

# NEURONETICS PRECISION PULSE PROGRAM TERMS & CONDITIONS

This document sets forth the terms and conditions of the **Neuronetics Precision Pulse Program** (the "NPPP").



## 1. APPLICABILITY

The NPPP applies to all Qualifying Purchases (defined in Section 4 below) made by Participating Customers (defined in Section 3 below) on or after January 1, 2021. The NPPP is void where prohibited by law. Non-Qualifying Purchases, or purchases made by non-Participating Customers, do not count towards NPPP Tier Level. Purchases made under any prior Neuronetics program are not transferable to the NPPP.

## 2. AGREEMENT TO BE BOUND

By participating in and accepting any benefits of the NPPP, Participating Customers fully and unconditionally agree to, and accept, these Terms and Conditions, as well as any amendments made to them from time to time by Neuronetics, and the decisions of Neuronetics with respect to their interpretation and application which are final and binding in all matters related to the NPPP. Each Participating Customer expressly represents and warrants that it has read these Terms and Conditions, is fully familiar with their content, and agrees to be bound by them without limitation or qualification.

## 3. PROGRAM ELIGIBILITY

The NPPP is available to all Neuronetics customers who: (i) have not opted out of the NPPP as provided for in Section 6 below; (ii) have made a Qualifying Purchase in the previous calendar quarter (starting January 1, 2021) as provided for in Section 4 below; (iii) are not in breach of any agreement with Neuronetics; and (iv) are otherwise in compliance with these Terms and Conditions, as well as any modifications made to them from time to time in Neuronetics sole discretion (the "Participating Customers"). Any Neuronetics customer that fails to comply with these criteria will cease to be enrolled in the NPPP, and will forfeit all benefits under the NPPP.

If a practice with multiple offices is legally organized as a single entity, or if the offices conduct business under one practice name, such practice may be treated as a single Participating Customer in Neuronetics' sole discretion. In such circumstances, Qualifying Purchases from each office may be used to determine a Participating Customer's NPPP Tier Level (defined in Section 4 below). Otherwise, no buying groups or similar arrangements are permitted. Non-associated practices or offices may not form buying groups or similar arrangements to qualify for NPPP Tier Levels.

## 4. QUALIFYING PURCHASES, ENROLLMENT AND NPPP LEVELS

A Qualifying Purchase is at least \$5,000 of NeuroStar Treatment Sessions in a calendar quarter. Purchases of NeuroStar Treatment Sessions under fixed price terms are not Qualifying Purchases. A Qualifying Purchase will be deemed complete when a Participating Customer has placed a binding purchase order with Neuronetics. Enrollment in the NPPP is automatic upon completion of a qualifying Treatment Session Purchase. Failure of a Participating Customer to timely pay all amounts due and payable for a Qualifying Purchase will result in termination of their enrollment in the NPPP and forfeiture of all program elements under the NPPP.

NPPP Levels are determined each calendar quarter based upon the Qualifying Purchases made in the preceding calendar quarter. NPPP Levels do not accrue in the quarter in which Qualifying purchases are made, and NPPP Levels do not carry-over from calendar quarters. Thus, Qualifying Purchases made in Q1 will determine NPPP Levels for Q2 only, Qualifying Purchases made in Q2 will determine NPPP Level for Q3 only, Qualifying Purchases made in Q3 will determine NPPP Level for Q4 only, and Qualifying Purchases made in Q4 will determine NPPP Level for the following Q1 only.

There are five NPPP Levels that Participating Customers may attain, which are determined based on the Qualifying Purchases made in the previous calendar quarter, based on the following criteria:

Entry	\$5,000 of Treatment Sessions purchased in the preceding calendar quarter
Preferred	\$10,000 of Treatment Sessions purchased in the preceding calendar quarter
Advanced	\$15,000 of Treatment Sessions purchased in the preceding calendar quarter
Premium	\$25,000 of Treatment Sessions purchased in the preceding calendar quarter
Star	\$50,000 of Treatment Sessions purchased in the preceding calendar quarter

## 5. PROGRAM BENEFITS AND AVAILABILITY

Participating Customers will be eligible for the following program elements in accordance with the NPPP Tier Levels attained as set forth above in Section 4. These program elements must be used in the calendar quarter in which they accrue and do not carry over to subsequent calendar quarters unless expressly indicated otherwise.

LEVEL (by Parent) - determined quarterly	ENTRY	PREFERRED	ADVANCED	PREMIUM	STAR
Quarterly NSTS purchase	\$5,000	\$10,000	\$15,000	\$25,000	\$50,000
Co-op Advertising \$ <i>(spend for eligibility)</i>	\$500 <i>(\$1,000)</i>	\$1,000 <i>(\$2,000)</i>	\$2,500 <i>(\$5,000)</i>	\$5,000 <i>(\$10,000)</i>	\$10,000 <i>(\$20,000)</i>
Access to NeuroStar branded assets on myneurostar.com	YES	YES	YES	YES	YES
Weekly Email with Social Media post	YES	YES	YES	YES	YES
NeuroStar Service Contract discount \$7,000 list price	30%	40%	50%	70%	80%

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- a. **Co-Op Marketing Reimbursement Program:** All NPPP members are eligible to participate in Neuronetics' Co-Op Marketing Reimbursement Program (the "Co-Op Program") under which they will be eligible for reimbursement of fifty percent (50%) of their qualifying advertising expenses up to the applicable Maximum Advertising Spend Level.
- Any advertising expenses incurred in excess of the Maximum Advertising Spend Level are not eligible for reimbursement. Participating Customers who spend less than the Maximum Advertising Spend Level are only eligible for reimbursement based on their actual qualifying advertising expenses and not the Maximum Advertising Spend Level (e.g., if a Preferred Level member spends \$1,500 in qualifying advertising expenses, they will be reimbursed \$750 based on their actual advertising spend and not \$1,000 based on the Maximum Advertising Spend Level).
  - To be eligible for reimbursement, qualifying advertising expenses must be incurred in the calendar quarter in which the benefit accrues, and unused reimbursement amounts do not carry over to subsequent calendar quarters. Neuronetics will reimburse Participating Customers for qualifying advertising expenses in the calendar quarter following the calendar quarter that they were incurred.
  - Any Participating Customer not in compliance with these Terms and Conditions at the time of reimbursement will forfeit the Co-Op Program benefits at Neuronetics' sole discretion.
  - Recommended (not required): Ads indicate that Neuronetics has contributed to the cost of the ad in the boilerplate.
  - Requests for reimbursement are subject to audit by Neuronetics.

For complete details on the Co-Op Program see, Co-Op Marketing Guidelines (52-60248-000 "Co-op Marketing Enrollment Guidelines").

- b. **Service Contract Discounts:** All NPPP members are eligible to participate in Neuronetics' Service Contract Discount Program, under which they will be eligible to purchase a Service Contract at a discount off Neuronetics' then-current list price determined by their NPPP Tier Level.

Only one (1) Service Contract may be purchased in a calendar year per NeuroStar® Advanced Therapy System. Service Contracts must be purchased in the calendar quarter in which the benefit accrues to receive the above noted discounts, and any unused Service Contract discounts do not carry over to subsequent calendar quarters. At Neuronetics' sole discretion, a Participating Customer may pre-purchase a Service Contract during the quarter in which the Service Contract discount accrues (e.g., if a Participating Customer achieves the Professional Level in Q2 based on Q1 Qualifying Purchases, but has a Service Contract that will expire in

Q3, Neuronetics may permit the Participating Customer to purchase the Service Contract with the earned discount in Q2).

Service Contract discounts will only apply within 3 months pre or post a previous Warranty or Service Contract expiration. Any NeuroStar Advanced Therapy System for which there is a lapse in warranty or Service Contract coverage shall be subject to inspection, and if necessary repair or upgrade, by Neuronetics (at Neuronetics then prevailing rates) prior to the such system being eligible for coverage under a Service Contract.

- c. **Emails with Social Media Post:** Participating Customers in Precision Pulse will receive regular emails from NeuroStar that contain social media posts that may be used in a Participating Customer's social media posts.
- d. **Access to NeuroStar Branded Advertising Assets:** All NPPP members have access to NeuroStar branded advertising assets (available on myneurostar.com).

### 6. OPT-OUT

Participating Customers who do not wish to be enrolled in the NPPP, or receive any NPPP program elements, may elect to opt out by contacting Neuronetics at Customer.Service@Neuronetics.com.

### 7. PROGRAM MODIFICATION

Neuronetics reserves the right at any time to modify or amend these Terms and Conditions, or to modify, suspend or discontinue the NPPP in whole or in part, or to designate promotional periods during which the terms of the NPPP change or designate periods of time during which the NPPP is not applicable.

### 8. MISCELLANEOUS

To the extent necessary to give effect to the parties intent under the Precision Pulse Program, Neuronetics' Terms and Conditions of Sale (available at [www.neurostar.com/tc](http://www.neurostar.com/tc)) shall be read, and incorporated by reference, into these Precision Pulse Terms and Conditions. The Precision Pulse Program elements may reflect or be subject to discounts, rebates or other price reductions, which Participating Customer may be obligated under applicable laws to report to Medicare, Medicaid or other state, federal or private payers, and to make this information available to these entities for review. It is the intent that any discounts, rebates or other price reductions received by Participating Customers under the Precision Pulse Program comply with the federal Anti-Kickback Statute and other applicable federal and state law and, further, that any discounts provided under the Precision Pulse Program or any other discount purchase program satisfy the discount safe harbor of the federal Anti-Kickback Statute (as set forth under 42 C.F.R. §1001.952(h)). Participating Customers agree to comply with all applicable requirements of federal and state law with respect to discounts received under the Precision Pulse Program. Participating Customers acknowledge that the

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Discount Safe Harbor of the federal Anti-Kickback Statute requires that certain discounts, including certain rebates and reductions in price, be reported and/or passed on to federal and state health care programs such as Medicare and Medicaid. As a condition to participation in the Precision Pulse Program, each Participating Customer understands and agrees that, to the extent applicable, it will properly disclose discounts and rebates, and reflect such discounts and rebates in costs claimed or charges made, under federal and state health care programs in accordance with federal and state laws. The reporting requirements for discount programs for medical products reimbursed by federally funded healthcare programs are defined by federal regulations under the federal Anti-Kickback Statute, 21 C.F.R. §1001.952(h). Neuronetics will refrain from doing anything that impedes Participating Customers from meeting their obligations under the federal Anti-Kickback Statute, and its implementing regulations, with respect to discounts received under the Precision Pulse Program. The laws of the Commonwealth of Pennsylvania govern the Precision Pulse Program, without regard to conflict of laws principles or any other principles that would result in the application of a different body of law. Any case, controversy or claim arising out of or relating to the Precision Pulse Program, including its breach and/or interpretation, shall be exclusively resolved (i) first by non-binding mediation for at least one day and no more than two days in Chester County, Pennsylvania before a mutually agreed mediator and (ii) if the case, controversy or claim is not resolved by such mediation, then binding arbitration to occur

in Chester County, Pennsylvania under the auspices of the American Arbitration Association under its the then-current Commercial Arbitration Rules ("Rules") before one arbitrator appointed in accordance with such Rules and utilizing such limited and expedited discovery as the Rules may provide for and the arbiter may deem appropriate. It is the intent of the Parties that any disputes subject to this Section 8 shall be resolved as promptly, efficiently and expeditiously as possible and the Rules shall be applied to accomplish these objectives. Notwithstanding the foregoing dispute resolution process, neither party shall be precluded, at any time, from seeking injunctive relief in any court of law to compel arbitration or to preserve the status quo. The arbitrator shall issue a written report to the parties, detailing the basis of any arbitration award. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction. Attorney Fees. If any dispute resolution or other legal proceeding is initiated with respect to the Precision Pulse Program, in the event that Neuronetics is the substantially prevailing party in such proceeding, in addition to all other remedies available to Neuronetics, Customer shall reimburse Neuronetics for its reasonable attorneys' fees, costs and expenses associated with the proceeding, including (i) expenses incurred prior to the initiation of the proceeding in seeking collection or other compliance with rights hereunder and (ii) expenses incurred in responding to unfounded claims.