STRATEGIC BATTERY MODULE SUPPLY AGREEMENT

Between

Aurora Motors Corporation
Detroit, Michigan, United States
(“Buyer”)

and

Voltatek Energy Systems Inc.
Austin, Texas, United States
(“Supplier”)

Effective Date: January 1, 2025

Estimated Contract Value: Approximately USD 400,000,000

Contract Duration: Three (3) Years

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1. Background

Aurora Motors Corporation is a global manufacturer of electric vehicles and mobility solutions. As part of its EV-Series vehicle platform, Aurora Motors requires a stable supply of lithium-ion battery modules meeting its performance and reliability requirements.

Voltatek Energy Systems Inc. is a rapidly growing developer and manufacturer of lithium-ion battery modules and battery management technology.

Buyer desires to procure battery modules from Supplier to support the production of Buyer’s EV-Series vehicles.

Supplier is willing to manufacture and supply such battery modules subject to the terms outlined in this Agreement.

The Parties therefore agree to establish the following commercial supply arrangement.

2. Purpose of the Agreement

The purpose of this Agreement is to define the commercial relationship between Buyer and Supplier concerning the manufacturing and supply of lithium-ion battery modules for integration into Buyer's electric vehicles.

This Agreement establishes the framework governing:

- product specifications
- production capacity allocation
- forecast planning
- pricing and raw-material adjustments
- delivery and logistics
- quality requirements
- warranty obligations
- payment conditions
- operational collaboration
- duration and termination of the commercial relationship

The Parties acknowledge that battery module manufacturing is a complex industrial process requiring coordination across production planning, supply chain management, and vehicle manufacturing operations.

The Parties therefore intend that this Agreement serve as the primary commercial structure governing their supply relationship.

3. Definitions

For the purposes of this Agreement, the following terms shall have the meanings described below.

Battery Module
A lithium-ion battery module manufactured by Supplier containing battery cells, structural housing, cooling interfaces, and battery management system integration components designed for use in Buyer's EV-Series vehicles.

Binding Forecast Period
The portion of Buyer's rolling forecast that constitutes a firm purchase commitment, as defined in Section 8.

Business Day
Any day other than Saturday, Sunday, or public holiday in the United States.

Commercial Invoice
A written invoice issued by Supplier requesting payment for delivered Battery Modules.

Forecast
Buyer's estimate of expected demand for Battery Modules provided to Supplier for production planning purposes.

Raw Material Index
Published market indices tracking the market prices of lithium, nickel, and cobalt used in battery manufacturing.

Unit Price
The agreed price per Battery Module as adjusted in accordance with the pricing mechanism described in this Agreement.

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4. Product Description

Supplier shall manufacture and supply lithium-ion Battery Modules designed for integration into Buyer's EV-Series electric vehicle platforms.

Each Battery Module shall include the following components:

• lithium-ion battery cells
• battery module housing
• cooling interface system
• electrical connection interface
• battery management system interface

Nominal module specifications shall include:

Nominal capacity: **78 kWh**

Estimated weight: **420 kilograms**

Design service life: **8 years or 160,000 km**

Supplier shall manufacture the Battery Modules at its Austin, Texas manufacturing facility unless otherwise agreed.

Buyer shall provide Supplier with technical product specifications required for manufacturing.

Supplier shall ensure that the Battery Modules conform to the technical requirements specified by Buyer.

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5. Product Specifications

Buyer shall provide Supplier with detailed technical specifications for the Battery Modules, including but not limited to:

• electrical performance requirements
• thermal management parameters
• safety compliance standards
• structural interface dimensions
• vehicle integration requirements

Supplier shall manufacture the Battery Modules according to these specifications.

If Buyer modifies technical specifications during the contract term, Supplier shall evaluate the feasibility of such changes.

Supplier shall notify Buyer if specification changes significantly impact manufacturing cost or production efficiency.

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6. Manufacturing Responsibilities

Supplier shall be responsible for all aspects of battery module manufacturing including:

• procurement of raw materials
• cell assembly
• module assembly
• quality testing
• packaging

Supplier shall maintain manufacturing facilities capable of producing Battery Modules at volumes required by Buyer's production plans.

Supplier shall ensure that manufacturing operations comply with applicable safety and environmental standards.

Supplier shall maintain internal quality control procedures designed to ensure consistent product quality.

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7. Estimated Production Volumes

Buyer anticipates purchasing approximately **500,000 Battery Modules per calendar year** during the contract term.

Estimated total purchase volume over the three-year term is **1,500,000 Battery Modules**.

The Parties acknowledge that these volumes represent planning estimates and may vary depending on vehicle production demand.

Buyer shall provide updated forecasts in accordance with Section 8 of this Agreement.

Supplier shall plan manufacturing capacity based on the forecasts provided by Buyer.

Unless otherwise specified, Buyer does not guarantee minimum purchase volumes.

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8. Forecasting

Buyer shall provide Supplier with a **rolling twelve-month forecast** of expected Battery Module demand.

The forecast shall be updated monthly.

The first **three months of each forecast period shall be binding**.

Supplier shall allocate manufacturing capacity to meet the binding portion of Buyer's forecast.

Forecast volumes beyond the binding period represent non-binding planning estimates and may be adjusted by Buyer.

Buyer shall use commercially reasonable efforts to provide accurate forecasts.

Supplier shall rely on these forecasts for production planning.

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9. Production Capacity

Supplier estimates its current production capacity at the Austin manufacturing facility to be approximately **600,000 Battery Modules per year**.

Supplier shall allocate sufficient capacity to meet Buyer's binding forecast commitments.

Supplier may allocate remaining capacity to other customers.

If Buyer's forecast exceeds Supplier's available capacity, the Parties shall discuss potential adjustments to production schedules.

Supplier shall notify Buyer if capacity limitations could affect the ability to meet forecast requirements.

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10. Production Planning

Supplier shall maintain internal production planning processes designed to support Buyer's forecast requirements.

Production planning may include:

• workforce scheduling
• equipment utilization
• raw material procurement
• manufacturing cycle planning

Supplier shall use commercially reasonable efforts to align production schedules with Buyer's forecast.

Buyer acknowledges that battery manufacturing requires advance planning of raw material supply and production resources.

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11. Raw Material Procurement

Supplier shall be responsible for procuring all raw materials required for battery module manufacturing.

Key materials include but are not limited to:

- lithium carbonate
- nickel compounds
- cobalt compounds
- aluminum and copper components

Supplier shall manage raw material sourcing through its supply chain partners.

Supplier shall bear the responsibility for negotiating supply agreements with raw material suppliers.

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12. Pricing Structure

The base unit price for Battery Modules supplied under this Agreement shall be:

USD 265 per kWh

Based on a nominal module capacity of 78 kWh, the estimated module price shall be:

USD 20,670 per Battery Module

The unit price is subject to adjustment based on the Raw Material Index Adjustment mechanism defined in Section 13.

Prices include manufacturing, testing, and packaging of Battery Modules.

Transportation costs are not included in the unit price.

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13. Raw Material Index Adjustment

The Parties acknowledge that the cost of battery modules is influenced by fluctuations in key raw material prices.

The base price assumes the following reference commodity prices:

Lithium Carbonate: USD 28,000 per metric ton
Nickel: USD 21,000 per metric ton
Cobalt: USD 32,000 per metric ton

The unit price shall be adjusted quarterly based on the average market price of these materials during the preceding quarter.

Supplier shall calculate price adjustments using the published commodity indices.

Supplier shall submit adjustment calculations to Buyer within ten (10) days after the end of each quarter.

Buyer shall review and confirm the revised pricing prior to implementation.

Price adjustments shall take effect at the beginning of the following quarter.

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14. Cost Transparency

Supplier shall provide Buyer with reasonable documentation supporting raw material price adjustments.

Buyer may request clarification regarding adjustment calculations.

Supplier shall cooperate with Buyer in reviewing price adjustment mechanisms.

The Parties acknowledge that raw material costs represent a significant portion of battery manufacturing costs.

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15. Delivery Terms

Delivery shall occur under **Ex Works (EXW) Austin, Texas**.

Buyer shall arrange transportation of Battery Modules from Supplier’s manufacturing facility.

Supplier shall notify Buyer when finished modules are ready for pickup.

Buyer shall collect finished Battery Modules within **seventy-two (72) hours** after notification of readiness.

If modules remain uncollected beyond this period, Supplier may charge storage fees.

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16. Transfer of Risk

Risk of loss shall transfer from Supplier to Buyer upon transfer of goods to Buyer's designated carrier at Supplier's facility.

Buyer shall assume responsibility for transportation and logistics once the Battery Modules are collected.

Supplier shall ensure that modules are properly packaged prior to pickup.

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17. Packaging

Battery Modules shall be packaged using reusable transport containers approved by Buyer.

Supplier shall supply the initial packaging equipment.

Buyer shall return empty packaging containers to Supplier within **30 days**.

Damage to packaging equipment shall be charged to the responsible party.

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18. Logistics Coordination

The Parties shall coordinate logistics schedules to support efficient collection of Battery Modules.

Buyer shall provide advance notice of transportation arrangements.

Supplier shall prepare shipments for pickup according to Buyer's logistics schedule.

The Parties shall communicate regularly to minimize disruption to production and delivery operations.

Below is **Part 2 of the Strategic Battery Module Supply Agreement**.
This continues the same contract and corresponds approximately to **Pages 15–28** when formatted in Word (11 pt font, normal margins).

19. Inventory Management

Supplier shall maintain sufficient inventory of Battery Modules to support Buyer's binding forecast requirements.

Supplier shall plan inventory levels based on the rolling forecast provided by Buyer.

Supplier shall maintain finished goods inventory equivalent to **two weeks of Buyer's average forecast demand** during the binding forecast period.

Supplier shall determine the level of raw material inventory required to support production planning.

Buyer shall not be responsible for inventory held by Supplier beyond the binding forecast period.

If Buyer significantly reduces demand within the binding forecast period, the Parties shall discuss appropriate adjustments to inventory planning.

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20. Safety Stock

Supplier may maintain safety stock levels necessary to ensure production continuity.

Safety stock may include:

• battery cells
• cooling components
• structural components
• finished battery modules

Supplier shall determine safety stock levels based on internal manufacturing considerations.

Buyer may request visibility into safety stock planning to ensure supply continuity.

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21. Inventory Ownership

All raw materials and work-in-progress inventory shall remain the property of Supplier until finished Battery Modules are transferred to Buyer.

Ownership of finished Battery Modules shall transfer to Buyer upon pickup by Buyer's designated transportation carrier.

Supplier shall be responsible for inventory losses or damage prior to transfer of ownership.

Buyer shall be responsible for inventory once goods have been transferred to its carrier.

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22. Payment Terms

Buyer shall pay Supplier within **ninety (90) days** from the date of Supplier's commercial invoice.

Supplier shall issue invoices at the time Battery Modules are transferred to Buyer's designated carrier.

Invoices shall specify:

- number of Battery Modules supplied
- unit price
- applicable price adjustments
- total invoice value

Payments shall be made via electronic bank transfer.

Buyer may dispute any invoice believed to contain errors. Disputed amounts shall be resolved through discussion between the Parties.

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23. Early Payment

Buyer may elect to pay invoices earlier than the standard payment period.

Early payments may be made at Buyer's discretion.

The Parties may discuss potential financial incentives for early payment if mutually beneficial.

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24. Currency

All prices and payments under this Agreement shall be denominated in **United States Dollars (USD)**.

If international transactions require currency conversion, the Parties shall apply the prevailing exchange rate used by Buyer's financial institution.

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25. Financial Stability

Supplier acknowledges that battery module manufacturing requires significant capital investment.

Supplier shall maintain financial resources sufficient to support its manufacturing obligations.

If Supplier experiences financial difficulty that could affect production capacity, Supplier shall notify Buyer promptly.

Buyer may request information concerning Supplier's financial stability if necessary to ensure continuity of supply.

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26. Quality Assurance

Supplier shall maintain a quality management system appropriate for automotive component manufacturing.

Supplier shall implement procedures designed to ensure consistent battery module performance.

Quality control procedures may include:

• cell testing
• electrical performance verification
• thermal testing
• structural integrity testing

Supplier shall document quality assurance procedures and maintain records of product testing.

Buyer may request access to quality documentation upon reasonable notice.

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27. Defect Rate

Battery Modules delivered to Buyer shall meet the quality requirements defined in this Agreement.

The acceptable defect rate for delivered Battery Modules shall not exceed **1.5 percent per shipment**.

Defects may include:

• electrical malfunction
• structural damage
• cooling system failure
• battery degradation exceeding specifications

If defect rates exceed the acceptable threshold, Supplier shall implement corrective action measures.

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28. Quality Audits

Buyer may conduct periodic audits of Supplier’s manufacturing processes.

Audits may include review of:

• quality control procedures
• manufacturing processes
• testing documentation

Supplier shall cooperate with such audits and provide reasonable access to facilities and documentation.

Audits shall be conducted during normal business hours and shall not unnecessarily disrupt manufacturing operations.

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29. Non-Conforming Products

If Buyer identifies Battery Modules that do not conform to the agreed specifications, Buyer shall notify Supplier.

Supplier shall investigate the cause of the non-conformance.

Supplier may choose to:

• repair the defective modules
• replace the defective modules
• reimburse Buyer for the value of defective modules

The appropriate remedy shall be determined based on the nature of the defect.

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30. Field Failures

If Battery Modules fail during vehicle operation within the warranty period, Supplier shall investigate the cause of failure.

Supplier shall provide technical support to Buyer in diagnosing battery performance issues.

If failures are determined to result from manufacturing defects, Supplier shall provide replacement modules or reimbursement.

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31. Warranty Coverage

Supplier warrants that Battery Modules supplied under this Agreement will perform in accordance with Buyer's specifications for a period of:

Eight (8) years or 160,000 kilometers, whichever occurs first.

Warranty coverage includes defects resulting from:

- manufacturing errors
- component failure
- premature battery degradation

Warranty coverage does not include failures resulting from misuse, accidents, or improper vehicle maintenance.

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32. Warranty Claims

Buyer shall notify Supplier of warranty claims involving Battery Modules.

Supplier shall respond within **ten (10) business days** of receiving notice of a warranty claim.

Supplier may request technical information necessary to evaluate the claim.

The Parties shall cooperate in investigating the cause of warranty failures.

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33. Warranty Cost Allocation

Supplier's responsibility for warranty claims shall be limited to the repair, replacement, or reimbursement of defective Battery Modules.

Supplier shall not be responsible for indirect costs such as:

- vehicle recalls
- transportation costs
- customer compensation

Unless otherwise agreed by the Parties.

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34. Corrective Action

If repeated defects occur in delivered Battery Modules, Supplier shall implement corrective action measures.

Corrective actions may include:

• process improvements
• equipment adjustments
• supplier quality improvements

Supplier shall communicate corrective actions to Buyer.

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35. Continuous Improvement

Supplier shall make commercially reasonable efforts to improve manufacturing efficiency and product quality during the contract term.

Supplier may introduce manufacturing improvements that reduce production costs.

If such improvements significantly reduce manufacturing cost, the Parties may discuss potential adjustments to product pricing.

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36. Engineering Changes

Buyer may request engineering changes affecting battery module design.

Engineering changes may include modifications to:

• cooling interfaces
• module structure
• electrical connectors
• battery management system integration

Supplier shall evaluate the feasibility of requested engineering changes.

If changes affect manufacturing cost, the Parties shall discuss appropriate price adjustments.

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37. Change Implementation

If engineering changes are approved, the Parties shall agree on an implementation timeline.

Supplier shall make reasonable efforts to integrate approved changes into its production process.

Buyer shall provide technical support where necessary to facilitate implementation.

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38. Production Ramp-Up

Supplier shall maintain manufacturing capability to support Buyer’s forecast requirements.

If Buyer significantly increases forecast volumes, Supplier shall evaluate its ability to expand production capacity.

Production expansion may require additional equipment or workforce.

The Parties shall discuss potential adjustments to production planning if demand increases significantly.

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39. Production Interruptions

Supplier shall notify Buyer promptly if manufacturing disruptions occur that could affect delivery schedules.

Possible disruptions may include:

- equipment failure
- raw material shortages
- labor shortages

The Parties shall cooperate to minimize disruption to supply.

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40. Business Continuity

Supplier shall maintain reasonable contingency plans to address potential production interruptions.

Contingency planning may include:

• alternative equipment
• backup production processes
• secondary suppliers for critical components

Buyer may request information regarding Supplier's business continuity plans.

Below is **Part 3 of the Strategic Battery Module Supply Agreement**, continuing the same document. When compiled in Word with the previous sections, this portion corresponds approximately to **Pages 29–42** of the full 56-page contract.

This section focuses on **operational coordination, commercial flexibility, sustainability, and relationship governance**. Several clauses are intentionally written in a traditional, positional style to allow students and AI to identify renegotiation opportunities through the SMARTnership lens.

41. Capacity Allocation

Supplier shall allocate sufficient manufacturing capacity to support Buyer's binding forecast commitments as defined in Section 8.

Supplier may allocate remaining manufacturing capacity to other customers.

If Buyer's demand increases beyond Supplier's available capacity, the Parties shall discuss potential adjustments to production schedules or capacity expansion.

Supplier shall not be obligated to prioritize Buyer's non-binding forecast volumes over commitments made to other customers.

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42. Capacity Expansion

If Buyer forecasts demand exceeding Supplier’s current production capacity, Supplier may evaluate potential expansion of its manufacturing capability.

Capacity expansion may include:

• installation of additional production equipment
• expansion of manufacturing facilities
• hiring and training of additional personnel

The Parties may discuss potential commercial adjustments associated with capacity expansion.

Supplier shall determine whether such expansion is economically feasible.

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43. Production Efficiency

Supplier shall operate its manufacturing facility in a manner designed to maintain efficient production.

Production efficiency may be influenced by factors including:

• equipment utilization
• workforce scheduling
• raw material availability
• manufacturing cycle times

Supplier shall monitor production performance and take reasonable steps to maintain operational stability.

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44. Manufacturing Yield

Battery module production involves complex processes that may result in manufacturing scrap or yield losses.

Supplier shall manage manufacturing yield through internal production controls.

Supplier shall not be responsible for yield losses arising from specification changes requested by Buyer.

Buyer acknowledges that battery manufacturing yield may vary depending on production conditions.

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45. Scrap Responsibility

Supplier shall manage scrap generated during manufacturing operations.

Scrap resulting from manufacturing inefficiencies shall be borne by Supplier.

Scrap resulting from specification changes requested by Buyer may be discussed between the Parties to determine appropriate cost allocation.

The Parties shall cooperate to minimize scrap and production waste.

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46. Production Scheduling

Supplier shall establish internal production schedules based on Buyer’s forecast.

Production schedules may be adjusted to accommodate operational considerations.

Supplier shall inform Buyer if significant scheduling changes could affect delivery timing.

Buyer shall provide reasonable notice of changes in forecast demand that may affect production planning.

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47. Pickup Scheduling

Buyer shall coordinate transportation pickup schedules with Supplier.

Supplier shall make finished Battery Modules available for pickup according to production schedules.

Buyer shall provide at least **48 hours’ notice** of scheduled pickups.

Supplier shall prepare shipments to meet the agreed pickup schedule.

If Buyer fails to collect finished modules according to the scheduled pickup time, Supplier may reschedule pickup based on production availability.

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48. Logistics Efficiency

The Parties shall cooperate to maintain efficient logistics operations.

Coordination may include:

• transportation planning
• shipment scheduling
• packaging management
• inventory visibility

The Parties shall communicate regularly to minimize disruptions to logistics operations.

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49. Transportation Responsibility

Buyer shall be responsible for arranging transportation of Battery Modules from Supplier’s manufacturing facility.

Buyer shall select transportation providers and manage logistics operations.

Supplier shall ensure that finished modules are packaged and ready for collection at the agreed pickup time.

Buyer shall bear all transportation costs and risks after transfer of goods to its carrier.

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50. Storage Charges

Supplier may charge reasonable storage fees if finished Battery Modules remain at Supplier’s facility beyond the agreed pickup window.

Storage charges shall be calculated based on the number of modules stored and the duration of storage.

Supplier shall notify Buyer if storage charges apply.

Buyer shall make reasonable efforts to avoid delays in collecting finished modules.

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51. Packaging Equipment

Supplier shall provide reusable packaging containers designed for safe transportation of Battery Modules.

Packaging equipment shall remain the property of Supplier unless otherwise agreed.

Buyer shall return packaging containers to Supplier in good condition.

Loss or damage to packaging equipment shall be charged to the responsible Party.

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52. Packaging Cycle

Packaging containers shall circulate between the Parties as part of the logistics process.

Buyer shall return empty containers within **thirty (30) days** of receipt.

Supplier shall maintain sufficient packaging inventory to support production operations.

The Parties shall monitor packaging availability to avoid logistics disruptions.

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53. Environmental Responsibility

Supplier shall operate its manufacturing facilities in compliance with applicable environmental regulations.

Supplier shall implement reasonable measures to reduce environmental impact associated with battery manufacturing.

Environmental initiatives may include:

• energy efficiency improvements
• waste reduction measures
• responsible sourcing of materials

Supplier shall provide environmental information to Buyer upon request.

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54. Battery Recycling

Buyer shall be responsible for managing recycling of Battery Modules removed from vehicles at end-of-life.

Supplier may assist Buyer in developing recycling programs if requested.

The Parties may cooperate in exploring environmentally responsible recycling solutions.

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55. Responsible Material Sourcing

Supplier shall make commercially reasonable efforts to source raw materials from responsible suppliers.

Supplier shall seek to avoid sourcing materials from suppliers known to engage in unethical practices.

Buyer may request information concerning Supplier’s material sourcing policies.

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56. Sustainability Reporting

Supplier may provide annual sustainability information related to battery manufacturing operations.

Such information may include:

• energy consumption
• waste management
• recycling initiatives

Supplier shall provide such information upon reasonable request from Buyer.

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57. Technology Development

Supplier may develop improvements to battery technology during the contract term.

Such improvements may include:

• increased battery energy density
• improved cooling systems
• enhanced durability

Supplier may offer such improvements to Buyer subject to mutually agreed commercial terms.

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58. Technology Integration

If Buyer elects to adopt Supplier’s technological improvements, the Parties shall discuss potential adjustments to product specifications and pricing.

Implementation of technology improvements may require engineering modifications to Buyer’s vehicles.

The Parties shall cooperate to evaluate the feasibility of such modifications.

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59. Product Innovation

Supplier may introduce manufacturing innovations designed to improve production efficiency.

Such innovations may include improvements in:

• manufacturing automation
• quality monitoring systems
• production cycle optimization

Supplier shall retain ownership of manufacturing innovations developed independently.

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60. Cost Reduction Initiatives

Supplier may identify opportunities to reduce production costs through improved manufacturing processes.

If significant cost reductions are achieved, the Parties may discuss potential adjustments to product pricing.

The Parties may cooperate in identifying cost reduction opportunities that benefit both organizations.

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61. Communication and Coordination

The Parties shall maintain open communication concerning operational matters affecting the supply relationship.

Operational coordination may include:

• production planning
• logistics scheduling
• quality performance
• engineering changes

The Parties shall designate representatives responsible for managing day-to-day operational coordination.

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62. Commercial Relationship

The Parties acknowledge that this Agreement represents a commercial supply relationship.

Each Party shall operate independently and shall not be considered an agent or representative of the other.

Neither Party shall bind the other Party to obligations with third parties.

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63. Relationship Review

Senior representatives of the Parties may meet periodically to review the performance of the supply relationship.

Review discussions may address topics including:

• production performance
• quality metrics
• logistics coordination
• potential improvements to cooperation

Such discussions shall not modify the contractual obligations of either Party unless documented in writing.

64. Competitive Supply

Supplier may supply battery modules or similar products to other customers.

Supplier shall not be required to grant Buyer exclusive access to its battery manufacturing capacity.

Supplier shall allocate production capacity based on its commercial priorities provided that binding forecast obligations to Buyer are fulfilled.

Buyer acknowledges that Supplier may pursue additional commercial opportunities with other customers.

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65. Competitive Technologies

Supplier may develop battery technologies that are similar to or compatible with the products supplied to Buyer.

Supplier shall retain the right to commercialize such technologies with other customers.

Nothing in this Agreement shall restrict Supplier’s ability to develop new battery technologies independently.

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66. Exclusivity

This Agreement does not grant exclusivity to Buyer regarding the supply of battery modules.

Buyer may source similar battery modules from other suppliers.

Supplier may sell similar products to other customers.

Neither Party shall be restricted from pursuing additional commercial relationships.

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67. Intellectual Property

Each Party shall retain ownership of its respective intellectual property.

Buyer shall retain ownership of vehicle platform technology and related systems.

Supplier shall retain ownership of battery module manufacturing technology and related processes.

Nothing in this Agreement shall transfer ownership of intellectual property between the Parties unless otherwise agreed.

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68. Intellectual Property Developed During the Agreement

If the Parties collaborate in developing improvements to battery modules during the contract term, ownership of resulting intellectual property shall be determined through mutual agreement.

Such agreements may include licensing arrangements or shared development rights.

Any jointly developed intellectual property shall be documented in writing.

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69. Confidential Information

Each Party may disclose confidential information to the other Party during the course of the supply relationship.

Confidential information may include:

• technical specifications
• manufacturing processes
• pricing information
• commercial strategies

Each Party shall use reasonable efforts to protect the confidentiality of such information.

Confidential information shall not be disclosed to third parties without prior consent.

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70. Protection of Information

The receiving Party shall use confidential information solely for purposes related to the performance of this Agreement.

Confidential information shall not be used for competitive purposes.

Confidentiality obligations shall remain in effect for **three years following termination of this Agreement**.

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71. Liability Limitation

Except in cases of gross negligence or intentional misconduct, each Party’s liability under this Agreement shall be limited.

Total liability shall not exceed the value of Battery Modules supplied during the preceding **twelve months**.

Neither Party shall be liable for indirect or consequential damages.

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72. Indirect Loss

Neither Party shall be responsible for indirect losses including:

• lost profits
• loss of business opportunities
• reputational damage

This limitation applies regardless of the nature of the claim.

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73. Force Majeure

Neither Party shall be liable for failure to perform obligations caused by events beyond its reasonable control.

Force majeure events may include:

• natural disasters
• government actions
• major supply chain disruptions
• labor strikes
• transportation disruptions

The affected Party shall notify the other Party promptly if such events occur.

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74. Mitigation of Disruptions

If a force majeure event affects production or delivery, the Parties shall cooperate to minimize disruption.

Possible mitigation measures may include:

• adjusting production schedules
• reallocating inventory
• revising delivery schedules

The Parties shall communicate regularly during such events.

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75. Contract Duration

This Agreement shall remain in effect for a period of **three (3) years** from the Effective Date.

The Parties may discuss potential continuation of the supply relationship before the end of the contract term.

Any extension of this Agreement must be documented in writing.

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76. Contract Renewal

The Parties may discuss renewal of this Agreement no later than **six months before expiration**.

Renewal discussions may include:

• updated pricing mechanisms
• revised production volumes
• technological developments

Renewal shall occur only by written agreement of both Parties.

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77. Termination for Convenience

Buyer may terminate this Agreement for convenience upon providing **one hundred eighty (180) days written notice** to Supplier.

Supplier may terminate this Agreement for convenience upon providing **two hundred seventy (270) days written notice**to Buyer.

Termination for convenience shall not relieve either Party of obligations incurred prior to termination.

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78. Termination for Cause

Either Party may terminate this Agreement if the other Party materially breaches its contractual obligations.

Material breaches may include:

• repeated delivery failures
• significant quality defects
• failure to meet payment obligations

Termination for cause requires written notice and reasonable opportunity to remedy the breach.

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79. Insolvency

Either Party may terminate the Agreement if the other Party becomes insolvent or enters bankruptcy proceedings.

Termination shall occur upon written notice.

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80. Effects of Termination

Upon termination of this Agreement:

• outstanding invoices shall become immediately payable
• completed Battery Modules shall be collected by Buyer
• confidential information shall remain protected

The Parties shall cooperate to ensure an orderly conclusion of the supply relationship.

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81. Transition Support

If the Agreement is terminated, Supplier may provide reasonable transition support to assist Buyer in securing alternative battery supply.

Such support may include:

• technical documentation
• inventory coordination
• production information

Transition support shall be subject to reasonable commercial terms.

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82. Dispute Resolution

The Parties shall attempt to resolve disputes through direct negotiation between senior executives.

If disputes cannot be resolved through negotiation, the Parties may seek mediation.

Legal proceedings shall be considered only after reasonable efforts to resolve disputes amicably.

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83. Governing Law

This Agreement shall be governed by the laws of the **State of Texas, United States**.

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84. Entire Agreement

This Agreement constitutes the entire understanding between the Parties concerning the supply of Battery Modules.

No modification shall be valid unless made in writing and signed by both Parties.

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85. Assignment

Neither Party may assign its rights or obligations under this Agreement without the written consent of the other Party.

Assignment may be permitted in connection with corporate restructuring or acquisition.

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86. Notices

All notices required under this Agreement shall be provided in writing.

Notices may be delivered by:

- registered mail
- courier service
- electronic communication confirmed by receipt

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87. Independent Contractors

The Parties acknowledge that they operate as independent contractors.

Nothing in this Agreement shall be interpreted as creating a partnership or joint venture.

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88. Good Faith Cooperation

The Parties shall use reasonable efforts to cooperate in maintaining a stable supply relationship.

Both Parties acknowledge that successful execution of this Agreement depends on operational coordination and commercial collaboration.

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

Aurora Motors Corporation
Authorized Representative
Title
Date

Voltatek Energy Systems Inc.
Authorized Representative
Title
Date
