Standard Terms and Conditions

1. TERMS OF AGREEMENT

Each Purchase Order issued by Cerence Inc. or its affiliate ("Cerence") is an offer to the supplier identified in the Purchase Order ("Supplier") for the purchase of Products and Services and is governed by these terms and conditions, and any attachments and exhibits, specifications, drawings, notes, instructions and other information, whether physically attached or incorporated by reference (collectively, the "Agreement") and constitutes the entire and exclusive agreement between Cerence and Supplier. Supplier's acceptance of the Purchase Order represents Supplier's agreement that any terms different from or in addition to the terms of the Agreement, whether communicated orally or contained in any purchase order confirmation, invoice, acknowledgement, release, acceptance or other written correspondence, irrespective of the timing, shall not form a part of the Agreement, even if Supplier purports to condition its acceptance of the Purchase Order on Cerence's agreement to such different or additional terms. Notwithstanding the foregoing, if there is a valid agreement between Cerence and Supplier covering procurement of the Products or Services described in the Purchase Order, the terms of such agreement shall govern such Products and Services, and this Agreement shall not apply.

2. **DEFINITIONS**

- 2.2 "Delivery Date" means the date or dates specified in the Purchase Order by which the Supplier will deliver the Work.
- 2.3 "Harmful Code" means any software intentionally designed to (i) disrupt, disable, harm, or impede operation, or (ii) impair operation based on the lapse of time, including but not limited to viruses, worms, time bombs, time locks, drop-dead devices, access codes, security keys, back doors, or trap door devices.
- 2.4 "Intellectual Property Rights" means any and all tangible and intangible: (i) copyrights and other rights associated with works of authorship throughout the world, including but not limited to copyrights, neighboring rights, moral rights, and mask works, and all derivative works thereof; (ii) trademark and trade name rights and similar rights; (iii) trade secret rights; (iv) patents, designs, algorithms, utility models, and other industrial property rights, and all improvements thereto; (v) all other intellectual and industrial property rights (of every kind and nature throughout the world and however designated) whether arising by operation of law, contract, license, or otherwise; and (vi) all registrations, applications, renewals, extensions, continuations, divisions, or reissues thereof now or hereafter in force (including any rights in any of the foregoing).
- 2.5 "Products" means tangible goods specified in the Purchase Order to be delivered on or before the estimated Delivery Date.

- 2.6 "Purchase Order" means the Cerence signed document issued by the Cerence Enterprise Resource Planning (ERP) system with a valid Purchase Order number for Supplier invoicing, and a description of the Goods or Services ordered.
- 2.7 "Services" means the services that Supplier is to perform for Cerence specified in the Purchase Order.
- 2.8 "Statement of Work" or "SOW" means the document specifying, without limitation, the scope, objective, and time frame of the Work that Supplier will perform for Cerence.
- 2.9 "Subcontractor" means a third party performing Work under an agreement (a "Subcontract") with Supplier.
- 2.10 "Supplier Business Code of Conduct" means the Cerence Supplier Business Code of Conduct (SBCC) posted on the Environmental, Social, and Governance (ESG) section of the www.Cerence.com website and which may be updated from time to time.
- 2.11 "Supplier Personnel" means Supplier's employees, consultants, agents, independent contractors and Subcontractors.
- 2.12 "Supplier Pre-Existing Intellectual Property Rights" means any ideas, concepts, know-how, techniques or Intellectual Property Rights belonging to Supplier that existed prior to Supplier's performance of Services for Cerence and were developed or acquired by Supplier outside the scope of performance of Services by Supplier for Cerence.
- 2.13 "Third Party Intellectual Property" means the Intellectual Property Rights of a third party which Supplier uses or incorporates into the Work.
- 2.14 "Work" means the Products and Services specified in the Purchase Order, including any SOW.

3. **DELIVERY**

- 3.1 Time is of the essence in Supplier's performance of its obligations under the Agreement. Supplier will immediately notify Cerence if Supplier's timely performance under the Agreement is delayed or is likely to be delayed. Cerence's acceptance of Supplier's notice will not constitute Cerence's waiver of any of Supplier's obligations.
- 3.2 If Supplier delivers Work after the Delivery Date, Cerence may reject such Work.
- 3.3 Cerence will hold any Work rejected under a Agreement at Supplier's risk and expense, including storage charges, while awaiting Supplier's return shipping instructions. Supplier will bear all return shipping charges, including without limitation, insurance charges Cerence incurs on Supplier's behalf. Cerence may, in its sole discretion, destroy or sell at a public or private sale any rejected Work for which Cerence does not receive return shipping instructions within a reasonable time, and apply the proceeds, if any, first toward any storage charges.
- 3.4 Supplier will preserve, pack, package and handle the Products so as to protect them from loss or damage and in accordance with best commercial practices in the absence of any specifications Cerence may provide. Without limiting the foregoing, Supplier shall

- observe the requirements of any local laws and regulations relating to hazardous work, including, without limitation, with respect to its accompanying information, packing, labeling, reporting, carriage and disposal.
- 3.5 Supplier will include with each delivery of Products a packing list identifying the Purchase Order number, the Cerence and/or Manufacturer part number for each of the Products (if applicable), a description and the quantity of each of the Products, and the date of shipment.
- 3.6 Unless Cerence expressly instructs otherwise, Supplier will deliver all Work to the Cerence location indicated in the Purchase Order. Seller assumes responsibility for all shipping and delivery charges including, without limitation, customs, duties, costs, taxes, and insurance. Risk of loss for the Products does not pass to Cerence until acceptance unless noted alternatively in the body of the Purchase Order.

4. PRICE, TAXES, AND PAYMENT

- 4.1 Unless otherwise specified in the Purchase Order, the price for the Product or Services includes all other charges such as shipping and delivery charges, duties, customs, tariffs, imposts, and government imposed surcharges. Supplier will break-out from the price any other taxes, duties, customs, tariffs, imposts, and governmental imposed surcharges and all such taxes and other charges, in its invoices. Supplier shall use its best efforts to assist Cerence in all legal efforts to minimize the taxes or supplemental charges resulting from the performance of this Agreement.
- 4.2 Cerence shall not be liable for sales and use tax for COGS or R&D related purchases. Tax exempt certificates are available from the Cerence Tax Dept. and please send your request to procurement@cerence.com. In no event shall Cerence be responsible for any tax based on Supplier's net income or similar basis, or the preparation of any tax return related thereto.
- 4.3 Cerence will pay Supplier in accordance with the payment terms set forth in the Purchase Order following the later of: (i) the Delivery Date; (ii) the date of Cerence's acceptance of all of the Work; or (iii) Cerence's receipt of a properly prepared invoice. A properly prepared invoice must include the Purchase Order number and, if required in the Purchase Order, Supplier's certification of conformance of the Work to the requirements. Payment will be in the currency of the country in which the Cerence entity or affiliate identified in the Purchase Order is located, and if the price set forth in the Purchase Order is not in the local currency, then Cerence will determine the local currency equivalent of the price as of date of payment. Cerence may, at any time, set-off any amounts Supplier owes Cerence against any amounts Cerence owes to Supplier or any of its affiliated companies. Invoices must be emailed to accounts.payable@cerence.com for N. America, ChinaAccountsPayable@cerence.com for China, and emeaaccountspayable@cerence.com for everywhere else.

Cerence will return any invoices to the supplier that do not reference a valid P.O. number referenced. Payment terms will be calculated from the date of an accurate invoice referencing the correct Purchase Order number.

5. OWNERSHIP AND LICENSE

- 5.1 Except with respect to any Supplier Pre-Existing Intellectual Property Rights, Cerence is the sole and exclusive owner of all Work. Supplier irrevocably assigns and transfers to Cerence all of its worldwide right and title to, and interest in, the Work, including all associated Intellectual Property Rights other than Supplier Pre-Existing Intellectual Property Rights.
- 5.2 Supplier grants to Cerence a non-exclusive, worldwide, royalty-free, irrevocable, perpetual, transferable, sublicenseable license to any Supplier Pre-Existing Intellectual Property Rights in the Work which arose outside the scope of the Agreement to the extent necessary for Cerence to exercise its rights in the Work as reasonably contemplated by the Agreement.
- 5.3 Supplier grants to Cerence a non-exclusive, worldwide, royalty-free, irrevocable, perpetual, transferable, sublicenseable license to any Intellectual Property Rights in Products or Services which are necessary for Cerence to use, import, copy, execute, reproduce, display, perform, and distribute copies of and modify (including creating improvements and derivative works based on) the Products or Services.

6. **INSPECTION AND ACCEPTANCE**

Cerence may reject any or all of the Work which does not conform to the applicable requirements within 10 business days of Supplier's delivery of the Work. At Cerence's option, Cerence may (i) return the nonconforming Work to Supplier for a refund or credit; (ii) require Supplier to replace the non-conforming Work; or (iii) require Supplier to repair the non-conforming Work so that it meets the requirements. As an alternative to (i) through (iii), Cerence may accept the non-conforming Work conditioned on Supplier providing a refund or credit in an amount Cerence reasonably determines to represent the diminished value of the non-conforming Work. Cerence's payment to Supplier for Work prior to Cerence's timely rejection of such Work as nonconforming will not be deemed as acceptance by Cerence.

7. CHANGES

- 7.1 As used in this Section 7, "Change" means a change Cerence directs or causes within the general scope of this Agreement, the applicable SOW or both.
- 7.2 Cerence, by written order ("Change Order"), may make Changes in accordance with this Section
- 7.3 If Supplier asserts that Cerence has directed or caused a Change to the cost of or time

for performance for which Cerence has not issued a Change Order, Supplier will promptly notify Cerence in writing of the Change, providing (i) a description of the action or inaction asserted to have caused the Change; (ii) an estimate of the equitable adjustment that would be required for Supplier to perform the Changed Work; and (iii) a date no less than 30 days from the date of notice by which Cerence must respond to Supplier's notice so that Supplier may proceed with the Work unchanged. Cerence will evaluate Supplier's notice of Change in good faith, and if Cerence agrees that it has made a constructive change, Cerence will issue a Change Order to Supplier.

- 7.4 Supplier shall, as promptly as practicable, after giving the notice of the Change, or within 10 days of receiving a Change Order, submit a request for equitable adjustment specifying the adjustment in the price or time for performance resulting from the Change.7.5 The parties shall negotiate an amendment to the applicable SOW to incorporate a Change Order providing for an equitable adjustment to the price, time for performance, or both.
- 7.6 Supplier will proceed with the Changed Work as directed, notwithstanding that the parties have not negotiated the amendment to this Agreement or the applicable SOW to incorporate the equitable adjustment.

8. REPRESENTATIONS AND WARRANTIES

- 8.1 Supplier represents and warrants that (i) it has the full power to enter into the Agreement and to perform its obligations under the Agreement; (ii) it has the right and unrestricted ability to assign the Work to Cerence including, without limitation, the right to assign any Work performed by Supplier Personnel and Subcontractors; (iii) the Work, and Cerence's use of the Work, do not and will not infringe upon any third party's Intellectual Property Rights, right of publicity or privacy, or any other proprietary rights, whether contractual, statutory or common law; (iv) Supplier will not disclose to Cerence, bring onto Cerence's premises, or induce Cerence to use any confidential or proprietary information that belongs to anyone other than Cerence or Supplier which is not covered by a nondisclosure agreement between Cerence and Supplier; (v) Software supplied by Supplier does not contain any Harmful Code; (vi) Supplier's Work conforms to Cerence's specifications, Supplier's quotation or proposal, and Supplier's brochures or catalogs (vii) no Products contain or include components (a) containing PCB' (polychlorinated biphenyls) chemical substances, (b) were manufactured using a cadmium plating process or contain a chemical substance or mixture that is or becomes subject to a reporting requirement under Section 8(e) of the Toxic Substances Control Act, 15 U.S.C. Section 2607(e), as in effect at time of shipment; and (viii) Supplier will comply with the Cerence Supplier Business Code of Conduct.
- 8.2 Cerence warrants and represents to Supplier that it has the full power to enter into the Agreement and to perform its obligations under the Agreement.
- 8.3 TO THE EXTENT ALLOWED BY APPLICABLE LAW, NO OTHER WARRANTIES ARE

MADE, EITHER EXPRESSED OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

9. ASSIGNMENT AND SUBCONTRACTING

- 9.1 Supplier may not assign any of its rights or delegate any of its obligations under the Agreement without Cerence's prior written consent, which Cerence will not unreasonably withhold. Cerence may, at its option, void any attempted assignment or delegation undertaken without Cerence's prior written consent.
- 9.2 Supplier may not subcontract any of its rights or obligations under the Agreement without Cerence's prior written consent. If Cerence consents to the use of a Subcontractor, Supplier will: (i) guarantee and will remain liable for the performance of all subcontracted obligations; (ii) indemnify Cerence for all damages and costs of any kind, subject to the limitations in Section 12 (Indemnification), incurred by Cerence or any third party and caused by the acts and omissions of Supplier's Subcontractors and (iii) make all payments to its Subcontractors. If Supplier fails to timely pay a Subcontractor for work performed, Cerence will have the right, but not the obligation, to pay the Subcontractor and offset any amount due to Supplier by any amount paid to the Subcontractor. Supplier will defend, indemnify and hold Cerence harmless for all damages and costs of any kind, without limitation, incurred by Cerence and caused by Supplier's failure to pay a Subcontractor.

 9.3 To the extent allowed by applicable law, no person who is not a party to Agreement shall be entitled to enforce or take the benefit of any of its terms whether as a result of applicable legislation, custom or otherwise.

10. **TERM AND TERMINATION**

- 10.1 The Agreement will remain in effect with respect to any SOW until such SOW is either terminated or the Work is completed and accepted.
- 10.2 Cerence may terminate this Agreement, any SOW, or both at any time, for no reason or for any reason, upon 15 days written notice to Supplier. Upon receipt of notice of such termination, Supplier will inform Cerence of the extent to which it has completed performance as of the date of the notice, and Supplier will collect and deliver to Cerence whatever Work then exists. Cerence will pay Supplier for all Work performed and accepted through the effective date of the termination, provided that Cerence will not be obligated to pay any more than the payment that would have become due had Supplier completed and Cerence had accepted the Work. Cerence will have no further payment obligation in connection with any termination.
- 10.3 Either party may terminate the Agreement, any SOW or both, immediately by delivering written notice to the other party upon the occurrence of any of the following events: (i) a receiver is appointed for either party or its property; (ii) either makes a general assignment for the benefit of its creditors; (iii) either party commences, or has commenced

- against it, proceedings under any bankruptcy, insolvency or debtor's relief law, if such proceedings are not dismissed within 60 days; or (iv) either party is liquidating, dissolving, or ceasing to do business in the ordinary course.
- 10.4 Cerence may immediately terminate the Agreement upon written notice to Supplier if there is a change in ownership representing 20 percent or more of the equity ownership of Supplier.
- 10.5 Either party may terminate this Agreement, any SOW or both, immediately by delivering written notice to the other party for any material breach not cured within 30 days of receipt of notice of the breach. Cerence shall have no further payment obligation to Supplier under any terminated SOW if Cerence terminates the SOW under this Section 10.5.
- 10.6 Any obligations or duties which, by their nature, extend beyond the expiration or termination of the Agreement shall survive the expiration or termination of the Agreement.

11. CONFIDENTIAL INFORMATION AND PUBLICITY

- 11.1 If Cerence and Supplier have entered into a Non-Disclosure Agreement ("NDA") which covers disclosure of confidential information under the Agreement, and if the term of the NDA expires before the expiration or termination of the Agreement, then the term of the NDA shall be automatically extended to match the term of the Agreement.
- 11.2 The parties shall treat the terms, conditions, and existence of the Agreement as Confidential Information as defined in the NDA.
- 11.3 Supplier shall not use its relationship with Cerence in any publication, presentation, public announcement, or press release.

12. **INDEMNIFICATION**

- 12.1 As used in this Section 12, a "Claim" is any claim, demand, loss, damage, liability, cost or expense (including professional fees and costs as incurred) for which one party (the "Indemnifying Party") may be obligated to defend, indemnify and hold the other party (the "Indemnified Party") harmless.
- 12.2 Supplier shall defend, indemnify and hold Cerence harmless from and against any and all Claims as incurred, arising out of or in connection with any (i) act or omission of Supplier (including its Subcontractors) in the performance of the Work; or (ii) any infringement of a third party's Intellectual Property Rights or any other rights.
- 12.3 Cerence shall indemnify and hold Supplier harmless from and against any and all Claims as incurred, arising out of or in connection with: (i) Supplier's use of Cerence's products or services in connection with the Work; (ii) Supplier's use of information or materials provided to Supplier by Cerence; or (iii) infringement of a third party's Intellectual Property Rights or any other rights resulting from Supplier's adherence to Cerence's written instructions.

- 12.4 Each party will indemnify and hold the other party harmless from and against any and all Claims, as incurred, arising out of any negligent or willful acts or omissions of the Indemnifying Party which results in personal injury (including death) or damage to tangible property (not including lost or damaged data).
- 12.5 In order to receive the indemnification, the Indemnified Party must provide the Indemnifying Party with prompt written notice of the Claim, cooperate with the defense of the Claim, and permit the Indemnifying Party to control the defense, settlement, adjustment, or compromise of any Claim. The Indemnified Party may employ its own counsel at its own expense to assist it with respect to any Claim. The Indemnified Party will have no authority to settle any Claim on the Indemnified Party's behalf.
- 12.6 If a third party enjoins or interferes with Cerence's use of any Work, then in addition to a Supplier's obligations under Section 12.2, Supplier will use its best efforts to (i) obtain any licenses necessary to permit Cerence to continue to use the Work; (ii) replace or modify the Work as necessary to permit Cerence to continue to use of the Work; or if (i) and (ii) are not commercially reasonable, then (iii) promptly refund to Cerence the amount paid for any Work for which a third party enjoins or interferes with Cerence's use of the Work.
- 12.7 Nothing in this Section shall limit any other remedy of the parties.

13. **LIABILITY**

- 13.1 NOTWITHSTANDING ANYTHING ELSE IN THE AGREEMENT OR OTHERWISE, CERENCE WILL NOT BE LIABLE TO SUPPLIER WITH RESPECT TO THE SUBJECT MATTER OF THE AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY AMOUNTS IN EXCESS OF THE AMOUNT CERENCE PAID TO SUPPLIER IN CONNECTION WITH THE WORK THAT IS THE SUBJECT OF THE CLAIM IN THE SIX MONTHS PRECEDING THE EVENT OR CIRCUMSTANCE GIVING RISE TO SUCH LIABILITY.
- 13.2 IN NO EVENT WILL CERENCE BE LIABLE TO SUPPLIER FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL DAMAGES OR LOSS OF PROFITS ARISING OUT OF, OR IN CONNECTION WITH, THE AGREEMENT, WHETHER OR NOT CERENCE WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.
- 13.3 THE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. NOTHING IN THE AGREEMENT LIMITS EITHER PARTY'S LIABILITY FOR BODILY INJURY OF A PERSON, DEATH, OR PHYSICAL DAMAGE TO PROPERTY OR ANY LIABILITY WHICH CANNOT BE EXCLUDED UNDER APPLICABLE LAW.

14. INSURANCE

Supplier will secure and maintain insurance providing coverage for liabilities to third parties for bodily injury (personal injury) and damage to property in amounts sufficient to protect

Cerence in the event of such injury or damage and will comply with all laws, regulations or orders addressing the liabilities of an employer to its employees for injuries suffered in connection with employment. Supplier further will maintain such additional types and limits of insurance as is customary for a company of similar size and similar operations to Supplier in the jurisdiction or jurisdictions in which Supplier's operations take place.

15. **COMPLIANCE WITH LAWS**

Supplier represents and warrants that it will comply with all applicable local and national laws and regulations pertaining to its performance of its obligations under this Agreement. In particular and without limitation, Supplier shall not act in any fashion or take any action that will render Cerence liable for a violation of the i) U.S. Foreign Corrupt Practices Act ("FCPA"), which prohibits the offering, giving or promising to offer or give, directly or indirectly, money or anything of value to any official or a government, political party, or instrumentality to assist it or Cerence in obtaining or retaining business or in carrying out the Services; or ii) U.K. Bribery Act 2010, which prohibits bribing an individual in certain scenarios, prohibits bribing a foreign public official, and penalizes companies whose employees engage in bribery if the company does not have appropriate policies and procedures in place to prevent bribery. Supplier's failure to comply with the FCPA and the Bribery Act 2010 shall constitute a material breach of this Agreement. Supplier further represents and warrants that it will not disclose any export controlled information to Cerence that requires an export license or authorization to be exported.

16. **GOVERNING LAW**

The Agreement will be construed in accordance with, and all disputes will be governed by, the laws of the Commonwealth of Massachusetts, without regard to its conflict of laws rules. The parties specifically waive application of the UN Convention on Contracts for the International Sale of Goods. Supplier irrevocably consents to the personal jurisdiction of the state and federal courts in and for Massachusetts, and irrevocably waives any claim it may have that any proceedings brought in such courts have been brought in an inconvenient forum.

17. **GENERAL**

17.1 Any notice to be given under the Agreement will be in writing and addressed to the party at the address stated in the front of the Purchase Order. Notices will be deemed given and effective (i) if personally delivered, upon delivery, (ii) if sent by an overnight service with tracking capabilities, upon receipt; (iii) if sent by fax or electronic mail, at such time as the party which sent the notice receives confirmation of receipt by the applicable method of transmittal; or (iv) if sent by certified or registered mail, within five days of deposit in the

mail.

- 17.2 If there is a conflict between or among the Purchase Order and any documents attached thereto and incorporated by reference, the conflict will be resolved as follows:
- 17.2.1 A conflict between the terms of the Purchase Order and those set forth in an exhibit or hyperlink will be resolved in favor of the Purchase Order.
- 17.2.2 A conflict between the terms of the Purchase Order and those set forth in an SOW will be resolved in favor of the SOW.
- 17.2.3 A conflict between the terms of an exhibit or hyperlink and those set forth in a SOW will be resolved in favor of the SOW.
- 17.3 If any court of competent jurisdiction holds that any provision of the Agreement is illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining provisions of the Agreement will not be affected or impaired, and all remaining terms of this Agreement remain in full force and effect, provided that this provision shall not be applied to defeat the intent of the parties.
- 17.4 A party's election not to insist on strict performance of any requirement of the Agreement will not operate or be construed to waive any future omission or breach, or any other provision of the Agreement.

18. **EQUAL OPPORTUNITY OBLIGATIONS**

Unless exempt, Supplier and its Subcontractors shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. If applicable, Supplier and its Subcontractors shall also abide by the requirements 41 CFR § 61-300.10 regarding veterans' employment reports and 29 CFR Part 471, Appendix A to Subpart A regarding posting a notice of employee rights.