or portion thereof have not achieved Preliminary Acceptance and/or been delivered, installed, and achieved Final Acceptance according to the Schedule; provided, however, that such period of liquidated damages will not exceed five weeks and liquidated damages will not exceed fifty percent (50%) of the Purchase Price. Without limiting any non-monetary remedies available to Lucid under the GTCs, at law or in equity, this Section 6.5 sets forth Lucid's sole right to damages for delay. Supplier shall pay any liquidated damages to which Lucid is entitled within seven (7) calendar days of Lucid's written demand therefor. After such five-week period expires, Lucid may elect to terminate the GTCs for material breach and either:
- (A) reject the Equipment or other Contracted Items, without affecting its other remedies, in which case Supplier shall promptly: (i) refund to Lucid all payments of the Purchase Price within seven (7) calendar days of Lucid's notice of termination; (ii) arrange to dismantle, pack, and pick up the Equipment or other Contracted Items from Lucid's Facility, at Supplier's sole expense, within fourteen (14) calendar days of Lucid's notice of termination; and (iii) if Supplier fails to recover the Equipment or other Contracted Items within the foregoing timeframe, reimburse Lucid's actual costs and expenses to dismantle, package, transport and store such items until Supplier recovers them (including charges for time spent by Lucid personnel); or
 - (B) complete the Equipment and other Contracted Items on its own in accordance with Section 10.13 (Right to Finish Contracted Items) below, in which case Supplier will reimburse all costs and expenses incurred by Lucid (including costs for time spent by Lucid personnel) to complete such work in accordance with the then-current Schedule.

7. ACCEPTANCE TESTING

- 7.1 Acceptance Testing, Generally.** The "acceptance testing" procedure will include the start-up and running of the Equipment and other Contracted Items to verify that the Equipment performs in accordance with the Specifications and is capable of producing production parts or otherwise performing in accordance with Lucid's expectations. The acceptance testing requirements of this Section 7 will apply unless other acceptance testing requirements are specified in an RFQ or other Lucid document.
- 7.2 Preliminary Acceptance.** Supplier shall give prompt written notice to Lucid when the Equipment is ready for initial inspection, evaluation and testing for purposes of identifying any non-conformities or defects and confirming Supplier's compliance with all preliminary acceptance requirements as set forth in the GTCs (such activities are collectively referred to as "**Preliminary Acceptance Testing**"). Unless expressly agreed otherwise by the Parties in the GTCs, Preliminary Acceptance Testing will take place at Supplier's manufacturing location or other place of origin and will involve trial operation of the Equipment by Lucid and Supplier. Notwithstanding the foregoing, Lucid and Supplier may mutually agree through a Change Order to conduct Preliminary Acceptance Testing at Lucid's Facility. Notwithstanding anything to the contrary in the Schedule, the timeframe for Preliminary Acceptance Testing shall be extended as reasonably necessary to accommodate the availability of any required Lucid personnel and Supplier shall agree to a Change Order which extends its obligation to complete performance by the same period of time as Lucid's delay but does not otherwise impose any additional costs or charges on Lucid. Lucid will notify Supplier in writing upon completion of the Preliminary Acceptance Testing and state whether Lucid identified any non-conformities or defects in the Equipment. If Lucid identifies any non-conformities or defects in the Equipment during the Preliminary Acceptance Testing, Lucid will give notice of such issues to Supplier together with information available to Lucid about the issue(s) and Supplier shall promptly (and, unless agreed otherwise in writing by both Parties, within ten (10) calendar days after the date of Lucid's notice), at no additional charge to Lucid, correct such issue(s) and notify Lucid when the Equipment is ready for additional Preliminary Acceptance Testing. The foregoing process shall repeat until Lucid gives notice that it has not identified any non-conformities or defects in the Equipment. If Supplier fails to meet the timing requirements of the Schedule due to ongoing work by Supplier required to achieve Preliminary Acceptance, Supplier shall owe liquidated damages for such delay pursuant to Section 6.5 (Liquidated Damages) above. If Lucid does not identify any non-conformities or defects, Lucid's written notice shall be referred to as "**Preliminary Acceptance**". For the avoidance of doubt, Preliminary Acceptance shall not be deemed to be Final Acceptance of the Equipment, and Lucid may later identify any non-conformities or defects in the Equipment during the Final Acceptance Testing (defined below).
- 7.3 Final Acceptance.** After receipt of Preliminary Acceptance from Lucid, Supplier shall promptly take the steps required to prepare the Equipment for Final Acceptance Testing (including, as applicable, packaging, shipment, delivery, installation, configuration, and other requirements of the GTCs). When the Equipment is ready for Final Acceptance Testing at Lucid's Facility and Supplier has provided all Contracted Items as required under the GTCs, Supplier and Lucid will promptly inspect, evaluate and test the Equipment for purposes of confirming that: (a) the Equipment (i) is complete, (ii) is conforming and non-defective, (iii) operates in accordance with the Performance Requirements (including Lucid's output and availability requirements), (iv) is capable of completing a performance run of production-ready parts with the applicable Availability requirements; and (b) Supplier has provided and performed all Contracted Items in accordance with the GTCs (such activities are collectively referred to as "**Final Acceptance Testing**"). Unless expressly agreed otherwise in the GTCs, the Equipment must achieve ninety-five percent (95%) Availability over a period of 14 consecutive production days over two (2) consecutive eight-hour shifts per day. Lucid's obligation to conduct Final Acceptance Testing will be contingent on Supplier's provision and (if applicable) installation of all Contracted Items in accordance with the Schedule. If and to the extent any Contracted Item is delivered or installed earlier or later than scheduled, the timeframe for Final Acceptance Testing shall be extended as reasonably necessary to accommodate the availability of any required Lucid personnel. If Lucid determines during the Final Acceptance Testing that there are any deficiencies, non-conformities or defects in the Equipment or other Contracted Items, Lucid will notify Supplier in writing of the issue(s) with reasonable particularity, and Supplier will, at no additional charge to Lucid, promptly (and, unless agreed otherwise in writing by both Parties, within ten (10) calendar days after the date of Lucid's notice) correct any and all such issue(s). The foregoing process shall repeat until satisfactory completion of Final Acceptance Testing and Lucid's delivery of written notice that the Equipment and Contracted Items have been delivered and meet Lucid's reasonable requirements and the requirements of the GTCs. The Parties will then jointly execute a certificate of final acceptance, at which point the Equipment and Contracted Items will be deemed to have achieved "**Final Acceptance**".

8. SERVICE COMMITMENT AND RESPONSE TIME

- 8.1 Response Time.** During the Warranty Period and at no additional cost to Lucid, Supplier will make available to Lucid at least two (2) service contact telephone numbers which will be available during Lucid's normal business hours and a twenty-four (24)-hour emergency telephone contact number. These numbers will put Lucid in contact with a competent service representative of Supplier who can respond to basic inquiries regarding repairs and maintenance of the Contracted Items. If the provided emergency contact number is limited to an automated or answering service, response time to Lucid by a competent service representative will be no more than sixty (60) minutes from the time Lucid places the call. At no additional cost to Lucid, Supplier's support personnel will be sent to Lucid's Facility if (a) Lucid maintenance/engineering personnel have been unable to resolve the problem, and (b) troubleshooting with Supplier's service personnel via telephone has not led to the Equipment being returned to service (in Lucid's judgment, i.e., producing production parts which are acceptable to Lucid) and within the Performance Requirements. From delivery of the Equipment to Lucid's Facility until six (6) months after successful achievement of Final Acceptance and at no additional cost to

Lucid, Supplier shall maintain availability of such personnel for dedicated on-site support at Lucid's Facility twenty-four (24) hours per day/seven (7) days per week. For the remainder of the Warranty Period, Supplier's support personnel must be onsite within (i) thirty-six (36) hours of Lucid's notification if traveling between continents, or (ii) twenty-four (24) hours of Lucid's notification if traveling within a single continent. Throughout the Warranty Period, Supplier must also provide Spares onsite within twenty-four (24) hours of Lucid's notification, as requested by Lucid or as required to repair and/or maintain the Contracted Items. If the problem remains unresolved twenty-four (24) hours after Supplier's service personnel arrive at Lucid's Facility, Supplier will, at no additional cost to Lucid, dispatch additional personnel and other appropriate resources within eight hours of Lucid's request.

- 8.2 Service Contract.** At Lucid's request, Supplier will promptly deliver to Lucid a commercially reasonable quotation for maintenance services for an additional three years after expiration of the Warranty Period (including, without limitation, continued Spares and labor coverage, repairs, break/fix, software updates and bug fixes). At Lucid's request, Lucid and Supplier shall negotiate in good faith to finalize and sign a maintenance services contract whereby Supplier will provide on-going maintenance and repair services with respect to the Equipment at agreed prices that are competitive with rates of companies that provide similar services.
- 8.3 Preventive Maintenance Schedule.** Supplier will provide to Lucid, at the earlier of Preliminary Acceptance Testing or fourteen (14) days prior to delivery of the Equipment to Lucid's Facility, the schedule of regular and preventive maintenance to be performed on the Equipment and the time and parts expense associated with such maintenance.

9. RISK OF LOSS AND INSURANCE

- 9.1 Risk of Loss.** Prior to the completion of the Equipment, shipment of the Equipment, and the unloading of the Equipment at Lucid's Facility by Supplier (or, if applicable, at the applicable delivery point per the selected Incoterms), each item of Equipment will remain at the risk of Supplier and, unless otherwise specified, Supplier will be responsible for all loss and damage to such item of Equipment and will repair, renew and make good, at its own expense, all such loss and damage. Such loss or damage will not extend any delivery date on the Schedule, unless and to the extent caused by a Force Majeure.

9.2 Insurance Requirements.

- (A) In addition to the insurance requirements set forth in Section 12 of the GTCs above, during the Term, Supplier will, at its sole cost and expense, obtain and maintain (and cause each subcontractor to maintain) policies for the following insurance coverages: (a) commercial general liability insurance covering liability arising from premises, operations, contractual liability, independent contractors, products liability/completed operations, personal injury and advertising injury, and liability assumed under an insured contract with minimum coverage of at least five million dollars (\$5,000,000) combined single limit per occurrence and ten million dollars (\$10,000,000) general aggregate, naming Lucid as an additional insured; (b) auto liability insurance on all owned, non-owned and hired vehicles with minimum coverage of at least five million dollars (\$5,000,000) combined single limit per occurrence for bodily injury and/or property damage, and physical damage insurance; (c) workers' compensation insurance, as required by the workers' compensation laws of the state in which the work is being performed; (d) employer's liability insurance, with a minimum coverage of one million dollars (\$1,000,000) each accident for bodily injury by accident and one million dollars (\$1,000,000) each employee for bodily injury by disease; (e) casualty and all risk extended coverage insurance on material, work-in-process, and any Contracted Items at full replacement value thereof and with a loss payable clause in favor of Lucid; (f) umbrella/excess insurance on an occurrence basis in excess of the underlying insurance described above with minimum limits of ten million dollars (\$10,000,000) per occurrence and annual aggregate; (g) electronics errors and omissions coverage that covers claims arising out of design specifications provided by Supplier; and (h) property insurance, all-risk, subject to standard exclusions that covers Lucid property while in Supplier's care, custody or control.
- (B) Supplier will be responsible for all deductibles and retentions with regard to its insurance. In the case of loss or damage or other event that requires notice or other action under the terms of any insurance coverage described above, Supplier will be solely responsible for taking such action. Supplier will provide Lucid with contemporaneous notice and such other reasonable and relevant information as Lucid may request regarding the event. The policies shall: (a) contain endorsements stating that the policies are primary and not contributory with any liability coverage carried by Lucid or any Affiliate of Lucid; (b) name Lucid and any other entity reasonably requested by Lucid as additional insureds; (c) provide for severability of interests; (d) waive all rights of recovery, under subrogation or otherwise, against Lucid, its agents, representatives, Affiliates, and all tiers of consultants or suppliers engaged by Lucid; (e) be with one or more insurance companies rated A minus or better (as determined by A.M. Best & Company), and licensed to do business in the locations where Supplier's work will be performed; and (f) require the insurer to give Lucid at least 30 days' prior written notice of any restrictive change, reduction in the amount or scope of coverage, non-renewal or cancellation that may affect Lucid's rights thereunder. Supplier will require its subcontractors and suppliers to whatever tier, by appropriate written agreements, to give similar assurances and waivers each in favor of all parties enumerated in this Section.
- (C) Supplier shall furnish to Lucid either a certificate showing compliance with these insurance requirements or certified copies of all insurance policies within 10 days of Lucid's written request. The certificate will include the requirement above that Lucid will receive 30 days' prior written notice of any restrictive change, reduction in the amount or scope of coverage, non-renewal or cancellation that may affect Lucid's rights under the policy. Lucid may require Supplier to furnish evidence of the foregoing insurance but failure to comply with these insurance requirements will not relieve Supplier of its liability and obligation under this Section.
- 9.3 Responsibility for Third Parties.** If Supplier sustains damage or loss through any delay, default, act or omission of any other contractors or subcontractors of Lucid, or their agents or employees, Lucid will not be liable therefor; but nothing contained herein will be construed to prevent Supplier from pursuing its legal remedies against such other person.

10. WARRANTIES

- 10.1 General.** Supplier represents and warrants that: (a) Supplier will perform all of its obligations under the GTCs in a professional and workmanlike manner, consistent with the highest industry standards and in accordance with all of the terms of the GTCs; (b) Supplier has the right and ability to enter into, perform the obligations under and agree to the covenants contained in the GTCs; (c) to the extent that Contracted Items will be transported into the United States, Supplier represents and warrants that either: (i) it is C-TPAT-certified by U.S. Customs & Border Protection ("CBP"), and will maintain that certification throughout the term of the GTCs; or (ii) it will comply with the C-TPAT (Customs-Trade Partnership Against Terrorism) security procedures that may be found on the CBP website at www.cbp.gov (or such other website that the C-TPAT security procedures may be moved to by the U.S. Government).
- 10.2 Contracted Items.** Supplier represents and warrants to Lucid, its Affiliates and their respective directors, officers, agents, employees, successors and assigns that, upon delivery and throughout the Warranty Period, the Contracted Items will:
- (A) be new, unless expressly stated otherwise in the GTCs;
 - (B) conform to the GTCs in all respects, including the Specifications;
 - (C) perform in accordance with the Performance Requirements, provided that (i) the environmental, utilities, labor, material and all other Specifications in the GTCs under the control of Lucid are met or exceeded, (ii) Lucid adheres to any preventive maintenance program provided by Supplier which is reasonable and consistent with industry best practices, and (iii) the Equipment has not been subjected to uncorrected misuse, negligence, or accident by Lucid or any third party acting under Lucid's control which has adversely affected performance;
 - (D) be free from defects in design, material, and workmanship;
 - (E) not infringe the Intellectual Property Rights of any third party, either on its own or in combination with any other goods, services or Software contemplated in the GTCs, reasonably foreseeable based on industry practices, or recommended by Supplier;

- (F) if developed for Lucid by Supplier on its own or in conjunction with others, be selected, manufactured and assembled based upon Lucid's stated use and be fit and sufficient for the purposes intended by Lucid (including, if applicable, the manufacture of production parts for vehicles);
- (G) conform to all applicable Laws of the United States and of countries of manufacture and use;
- (H) not contain or involve any computer code, programs, procedures, mechanisms, or programming devices that are designed to, or would enable Supplier to, disrupt, modify, delete, damage, deactivate, disable, harm, or otherwise impede in any manner the operation of such Contracted Items or any associated software, firmware, hardware, computer system, or network;
- (I) to the extent intended to interact or otherwise work together as part of a functioning system as indicated in the Specifications or in the GTCs, will be compatible and will properly inter-operate and work together as components of an integrated system;
- (J) with respect to services, be provided in a good, professional and workmanlike manner, in accordance with the highest industry standards, efficiently and, to the extent payable by Lucid on a time & materials basis, be provided in an efficient and cost-effective manner; and
- (K) with respect to services, be provided using qualified personnel with suitable training, education, experience and skill to perform the services in accordance with timing and other requirements of the GTCs.

10.3 Title. Supplier represents and warrants to Lucid, its Affiliates and their respective directors, officers, agents, employees, successors and assigns that, upon delivery at the designated delivery point, the Contracted Items will be free and clear of any and all liens, security interests, and encumbrances of any nature, with title vesting solely and exclusively in Lucid.

10.4 Safety Standards. Supplier represents and warrants the Equipment and other Contracted Items will comply with all applicable occupational safety and health standards, legal requirement, statutes and/or regulations existing at the time of delivery at the place of installation (collectively, the "**Safety Standards**"), including as applicable the Safety Standards required in ANSI, in state and federal Occupational Safety and Health Act (OSHA), and/or for CE marking. If Supplier provides Lucid with Contracted Items that do not comply with the Safety Standards or other requirements hereof, Supplier is responsible, at its sole expense, to bring the Contracted Items into compliance with the Safety Standards after learning of the non-compliance with the Safety Standards or receiving notice of such non-compliance from Lucid. If Supplier does not promptly bring the Contracted Items into compliance, Lucid may bring the Contracted Items into compliance in its discretion and Supplier will reimburse Lucid for bringing the Contracted Items into compliance with the Safety Standards. All work carried out by or on behalf of Supplier, its employees, agents and representatives, on Lucid's premises will be performed in compliance with Lucid or local site published safety and/or code of conduct guidelines. Supplier will comply with all local security requirements for access to facilities. Supplier will comply with, and will cause its employees and agents to comply with, all applicable Safety Standards.

10.5 Debarment. During the Term, Supplier represents and warrants that it (and its Affiliates) shall not: (a) be debarred, suspended, excluded or disqualified from doing business with the United States Government; (b) be listed on the Excluded Parties List System maintained by the General Services Administration of the United States Government (found at www.epls.gov); or (c) be an entity with which U.S. entities are prohibited from transacting business of the type contemplated by the GTCs or with which U.S. entities must limit their interactions to types approved by the Office of Foreign Assets Control, Department of the Treasury ("**OFAC**"), such as by Law, executive order, trade embargo, economic sanction, or lists published by OFAC. Supplier agrees to immediately notify Lucid in writing in the event Supplier breaches any of the preceding representations and warranties or has reason to believe that it will become in breach of any of the preceding representations and warranties. A breach of any representation or warranty under this Section 10.5 shall be deemed a default under the GTCs for which Lucid may immediately terminate the GTCs without being required to provide notice or permit Supplier to cure such default.

10.6 Future Performance. All representations and warranties of Supplier extend to future performance of the Equipment and other Contracted Items and are not modified, waived or discharged by delivery, inspection, tests, acceptance or payment. Lucid's approval of any design, drawing, material, process or specifications will not relieve Supplier of these representations and warranties.

10.7 Warranty Procedure.

- (A) If Lucid gives notice that the Equipment or any other Contracted Item fails to meet any warranty under the GTCs during the Warranty Period, Supplier shall, without prejudice to any other right or remedy of Lucid, as directed by Lucid and at Supplier's sole expense, promptly repair, retrofit or replace the Contracted Item at Lucid's Facility to bring it into full compliance with the warranty and other requirements of the GTCs (including any and all transportation of Equipment or parts, dismantling, erection, commissioning, labor, etc.). Supplier will keep Lucid advised of all efforts and plans to correct any issues directed to Supplier by Lucid and coordinate such efforts and plans with Lucid.
- (B) If Supplier is unable to bring the Contracted Items into full compliance with the warranty and other requirements of the GTCs within a period of two business days after receipt of Lucid's notice or if the Contracted Items fails to meet the Availability requirements set forth in the GTCs (if any), the Warranty Period shall be tolled (i.e. extended) by one month for each month (or portion thereof) that the Contracted Item is out of service, cannot be used for production purposes, or fails to meet the Availability requirements.
- (C) If Supplier fails to meet the obligations set forth in Section 10.7(A), above, within a reasonable time (and in any event within one calendar week after receipt of Lucid's notice), Supplier shall promptly reimburse all costs and expenses incurred by Lucid for such remediation (including charges for time spent by Lucid personnel) if Lucid elects, in its sole discretion, to correct the warranty non-conformity itself and/or with the assistance of a third party.
- (D) If Lucid, in its reasonable discretion, determines that the Equipment cannot be repaired to Lucid's reasonable satisfaction within a reasonable time and on commercially reasonable terms pursuant to either Section 10.7(A) or 10.7(C), Supplier shall be in material breach. If Supplier fails to cure such breach in accordance with Section 14.3 below and Lucid terminates for such breach, Lucid may reject the Equipment, in which case Supplier shall promptly: (i) refund to Lucid all payments of the Purchase Price within seven (7) calendar days of Lucid's notice of termination; (ii) arrange to dismantle, pack, and pick up the Equipment or other Contracted Items from Lucid's Facility, at Supplier's sole expense, within fourteen (14) calendar days of Lucid's notice of termination; and (iii) if Supplier fails to recover the Equipment or other Contracted Items within the foregoing timeframe, reimburse Lucid's actual costs and expenses to dismantle, package, transport and store such items until Supplier recovers them (including charges for time spent by Lucid personnel).

10.8 Supplier's Right of Inspection. Supplier has the right to inspect any Contracted Item identified as defective, at Supplier's expense, as deemed necessary to conduct such inspection.

10.9 Spares. Any Spares provided by Supplier, whether or not under warranty, will be new. Supplier may offer to Lucid the option of substituting new Spares with remanufactured Spares, but it is within Lucid's sole discretion to accept or reject remanufactured Spares. Supplier shall provide Spares to Lucid as requested by Lucid during the Warranty Period and thereafter at agreed prices, which shall not exceed commercially reasonable prices. If Supplier plans to obsolete or discontinue manufacture of any Spares, Supplier shall give written notice to Lucid before implementing such plans and offer Lucid the right to purchase the Spares; provided, however, that if Supplier plans to obsolete or discontinue a Spare during the Warranty Period, Supplier shall provide Spares at no charge to Lucid as reasonably required for the remainder of the Warranty Period in addition to any Spares that Lucid chooses to purchase.

10.10 Lucid's Obligations of Due Care. Supplier's warranties with respect to the Equipment or the Equipment's performance will not apply to the extent that: (a) Lucid has installed, maintained, or used the Equipment in a manner that does not conform with reasonable and industry-standard written instructions furnished by Supplier upon delivery of the Equipment (including any modifications of the Software by Lucid) and such act or omission by Lucid results in damage to the Equipment; provided, however, that any instructions from Supplier shall not limit or restrict Supplier's written warranties herein regarding the character or quality of the Equipment; (b)

Lucid has subjected the Equipment to abnormal use or use for a purpose other than Lucid's intended purpose at Final Acceptance and such act or omission by Lucid results in damage to the Equipment; or (c) Lucid has subjected the Equipment to uncorrected misuse, negligence, modification in a manner not approved or authorized by Supplier (either in writing, in person or by phone), or any accident which results in damage to the Equipment.

10.11 Notice. Supplier agrees to immediately notify Lucid in writing in the event Supplier breaches or has reason to believe that it will breach of any of its representations or warranties under the GTCs.

10.12 Obligations Following Termination. Following a notice of termination:

(A) Supplier shall:

- (i) immediately terminate all work under the GTCs;
- (ii) verify and settle all claims by subcontractors for actual costs that are rendered unrecoverable by such termination, provided Supplier has taken possession or is certain it will take possession of the materials for which Supplier has settled such claims;
- (iii) if and to the extent requested by Lucid, transfer title and deliver to Lucid all completed Contracted Items, work-in-process, supplies, parts and other material produced as a part of or acquired in connection with the performance of the work terminated by the notice of termination;
- (iv) if and to the extent requested by Lucid, deliver to Lucid the completed or partially-completed plans, drawings, information, Documentation, Media, Software, and other property which, if the GTCs had been completed, would have been required to be furnished or delivered to Lucid;
- (v) if and to the extent requested by Lucid, deliver to Lucid a complete list of vendors, suppliers and subcontractors that have furnished materials, Equipment, other Contracted Items or services in connection with the GTCs, with such pertinent information as may be requested by Lucid concerning the orders placed with such vendors, suppliers and subcontractors (including, without limitation, copies of all applicable purchase orders and contract documentation);
- (vi) if and to the extent requested by Lucid, provide any and all relevant materials required for Lucid to receive the full benefit of its rights pursuant to Section 9 of the GTCs (Intellectual Property) above;
- (vii) refund to Lucid amounts paid to Supplier for work that Supplier did not substantially complete in accordance with the GTCs; and
- (viii) cooperate with Lucid in minimizing costs and losses related to the termination (including, without limitation, by returning for a refund or credit or otherwise using or selling to any of Supplier's other customers the materials which Lucid does not request pursuant to this Section 10.12(A));

(B) Lucid will, after offsetting any amounts due and payable by Supplier to Lucid pursuant to Sections 4.4 (Set Off) and 6.5 (Liquidated Damages) and unless Lucid has rejected the Equipment in connection with termination for Supplier's breach, pay to Supplier the following amounts (not to exceed in total the Purchase Price), without duplication and in complete and final satisfaction of Lucid's liabilities under the GTCs:

- (i) The applicable portions of the Purchase Price for milestones that Supplier successfully achieved prior to the termination date;
- (ii) Supplier's actual and reasonable out-of-pocket costs for materials delivered to Lucid pursuant to Section 10.12(A); and
- (iii) If Supplier has terminated pursuant to Section **Error! Reference source not found.**, a fair and reasonable profit margin for work completed as of the termination date and/or pursuant to Section 10.12(A), which the Parties shall negotiate in good faith.

10.13 Right to Finish Contracted Items. If Supplier is in material default, Lucid may, without prejudice to any other right or remedy, terminate the GTCs and, at its option, take possession of the Equipment and work-in-progress and finish the manufacture, installation and configuration by whatever method Lucid may deem expedient without waiving rights against Supplier.

10.14 Audits and Inspections. Lucid and its agents and representatives may, at any time during Supplier's normal business hours, inspect, examine and audit the records, data, practices and procedures of Supplier related to the GTCs, the Contracted Items, and all relevant designs, materials and components to verify the accuracy of Supplier's invoices and/or Supplier's compliance with the GTCs. If records or materials required for any such inspection are not located at Supplier's facility, Supplier will (upon one week's notice) either make the necessary records or materials available at its facility or make arrangements to permit such inspection where the records or materials are located. If an audit of Supplier's charges determines that Supplier has invoiced Lucid for amounts to which Supplier is not entitled, Supplier will promptly reimburse Lucid or issue a credit on its next invoice in order to correct the inaccuracy. If an audit reveals that Lucid has paid Supplier an amount equal to or greater than five percent (5%) of the charges then due and payable under the GTCs, Supplier shall also reimburse Lucid for the actual cost of such audit.

Exhibit 1 - Defined Terms

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

"Agreement" means, collectively, these GTCs (including all exhibits and schedules), Lucid's corresponding PO, any related Change Orders, any documents identified in and/or incorporated by reference in any of the foregoing (including, without limitation, technical specifications, statements of work, Lucid's request for quotation ("RFQ"), Supplier's response to the RFQ (if any), and Supplier's acknowledgment of Lucid's PO (but excluding any terms and conditions on or referenced in such acknowledgment that vary from or add to the Agreement).

"Availability" and **"Available"** means the ability of the Equipment to be used by Lucid for Lucid's intended purpose, in accordance with the Overall Equipment Effectiveness standard included in the RFQ.

"Change Order" means an order documenting the Parties' agreement regarding a change to the Contracted Items or Supplier's obligations under the Agreement as contemplated in Section 3 of these GTCs that amends the Agreement to incorporate the change and acknowledges all effects, if any, on the change of the Purchase Price, delivery date, warranty, indemnification, or other terms.

"Claim" means any demand, or any civil, criminal, administrative or investigative claim, action or proceeding (including arbitration) asserted, commenced or threatened against an entity or person by an unaffiliated third party. For the purposes of this definition, an employee of either Party is considered an unaffiliated third party.

"Contracted Items" means Equipment, Tooling, Spares, Software, Documentation, Media, engineering, installation, training and any other tangible or intangible property or services identified by the Parties to be performed, supplied or delivered by Supplier under the Agreement.

"Developed Material" has the meaning set forth in Section 9.4 of the GTCs.

"Documentation" means three sets of instruction and service manuals in the English language and one reproducible copy of each of the foregoing items as may be appropriate for the Contracted Items, and at least one copy of all design files, drawings (for concept, manufacturing, and assembly, together with drawing numbers per Supplier's engineering standards and per any other standard to which the Parties agree in writing), specifications (which will be sufficiently detailed to enable Lucid to buy Spares and to maintain the Equipment), formulas, plans, prints, a complete bill of materials (including descriptions for each component by original manufacturer's catalog number and nomenclature), prototypes, samples, schematics, and other engineering items relevant to the Contracted Items. All Documentation, whether written or electronic, will be in English. Electronic copies of drawings, schematics, or other engineering items must be in the format designated by Lucid (e.g., AutoCAD or Catia).

"Effective Date" has the meaning set forth in the preamble.

"Equipment" means all personal property specifically identified to be purchased by Lucid from Supplier (other than prototype parts, production parts, and service parts) and all machinery, controllers, computers, component parts, materials, drawings, manuals and other personal property related to such specifically identified property for it to function as required under the Agreement, whether or not such materials are specifically identified and required to be supplied by Supplier under the Agreement (but excluding Lucid-Supplied Items).

"Excusable Downtime" means the aggregate number of minutes during the test period in which the Equipment is not Available due to pre-agreed scheduled maintenance or system upgrades set forth in the Agreement.

"Final Acceptance" has the meaning set forth in Section 7.3.

"Final Acceptance Testing" has the meaning set forth in Section 7.3.

"Force Majeure" has the meaning set forth in Section 16.4 of the GTCs.

"Intellectual Property Rights" means all intellectual and industrial property rights recognized in any jurisdiction, including copyrights, mask work rights, moral rights, trade secrets, patent rights, rights in inventions, trademarks, trade names, and service marks (including applications for, and registrations, extensions, renewals, and re-issuances of, the foregoing).

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

"Lucid's Facility" means the location at which the Contracted Items are to be delivered and/or installed as specified in the Agreement or PO, or another facility designated by Lucid in writing.

"Lucid Responsibilities" has the meaning set forth in Section 1.4(A).

"Lucid-Supplied Items" means the components, supplies, and/or services to be provided by Lucid in connection with the Agreement.

"Media" means plans, blueprints, drawings, Specifications, schedules, computational data, design calculations, bills of material, studies, reports and written media.

"NDA" has the meaning set forth in Section 7 of the GTCs.

"Party" has the meaning set forth in the preamble.

"Performance Requirements" means those quality standards, capacity, compatibility, utility/service consumption rates, stock material, Specifications, run speeds, scrap, life span and other requirements relating to the Equipment, to be met at the time of Final Acceptance and during the Warranty Period as provided in the Agreement and to be achieved in the industrial environment at Lucid's Facility or other designated manufacturing facility."

"Personnel" means Supplier's employees, representatives, contractors, subcontractors and agents performing Services and delivering Contracted Items.

"Preliminary Acceptance" has the meaning set forth in Section 7.2.

"Preliminary Acceptance Testing" has the meaning set forth in Section 7.2.

"Purchase Price" has the meaning set forth in Section 4.1.

"PPAP" means the full requirements of industry Production Part Approval Processes for production parts for vehicles, Level 3 (e.g., one hundred percent (100%) production tooled/one hundred percent (100%) production process).

"Release Conditions" means any of the following: (i) Supplier ceases to provide warranty or maintenance services to Lucid with respect to the Contracted Items; (ii) there is a material breach of Supplier's warranty or maintenance service obligations with respect to the Contracted Items which Supplier fails to cure within the following timeframe after written notice thereof from Lucid: five (5) business days or, if Lucid reasonably agrees that the breach cannot be cured within five (5) business days, a longer period of time discussed by the Parties in good faith which does not to exceed ten (10) business days; or (iii) Supplier: (A) ceases to continue its business in the ordinary course; (B) makes a

general assignment for the benefit of creditors, or suffers or permits the appointment of a receiver for its business or assets; (C) files, or has filed against it, an action under any federal or state bankruptcy, insolvency or similar law for the purpose of seeking its bankruptcy, reorganization, or liquidation (which action, if filed against Supplier, is not discharged within sixty (60) days of such filing); or (D) has its business affairs wound up or liquidated, voluntarily or involuntarily.

"Safety Standards" has the meaning set forth in Section 10.4.

"Schedule" has the meaning set forth in Section 1.3(B).

"Software" means program code (in both source code and object code formats) and all supporting documentation, media, on-line help facilities and tutorials, including updates, enhancements, modifications, releases and derivatives of any of them, installed on or required for Use, operation or maintenance of any of the Contracted Items.

"Spares" means spare or replacement parts for, or units of, Equipment, Tooling, or other Contracted Items.

"Specifications" means those specifications contained in the Agreement, including but not limited to samples, prototypes, Performance Requirements, capabilities, designs, drawings and written specifications for the Contracted Items which are: (i) provided by Lucid to Supplier directly or by an Affiliate or contractor of Lucid and accepted by Supplier; or (ii) provided by Supplier to Lucid and approved in writing by Lucid; all as supplemented, but not changed, by the highest generally accepted industry standards for the Equipment.

"Systems" has the meaning set forth in Section 1.4(C)(i).

"Term" has the meaning given in Section 14.1.

"Third Party Material" has the meaning given in Section **Error! Reference source not found.**.

"Tooling" means, collectively, tooling, jigs, dies, gauges, fixtures, molds, patterns, and other equipment used to shape or machine metal or other materials.

"Turnkey Project" has the meaning set forth in Section 2.1.

"Use" means the right to use, execute, display, copy, perform, distribute copies of, maintain, modify, enhance, improve, create derivative works of software or other copyrighted or copyrightable works, repair, reconstruct, rebuild, relocate, sell, and import.

"Warranty Period" means, unless otherwise stated in the Agreement, (a) for the Contracted Items (other than Spares), a period of twenty-four (24) months beginning on the date of Lucid's Final Acceptance of the Equipment, and (b) for the Spares, a period of twenty-four (24) months beginning on the date that the Spares are placed into service.