



## ZULU PODS STANDARD TERMS AND CONDITIONS

This document sets forth the Standard Terms and Conditions that shall govern the Agreement between Zulu Pods and its Supplier, hereinafter referred to as “Party B.”

### **I. INTELLECTUAL PROPERTY (IP)**

- a. Ownership of Pre-Existing IP.** Each party shall retain all right, title, and interest in and to any pre-existing intellectual property (“Background IP”) that it owned or licensed prior to the commencement of this Agreement.
- b. Ownership of Newly Created IP.** All intellectual property created or developed jointly, at the shared expense of the Parties, during the performance of this Agreement (“New IP”) shall be jointly owned by Zulu Pods and Party B, unless otherwise agreed in writing. Each party shall have a non-exclusive, royalty-free, worldwide, perpetual license to use the New IP for any purpose related to its business. New IP may be subject to any applicable Government Purpose Rights, as provided inapplicable laws and regulations, including but not limited to DFARS 252.227-7013 and DFARS 252.227-7014.
- c. Confidentiality.** Each party agrees to maintain the confidentiality of all confidential information disclosed by the other party during the course of this Agreement. Confidential information shall include, but not be limited to, technical data, trade secrets, business plans, and customer lists. Any and all pre-existing confidential agreements agreed upon between the Parties shall remain in effect.
- d. Infringement Indemnification.** Each party shall indemnify, defend, and hold harmless the other party from and against any and all claims, damages, liabilities, costs, and expenses (including reasonable attorneys’ fees) arising out of or relating to any allegation that the indemnifying party’s Background IP or any use thereof infringes or misappropriates any third-party intellectual property rights.

### **II. WARRANTIES AND LIABILITIES**

- a. Warranties.** Both Zulu Pods and Party B warrant that its delivered services and products (“Products”) provided under this agreement shall:
  - i.** Conform to the specifications and drawings set forth in the applicable Statement of Work;

- ii. Be free from defects in material and workmanship;
  - iii. Be merchantable and fit for their intended purpose; and
  - iv. Comply with all applicable laws, regulations, and industry standards.
- b. **Product Specifications and Compliance.** The Products shall be designed, manufactured, and tested in accordance with the specifications and drawings set forth in the applicable Statement of Work and shall comply with all applicable industry standards.
- c. **Quality Assurance and Control.** Both Parties shall maintain a quality management system that complies with industry standards and ensure the Products shall meet all required applicable specifications and standards. Party B warrants it has an implemented Quality Management System (QMS) that meets the requirements of the AS9100 standard. In accordance with these standards, Party B shall:
  - i. Use customer-designated or approved external providers, including process sources (e.g., special processes);
  - ii. Flow down to external providers applicable requirements, including customer requirements;
  - iii. Provide test specimens for design approval, inspection/verification, investigation, or auditing;
  - iv. Retain documented information, including retention periods and disposition requirements; and
  - v. Ensure that persons are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.
- d. **Right of Access.** Zulu Pods, its customers, and regulatory authorities shall have the right of access to the applicable areas of facilities and to applicable documented information, at any level of the supply chain. Zulu Pods reserves the right to conduct on-site audits of Party B's facilities to ensure compliance with this Agreement and applicable industry standards. Party B's performance shall be measured against key metrics, including on-time delivery and non-conformity rates.

- e. **Product Liability and Recall.** Party B shall be solely responsible for any and all product liability claims arising out of or relating to the Products. In the event of a product recall, Party B shall, at its sole expense, promptly recall and replace or repair any defective Products.
- f. **Counterfeit Products.** Party B ensures all delivered goods are genuine and sourced from authorized channels, free from false labeling or alterations. Party B has the obligation to verify authenticity through documentation by providing certificates of authenticity, processes for preventing counterfeits in their supply chain, immediate notification of any suspect products to Zulu Pods, and Party B's liability for all costs associated with the removal and replacement of counterfeit items. Party B shall, upon request from Zulu Pods, provide the certificate of authenticity for any delivered goods. In the event of suspect counterfeit products, Party B shall provide immediate written notification to Zulu Pods, and Party B will be held liable for all costs associated with the removal and replacement of counterfeit items.
- g. **Foreign Object Debris Prevention.** Party B has procedures to prevent Foreign Object Debris from contaminating products and to conduct inspections to ensure compliance.
- h. **Communication & Reporting.** Party B shall promptly notify Zulu Pods of issues including serious failures, malfunctions, defects, or potential non-conforming conditions. Specifically, Party B shall notify Zulu Pods of nonconforming processes, products, or services and obtain approval for their disposition. Party B shall also notify Zulu Pods of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain Zulu Pods' approval. Advance notification is required for any changes to on-time delivery schedules.
- i. **Limitations of Liability.** Neither party shall be liable to the other for any indirect, incidental, special, consequential, or punitive damages, including but not limited to lost profits or business interruption, arising out of or relating to this Agreement, whether based on contract, tort, strict liability, or any other legal theory, even if such party has been advised of the possibility of such damages.

- j. **Indemnification.** Each party shall indemnify and hold the other harmless from and against any and all claims, damages, losses, liabilities, and expenses arising out of or in connection with any breach of this Agreement by such party.

### III. TERMINATION

- a. **Termination for Cause.** Either party may terminate this Agreement for cause upon written notice to the other party if the other party materially breaches any provision of this Agreement and fails to cure such breach within 30 days after receipt of notice.
- b. **Termination for Convenience.** Either party may terminate this Agreement for convenience at any time upon 30 days' prior written notice to the other party.
- c. **Termination for Changes in Government Regulations or Priorities.** In the event of any change in applicable laws, regulations, or government priorities that materially affects either Parties' ability to perform its obligations under this Agreement, either party may terminate this Agreement upon written notice to the other party.
- d. **Effects of Termination.** Upon termination of this Agreement, all outstanding payments shall become immediately due and payable. Each party shall return or destroy all confidential information of the other party in its possession or control.

IV. **INSURANCE.** Both Parties shall maintain, at its own expense, insurance coverage in amounts and types reasonably sufficient to protect both Parties from risks arising out of or relating to the performance of this Agreement, including but not limited to products liability insurance, general liability insurance, and workers' compensation insurance.

V. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without regard to its conflict of law provisions.

VI. **DISPUTE RESOLUTION.** Any dispute arising out of or in connection with this Agreement shall be resolved through binding arbitration in accordance with the rules of the American Arbitration Association. The arbitration shall be conducted in Fort Lauderdale, Florida. The decision of the arbitrator shall be final and binding on the Parties.

**VII. FORCE MAJEURE.** Neither party shall be liable for any delay or failure in performance due to any cause beyond its reasonable control, including but not limited to acts of God, war, terrorism, riots, embargoes, strikes, lockouts, or other labor disputes.

**VIII. EXPORT CONTROLS.**

- a. Both Parties acknowledge that the performance of this Agreement may be subject to export control laws and regulations. Each party agrees to comply with all applicable export control laws and regulations and shall obtain any necessary export licenses or authorizations prior to exporting any technical data or other controlled items.
- b. The Parties acknowledge and agree that information shared between the Parties under this Agreement may contain “Technical Data” as defined by the U.S. Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR) or locally applicable export control laws or regulations. Technical Data may only be transferred to U.S. Persons (defined in Part 120 of the ITAR and various parts of the EAR) unless prior authorization is granted by the U.S. Department of Commerce or the U.S. Department of State. The Parties hereby covenant and agree not to export or re-export, directly or indirectly, any Technical Data mentioned above, including any goods, process or services derived from such Technical Data, to any destination to which such export or re-export is restricted or prohibited by U.S. or locally applicable law or regulations, without first obtaining, at its own expense, all prior authorizations, licenses, clearances and permits from the U.S. Department of Commerce, the U.S. Department of State and/or other applicable government authorities to the extent required by those laws or regulations.