

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 29, 2024**

**HARMONIC INC.**

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**000-25826**  
Commission  
File Number

**77-0201147**  
(IRS Employer  
Identification No.)

**2590 Orchard Parkway**  
**San Jose, CA 95131**  
(Address of principal executive offices, including zip code)

**(408) 542-2500**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	HLIT	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 2.02. Results of Operations and Financial Condition.**

On April 29, 2024, Harmonic Inc. ("Harmonic" or the "Company") issued a press release regarding its preliminary unaudited financial results for the quarter ended March 29, 2024. In the press release, Harmonic also announced that it would be holding a conference call on April 29, 2024 to discuss its financial results for the quarter ended March 29, 2024. A copy of the press release is furnished as Exhibit 99.1 hereto, and the information in Exhibit 99.1 is incorporated herein by reference.

The information in this Item 2.02 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, and this Item 2.02 of this Current Report on Form 8-K and Exhibit 99.1 furnished herewith shall not be incorporated by reference into any filing by Harmonic under the Securities Act of 1933, as amended (the "Securities Act"), or under the Exchange Act.

## **Item 5.02. Compensatory Arrangements of Certain Officers**

### CEO Appointment Letter

In connection with the previously announced appointment of Nimrod Ben-Natan as Chief Executive Officer ("CEO") of Harmonic Inc. (the "Company") to be effective as of June 11, 2024, on April 29, 2024, Harmonic Video Networks Ltd. ("HVN"), a subsidiary of Harmonic Inc. (the "Company"), entered into a CEO appointment letter with Mr. Ben-Natan (the "CEO Appointment Letter"), also to be effective as of June 11, 2024. The CEO Appointment Letter provides Mr. Ben-Natan with an annual base salary of \$600,000 in his role as CEO, as well as a target annual bonus opportunity of 100% of his salary for the Company's fiscal year 2024 under the Company's Corporate Bonus Plan (prorated for the period during the year that he serves as CEO). For fiscal year 2024, Mr. Ben-Natan will remain eligible for a bonus under the Company's Broadband Bonus Plan for his partial year of service prior to his transition to the CEO role, and his bonus opportunity of 60% of his salary prorated to reflect such partial year of service. In addition, the CEO Appointment Letter provides that Mr. Ben-Natan will receive, subject to approval by the Company's Board of Directors (the "Board") or its Compensation Committee (the "Committee"), restricted stock units ("RSUs") with an aggregate value of \$5,500,000 (based on the 30-trading day average closing prices of a share of the Company's common stock immediately prior to the grant date). 50% of the RSUs will be scheduled to vest based on Mr. Ben-Natan's continued service with the Company or its subsidiaries, with 1/3<sup>rd</sup> vesting after one year and as to 1/12th vesting quarterly thereafter for eight quarters. The CEO Appointment Letter provides that the remaining 50% of the RSUs will vest based on both performance- and service-based criteria as determined by the Board or Committee, which performance criteria are expected to include specified levels of Company total stockholder return measured over three years following the grant date, and subject to Mr. Ben-Natan's continued service through performance certification following the performance period. Other than with respect to the terms specified in the CEO Appointment Letter, Mr. Ben-Natan remains eligible for the benefits under his standard employment agreement entered into with HVN, dated December 7, 2012.

### CEO Severance Agreement

Additionally, on April 29, 2024, Mr. Ben-Natan entered into an amended and restated Change of Control Severance Agreement with the Company (the "Severance Agreement"), which will become effective as of the effective date of Mr. Ben-Natan's appointment as CEO, providing for certain severance payments and benefits upon a qualifying termination of his employment. If Mr. Ben-Natan's employment is terminated by the Company as a result of an Involuntary Termination without Cause within 18 months following a Change of Control (as such terms are defined in the Severance Agreement), then, subject to his release of claims in favor of the Company, Mr. Ben-Natan will be eligible to receive: (i) a lump sum cash payment equal to 200% of the sum of his annual salary and the greater of his target annual bonus or the average actual bonus for the two prior years, (ii) 100% employer-paid supplemental health and dental insurance coverage for up to one year, (iii) 100% vesting acceleration of his then-outstanding equity awards, with any performance-based criteria deemed achieved at 100% of target performance, and exercisability of options for one year following such employment termination, and (iv) a lump sum cash payment of \$5,000 for outplacement assistance.

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## Consulting Agreement

On April 29, 2024, the Company entered into a consulting agreement with Mr. Harshman (the “Harshman Consulting Agreement”), effective June 11, 2024, and ending on the one-year anniversary thereof, subject to any extension by mutual agreement between the parties. Under the Harshman Consulting Agreement, Mr. Harshman will provide services to the Company including transition services in connection with his transition from his role as CEO of the Company, and such advisory services as may be requested by the CEO or the Board. In consideration of these services, the Company will provide Mr. Harshman with Company-paid COBRA premiums for up to 12 months following Mr. Harshman’s employment termination. In addition, during the period of Mr. Harshman’s services under the Harshman Consulting Agreement, Mr. Harshman will remain eligible to continue vesting in the equity awards granted to him by the Company prior to the termination of his employment.

The foregoing summary of the CEO Appointment Letter, Severance Agreement, and Harshman Consulting Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the CEO Appointment Letter, Severance Agreement, and Harshman Consulting Agreement, a copy of which are attached hereto as Exhibits 10.1 through 10.3 and is incorporated into this Item 5.02 by reference.

### **Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	<a href="#">CEO Appointment Letter between Harmonic Video Networks Ltd. and Nimrod Ben-Natan, signed April 29, 2024.</a>
10.2	<a href="#">Change of Control Severance Agreement between the Company and Nimrod Ben-Natan, as amended and restated, effective June 11, 2024.</a>
10.3	<a href="#">Consulting Agreement between the Company and Patrick Harshman, signed April 29, 2024.</a>
99.1	<a href="#">Press release of Harmonic Inc. dated April 29, 2024, entitled "Harmonic Announces First Quarter 2024 Results."</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 29, 2024

HARMONIC INC.

By: /s/ Walter Jankovic  
Walter Jankovic  
Chief Financial Officer

April 29, 2024

Nimrod Ben-Natan

**Re: CEO Appointment Letter**

Dear Nimrod:

Harmonic Video Networks Ltd. (the “**Company**”) is pleased to extend to you continued employment with the Company, as the President and Chief Executive Officer (“**CEO**”) of Harmonic Inc. (“**Harmonic**”) effective as of June 11, 2024 (the “**Effective Date**”). Harmonic and its subsidiaries are referred to herein as the “**Company Group**.” Except as set forth herein, all the terms and conditions in your employment agreement dated December 7, 2012 (“**Employment Agreement**”) shall continue.

1. **General.** As CEO, you will report to Harmonic’s Board of Directors (the “**Board**”) and will perform the duties and responsibilities customary for such position and such other related duties as are reasonably assigned by the Board.

2. **Board Membership.** You will be nominated for election to the Board at the annual meeting of Harmonic’s stockholders to be held on the Effective Date. During the term of your employment while you are serving as CEO, at each annual meeting of Harmonic’s stockholders at which your term as a member of the Board otherwise would expire, Harmonic will nominate you to serve as a member of the Board. Your service as a member of the Board will be subject to any required stockholder approval. Upon termination of your employment with the Company for any reason, unless otherwise requested by the Board, you will be deemed to have resigned from the Board (and all other positions held at the Company Group and its affiliates) voluntarily, without any further required action by you, as of the end of your employment with the Company and, at the Board’s request, you will execute any documents reasonably necessary to reflect your resignation(s).

3. **Base Salary.** As of the Effective Date, your base monthly salary will be increased to US\$50,000, which will be payable to you in Israeli Shekels. Considering your role is considered a position of trust, you will not be entitled to any additional overtime payment, and accordingly Section 3.3 of your Employment Agreement shall be terminated. Your salary will be payable, less any applicable withholdings, in accordance with the Company’s normal payroll practices. Your salary will be subject to review and adjustment from time to time by our Board or its Compensation Committee (the “**Committee**”) as applicable, in its sole discretion.

4. **Annual Bonus.** As of the Effective Date, you will continue to be eligible for an annual cash bonus for Harmonic's 2024 fiscal year, subject to the following. For the portion of Harmonic's 2024 fiscal year on and following the Effective Date, your target annual cash bonus opportunity amount ("*CEO Target Bonus Opportunity*") will equal one hundred percent (100%) of your annual base salary, prorated to reflect the period during the fiscal year that you serve as CEO. Effective as of the Effective Date, you will participate in Harmonic's Corporate Bonus Plan with respect to such CEO Target Bonus Opportunity.

You will continue to be eligible to participate in Harmonic's Broadband Bonus Plan, provided that your target annual cash bonus opportunity amount under such plan will be based on your current target annual cash bonus opportunity (equal to sixty percent (60%) of your current annual base salary), prorated to reflect the period during the fiscal year that you are employed with the Company prior to the Effective Date.

Any annual bonus will be subject to performance and other criteria established by the Board or the Committee, as applicable, in its sole discretion. Your annual bonus opportunity and the applicable terms and conditions may be adjusted from time to time by our Board or the Committee, as applicable, in its sole discretion, and no amount of any annual bonus is guaranteed. In addition, the Board or the Committee, as applicable and in its sole discretion, may approve that the Company Group grant additional discretionary bonus amounts to you.

It is agreed that any bonus paid shall not be considered part of your salary for the purpose of calculating any social benefits.

5. **Equity Awards.** You will be eligible to receive equity awards pursuant to such plans or arrangements as Harmonic may have in effect from time to time. The Board or Committee, as applicable, will determine in its sole discretion whether you will be granted any such equity awards and their terms, in accordance with the applicable Harmonic plan or other arrangement that may be in effect from time to time.

In connection with your appointment as CEO, subject to the approval of the Board or Committee, in its sole discretion, Harmonic will grant you equity awards (the "*Awards*") under Harmonic's 1995 Stock Plan (the "*Plan*") with an aggregate value ("*Value*") equal to \$5,500,000. It will be recommended that such Awards be granted in the form of restricted stock within the meaning of the Plan ("*RSUs*") that are time-based as to fifty percent (50%) of the aggregate Value and in the form of performance-based RSUs ("*PSUs*") with a target Value (i.e., assuming target performance achievement) equal to fifty percent (50%) of the aggregate Value.

The number of shares of Harmonic common stock ("*Shares*") that will be subject to each Award (and in the case of the PSUs, at target) will be determined by dividing the applicable Value by the average of the closing prices of a Share over the thirty (30) consecutive trading days immediately preceding the grant date of such Award.

The time-based RSUs will be scheduled to vest as to one-third (1/3<sup>rd</sup>) of the underlying Shares on the first Quarterly Vesting Date occurring on or after the one-year anniversary of the Effective Date and as to one-twelfth (1/12<sup>th</sup>) of the underlying Shares on each Quarterly Vesting Date thereafter for the next two (2) years, in each case subject to your continued service through the applicable vesting date. For purposes of such RSUs, “*Quarterly Vesting Date*” means the 15<sup>th</sup> day of February, May, August, and November of a given year.

The PSUs will be subject to vesting requirements consisting of continued service as well as achievement of specified performance criteria to be determined by the Board or Committee, in its sole discretion. It is expected that such vesting criteria will be based on achievement of specified levels of Harmonic total stockholder return measured over a three (3) year performance period from the date of grant of the award, as well as continued service through the certification following the performance period of any such achievement, all as determined by the Board or Committee, as applicable and in its sole discretion. Any such Awards will be subject to the terms and conditions of the Plan and applicable award agreements thereunder.

Harmonic previously granted to you certain equity awards covering Shares under the Plan that currently remain outstanding. For purposes of clarity, during your continued employment as CEO, you will remain eligible to vest in such equity awards in accordance with, and such awards will remain subject to, the terms of the Plan and the applicable award agreements thereunder.

6. **Severance.** You previously entered into a Change of Control Severance Agreement with Harmonic on April 11, 2008, as amended September 25, 2017 and March 20, 2018 (the “*Current Severance Agreement*”). By signing this letter agreement, you confirm and agree that the changes to your employment as described in this letter agreement and any related change in duties, responsibilities, authority and reporting relationship do not and will not contribute to or constitute grounds for your resignation pursuant to an “Involuntary Termination” within the meaning of the Severance Agreement. In addition, you will be eligible to enter into the Change of Control Severance Agreement with Harmonic in substantially the form attached hereto as Exhibit A (the “*CEO Severance Agreement*”), which will replace and supersede your Current Severance Agreement, upon effectiveness of the CEO Severance Agreement as of the Effective Date. Any payment due to you under your Employment Agreement will reduce the payment due under the CEO Severance Agreement.

7. **Employee Benefits.** You will continue to be eligible to participate in the applicable benefit plans and programs established by the Company Group for its employees from time to time, subject to their applicable terms and conditions, including without limitation any eligibility requirements. The Company Group will reimburse you for reasonable travel or other expenses incurred by you in the furtherance of or in connection with the performance of your duties under this letter agreement, pursuant to the terms of the applicable expense reimbursement policy of the Company Group as may be in effect from time to time. The Company Group reserves the right to modify, amend, suspend or terminate the benefit plans, programs, and arrangements it offers to its employees at any time.



8. **Confidentiality Agreement.** As an employee of the Company, you will continue to have access to certain confidential information of the Company Group and, during the course of your employment, you may develop certain information or inventions that will be the property of the Company Group. To protect the interests of the Company Group, your acceptance of this letter agreement confirms that the terms of the Proprietary Information and Inventions Agreement between you and the Company, as may be amended or amended and restated from time to time (the “*Confidentiality Agreement*”) still apply.

9. **Taxes.** The provisions of this Section 9 will apply if you are or become subject to U.S. income taxation. The Company Group (or its affiliate, as applicable) will have the right and authority to deduct from any payments or benefits under this letter agreement all applicable federal, state, and local taxes or other required withholdings and payroll deductions. The payments and benefits under this letter agreement are intended to be exempt from, or otherwise to comply with, Section 409A of the U.S. Internal Revenue Code of 1986, as amended, and any regulations and other formal guidance promulgated thereunder (“*Section 409A*”) so that none of the payments and benefits under this letter agreement will be subject to the additional tax imposed under Section 409A, and any ambiguities and ambiguous terms herein will be interpreted to be exempt or to so comply. In no event will the Company Group or any parent or other affiliate of the Company Group have any responsibility, liability or obligation to reimburse or indemnify you or hold you harmless for any taxes imposed, or other costs incurred, as a result of Section 409A.

10. **Additional Employment Provisions.** During the term of your employment with the Company, you agree to perform your duties faithfully and to the best of your abilities and will devote your full business efforts and time to rendering services to the Company Group hereunder. You agree that in the rendering of all services to the Company Group and in all aspects of employment with the Company, you will comply in all material respects with all lawful directives, policies, rules, standards and regulations from time to time established by the Company Group.

This letter agreement, together with the Employment Agreement, Confidentiality Agreement, the CEO Severance Agreement, and the Plan and award agreements thereunder pursuant to which you were granted your outstanding equity awards, constitute the entire agreement between you and the Company Group regarding the material terms and conditions of your employment with the Company (including without limitation your position as CEO), and they supersede and replace all prior negotiations, representations or agreements between you and the Company Group, including without limitation the Current Severance Agreement. This letter agreement will be governed by the laws of the State of Israel or other applicable jurisdiction in which you reside, without regard to conflicts of law provisions. This letter agreement may be modified only by a written agreement signed by a duly authorized officer(s) of the Company and Harmonic (other than yourself) and you.

*[Signature page follows]*

To confirm the terms and conditions of your employment described herein, please sign and date in the spaces indicated and return this letter agreement to me.

Sincerely,

HARMONIC VIDEO NETWORKS LTD.

By: \_\_\_\_\_  
Patrick Gallagher  
Board Chair, Harmonic Inc.

HARMONIC INC.

By: \_\_\_\_\_  
Patrick Gallagher  
Board Chair

Agreed to and accepted:

\_\_\_\_\_  
Nimrod Ben-Natan

Dated: \_\_\_\_

*[Signature page to CEO Appointment Letter]*

**Exhibit A**

**CEO Change of Control Severance Agreement**

## HARMONIC INC.

## CHANGE OF CONTROL SEVERANCE AGREEMENT

This Change of Control Severance Agreement (the "Agreement") was originally entered into by and between Nimrod Ben-Natan (the "Employee") and Harmonic Inc. (the "Company") on April 11, 2008, and amended on September 25, 2017 and March 20, 2018. Effective as of June 11, 2024, this Agreement is amended and restated as set forth below.

RECITALS

A. It is expected that the Company from time to time will consider the possibility of an acquisition by another company or other Change of Control. The Board of Directors of the Company (the "Board ") recognizes that such consideration can be a distraction to the Employee and can cause the Employee to consider alternative employment opportunities. The Board has determined that it is in the best interests of the Company and its shareholders to assure that the Company will have the continued dedication and objectivity of the Employee, notwithstanding the possibility, threat or occurrence of a Change of Control (as defined below) of the Company.

B. The Board believes that it is in the best interests of the Company and its shareholders to provide the Employee with an incentive to continue his employment and to motivate the Employee to maximize the value of the Company upon a Change of Control for the benefit of its shareholders.

C. The Board believes that it is imperative to provide the Employee with certain severance benefits upon Employee's termination of employment with the Company Group following a Change of Control which provides the Employee with enhanced financial security and provides incentive and encouragement to the Employee to remain with the Company Group notwithstanding the possibility of a Change of Control.

D. Certain capitalized terms used in the Agreement are defined in Section 6 below. The parties hereto agree as follows:

1. Term of Agreement. This Agreement shall terminate upon the date that all obligations of the parties hereto with respect to this Agreement have been satisfied.

2. Employment. If the Employee's employment with the Company Group terminates for any reason, including (without limitation) any termination prior to a Change of Control, the Employee shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement, or as may otherwise be available in accordance with the Company Group's established employee plans and practices or pursuant to other agreements with the Company Group.

3. Severance Benefits.

(a) Termination Following a Change of Control. If the Employee's employment with the Company Group terminates at any time within eighteen (18) months following a Change of Control, then, subject to Section 5, the Employee shall be entitled to receive the following severance benefits, on top of the severance to which he might be entitled to in accordance with applicable law:

(i) Involuntary Termination. If the Employee's employment with the Company Group is terminated as a result of Involuntary Termination other than for Cause, then the Company will provide, or cause to be provided to, Employee the following severance benefits, subject to the requirements of the Agreement:

(1) Severance Payment. A single, lump sum cash payment in an amount equal to two hundred percent (200%) of the Employee's Annual Compensation;

(2) Bonus Payment. A single, lump sum cash payment in an amount equal to the greater of (i) two hundred percent (200%) of the established annual target bonus or (ii) two hundred percent (200%) of the average of the actual bonus paid in each of the two prior years;

(3) Continued Employee Benefits. One hundred percent (100%) Company Group-paid supplemental health and dental insurance coverage, other than any insurance to which the Employee is entitled to in accordance to applicable law, at the same level of coverage as was provided to the Employee immediately prior to the termination of Employee's employment with the Company Group (the "Company Group-Paid Coverage"). If such coverage included the Employee's dependents immediately prior to the termination of Employee's employment with the Company Group, such dependent shall also be covered at the Company Group's expense. Company Group-Paid Coverage shall continue until the earlier of (i) one year from the date of the termination of Employee's employment with the Company Group, or (ii) the date that the Employee and his dependents become covered under another employer's group health and dental insurance plans.

(4) Equity Award Accelerated Vesting. One hundred percent (100%) of the unvested portion of any outstanding stock option, restricted stock, or other equity award held by the Employee and outstanding as of the date of the Involuntary Termination shall automatically be accelerated in full so as to become completely vested and all such outstanding stock options shall be exercisable for a period of one year after such termination, and with respect to any performance-based equity awards, any performance-based criteria to which the equity awards are then subject shall be deemed achieved at one hundred percent (100%) of target performance and all other criteria met; and

(5) Outplacement Assistance. A single, lump sum cash payment in the amount of five thousand dollars (\$5,000.00) for outplacement assistance to Employee.

For purposes of this Agreement, if the Employee is involuntarily transferred from one member of the Company Group to another, such transfer will not constitute a termination without Cause, but depending on the circumstances, such transfer may give the Employee the ability to resign for Good Reason, subject to Section 6(f) and other requirements set forth in this Agreement.

(b) Timing of Severance Payments. Any severance payment to which Employee is entitled under Sections 3(a)(i)(1), 3(a)(i)(2) and 3(a)(i)(5) shall be paid to the Employee (or to the Employee's successors in interest pursuant to Section 7(b)) in cash and in full, not later than sixty (60) calendar days following the Termination Date, subject to Section 9. Any vesting acceleration provided under Section 3(a)(i)(4) that applies to any restricted stock (for which shares previously were issued to the Employee) or stock options will be effective immediately upon the date that the Release (as defined in Section 5 below) becomes effective and irrevocable. Any equity awards that accelerate vesting under Section 3(a)(i)(4) and that are restricted stock units, performance units, and/or similar full value awards (other than restricted stock for which shares previously were issued to the Employee), will be settled within sixty (60) calendar days following the Termination Date, subject to Section 9 (or the terms of the applicable award agreement or other Company Group plan, policy, or arrangement governing the settlement timing of such award to the extent such terms specifically require any such delay in order to comply with the requirements of Section 409A, as applicable).

(c) Voluntary Resignation; Termination For Cause. If the Employee's employment with the Company Group terminates by reason of the Employee's voluntary resignation (and is not an Involuntary Termination), or if the Employee is terminated for Cause, then the Employee shall not be entitled to receive severance or other benefits except for those (if any) as may then be established under the Company Group's then existing severance and benefits plans and practices or pursuant to other agreements with the Company Group applicable to the Employee.

(d) Disability; Death. If the Company Group terminates the Employee's employment with the Company Group as a result of the Employee's Disability or such Employee's employment is terminated due to the death of the Employee then the Employee shall not be entitled to receive severance or other benefits except for those (if any) as may then be established under the Company Group's then existing severance and benefits plans and practices or pursuant to other agreements with the Company Group applicable to the Employee.

(e) Termination Apart from Change of Control. In the event the Employee's employment with the Company Group is terminated for any reason, either prior to the occurrence of a Change of Control or after the eighteen (18)-month period following a Change of Control, then the Employee shall be entitled to receive severance and any other benefits only in accordance with applicable law, or pursuant to his Employment Agreement entered

into with Harmonic Video Systems Ltd. dated December 7, 2012, as modified by Employee's CEO Appointment Letter agreement with Harmonic Video Networks Ltd. dated April 29, 2024 (the "Employment Agreement," and such CEO Appointment Letter agreement, the "Letter Agreement").

4. Attorney Fees; Costs and Expenses. The Company Group shall promptly reimburse Employee, on a monthly basis, for the reasonable attorney fees, costs and expenses incurred by the Employee in connection with any action brought by Employee to enforce his rights hereunder, regardless of the outcome of the action.

5. Limitation on Payments. The receipt of any severance benefits pursuant to Section 3 will be subject to Employee signing and not revoking a separation agreement and release of claims in a form acceptable to the Company (the "Release") on or before the deadline contained in such agreement, which deadline shall be no later than 60 days following the date of the Involuntary Termination. To the extent Employee becomes entitled to receive severance or separation payments and benefits as described in his Employment Agreement, then the corresponding severance benefits (for example, the aggregate amount of cash severance, the Company Group-paid health or dental coverage, etc.) under this Agreement will be reduced by the amount of severance or separation payments and benefits provided to Employee under the Employment Agreement.

The following terms as set forth in this paragraph will apply to Employee to the extent Employee is subject to U.S. income taxation. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Employee (the "Payments") (i) constitute "parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986 as amended (the "Code") and (ii) but for this Section 5, would be subject to the excise tax imposed by Section 4999 of the Code, then the Payments shall be either: (a) delivered in full, or (b) delivered as to such lesser extent which would result in no portion of such Payments being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Employee on an after-tax basis, of the greatest amount of Payments, notwithstanding that all or some portion of such Payments may be taxable under Section 4999 of the Code. Unless the Company and the Employee otherwise agree in writing, any determination required under this Section 5 shall be made in writing by a nationally recognized accounting or valuation firm (the "Firm") selected by the Company, whose determination shall be conclusive and binding upon the Employee and the Company for all purposes. For purposes of making the calculations required by this Section 5, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Employee shall furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section. The Company shall bear the costs and make all payments required to be made to the Firm for the Firm's services rendered in connection with any calculations contemplated by this Section 5. The Company Group will have no liability to the Employee for the determinations of the Firm. Any reduction in payments and/or benefits required by this Section 5 will occur in the following order: (1) reduction of cash payments in reverse chronological order (that is, the cash payment owed on the latest date following the occurrence of the event triggering the Excise Tax will be the first cash payment to be reduced); (2) cancellation of equity awards that were granted "contingent on a change in ownership or control" within the meaning of Section 280G of the Code in the reverse order of date of grant of the equity awards (that is, the most recently granted equity awards will be cancelled first); (3) reduction of vesting acceleration of equity awards in the reverse order of date of grant of the equity awards (that is, the vesting of the most recently granted equity awards will be cancelled first); and (3) reduction of other benefits paid or provided to Employee in reverse chronological order (that is, the benefit owed on the latest date following the occurrence of the event triggering the Excise Tax will be the first benefit to be reduced). If two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis. In no event will the Employee have any discretion with respect to the ordering of Payment reductions. The Employee will be solely responsible for the payment of all personal tax liability that is incurred as a result of the payments and benefits received under this Agreement, and neither the Company Group nor any affiliate of the Company Group will have any responsibility, liability or obligation to reimburse, indemnify or hold harmless the Employee for any of those payments of personal tax liability.

6. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) Annual Compensation. "Annual Compensation" means an amount equal to Employee's Company Group base salary for the twelve months preceding the Change of Control.

(b) Cause. "Cause" shall mean (i) any act of personal dishonesty taken by the Employee in connection with his responsibilities as an employee and intended to result in substantial personal enrichment of the Employee, (ii) the conviction of a felony, (iii) a willful act by the Employee which constitutes gross misconduct and which is injurious to the Company or any other member of the Company Group, and (iv) following delivery to the Employee of a written demand for performance from the Company which describes the basis for the Company's belief that the Employee has not substantially performed his duties, continued violations by the Employee of the Employee's obligations to the Company Group which are demonstrably willful and deliberate on the Employee's part.

(c) Change of Control. "Change of Control" means the occurrence of any of the following events:

(ii) A change in the composition of the Board occurring within a two-year period, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of the date hereof, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company);

(iii) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation;

(iv) The consummation of the sale or disposition by the Company of all or substantially all the Company's assets.

(d) Company Group. "Company Group" shall mean the Company and each of the Company's subsidiaries.

(e) Disability. "Disability" shall mean that the Employee has been unable to perform his Company Group duties as the result of his incapacity due to physical or mental illness, and such inability, at least 26 weeks after its commencement, is determined to be total and permanent by a physician selected by the Company Group or its insurers and acceptable to the Employee or the Employee's legal representative (such Agreement as to acceptability not to be unreasonably withheld). Termination resulting from Disability may only be effected after at least 30 days written notice by the Company Group of its intention to terminate the Employee's employment with the Company Group. In the event that the Employee resumes the performance of substantially all of his duties hereunder before the termination of his employment with the Company Group becomes effective, the notice of intent to terminate shall automatically be deemed to have been revoked.

(f) Involuntary Termination. "Involuntary Termination" shall mean (i) without the Employee's express written consent, the significant reduction of the Employee's duties, authority or responsibilities relative to the Employee's duties, authority or responsibilities as in effect immediately prior to such reduction, or the assignment to Employee of such reduced duties, authority or responsibilities; (ii) without the Employee's express written consent, a substantial reduction, without good business reasons, of the facilities and perquisites (including office space and location) available to the Employee immediately prior to such reduction; (iii) a reduction by the Company Group in the base salary of the Employee as in effect immediately prior to such reduction; (iv) a material reduction by the Company Group in the kind or level of employee benefits, including bonuses, to which the Employee was entitled immediately prior to such reduction with the result that the Employee's overall benefits package is significantly reduced; (v) the relocation of the Employee to a facility or a location more than forty (40) kilometers from the Employee's then present location, without the Employee's express written consent; (vi) any purported termination of the Employee by the Company Group which is not effected for Disability or for Cause, or any purported termination for which the grounds relied upon are not valid; (vii) the failure of the Company to obtain the assumption of this Agreement by any successors contemplated in Section 7(a) below; or (viii) any act or set of facts or circumstances which would, under Israeli law entitle the Employee to severance payment. For avoidance of doubt, the recovery of compensation pursuant to the Company's clawback policy will not be deemed to be an Involuntary Termination.

(g) Section 409A. "Section 409A" shall mean U.S. Internal Revenue Code Section 409A and the U.S. Treasury Regulations and formal guidance thereunder, and any applicable state law equivalent, as each may be promulgated, amended or modified from time to time.

(h) Termination Date. "Termination Date" shall mean (i) if this Agreement is terminated by the Company Group for Disability, thirty (30) days after notice of termination is given to the Employee (provided that the Employee shall not have returned to the performance of the Employee's duties on a full-time basis during such thirty (30)-day period), (ii) if the Employee's employment with the Company Group is terminated by the Company Group for any other reason, the date on which a notice of termination is given, provided that if within thirty (30) days after the Company Group gives the Employee notice of termination, the Employee notifies the Company that a dispute exists concerning the termination or the benefits due pursuant to this Agreement, then the Termination Date shall be the date on which such dispute is finally determined, either by mutual written agreement of the parties, or by a final judgment, order or decree of a court of competent jurisdiction (the time for appeal therefrom having expired and no appeal having been perfected), or (iii) if the Agreement is terminated by the Employee, the date on which the Employee delivers the notice of termination to the Company.

## 7. Successors.

(a) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" shall include any successor to the Company's business and/or assets which executes and delivers the assumption agreement described in this Section 7(a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Employee's Successors. The terms of this Agreement and all rights of the Employee hereunder shall inure to the benefit of, and be enforceable by, the Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.



8. Notice.

(a) General. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of the Employee, mailed notices shall be addressed to him at the home address which he most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices directed shall be to the attention of its Secretary.

(b) Notice of Termination. Any termination by the Company Group for Cause or by the Employee as a result of a voluntary resignation or an Involuntary Termination shall be communicated by a notice of termination to the other party hereto given in accordance with Section 8(a) of this Agreement. Such notice shall indicate the specific termination provision in this Agreement relied upon, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and shall specify the termination date (which shall be not more than 30 days after the giving of such notice). The failure by the Employee to include in the notice any fact or circumstance which contributes to a showing of Involuntary Termination shall not waive any right of the Employee hereunder or preclude the Employee from asserting such fact or circumstance in enforcing his rights hereunder.

9. Section 409A. The terms of this Section 9 will apply to Employee to the extent Employee is subject to U.S. income taxation.

Notwithstanding anything to the contrary in this Agreement, no severance payments or benefits payable to the Employee, if any, pursuant to this Agreement that, when considered together with any other severance payments or separation benefits, is considered deferred compensation under Section 409A (together, the "Deferred Payments") will be payable until the Employee has a "separation from service" within the meaning of Section 409A. Similarly, no severance payable to the Employee, if any, pursuant to this Agreement that otherwise would be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9) will be payable until Employee has a "separation from service" within the meaning of Section 409A. To the extent required to be exempt from or comply with Section 409A, references to the termination of the Employee's employment, Termination Date, or similar phrases used in this Agreement will mean the Employee's "separation from service" within the meaning of Section 409A. In the event that it is possible for the Release deadline date set forth in Section 5 to occur in the calendar year immediately following the calendar year in which the termination of the Employee's employment occurs, then subject to the delay in the next paragraph, any Deferred Payments otherwise payable under this Agreement prior to the sixtieth (60th) day following separation from service will be paid on the sixtieth (60th) day following separation from service, and any subsequent Deferred Payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit under this Agreement.

Further, if Employee is a "specified employee" within the meaning of Section 409A at the time of the Employee's separation from service (other than due to the Employee's death), any Deferred Payments that otherwise are payable within the first six (6) months following the Employee's separation from service will become payable on the first payroll date that occurs on or after the date six (6) months and one (1) day following the date of the Employee's separation from service. All subsequent Deferred Payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, in the event of the Employee's death following the Employee's separation from service but prior to the six (6) month anniversary of the Employee's separation from service (or any later delay date), then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of the Employee's death and all other Deferred Payments will be payable in accordance with the payment schedule applicable to each payment or benefit. Each payment and benefit payable under the Agreement is intended to constitute a separate payment for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

Any severance payment that satisfies the requirements of the "short-term deferral" rule set forth in Section 1.409A-1(b)(4) of the U.S. Treasury Regulations shall not constitute Deferred Payments for purposes of the Agreement. Any severance payment that qualifies as a payment made as a result of an involuntary separation from service pursuant to Section 1.409A-1(b)(9)(iii) of the U.S. Treasury Regulations that is within the limit set forth thereunder shall not constitute Deferred Payments for purposes of the Agreement.

The foregoing provisions are intended to comply with the requirements of Section 409A so that none of the severance payments and benefits to be provided under the Agreement will be subject to the additional tax imposed under Section 409A, and any ambiguities and ambiguous terms herein will be interpreted to so comply. The Employee and the Company agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to the Employee under Section 409A. In no event will the Employee have any discretion to choose the Employee's taxable year in which any payments or benefits are provided under this Agreement. In no event will the Company Group or any affiliate of the Company Group have any responsibility, liability or obligation to reimburse, indemnify or hold harmless the Employee for any taxes, penalties or interest that may be imposed, or other costs that may be incurred, as a result of Section 409A.

10. Protected Activity Not Prohibited. Employee understands that nothing in this Agreement shall in any way limit or prohibit Employee from engaging in any Protected Activity. For purposes of this Agreement, "Protected Activity" shall mean filing a charge, complaint, or report with, or otherwise communicating, cooperating, or participating in any investigation or proceeding that may be conducted by, any government agency or authority ("Government Agencies"). Employee understands that in connection with such Protected Activity, Employee is permitted to disclose documents or other information as permitted by law, and without giving notice to, or receiving authorization from, the Company. Notwithstanding the foregoing, Employee agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any information that may constitute Company confidential information under the Employee's Proprietary Information and Inventions Agreement with Harmonic Video Systems Ltd., as may be amended or amended and restated from time to time (the "Confidentiality Agreement") to any parties other than the Government Agencies. Employee further understands that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications. Any language in the Confidentiality Agreement regarding Employee's right to engage in Protected Activity that conflicts with, or is contrary to, this paragraph is superseded by this Agreement.

#### 11. Miscellaneous Provisions.

(a) No Duty to Mitigate. The Employee shall not be required to mitigate the amount of any payment contemplated by this Agreement, nor shall any such payment be reduced by any earnings that the Employee may receive from any other source.

(b) Waiver. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by the Employee and by an authorized officer of the Company (other than the Employee). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Whole Agreement. No agreements, representations or understandings (whether oral or written and whether express or implied) which are not expressly set forth in this Agreement have been made or entered into by either party with respect to the subject matter hereof. This Agreement, together with the Letter Agreement, the Employment Agreement, and the Company's 1995 Stock Plan and award agreements thereunder pursuant to which outstanding Company equity awards were granted to Employee, represents the entire understanding of the parties hereto with respect to the subject matter hereof and supersedes all prior arrangements and understandings regarding same.

(d) Choice of Law. This Agreement shall be deemed to have been executed and delivered within the State of Israel and the validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Israel, without regard to choice of law principles.

(e) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(f) Withholding. All payments made pursuant to this Agreement will be subject to withholding of applicable income and employment taxes.

(g) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

(h) Headings. Headings are provided herein for convenience only, and will not serve as a basis for interpretation or construction of this Agreement.

*[Signature Page Follows]*

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

COMPANY: Harmonic Inc.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

EMPLOYEE: Nimrod Ben-Natan

\_\_\_\_\_

(signature)

Date: \_\_\_\_\_

**HARMONIC INC.**  
**CONSULTING AGREEMENT**

This Consulting Agreement (this “*Agreement*”) is made and entered into effective as of June 11, 2024 (the “*Effective Date*”) by and between Harmonic Inc., a Delaware corporation (the “*Company*”), and Patrick J. Harshman (“*Consultant*”) (each herein referred to individually as a “*Party*,” or collectively as the “*Parties*”).

The Company desires to retain Consultant as an independent contractor to perform consulting services for the Company, and Consultant is willing to perform such services, on the terms described below. In consideration of the mutual promises contained herein, the Parties agree as follows:

**1. Services and Compensation**

Consultant shall perform the services described in **Exhibit A** (the “*Services*”) for the Company (or its designee), and the Company agrees to pay Consultant the compensation described in **Exhibit A** for Consultant’s performance of the Services.

**2. Confidentiality**

A. **Definition of Confidential Information.** “*Company Confidential Information*” means any information (including any and all combinations of individual items of information) that the Company has or will develop, acquire, create, compile, discover or own, that has value in or to the Company’s business which is not generally known and which the Company wishes to maintain as confidential. Company Confidential Information includes both (i) information created by others that Consultant learns or that becomes available to Consultant through the Company or its agents; and (ii) information that Consultant creates that the Company owns pursuant to Section 3 of this Agreement. By way of example, and without limitation, Company Confidential Information includes any and all non-public information that relates to the actual or anticipated business and/or products, research or development of the Company, its affiliates or subsidiaries, or to the Company’s, its affiliates’ or subsidiaries’ technical data, trade secrets, or know-how, including, but not limited to, research, product plans, or other information regarding the Company’s, its affiliates’ or subsidiaries’ products or services and markets therefor, customer lists and customers (including, but not limited to, customers of the Company on which Consultant called or with which Consultant becomes acquainted during the term of this Agreement), software, developments, inventions, discoveries, ideas, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company, its affiliates or subsidiaries, either directly or indirectly, in writing, orally or by drawings or inspection of premises, parts, equipment, or other Company property. Notwithstanding the foregoing, Company Confidential Information does not include general knowledge, skill, and experience Consultant has acquired during the course of or in connection with Consultant’s relationship with the Company or any employer of Consultant. In addition, Company Confidential Information shall not include any such information which Consultant can establish (i) was publicly known or made generally available prior to the time of disclosure by the Company to Consultant; (ii) becomes publicly known or made generally available after disclosure by the Company to Consultant through no wrongful action or omission by Consultant; or (iii) is in Consultant’s rightful possession, without confidentiality obligations, at the time of disclosure by the Company as shown by Consultant’s then-

contemporaneous written records; provided that any combination of individual items of information shall not be deemed to be within any of the foregoing exceptions merely because one or more of the individual items are within such exception, unless the combination as a whole is within such exception.

B. ***Nonuse and Nondisclosure.*** During and after the term of this Agreement, Consultant will hold in the strictest confidence, and take all reasonable precautions to prevent any unauthorized use or disclosure of, Company Confidential Information. Consultant will not (i) use Company Confidential Information for any purpose whatsoever other than as necessary for the performance of the Services on behalf of the Company, or (ii) subject to Consultant's right to engage in protected conduct (as described in the Protected Activity Not Prohibited section below), disclose Company Confidential Information to any third party without the prior written consent of an authorized representative of the Company, except that Consultant may disclose Confidential Information to the extent compelled by applicable law; *provided however*, prior to such disclosure, Consultant shall provide prior written notice to Company and seek a protective order or such similar confidential protection as may be available under applicable law. Consultant agrees that no ownership of Company Confidential Information is conveyed to Consultant. Without limiting the foregoing, Consultant shall not use or disclose any Company property, intellectual property rights, trade secrets or other proprietary know-how of the Company to invent, author, make, develop, design, or otherwise enable others to invent, author, make, develop, or design identical or substantially similar designs as those developed under this Agreement for any third party. Consultant agrees that Consultant's obligations under this Section 2.B shall continue after the termination of this Agreement. Nothing in this Agreement prevents workers from engaging in protected conduct, as described in the Protected Activity Not Prohibited section below.

C. ***Other Client Confidential Information.*** Consultant agrees that Consultant will not improperly use, disclose, or induce the Company to use any proprietary information or trade secrets of any former or current employer of Consultant or other person or entity with which Consultant has an obligation to keep such proprietary information or trade secrets in confidence. Consultant further agrees that Consultant will not bring onto the Company's premises or transfer onto the Company's technology systems any unpublished document, proprietary information, or trade secrets belonging to any such third party unless disclosure to, and use by, the Company has been consented to, in writing, by such third party and the Company.

D. ***Third Party Confidential Information.*** Consultant recognizes that the Company has received, and in the future may receive, from third parties (for example, customers, suppliers, licensors, licensees, partners, and collaborators) as well as its subsidiaries and affiliates ("***Associated Third Parties***"), information which the Company is required to maintain and treat as confidential or proprietary information of such Associated Third Parties ("***Associated Third Party Confidential Information***"), and Consultant agrees to use such Associated Third Party Confidential Information only as directed by the Company and to not use or disclose such Associated Third Party Confidential Information in a manner that would violate the Company's obligations to such Associated Third Parties. By way of example, Associated Third Party Confidential Information may include the habits or practices of Associated Third Parties, the technology of Associated Third Parties, requirements of Associated Third Parties, and information related to the business conducted between the Company and such Associated Third Parties. Consultant agrees that at all times during the term of this Agreement and thereafter, Consultant owes the Company and its Associated Third Parties a duty to hold all such Associated Third Party Confidential Information in the strictest confidence, and not to use it or to disclose it to any person, firm, corporation, or other third party except as necessary in carrying out the Services for the Company consistent with the Company's agreement with such Associated Third Parties.

### 3. Ownership

A. **Assignment of Inventions.** As between the Company and Consultant, Consultant agrees that all right, title, and interest in and to any and all copyrightable material, notes, records, drawings, designs, logos, inventions, improvements, developments, discoveries, ideas and trade secrets conceived, discovered, authored, invented, developed or reduced to practice by Consultant, solely or in collaboration with others, during the term of this Agreement and arising out of, or in connection with, performing the Services under this Agreement and any copyrights, patents, trade secrets, mask work rights or other intellectual property rights relating to the foregoing (collectively, "**Inventions**"), are the sole property of the Company and, if Consultant is reclassified by a state or federal agency or court as the Company's employee, to the fullest extent allowed by California Labor Code Section 2870 (which is attached as Exhibit B). Consultant also agrees to promptly make full written disclosure to the Company of any Inventions and to deliver and assign (or cause to be assigned) and hereby irrevocably assigns fully to the Company all of Consultant's right, title and interest in and to the Inventions. Consultant agrees that this assignment includes a present conveyance to the Company of ownership of Inventions that are not yet in existence. Consultant understands and agrees that the decision whether or not to commercialize or market any Inventions is within the Company's sole discretion and for the Company's sole benefit, and that no royalty or other consideration will be due to Consultant as a result of the Company's efforts to commercialize or market any such Inventions.

B. **Pre-Existing Materials.** Subject to Section 3.A, Consultant will inform the Company, in writing, before incorporating any inventions, discoveries, ideas, original works of authorship, developments, improvements, trade secrets, and other proprietary information or intellectual property rights owned by Consultant or in which Consultant has an interest, prior to, or separate from, performing the Services under this Agreement ("**Prior Inventions**") into any Invention or otherwise utilizing any Prior Invention in the course of performing the Services; and the Company is hereby granted a nonexclusive, royalty-free, perpetual, irrevocable, transferable, worldwide license (with the right to grant and authorize sublicenses) to make, have made, use, import, offer for sale, sell, reproduce, distribute, modify, adapt, prepare derivative works of, display, perform, and otherwise exploit such incorporated or utilized Prior Inventions, without restriction, including, without limitation, as part of or in connection with such Invention, and to practice any method related thereto. Consultant will not incorporate any inventions, discoveries, ideas, original works of authorship, developments, improvements, trade secrets, and other proprietary information or intellectual property rights owned by any third party into any Invention without Company's prior written permission, including without limitation any free software or open source software."

C. **Moral Rights.** Any assignment to the Company of Inventions includes all rights of attribution, paternity, integrity, modification, disclosure and withdrawal, and any other rights throughout the world that may be known as or referred to as "moral rights," "artist's rights," "droit moral," or the like (collectively, "**Moral Rights**"). To the extent that Moral Rights cannot be assigned under applicable law, Consultant hereby waives and agrees not to enforce any and all Moral Rights, including, without limitation, any limitation on subsequent modification, to the extent permitted under applicable law.

D. **Maintenance of Records.** Consultant agrees to keep and maintain adequate, current, accurate, and authentic written records of all Inventions made by Consultant (solely or jointly with others) during the term of this Agreement, and for a period of three (3) years thereafter. The records will be in the form of notes, sketches, drawings, electronic files, reports, or any other format that is customary in the industry and/or otherwise specified by the Company. As between the Company and Consultant, the records are and will be available to and remain the sole property of the Company at all times and upon Company's request, Consultant shall deliver (or cause to be delivered) the same.

E. **Further Assurances.** Consultant agrees to assist the Company, or its designee, at the Company's expense, in every proper way to secure the Company's rights in the Inventions in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments and all other instruments that the Company shall deem proper or necessary in order to apply for, register, obtain, maintain, defend, and enforce such rights, and in order to deliver, assign and convey to the Company, its successors, assigns and nominees the sole and exclusive rights, title, and interest in and to all Inventions, and testifying in a suit or other proceeding relating to such Inventions. Consultant further agrees that Consultant's obligations under this Section 3.E shall continue after the termination of this Agreement.

F. **Attorney-in-Fact.** Consultant agrees that, if the Company is unable because of Consultant's unavailability, dissolution, mental or physical incapacity, or for any other reason, to secure Consultant's signature with respect to any Inventions, including, without limitation, for the purpose of applying for or pursuing any application for any United States or foreign patents or mask work or copyright registrations covering the Inventions assigned to the Company in Section 3.A, then Consultant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Consultant's agent and attorney-in-fact, to act for and on Consultant's behalf to execute and file any papers and oaths and to do all other lawfully permitted acts with respect to such Inventions to further the prosecution and issuance of patents, copyright and mask work registrations with the same legal force and effect as if executed by Consultant. This power of attorney shall be deemed coupled with an interest, and shall be irrevocable.

#### **4. Conflicting Obligations**

A. Consultant represents and warrants that Consultant has no agreements, relationships, or commitments to any other person or entity that conflict with the provisions of this Agreement, Consultant's obligations to and relationship with the Company, and/or Consultant's ability to perform the Services. Consultant will not enter into any such conflicting agreement, relationships, or commitments during the term of this Agreement, and will immediately notify the Company if, during the term of this Agreement, any potential conflict emerges with the provisions of this Agreement, his obligations to and relationship with the Company, or his ability to perform the Services.

B. In the event the Company authorizes Consultant to subcontract the performance of any Services, Consultant shall require all Consultant's employees, contractors, or other third-parties performing Services under this Agreement to execute a confidential information and invention assignment agreement in a form provided by the Company, and promptly provide a copy of each such executed agreement to the Company. Consultant's violation of this Section 4 will be considered a material breach under Section 6.B.



## 5. Return of Company Materials

Upon the termination of this Agreement, or upon Company's earlier request, Consultant will immediately deliver to the Company, and will not keep in Consultant's possession, recreate, or deliver to anyone else, any and all Company property, including, but not limited to, Company Confidential Information, tangible embodiments of the Inventions, all devices and equipment belonging to the Company, all electronically-stored information and passwords to access such property, those records maintained pursuant to Section 3.D and any reproductions of any of the foregoing items that Consultant may have in Consultant's possession or control. Consultant agrees that in discharging Consultant's obligations pursuant to this section, Consultant will conduct a reasonable and good faith search for such information, property and equipment, including searching external storage devices, personal computers and email accounts, as well as cloud accounts.

## 6. Term and Termination

A. **Term.** The initial term of this Agreement will be for a one (1) year period commencing on the Effective Date of this Agreement and ending June 11, 2025. The term may be extended by mutual written agreement of the Parties for additional one (1) year periods or such other period as the Parties may mutually agree in writing. However, the term of this Agreement may end earlier as provided in Section 6.B.

B. **Termination.** The Company may terminate this Agreement upon giving Consultant seven (7) days prior written notice of such termination pursuant to Section 11.G of this Agreement. The Company may terminate this Agreement immediately and without prior notice if Consultant refuses to or is unable to perform the Services or is in breach of any material provision of this Agreement.

C. **Survival.** Upon any termination, all rights and duties of the Company and Consultant toward each other shall cease except:

(1) The Company will pay, within thirty (30) days after the effective date of termination, all amounts owing (if any) to Consultant for Services completed and accepted by the Company prior to the termination date, as described in **Exhibit A**; and

(2) the sections entitled Confidentiality, Ownership, Conflicting Obligations, Return of Company Materials, Term and Termination, Independent Contractor; Benefits, Indemnification, Limitation of Liability, Arbitration and Equitable Relief, and Miscellaneous will survive termination or expiration of this Agreement in accordance with their terms.

## **7. Independent Contractor; Benefits**

A. **Independent Contractor.** It is the express intention of the Company and Consultant that Consultant perform the Services as an independent contractor to the Company. Nothing in this Agreement shall in any way be construed to constitute Consultant as an agent, employee or representative of the Company. Without limiting the generality of the foregoing, Consultant is not authorized to bind the Company to any liability or obligation or to represent that Consultant has any such authority. Consultant agrees to furnish (or reimburse the Company for) all tools and materials necessary to accomplish this Agreement and shall incur all expenses associated with performance. Consultant acknowledges and agrees that Consultant is obligated to report as income all compensation received by Consultant pursuant to this Agreement. Consultant agrees to and acknowledges the obligation to pay all self-employment and other taxes on such income.

B. **Benefits.** The Company and Consultant agree that Consultant will receive no Company-sponsored benefits from the Company where benefits include, but are not limited to, paid vacation, sick leave, medical insurance and 401k participation (except as may be required by applicable law relating to any previous employment of Consultant by the Company). If Consultant is reclassified by a state or federal agency or court as the Company's employee, Consultant will become a reclassified employee and will receive no benefits from the Company, except those mandated by state or federal law, even if by the terms of the Company's benefit plans or programs of the Company in effect at the time of such reclassification, Consultant would otherwise be eligible for such benefits.

## **8. Indemnification**

Consultant agrees to indemnify and hold harmless the Company and its affiliates and their directors, officers and employees from and against all taxes, losses, damages, liabilities, costs and expenses, including attorneys' fees and other legal expenses, arising directly or indirectly from or in connection with (i) any negligent, reckless or intentionally wrongful act of Consultant or, if applicable, Consultant's assistants, employees, contractors or agents, (ii) a determination by a court or agency that Consultant is not an independent contractor, (iii) any breach by Consultant or, if applicable, Consultant's assistants, employees, contractors or agents of any of the covenants contained in this Agreement and any corresponding Company confidential information and invention assignment agreement, (iv) any failure of Consultant to perform the Services in accordance with all applicable laws, rules and regulations, or (v) any violation or claimed violation of a third party's rights resulting in whole, or in part, from the Company's use of the Inventions or other deliverables of Consultant under this Agreement.

**9. Limitation of Liability**

IN NO EVENT SHALL THE COMPANY BE LIABLE TO CONSULTANT OR TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, OR DAMAGES FOR LOST PROFITS OR LOSS OF BUSINESS, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHER THEORY OF LIABILITY, REGARDLESS OF WHETHER THE COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT SHALL THE COMPANY'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT EXCEED THE AMOUNTS PAID BY THE COMPANY TO CONSULTANT UNDER THIS AGREEMENT FOR THE SERVICES, DELIVERABLES OR INVENTION GIVING RISE TO SUCH LIABILITY.

**10. Arbitration and Equitable Relief**

A. **Arbitration.** IN CONSIDERATION OF CONSULTANT'S CONSULTING RELATIONSHIP WITH THE COMPANY, THE COMPANY'S PROMISE TO ARBITRATE ALL DISPUTES RELATED TO CONSULTANT'S CONSULTING RELATIONSHIP WITH THE COMPANY AND CONSULTANT'S RECEIPT OF COMPENSATION AND OTHER CONSIDERATION PAID OR PROVIDED TO CONSULTANT BY THE COMPANY, AT PRESENT AND IN THE FUTURE, CONSULTANT AGREES THAT ANY AND ALL CONTROVERSIES, CLAIMS, OR DISPUTES THAT CONSULTANT MAY HAVE WITH THE COMPANY (INCLUDING ANY COMPANY EMPLOYEE, OFFICER, DIRECTOR, TRUSTEE, OR BENEFIT PLAN OF THE COMPANY, IN THEIR CAPACITY AS SUCH OR OTHERWISE), ARISING OUT OF, RELATING TO, OR RESULTING FROM CONSULTANT'S CONSULTING OR OTHER RELATIONSHIP WITH THE COMPANY OR THE TERMINATION OF CONSULTANT'S CONSULTING OR OTHER RELATIONSHIP WITH THE COMPANY, INCLUDING ANY BREACH OF THIS AGREEMENT, SHALL BE SUBJECT TO BINDING ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT (9 U.S.C. SEC. 1 ET SEQ.) (THE "FAA"). THE FAA'S SUBSTANTIVE AND PROCEDURAL PROVISIONS SHALL EXCLUSIVELY GOVERN AND APPLY WITH FULL FORCE AND EFFECT TO THIS ARBITRATION AGREEMENT, INCLUDING ITS ENFORCEMENT, AND ANY STATE COURT OF COMPETENT JURISDICTION SHALL STAY PROCEEDINGS PENDING ARBITRATION OR COMPEL ARBITRATION IN THE SAME MANNER AS A FEDERAL COURT UNDER THE FAA. CONSULTANT FURTHER AGREES THAT, TO THE FULLEST EXTENT PERMITTED BY LAW, CONSULTANT MAY BRING ANY ARBITRATION PROCEEDING ONLY IN CONSULTANT'S INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF, REPRESENTATIVE, OR CLASS MEMBER IN ANY PURPORTED CLASS OR COLLECTIVE ACTION, LAWSUIT, OR PROCEEDING. CONSULTANT AGREES THAT ANY CLAIMS THAT CONSULTANT MAY BRING PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT ("PAGA") ON BEHALF OF THE LABOR AND WORKFORCE DEVELOPMENT AGENCY MUST BE ARBITRATED SOLELY IN CONSULTANT'S INDIVIDUAL CAPACITY WITHOUT ANY JOINDER OR REPRESENTATION OF ANY CALIFORNIA LABOR CODE VIOLATIONS THAT WERE OR COULD BE ASSERTED BY OR ON BEHALF OF ANY OTHER PERSONS. **TO THE FULLEST EXTENT PERMITTED BY LAW, CONSULTANT AGREES TO ARBITRATE ANY AND ALL COMMON LAW AND/OR STATUTORY CLAIMS UNDER LOCAL, STATE, OR FEDERAL LAW, INCLUDING, BUT NOT LIMITED TO, CLAIMS UNDER THE CALIFORNIA LABOR CODE, CLAIMS RELATING TO EMPLOYMENT OR**

INDEPENDENT CONTRACTOR STATUS, CLAIMS RELATING TO COMPENSATION (CASH, EQUITY, OR OTHERWISE), CLAIMS RELATING TO CLASSIFICATION, AND RELATIONSHIP WITH THE COMPANY, AND CLAIMS OF BREACH OF CONTRACT, TO THE FULLEST EXTENT PERMITTED BY LAW. CONSULTANT ALSO AGREES TO ARBITRATE ANY AND ALL DISPUTES ARISING OUT OF OR RELATING TO THE INTERPRETATION OR APPLICATION OF THIS AGREEMENT TO ARBITRATE, BUT NOT DISPUTES ABOUT THE ENFORCEABILITY, REVOCABILITY OR VALIDITY OF THIS AGREEMENT TO ARBITRATE OR ITS REQUIREMENT THAT CONSULTANT BRING ANY ARBITRATION PROCEEDING ONLY IN CONSULTANT'S INDIVIDUAL CAPACITY. WITH RESPECT TO ALL SUCH CLAIMS AND DISPUTES THAT CONSULTANT AGREES TO ARBITRATE, CONSULTANT HEREBY EXPRESSLY AGREES TO WAIVE, AND DOES WAIVE, ANY RIGHT TO A TRIAL BY JURY. CONSULTANT FURTHER UNDERSTANDS THAT THIS AGREEMENT TO ARBITRATE ALSO APPLIES TO ANY DISPUTES THAT THE COMPANY MAY HAVE WITH CONSULTANT. CONSULTANT UNDERSTANDS THAT NOTHING IN THIS AGREEMENT REQUIRES CONSULTANT TO ARBITRATE CLAIMS THAT CANNOT BE ARBITRATED UNDER THE SARBANES-OXLEY ACT OR OTHER LAW THAT EXPRESSLY PROHIBITS ARBITRATION OF A CLAIM NOTWITHSTANDING THE APPLICATION OF THE FAA.

B. *Administration of Arbitration.* CONSULTANT AGREES THAT ANY ARBITRATION WILL BE ADMINISTERED BY JAMS PURSUANT TO ITS EMPLOYMENT ARBITRATION RULES & PROCEDURES (THE "**JAMS EMPLOYMENT RULES**"), WHICH ARE AVAILABLE AT [HTTP://WWW.JAMSADR.COM/RULES-EMPLOYMENT-ARBITRATION/](http://www.jamsadr.com/rules-employment-arbitration/). IF THE JAMS EMPLOYMENT RULES CANNOT BE ENFORCED AS TO THE ARBITRATION, THEN THE PARTIES AGREE THAT THEY WILL ARBITRATE THIS DISPUTE UTILIZING JAMS COMPREHENSIVE ARBITRATION RULES AND PROCEDURES OR SUCH RULES AS THE ARBITRATOR MAY DEEM MOST APPROPRIATE FOR THE DISPUTE (THE RULES UNDER WHICH THE ARBITRATION IS ADMINISTERED, WHETHER THE JAMS EMPLOYMENT RULES, THE JAMS COMPREHENSIVE ARBITRATION RULES, OR OTHERWISE, ARE REFERRED TO HEREIN AS THE "**JAMS RULES**"). IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS SECTION AND THE JAMS RULES, THIS SECTION SHALL TAKE PRECEDENCE. CONSULTANT AGREES THAT THE USE OF THE JAMS EMPLOYMENT RULES DOES NOT CHANGE CONSULTANT'S CLASSIFICATION TO THAT OF AN EMPLOYEE. TO THE CONTRARY, CONSULTANT REAFFIRMS THAT CONSULTANT IS AN INDEPENDENT CONTRACTOR. CONSULTANT AGREES THAT THE ARBITRATOR SHALL HAVE THE POWER TO DECIDE ANY MOTIONS BROUGHT BY ANY PARTY TO THE ARBITRATION, INCLUDING MOTIONS FOR SUMMARY JUDGMENT AND/OR ADJUDICATION AND MOTIONS TO DISMISS AND DEMURRERS APPLYING THE STANDARDS FOR SUCH MOTIONS SET FORTH UNDER APPLICABLE LAW, INCLUDING THE CALIFORNIA CODE OF CIVIL PROCEDURE. CONSULTANT AGREES THAT THE ARBITRATOR SHALL ISSUE A WRITTEN DECISION ON THE MERITS. CONSULTANT ALSO AGREES THAT THE ARBITRATOR SHALL HAVE THE POWER TO AWARD ANY REMEDIES AVAILABLE UNDER APPLICABLE LAW, AND THAT THE ARBITRATOR MAY AWARD ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY, WHERE PERMITTED BY APPLICABLE LAW. CONSULTANT AGREES THAT THE DECREE OR AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED AS A FINAL AND BINDING JUDGMENT IN ANY COURT HAVING JURISDICTION THEREOF. SUBJECT TO THE FAA'S EXCLUSIVE APPLICABILITY TO THE ENFORCEMENT OF THIS AGREEMENT TO ARBITRATE, CONSULTANT AGREES THAT THE ARBITRATOR SHALL ADMINISTER AND

CONDUCT ANY ARBITRATION HEARING OR PROCEEDING APPLYING CALIFORNIA SUBSTANTIVE AND DECISIONAL LAW AND THE CALIFORNIA CODE OF CIVIL PROCEDURE, INCLUDING THE CALIFORNIA CIVIL DISCOVERY ACT. CONSULTANT AGREES THAT ANY ARBITRATION UNDER THIS AGREEMENT SHALL BE CONDUCTED IN SANTA CLARA COUNTY, CALIFORNIA.

C. **Remedy.** FOR PURPOSES OF SEEKING PROVISIONAL REMEDIES ONLY, CONSULTANT AGREES THAT THE COMPANY AND CONSULTANT SHALL BE ENTITLED TO PURSUE ANY PROVISIONAL REMEDY PERMITTED BY THE CALIFORNIA ARBITRATION ACT (CALIFORNIA CODE CIV. PROC. § 1281.8), OR OTHERWISE PROVIDED BY THIS AGREEMENT. EXCEPT FOR SUCH PROVISIONAL RELIEF, CONSULTANT AGREES THAT ANY RELIEF OTHERWISE AVAILABLE TO THE COMPANY OR CONSULTANT UNDER APPLICABLE LAW SHALL BE PURSUED SOLELY AND EXCLUSIVELY IN ARBITRATION PURSUANT TO THE TERMS OF THIS AGREEMENT.

D. **Administrative Relief.** CONSULTANT UNDERSTANDS THAT THIS AGREEMENT DOES NOT PROHIBIT CONSULTANT FROM PURSUING AN ADMINISTRATIVE CLAIM WITH A LOCAL, STATE OR FEDERAL ADMINISTRATIVE BODY OR GOVERNMENT AGENCY SUCH AS THE CALIFORNIA CIVIL RIGHTS DEPARTMENT, THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, THE NATIONAL LABOR RELATIONS BOARD, THE SECURITIES AND EXCHANGE COMMISSION, OR THE WORKERS' COMPENSATION BOARD. THIS AGREEMENT DOES, HOWEVER, PRECLUDE CONSULTANT FROM BRINGING ANY ALLEGED WAGE CLAIMS WITH THE DEPARTMENT OF LABOR STANDARDS ENFORCEMENT. LIKEWISE, THIS AGREEMENT DOES PRECLUDE CONSULTANT FROM PURSUING A COURT ACTION REGARDING ANY SUCH CLAIM, EXCEPT AS PERMITTED BY LAW.

E. **Voluntary Nature of Agreement; Enforcement.** CONSULTANT ACKNOWLEDGES AND AGREES THAT CONSULTANT IS EXECUTING THIS AGREEMENT VOLUNTARILY AND WITHOUT ANY DURESS OR UNDUE INFLUENCE BY THE COMPANY OR ANYONE ELSE. CONSULTANT FURTHER ACKNOWLEDGES AND AGREES THAT CONSULTANT HAS CAREFULLY READ THIS AGREEMENT AND THAT CONSULTANT HAS ASKED ANY QUESTIONS NEEDED FOR CONSULTANT TO UNDERSTAND THE TERMS, CONSEQUENCES AND BINDING EFFECT OF THIS AGREEMENT AND FULLY UNDERSTAND IT, INCLUDING THAT **CONSULTANT IS WAIVING CONSULTANT'S RIGHT TO A JURY TRIAL**. CONSULTANT AGREES THAT CONSULTANT HAS BEEN PROVIDED AN OPPORTUNITY TO SEEK THE ADVICE OF AN ATTORNEY OF CONSULTANT'S CHOICE BEFORE SIGNING THIS AGREEMENT. THIS ARBITRATION AGREEMENT IS TO BE ENFORCED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. ACCORDINGLY, CONSULTANT AGREES THAT IF A COURT OR OTHER BODY OF COMPETENT JURISDICTION FINDS THAT ANY PROVISION OR PORTION OF THIS ARBITRATION AGREEMENT IS INVALID OR UNENFORCEABLE, SUCH PROVISION OR PORTION, AS APPLICABLE, SHALL BE ENFORCED TO THE MAXIMUM EXTENT PERMISSIBLE BY APPLICABLE LAW OR, IF NECESSARY, SEVERED, AND THE REMAINDER OF THE ARBITRATION AGREEMENT WILL CONTINUE WITH FULL FORCE AND EFFECT.

## 11. Miscellaneous

A. **Governing Law; Consent to Personal Jurisdiction.** This Agreement will be governed by the laws of the State of California, without regard to the conflicts of law provisions of California or any other jurisdiction, except that any dispute regarding the enforceability of the arbitration section of this Agreement shall be governed by the FAA. To the extent that any lawsuit is permitted under this Agreement, the Parties hereby expressly consent to the personal and exclusive jurisdiction and venue of the state and federal courts located in California.

B. **Assignability.** This Agreement will be binding upon Consultant's heirs, executors, assigns, administrators, and other legal representatives, and will be for the benefit of the Company, its successors, and its assigns. The Associated Third Parties are intended third-party beneficiaries to this Agreement with respect to Consultant's obligations in Section 2.D. There are no intended third-party beneficiaries to this Agreement, except as expressly stated. Except as may otherwise be provided in this Agreement, Consultant may not sell, assign or delegate any rights or obligations under this Agreement. Notwithstanding anything to the contrary herein, the Company may assign this Agreement and its rights and obligations under this Agreement to any successor to all or substantially all of the Company's relevant assets, whether by merger, consolidation, reorganization, reincorporation, sale of assets or stock, or otherwise. For the avoidance of doubt, the Company's successors and assigns are authorized to enforce the Company's rights under this Agreement.

C. **Entire Agreement.** This Agreement, together with the Exhibits herein, sets forth the entire agreement and understanding between the Parties with respect to the subject matter herein and supersedes all prior written and oral agreements, discussions, or representations between the Parties. Consultant represents and warrants that Consultant is not relying on any statement or representation not contained in this Agreement. To the extent any terms set forth in any exhibit or schedule conflict with the terms set forth in this Agreement, the terms of this Agreement shall control unless otherwise expressly agreed by the Parties in such exhibit or schedule.

D. **Headings.** Headings are used in this Agreement for reference only and shall not be considered when interpreting this Agreement.

E. **Severability.** If a court or other body of competent jurisdiction finds, or the Parties mutually believe, any provision of this Agreement, or portion thereof, to be invalid or unenforceable, such provision will be enforced to the maximum extent permissible so as to effect the intent of the Parties, and the remainder of this Agreement will continue in full force and effect.

F. **Modification, Waiver.** No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in a writing signed by the Parties. Waiver by the Company of a breach of any provision of this Agreement will not operate as a waiver of any other or subsequent breach.

G. **Notices.** Any notice or other communication required or permitted by this Agreement to be given to a Party shall be in writing and shall be deemed given (i) if delivered personally or by commercial messenger or courier service, (ii) when sent by confirmed facsimile, (iii) when sent by email or (iv) if mailed by U.S. registered or certified mail (return receipt requested), to the Party at the Party's address written below or at such other address as the Party may have previously specified by like notice. If by mail, delivery shall be deemed effective three business days after mailing in accordance with this Section 11.G.

- (1) If to the Company, to:  
Harmonic Inc.  
2590 Orchard Parkway  
San Jose, CA 95131  
Email: Harmoniclegal@harmonicinc.com  
Attention: General Counsel

- (2) If to Consultant, to the address for notice on the signature page to this Agreement or, if no such address is provided, to the last address of Consultant provided by Consultant to the Company.

H. **Attorneys' Fees.** In any court action at law or equity that is brought by one of the Parties to this Agreement to enforce or interpret the provisions of this Agreement, the prevailing Party will be entitled to reasonable attorneys' fees, in addition to any other relief to which that Party may be entitled.

I. **Signatures.** This Agreement may be signed in two counterparts, each of which shall be deemed an original, with the same force and effectiveness as though executed in a single document.

J. **Applicability to Past Activities.**

K. ***Protected Activity Not Prohibited.*** Consultant understands that nothing in this Agreement shall in any way limit or prohibit Consultant from filing and/or pursuing a charge or complaint with, or otherwise communicating, cooperating, or participating in any investigation or proceeding that may be conducted by, any federal, state or local government agency or commission, including the Securities and Exchange Commission (“***Government Agencies***”). In addition, Consultant understands that nothing in this Agreement, including its definition of Company Confidential Information, prevents Consultant from discussing or disclosing information about unlawful acts, such as harassment or discrimination or any other conduct that Consultant have reason to believe is unlawful. Notwithstanding the preceding, Consultant agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any Company trade secrets, proprietary information, or confidential information that does not involve unlawful acts or the activity otherwise protected herein. Consultant further understands that Consultant is not permitted to disclose the Company’s attorney-client privileged communications or attorney work product. Pursuant to the Defend Trade Secrets Act of 2016, Consultant is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney *solely* for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual’s attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. Consultant understands that nothing in this Agreement, including its definition of Confidential Information, limits Consultant’s rights to discuss or disclose Consultant’s compensation or the terms or conditions of Consultant’s service relationship with the Company, to the extent protected by applicable law, or otherwise impairs Consultant from assisting other Company current or former service providers in the exercise of their rights under applicable law.

*(signature page follows)*



IN WITNESS WHEREOF, the Parties hereto have executed this Consulting Agreement as of the date first written above.

**CONSULTANT     HARMONIC INC.**

By: \_\_\_ By: \_\_\_\_\_

Name: \_\_\_ Name: \_\_\_\_\_

Title: \_\_\_ Title: \_\_\_\_\_

Address for Notice:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Email Address for Notice:

\_\_\_\_\_

## EXHIBIT A

### SERVICES AND COMPENSATION

1. **Contact.** Consultant's principal Company contact:

Name: Nimrod Ben-Natan

Title: Chief Executive Officer

Email:    

Phone:    

2. **Services.** The Services will include, but will not be limited to, the following: Transition services in connection with Consultant's transition from his role as Chief Executive Officer of the Company; any advisory services as requested by the Company's Chief Executive Officer ("CEO") or Board of Directors; and such other services as may be mutually determined by Consultant and the CEO.

3. **Compensation.**

A. Consultant previously was granted certain outstanding equity awards covering shares of Company Common Stock under the Company's 1995 Stock Plan (the "**Plan**") and applicable award agreements thereunder (the "**Award Agreements**," and together with the Plan, the "**Award Documents**"), as set forth in Schedule I hereto (the "**Awards**"). Consultant's continued and uninterrupted services pursuant to this Agreement on and following Consultant's transition from his role as the Company's Chief Executive Officer will constitute Consultant's "Continuous Status as an Employee or Consultant" for purposes of the Award Documents, and accordingly, Consultant will remain eligible to vest in Consultant's Awards while providing such services under this Agreement, in accordance with the vesting and other terms under the Award Documents. In the event of cessation of Consultant's Continuous Status as an Employee or Consultant, any Awards that have not vested through such date of cessation will terminate immediately. Accordingly, for purposes of clarity, upon cessation of Consultant's continued services under this Agreement (absent any other new arrangement to continue Consultant's services on an uninterrupted basis), any then unvested Awards will terminate (including, without regard to whether Consultant then serves as a member of the Board, as Board service does not and will not qualify as Continuous Status as an Employee or Consultant under the Awards).

B. The Company will reimburse Consultant, in accordance with Company policy, for all reasonable expenses incurred by Consultant for travel requested by the Company in performing the Services pursuant to this Agreement, if Consultant receives written consent from an authorized agent of the Company prior to incurring such expenses and submits receipts for such expenses to the Company in accordance with Company policy.

C. Subject to Consultant timely electing continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”) and further subject to Sections C(1) and D below, the Company will pay the premiums required for continued coverage pursuant to COBRA under the Company’s group health and dental plans for Consultant and any of Consultant’s eligible dependents, as applicable (the “COBRA Benefit”), following the termination of Consultant’s employment with the Company (the “Transition,” and such termination date, the “Transition Date”) that occurs in connection with the effectiveness of this Agreement, until the earliest of: (a) twelve (12) months following the Transition Date, (b) the date on which Consultant and Consultant’s eligible dependents (as applicable) become covered under similar plans, or (c) the expiration of Consultant’s (and any of Consultant’s eligible dependents’, as applicable) eligibility for continuation coverage under COBRA.

(1) If the Company determines in its sole discretion that it cannot provide the COBRA Benefit without potentially violating, or being subject to an excise tax under, applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of such COBRA Benefit, subject to Section D, the Company will provide to Consultant a taxable monthly payment payable on the last day of a given month, in an amount equal to the monthly COBRA premium that would be required to continue coverage under the Company’s group health and dental care plans for Consultant and Consultant’s eligible dependents, as applicable, as in effect on the Transition Date, in each case, which amount will be based on the premium rates applicable for the first month of COBRA Benefit for Consultant and any eligible dependents of Consultant (each, a “Replacement Payment”), and which Replacement Payments will be made regardless of whether Consultant elects COBRA continuation coverage and will end on the earlier of (a) the date upon which Consultant obtains other employment, or (b) the date the Company has paid an amount totaling the number of Replacement Payments for twelve (12) months. For the avoidance of doubt, the Replacement Payments may be used for any purpose, including, but not limited to continuation coverage under COBRA, and will be subject to any applicable withholdings. Notwithstanding anything to the contrary under this Agreement, if the Company determines in its sole discretion at any time that it cannot provide the Replacement Payments without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), Consultant will not receive the Replacement Payments or any further COBRA Benefit.

D. In order to help prevent adverse tax consequences to Consultant under Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance thereunder (together, "**Section 409A**"), in no event will any taxable payment under Section 3.B be made later than the later of (1) March 15<sup>th</sup> of the calendar year following the calendar year in which such payment was earned, or (2) the 15th day of the third (3<sup>rd</sup>) month following the end of the Company's taxable year in which such payment was earned. Additionally, no payments and benefits that constitute deferred compensation under Section 409A that are considered separation payments or benefits in connection with the Transition will be paid or provided until a separation from service within the meaning of Section 409A has occurred, and to the extent required to comply with Section 409A, will be subject to a payment delay of six (6) months and one (1) day following such separation from service. Each payment, installment, and benefit payable under this Agreement is intended to constitute a separate payment for purposes of Treasury Regulations Section 1.409A-2(b)(2). Consultant will have no discretion to choose the taxable year in which such deferred compensation under Section 409A are paid or provided. All payments and benefits provided for under this Agreement are intended to be exempt from or otherwise comply with the requirements of Section 409A so that none of the payments to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. In no event will the Company or any of its affiliates have any liability, responsibility, or obligation to indemnify, reimburse, or hold harmless Consultant for any taxes that may be imposed on, or any other costs incurred by, Consultant as a result of Section 409A.

This **Exhibit A** is accepted and agreed upon effective as of the Effective Date.

**CONSULTANT      HARMONIC INC.**

By: \_\_\_ By: \_\_\_\_\_

Name: \_\_\_ Name: \_\_\_\_\_

Title: \_\_\_ Title: \_\_\_\_\_

**SCHEDULE I**  
**CONSULTANT AWARDS**

<b>Type of Award</b>	<b>Grant Date</b>	<b>Number of Shares of Company Common Stock Subject to Award at Grant<sup>(1)</sup></b>	<b>Number of Shares of Company Common Stock That Have Vested Under Award Through 4/15/2024</b>	<b>Number of Unvested Shares of Company Common Stock as of 4/15/2024<sup>(1)</sup></b>
RSUs <sup>(2)</sup>	2/17/2022	164,204	109,469	54,735
PSUs <sup>(3)</sup>	2/17/2022	164,204	0	164,204
RSUs	2/17/2023	149,722	49,908	99,814
PSUs	2/17/2023	149,722	0	149,722
RSUs	2/16/2024	221,953	0	221,953
PSUs	2/16/2024	221,953	0	221,953
			<i>Total Unvested:</i> <sup>(1)</sup>	912,381

(1) Number shown for PSUs based on target award.

(2) Restricted stock units (referred to as Restricted Stock under the Plan).

(3) Performance-based RSUs.



## FOR IMMEDIATE RELEASE

**Harmonic Announces First Quarter 2024 Results***Results in Line with Guidance**Reaffirming Broadband Full Year Revenue Guidance**Increasing Full Year Video EBITDA Guidance*

**SAN JOSE, California, April 29, 2024** - Harmonic Inc. (NASDAQ: HLIT) today announced its unaudited results for the first quarter of 2024.

“Our first quarter results were within our guidance range and largely driven by our Broadband business,” said Patrick Harshman, president and chief executive officer of Harmonic. “Based on these results, our record backlog and deferred revenue, and our restructuring actions in Video to address market conditions and improve long-term growth and profitability, we are reaffirming our full year Broadband revenue guidance while increasing Video full year EBITDA guidance.”

**Q1 Financial and Business Highlights***Financial*

- Revenue: \$122.1 million, compared to \$157.6 million in the prior year period
  - Broadband segment revenue: \$78.9 million, compared to \$100.4 million in the prior year period
  - Video segment revenue: \$43.2 million, compared to \$57.3 million in the prior year period
- Gross margin: GAAP 51.7% and non-GAAP 52.5%, compared to GAAP 53.3% and non-GAAP 53.9% in the prior year period
  - Broadband segment non-GAAP gross margin: 47.5% compared to 50.1% in the prior year period
  - Video segment non-GAAP gross margin: 61.6% compared to 60.4% in the prior year period
- Operating income (loss): GAAP loss \$9.5 million and non-GAAP income \$1.2 million, compared to GAAP income \$11.2 million and non-GAAP income \$18.7 million in the prior year period
- Net income (loss): GAAP net loss \$8.1 million and non-GAAP net income of \$0.4 million, compared to GAAP net income \$5.1 million and non-GAAP net income \$14.3 million in the prior year period
- Non-GAAP adjusted EBITDA: \$4.1 million income compared to \$21.4 million income in the prior year period
- Net income (loss) per share: GAAP net loss per share of \$0.07 and non-GAAP net income per share of \$0.00, compared to GAAP net income per share of \$0.04 and non-GAAP net income per share of \$0.12 in the prior year period
- Record backlog and deferred revenue of \$677.8 million
- Cash: \$84.3 million, compared to the \$90.9 million in the prior year period

*Business*

- Commercially deployed our cOS™ solution with 113 customers, serving 28.6 million cable modems
- Improved Broadband customer diversification, including mix of business from the Company’s two largest customers
- Millicom (NASDAQ: TIGO), through the TIGO® brand, successfully launched XGS-PON fiber-to-the-home (FTTH) with Harmonic’s industry-leading cOS broadband platform
- Recently introduced state-of-the-art in-stream advertising for live sports streaming as part of our Video SaaS offering

## Select Financial Information

Key Financial Results	GAAP			Non-GAAP		
	Q1 2024	Q4 2023	Q1 2023	Q1 2024	Q4 2023	Q1 2023
	<i>(Unaudited, in millions, except per share data)</i>					
Net revenue	\$ 122.1	\$ 167.1	\$ 157.6	*	*	*
Net income (loss)	\$ (8.1)	\$ 83.8	\$ 5.1	\$ 0.4	\$ 14.7	\$ 14.3
Net income (loss) per share	\$ (0.07)	\$ 0.72	\$ 0.04	\$ 0.00	\$ 0.13	\$ 0.12
Other Financial Information				Q1 2024	Q4 2023	Q1 2023
	<i>(Unaudited, in millions)</i>					
Adjusted EBITDA for the quarter <sup>(1)</sup>				\$ 4.1	\$ 21.7	\$ 21.4
Bookings for the quarter				\$ 146.1	\$ 196.5	\$ 325.5
Backlog and deferred revenue as of quarter end				\$ 677.8	\$ 653.2	\$ 623.5
Cash and cash equivalents as of quarter end				\$ 84.3	\$ 84.3	\$ 90.9

(1) Adjusted EBITDA is a Non-GAAP financial measure. Refer to "Preliminary Adjusted EBITDA Reconciliation" below for a reconciliation to net income (loss), the most comparable GAAP measure.

\* Not applicable

Explanations regarding our use of non-GAAP financial measures and related definitions, and reconciliations of our GAAP and Non-GAAP measures, are provided in the sections below entitled "Use of Non-GAAP Financial Measures" and "GAAP to Non-GAAP Reconciliations".

## Financial Guidance

	Q2 2024 GAAP Financial Guidance					
	Low			High		
	Broadband	Video	Total GAAP	Broadband	Video	Total GAAP
(Unaudited, in millions, except percentages and per share data)						
Net revenue	\$ 85	\$ 40	\$ 125	\$ 95	\$ 45	\$ 140
Gross margin %			51.0 %			52.1 %
Gross profit			\$ 64			\$ 73
Tax rate			23 %			23 %
Net loss			\$ (19)			\$ (14)
Net loss per share			\$ (0.17)			\$ (0.12)
Shares <sup>(1)</sup>			115.3			115.3

(1) The guidance considers the impact of the 2024 Convertible Notes redemption and assumptions on repurchases during 2024 under the Company's stock repurchase program.

	2024 GAAP Financial Guidance					
	Low			High		
	Broadband	Video	Total GAAP	Broadband	Video	Total GAAP
(Unaudited, in millions, except percentages and per share data)						
Net revenue	\$ 460	\$ 185	\$ 645	\$ 500	\$ 195	\$ 695
Gross margin %			50.5 %			52.5 %
Gross profit			\$ 326			\$ 365
Tax rate			23 %			23 %
Net income			\$ 18			\$ 40
Net income per share			\$ 0.15			\$ 0.34
Shares <sup>(1)</sup>			118.5			118.5

(1) The guidance considers the impact of the 2024 Convertible Notes redemption and assumptions on repurchases during 2024 under the Company's stock repurchase program. Diluted shares assumes stock price at \$12.76 (Q1 2024 average price).

**Q2 2024 Non-GAAP Financial Guidance <sup>(1)</sup>**

(Unaudited, in millions, except percentages and per share data)	Low			High		
	Broadband	Video	Total	Broadband	Video	Total
Gross margin %	47.0 %	62.0 %	51.8 %	48.0 %	63.0 %	52.9 %
Gross profit	\$ 40	\$ 25	\$ 65	\$ 46	\$ 28	\$ 74
Adjusted EBITDA <sup>(2)</sup>	\$ 11	\$ (5)	\$ 6	\$ 15	\$ (2)	\$ 13
Tax rate			19 %			19 %
Net income per share			\$ —			\$ 0.05
Shares <sup>(3)</sup>			116.8			116.8

(1) Refer to “Use of Non-GAAP Financial Measures” and “GAAP to Non-GAAP Reconciliations on Financial Guidance” below.

(2) Refer to “Adjusted EBITDA Reconciliation on Financial Guidance” below for a reconciliation to net income (loss), the most comparable GAAP measure.

(3) The guidance considers the impact of the 2024 Convertible Notes redemption and assumptions on repurchases during 2024 under the Company's stock repurchase program. Diluted shares assumes stock price at \$12.76 (Q1 2024 average price).

**2024 Non-GAAP Financial Guidance <sup>(1)</sup>**

(Unaudited, in millions, except percentages and per share data)	Low			High		
	Broadband	Video	Total	Broadband	Video	Total
Gross margin %	46.5 %	62.0 %	51.0 %	48.5 %	64.0 %	52.9 %
Gross profit	\$ 214	\$ 115	\$ 329	\$ 243	\$ 125	\$ 368
Adjusted EBITDA <sup>(2)</sup>	\$ 95	\$ —	\$ 95	\$ 119	\$ 5	\$ 124
Tax rate			19 %			19 %
Net income per share <sup>(3)</sup>			\$ 0.51			\$ 0.71
Shares <sup>(3)</sup>			118.5			118.5

(1) Refer to “Use of Non-GAAP Financial Measures” and “GAAP to Non-GAAP Reconciliations on Financial Guidance” below.

(2) Refer to “Adjusted EBITDA Reconciliation on Financial Guidance” below for a reconciliation to net income, the most comparable GAAP measure.

(3) The guidance considers the impact of the 2024 Convertible Notes redemption and assumptions on repurchases during 2024 under the Company's stock repurchase program. Diluted shares assumes stock price at \$12.76 (Q1 2024 average price).



## Conference Call Information

Harmonic will host a conference call to discuss its financial results at 2:00 p.m. PT (5:00 p.m. ET) on Monday, April 29, 2024. The live webcast will be available on the Harmonic Investor Relations website at <http://investor.harmonicinc.com>. To participate via telephone, please register in advance using this link, <https://register.vevent.com/register/BI25a8c58a23b84db08431619b5ef84f3d>. A replay will be available after 5:00 p.m. PT on the same web site.

## About Harmonic Inc.

Harmonic (NASDAQ: HLIT), the worldwide leader in virtualized broadband and video delivery solutions, enables media companies and service providers to deliver ultra-high-quality video streaming and broadcast services to consumers globally. The company revolutionized broadband networking via the industry's first virtualized broadband solution, enabling cable operators to more flexibly deploy gigabit internet service to consumers' homes and mobile devices. Whether simplifying OTT video delivery via innovative cloud and software platforms, or powering the delivery of gigabit internet cable services, Harmonic is changing the way media companies and service providers monetize live and on-demand content on every screen. More information is available at [www.harmonicinc.com](http://www.harmonicinc.com).

## Legal Notice Regarding Forward-Looking Statements

*This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements related to our expectations regarding: net revenue, gross margins, operating expenses, operating income (loss), Adjusted EBITDA, tax expense and tax rate, and net income (loss) per diluted share. Our expectations regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks include, in no particular order, the following: the market and technology trends underlying our Video and Broadband businesses will not continue to develop in their current direction or pace; the possibility that our products will not generate sales that are commensurate with our expectations or that our cost of revenue or operating expenses may exceed our expectations; the impact of general economic conditions on our sales and operations; the mix of products and services sold in various geographies and the effect it has on gross margins; delays or decreases in capital spending in the cable, satellite, telco, broadcast and media industries; customer concentration and consolidation; our ability to develop new and enhanced products in a timely manner and market acceptance of our new or existing products; losses of one or more key customers; risks associated with our international operations; exchange rate fluctuations of the currencies in which we conduct business; risks associated with our COS™ and VOS product solutions; dependence on various video and broadband industry trends; inventory management; the lack of timely availability or the impact of increases in the prices of parts or raw materials necessary to produce our products; the effect of competition, on both revenue and gross margins; difficulties associated with rapid technological changes in our markets; risks associated with unpredictable sales cycles; our dependence on contract manufacturers and sole or limited source suppliers; and the impact on our business of natural disasters. The forward-looking statements contained in this press release are also subject to other risks and uncertainties, including those more fully described in Harmonic's filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K for the year ended December 31, 2023, our most recent Quarterly Report on Form 10-Q and our Current Reports on Form 8-K. The forward-looking statements in this press release are based on information available to the Company as of the date hereof, and Harmonic disclaims any obligation to update any forward-looking statements.*

## Use of Non-GAAP Financial Measures

The Company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). However, management believes that certain non-GAAP financial measures provide management and other users with additional meaningful financial information that should be considered when assessing our ongoing performance. Our management regularly uses our supplemental non-GAAP financial measures internally to understand, manage and evaluate our business, establish operating budgets, set internal measurement targets and make operating decisions.

These non-GAAP measures are not in accordance with, or an alternative for, measures prepared in accordance with generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. The Company believes that non-GAAP measures have limitations in that they do not reflect all of the amounts associated with Harmonic's results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate Harmonic's results of operations in conjunction with the corresponding GAAP measures.

The Company believes that the presentation of non-GAAP measures, when shown in conjunction with the corresponding GAAP measures, provides useful information to investors and management regarding financial and business trends relating to its financial condition and its historical and projected results of operations. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to, the Company's reported results prepared in accordance with GAAP.

The non-GAAP measures presented here are: Gross profit, operating expenses, income (loss) from operations, non-operating expenses and net income (loss), Adjusted EBITDA (including those amounts as a percentage of revenue) and net income (loss) per diluted share. The presentation of non-GAAP information is not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP, and is not necessarily comparable to non-GAAP results published by other companies. A reconciliation of the historical non-GAAP financial measures discussed in this press release to the most directly comparable historical GAAP financial measures is included with the financial statements provided with this press release. The non-GAAP adjustments described below have historically been excluded from our GAAP financial measures.

Our non-GAAP financial measures reflect adjustments based on the following items, as well as the related income tax effects:

*Stock-based compensation* - Although stock-based compensation is a key incentive offered to our employees, we continue to evaluate our business performance excluding stock-based compensation expenses. We believe that management is limited in its ability to project the impact stock-based compensation would have on our operating results. In addition, for comparability purposes, we believe it is useful to provide a non-GAAP financial measure that excludes stock-based compensation in order to better understand the long-term performance of our core business and to facilitate the comparison of our results to the results of our peer companies.

*Restructuring and related charges* - Harmonic from time to time incurs restructuring charges which primarily consist of employee severance, one-time termination benefits related to the reduction of its workforce, lease exit costs, and other costs. These charges are associated with material business shifts. We exclude these items because we do not believe they are reflective of our ongoing long-term business and operating results.

*Non-cash interest expense and other expenses related to convertible notes and other debt* - We record the amortization of issuance costs as non-cash interest expense. We believe that excluding these costs provides meaningful supplemental information regarding operational performance and liquidity, along with enhancing investors' ability to view the Company's results from management's perspective. In addition, we believe excluding these costs from the non-GAAP measures facilitates comparisons to our historical operating results and comparisons to peer company operating results.

*Discrete tax items and tax effect of non-GAAP adjustments* - The income tax effect of non-GAAP adjustments relates to the tax effect of the adjustments that we incorporate into non-GAAP financial measures in order to provide a more meaningful measure of non-GAAP net income.

*Depreciation* - Depreciation expense, along with interest, tax and stock-based compensation expense, and restructuring charges, is excluded from Adjusted EBITDA because we do not believe depreciation and the other items relate to the ordinary course of our business or are reflective of our underlying business performance.

*Non-recurring advisory fees* - There were non-recurring costs that we excluded from non-GAAP results relating to professional accounting, tax and legal fees associated with strategic corporate initiatives, including our recently concluded Video business strategic review.

*Impairment losses* - There were impairment losses that we excluded from non-GAAP results relating to reduction of our leased office space, as we continue to adapt to the changing dynamics of work and seek to optimize value for our business.

#### **CONTACTS:**

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**Harmonic Inc.**  
**Preliminary Condensed Consolidated Balance Sheets**  
(Unaudited, in thousands, except par value)

	March 29, 2024	December 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 84,305	\$ 84,269
Accounts receivable, net	105,854	141,531
Inventories	86,631	83,982
Prepaid expenses and other current assets	24,019	20,950
<b>Total current assets</b>	<b>300,809</b>	<b>330,732</b>
Property and equipment, net	35,239	36,683
Operating lease right-of-use assets	19,420	20,817
Goodwill	238,287	239,150
Deferred income taxes	108,418	104,707
Other non-current assets	38,497	36,117
<b>Total assets</b>	<b>\$ 740,670</b>	<b>\$ 768,206</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Convertible debt, current	\$ 115,109	\$ 114,880
Other debts, current	4,813	4,918
Accounts payable	43,844	38,562
Deferred revenue	51,500	46,217
Operating lease liabilities, current	6,507	6,793
Other current liabilities	53,045	61,024
<b>Total current liabilities</b>	<b>274,818</b>	<b>272,394</b>
Other debts, non-current	10,271	10,495
Operating lease liabilities, non-current	17,711	18,965
Other non-current liabilities	28,716	29,478
<b>Total liabilities</b>	<b>331,516</b>	<b>331,332</b>
Stockholders' equity:		
Preferred stock, \$0.001 par value, 5,000 shares authorized; no shares issued or outstanding	—	—
Common stock, \$0.001 par value, 150,000 shares authorized; 111,946 and 112,407 shares issued and outstanding at March 29, 2024 and December 31, 2023, respectively	112	112
Additional paid-in capital	2,410,094	2,405,043
Accumulated deficit	(1,992,339)	(1,962,575)
Accumulated other comprehensive loss	(8,713)	(5,706)
<b>Total stockholders' equity</b>	<b>409,154</b>	<b>436,874</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 740,670</b>	<b>\$ 768,206</b>

**Harmonic Inc.**  
**Preliminary Condensed Consolidated Statements of Operations**  
(Unaudited, in thousands, except per share data)

	Three Months Ended	
	March 29, 2024	March 31, 2023
Revenue:		
Appliance and integration	\$ 81,595	\$ 114,794
SaaS and service	40,465	42,855
Total net revenue	122,060	157,649
Cost of revenue:		
Appliance and integration	43,074	59,748
SaaS and service	15,905	13,847
Total cost of revenue	58,979	73,595
Total gross profit	63,081	84,054
Operating expenses:		
Research and development	30,705	33,509
Selling, general and administrative	38,865	39,282
Restructuring and related charges	3,037	83
Total operating expenses	72,607	72,874
Income (loss) from operations	(9,526)	11,180
Interest expense, net	(723)	(706)
Other expense, net	(289)	(293)
Income (loss) before income taxes	(10,538)	10,181
Provision for (benefit from) income taxes	(2,449)	5,088
Net income (loss)	\$ (8,089)	\$ 5,093
Net income (loss) per share:		
Basic	\$ (0.07)	\$ 0.05
Diluted	\$ (0.07)	\$ 0.04
Weighted average shares outstanding:		
Basic	112,350	110,794
Diluted	112,350	117,758

**Harmonic Inc.**  
**Preliminary Condensed Consolidated Statements of Cash Flows**  
(Unaudited, in thousands)

	Three Months Ended	
	March 29, 2024	March 31, 2023
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ (8,089)	\$ 5,093
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	3,085	3,030
Stock-based compensation	6,923	7,424
Foreign currency remeasurement	(1,108)	1,290
Deferred income taxes, net	(3,806)	547
Provision for excess and obsolete inventories	757	2,027
Other adjustments	240	703
Changes in operating assets and liabilities:		
Accounts receivable	35,187	20,530
Inventories	(4,571)	(10,547)
Other assets	(5,041)	(2,566)
Accounts payable	5,988	(12,507)
Deferred revenues	5,071	1,721
Other liabilities	(7,816)	(10,475)
Net cash provided by operating activities	<u>26,820</u>	<u>6,270</u>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(1,911)	(2,331)
Net cash used in investing activities	<u>(1,911)</u>	<u>(2,331)</u>
<b>Cash flows from financing activities:</b>		
Payments for debt issuance costs	(327)	—
Repurchase of common stock	(21,675)	—
Repayment of other debts	—	(152)
Proceeds from common stock issued to employees	3,542	3,085
Taxes paid related to net share settlement of equity awards	(5,413)	(6,353)
Net cash used in financing activities	<u>(23,873)</u>	<u>(3,420)</u>
Effect of exchange rate changes on cash and cash equivalents	(1,000)	772
Net increase in cash and cash equivalents	<u>36</u>	<u>1,291</u>
Cash and cash equivalents at beginning of period	84,269	89,586
Cash and cash equivalents at end of period	<u>\$ 84,305</u>	<u>\$ 90,877</u>

**Harmonic Inc.**  
**Preliminary GAAP Revenue Information**  
(Unaudited, in thousands, except percentages)

	Three Months Ended					
	March 29, 2024		December 31, 2023		March 31, 2023	
<b>Geography</b>						
Americas	\$ 93,031	76 %	\$ 129,406	77 %	\$ 115,666	73 %
EMEA	23,560	19 %	30,041	18 %	32,941	21 %
APAC	5,469	5 %	7,645	5 %	9,042	6 %
<b>Total</b>	<b>\$ 122,060</b>	<b>100 %</b>	<b>\$ 167,092</b>	<b>100 %</b>	<b>\$ 157,649</b>	<b>100 %</b>
<b>Market</b>						
Service Provider	\$ 86,693	71 %	\$ 128,566	77 %	\$ 117,989	75 %
Broadcast and Media	35,367	29 %	38,526	23 %	39,660	25 %
<b>Total</b>	<b>\$ 122,060</b>	<b>100 %</b>	<b>\$ 167,092</b>	<b>100 %</b>	<b>\$ 157,649</b>	<b>100 %</b>

**Harmonic Inc.**  
**Preliminary Segment Information**  
(Unaudited, in thousands, except percentages)

**Three Months Ended March 29, 2024**

	Broadband	Video	Total Segment Measures	Adjustments <sup>(1)</sup>	Consolidated GAAP Measures
<b>Net revenue</b>	\$ 78,897	\$ 43,163	\$ 122,060	\$ —	\$ 122,060
<b>Gross profit</b>	37,494 <sup>(1)</sup>	26,569 <sup>(1)</sup>	64,063 <sup>(1)</sup>	(982)	63,081
<b>Gross margin %</b>	47.5 % <sup>(1)</sup>	61.6 % <sup>(1)</sup>	52.5 % <sup>(1)</sup>		51.7 %

**Three Months Ended December 31, 2023**

	Broadband	Video	Total Segment Measures	Adjustments <sup>(1)</sup>	Consolidated GAAP Measures
<b>Net revenue</b>	\$ 115,229	\$ 51,863	\$ 167,092	\$ —	\$ 167,092
<b>Gross profit</b>	48,803 <sup>(1)</sup>	33,491 <sup>(1)</sup>	82,294 <sup>(1)</sup>	(427)	81,867
<b>Gross margin %</b>	42.4 % <sup>(1)</sup>	64.6 % <sup>(1)</sup>	49.3 % <sup>(1)</sup>		49.0 %

**Three Months Ended March 31, 2023**

	Broadband	Video	Total Segment Measures	Adjustments <sup>(1)</sup>	Consolidated GAAP Measures
<b>Net revenue</b>	\$ 100,351	\$ 57,298	\$ 157,649	\$ —	\$ 157,649
<b>Gross profit</b>	50,290 <sup>(1)</sup>	34,614 <sup>(1)</sup>	84,904 <sup>(1)</sup>	(850)	84,054
<b>Gross margin %</b>	50.1 % <sup>(1)</sup>	60.4 % <sup>(1)</sup>	53.9 % <sup>(1)</sup>		53.3 %

(1) Segment gross margin and segment gross profit are Non-GAAP financial measures. Refer to "Use of Non-GAAP Financial Measures" above and "GAAP to Non-GAAP Reconciliations" below.

**Harmonic Inc.**  
**GAAP to Non-GAAP Reconciliations (Unaudited)**  
(in thousands, except percentages and per share data)

Three Months Ended March 29, 2024						
	Revenue	Gross Profit	Total Operating Expense	Income (Loss) from Operations	Total Non-operating Expense, net	Net Income (Loss)
<b>GAAP</b>	\$ 122,060	\$ 63,081	\$ 72,607	\$ (9,526)	\$ (1,012)	\$ (8,089)
Stock-based compensation	—	522	(6,401)	6,923	—	6,923
Restructuring and related charges	—	460	(3,037)	3,497	—	3,497
Non-recurring advisory fees	—	—	(349)	349	—	349
Loss on fixed asset disposal	—	—	—	—	11	11
Non-cash interest and other expenses related to convertible notes	—	—	—	—	229	229
Discrete tax items and tax effect of non-GAAP adjustments	—	—	—	—	—	(2,538)
<b>Total adjustments</b>	—	982	(9,787)	10,769	240	8,471
<b>Non-GAAP</b>	\$ 122,060	\$ 64,063	\$ 62,820	\$ 1,243	\$ (772)	\$ 382
	<i>As a % of revenue (GAAP)</i>	51.7 %	59.5 %	(7.8)%	(0.8)%	(6.6)%
	<i>As a % of revenue (Non-GAAP)</i>	52.5 %	51.5 %	1.0 %	(0.6)%	0.3 %
<b>Diluted net income (loss) per share:</b>						
GAAP						\$ (0.07)
Non-GAAP						\$ 0.00
<b>Shares used in per share calculation:</b>						
GAAP						112,350
Non-GAAP						118,107
Three Months Ended December 31, 2023						
	Revenue	Gross Profit	Total Operating Expense	Income from Operations	Total Non-operating Expense, net	Net Income
<b>GAAP</b>	\$ 167,092	\$ 81,867	\$ 72,234	\$ 9,633	\$ (820)	\$ 83,841
Stock-based compensation	—	454	(6,151)	6,605	—	6,605
Restructuring and related charges	—	(27)	—	(27)	—	(27)
Non-recurring advisory fees	—	—	(2,702)	2,702	—	2,702
Non-cash interest and other expenses related to convertible notes	—	—	—	—	233	233
Discrete tax items and tax effect of non-GAAP adjustments	—	—	—	—	—	(78,693)
<b>Total adjustments</b>	—	427	(8,853)	9,280	233	(69,180)
<b>Non-GAAP</b>	\$ 167,092	\$ 82,294	\$ 63,381	\$ 18,913	\$ (587)	\$ 14,661
	<i>As a % of revenue (GAAP)</i>	49.0 %	43.2 %	5.8 %	(0.5)%	50.2 %
	<i>As a % of revenue (Non-GAAP)</i>	49.3 %	37.9 %	11.3 %	(0.4)%	8.8 %
<b>Diluted net income per share:</b>						
GAAP						\$ 0.72
Non-GAAP						\$ 0.13
<b>Shares used in per share calculation:</b>						
GAAP and Non-GAAP						115,691



Three Months Ended March 31, 2023

	Revenue	Gross Profit	Total Operating Expense	Income from Operations	Total Non-operating Expense, net	Net Income
<b>GAAP</b>	\$ 157,649	\$ 84,054	\$ 72,874	\$ 11,180	\$ (999)	\$ 5,093
Stock-based compensation	—	850	(6,574)	7,424	—	7,424
Restructuring and related charges	—	—	(83)	83	—	83
Non-cash interest and other expenses related to convertible notes	—	—	—	—	223	223
Discrete tax items and tax effect of non-GAAP adjustments	—	—	—	—	—	1,506
<b>Total adjustments</b>	—	850	(6,657)	7,507	223	9,236
<b>Non-GAAP</b>	\$ 157,649	\$ 84,904	\$ 66,217	\$ 18,687	\$ (776)	\$ 14,329
<i>As a % of revenue (GAAP)</i>		53.3 %	46.2 %	7.1 %	(0.6)%	3.2 %
<i>As a % of revenue (Non-GAAP)</i>		53.9 %	42.0 %	11.9 %	(0.5)%	9.1 %
<b>Diluted net income per share:</b>						
GAAP						\$ 0.04
Non-GAAP						\$ 0.12
<b>Shares used in per share calculation:</b>						
GAAP and Non-GAAP						117,758

**Harmonic Inc.**  
**Calculation of Adjusted EBITDA by Segment (Unaudited)**  
(In thousands, except percentages)

	<b>Three Months Ended March 29, 2024</b>	
	<b>Broadband</b>	<b>Video</b>
Income (loss) from operations <sup>(1)</sup>	\$ 8,594	\$ (7,351)
Depreciation	1,986	1,099
Other non-operating expenses, net	(179)	(99)
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>\$ 10,401</b>	<b>\$ (6,351)</b>
Revenue	\$ 78,897	\$ 43,163
Adjusted EBITDA margin % <sup>(2)</sup>	13.2 %	(14.7)%
	<b>Three Months Ended December 31, 2023</b>	
	<b>Broadband</b>	<b>Video</b>
Income (loss) from operations <sup>(1)</sup>	\$ 20,268	\$ (1,355)
Depreciation	1,794	1,283
Other non-operating expenses, net	(160)	(89)
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>\$ 21,902</b>	<b>\$ (161)</b>
Revenue	\$ 115,229	\$ 51,863
Adjusted EBITDA margin % <sup>(2)</sup>	19.0 %	(0.3)%
	<b>Three Months Ended March 31, 2023</b>	
	<b>Broadband</b>	<b>Video</b>
Income (loss) from operations <sup>(1)</sup>	\$ 20,113	\$ (1,426)
Depreciation	1,644	1,386
Other non-operating expenses, net	(171)	(122)
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>\$ 21,586</b>	<b>\$ (162)</b>
Revenue	\$ 100,351	\$ 57,298
Adjusted EBITDA margin % <sup>(2)</sup>	21.5 %	(0.3)%

(1) Refer to "Use of Non-GAAP Financial Measures" and "GAAP to Non-GAAP Reconciliations" above.

(2) Adjusted EBITDA and Adjusted EBITDA margin are Non-GAAP financial measures. Refer below for the reconciliation of consolidated adjusted EBITDA to net income (loss), the most directly comparable GAAP measure.

**Harmonic Inc.**  
**Preliminary Loss to Consolidated Segment Adjusted EBITDA Reconciliation (Unaudited)**  
(In thousands, except percentages)

	Three Months Ended		
	March 29, 2024	December 31, 2023	March 31, 2023
<b>Net income (loss) (GAAP)</b>	\$ (8,089)	\$ 83,841	\$ 5,093
Provision for (benefit from) income taxes	(2,449)	(75,028)	5,088
Interest expense, net	723	571	706
Depreciation	3,085	3,077	3,030
<b>EBITDA</b>	<b>(6,730)</b>	<b>12,461</b>	<b>13,917</b>
<i>Adjustments</i>			
Stock-based compensation	6,923	6,605	7,424
Restructuring and related charges	3,497	(27)	83
Non-recurring advisory fees	349	2,702	—
Loss on fixed asset disposal	11	—	—
<b>Total consolidated segment adjusted EBITDA (Non-GAAP)</b>	<b>\$ 4,050</b>	<b>\$ 21,741</b>	<b>\$ 21,424</b>
<b>Revenue</b>	<b>\$ 122,060</b>	<b>\$ 167,092</b>	<b>\$ 157,649</b>
<i>Net income (loss) margin (GAAP)</i>	<i>(6.6) %</i>	<i>50.2 %</i>	<i>3.2 %</i>
<i>Consolidated segment Adjusted EBITDA margin (Non-GAAP)</i>	<i>3.3 %</i>	<i>13.0 %</i>	<i>13.6 %</i>

**Harmonic Inc.**  
**GAAP to Non-GAAP Reconciliations on Financial Guidance (Unaudited)**  
(In millions, except percentages and per share data)

	Q2 2024 Financial Guidance <sup>(1)</sup>										
	Revenue		Gross Profit		Total Operating Expense		Income from Operations		Net Income (Loss)		
<b>GAAP</b>	\$ 125	to \$ 140	\$ 64	to \$ 73	\$ 80	to \$ 82	\$ (16)	to \$ (9)	\$ (19)	to \$ (14)	
Stock-based compensation expense	—		—		(6)		6		6		
Restructuring and related charges	—		1		(12)		13		13		
Impairment losses	—		—		—		—		6		
Tax effect of non-GAAP adjustments	—		—		—		—		(6)	to (5)	
<b>Total adjustments</b>	—		1		(18)		19		19	to 20	
<b>Non-GAAP</b>	\$ 125	to \$ 140	\$ 65	to \$ 74	\$ 62	to \$ 64	\$ 3	to \$ 10	\$ —	to \$ 6	
<i>As a % of revenue (GAAP)</i>			51.0%	to 52.1%	64.0%	to 58.6%	(12.8)%	to (6.4)%	(15.4)%	to (9.9)%	
<i>As a % of revenue (Non-GAAP)</i>			51.8%	to 52.9%	49.6%	to 45.7%	2.2%	to 7.1%	0.2%	to 4.4%	
<b>Diluted net income (loss) per share:</b>											
GAAP										\$ (0.17)	to \$ (0.12)
Non-GAAP										\$ —	to \$ 0.05
<b>Shares used in per share calculation:</b>											
GAAP										115.3	
Non-GAAP										116.8	

(1) Components may not sum to total due to rounding.

	2024 Financial Guidance <sup>(1)</sup>										
	Revenue		Gross Profit		Total Operating Expense		Income from Operations		Net Income		
<b>GAAP</b>	\$ 645	to \$ 695	\$ 326	to \$ 365	\$ 288	to \$ 298	\$ 38	to \$ 67	\$ 18	to \$ 40	
Stock-based compensation expense	—		1		(27)		28		28		
Restructuring and related charges	—		2		(15)		17		17		
Impairment loss	—		—		—		—		6		
Non-cash interest and other expenses related to convertible notes	—		—		—		—		1		
Tax effect of non-GAAP adjustments	—		—		—		—		(9)	to (8)	
<b>Total adjustments</b>	—		3		(42)		45		43	to 44	
<b>Non-GAAP</b>	\$ 645	to \$ 695	\$ 329	to \$ 368	\$ 246	to \$ 256	\$ 83	to \$ 112	\$ 61	to \$ 84	
<i>As a % of revenue (GAAP)</i>			50.5%	to 52.5%	44.7%	to 42.9%	5.9%	to 9.6%	2.8%	to 5.8%	
<i>As a % of revenue (Non-GAAP)</i>			51.0%	to 52.9%	38.1%	to 36.8%	12.9%	to 16.1%	9.5%	to 12.1%	
<b>Diluted net income per share:</b>											
GAAP										\$ 0.15	to \$ 0.34
Non-GAAP										\$ 0.51	to \$ 0.71
<b>Shares used in per share calculation:</b>											
GAAP and Non-GAAP										118.5	

(1) Components may not sum to total due to rounding.

**Harmonic Inc.**  
**Calculation of Adjusted EBITDA by Segment on Financial Guidance (Unaudited) <sup>(1)</sup>**  
**(In millions)**

	<b>Q2 2024 Financial Guidance</b>			
	<b>Broadband</b>		<b>Video</b>	
Income (loss) from operations <sup>(2)</sup>	\$ 9	to \$ 14	\$ (6)	to \$ (4)
Depreciation	2	2	1	1
Other non-operating expenses	—	(1)	—	1
<b>Segment adjusted EBITDA <sup>(3)</sup></b>	<b>\$ 11</b>	<b>to \$ 15</b>	<b>\$ (5)</b>	<b>to \$ (2)</b>

	<b>2024 Financial Guidance</b>			
	<b>Broadband</b>		<b>Video</b>	
Income (loss) from operations <sup>(2)</sup>	\$ 88	to \$ 112	\$ (5)	to \$ —
Depreciation	8	8	5	5
Other non-operating expenses	(1)	(1)	—	—
<b>Segment adjusted EBITDA <sup>(3)</sup></b>	<b>\$ 95</b>	<b>to \$ 119</b>	<b>\$ —</b>	<b>to \$ 5</b>

(1) Components may not sum to total due to rounding.

(2) Refer to "Use of Non-GAAP Financial Measures" and "GAAP to Non-GAAP Reconciliations on Financial Guidance" above.

(3) Segment Adjusted EBITDA is a Non-GAAP financial measure. Refer below for the "Net income (loss) to consolidated segment Adjusted EBITDA reconciliation on Financial Guidance".

**Harmonic Inc.**  
**Net Income (Loss) to Consolidated Segment Adjusted EBITDA Reconciliation on Financial Guidance (Unaudited) <sup>(1)</sup>**  
**(In millions)**

	<b>Q2 2024 Financial Guidance</b>		<b>2024 Financial Guidance</b>	
<b>Net income (loss) (GAAP)</b>	\$ (19)	to \$ (14)	18	to \$ 40
Provision for income taxes	(6)	(4)	5	12
Interest expense, net	3	3	8	8
Depreciation	3	3	13	13
<b>EBITDA</b>	(19)	to (12)	44	to 73
<i>Adjustments</i>				
Stock-based compensation	6	6	28	28
Restructuring and related charges	13	13	17	17
Impairment loss	6	6	6	6
<b>Total consolidated segment adjusted EBITDA (Non-GAAP) <sup>(2)</sup></b>	\$ 6	to \$ 13	\$ 95	to \$ 124

(1) Components may not sum to total due to rounding.

(2) Consolidated Segment adjusted EBITDA is a Non-GAAP financial measure. Refer to "Use of Non-GAAP Financial Measures" above.