

## **COHERENT TERMS AND CONDITIONS OF SALE TAIWAN**

### **1. LIMITS OF AGREEMENT**

The terms and conditions as set forth herein as well as any additional terms and conditions that may appear on the on the face of the applicable quote/order acknowledgement shall constitute the entire agreement ( "Agreement" ) between Coherent, Inc. or where the context requires, any of its direct or indirect affiliates ( "Coherent" or "Seller" ) and the buyer identified on the face of the quote/order acknowledgement ( "Buyer" ). Any additional, different, or conflicting terms or conditions proposed by Buyer in any offer or acceptance (including any purchase order or other documents issued by Buyer) are hereby rejected and will not be binding in any way on Seller. Acceptance by Buyer of these terms may be made either

- (a) by signing Seller' s sales quote,
- (b) by written acceptance, such as a written purchase order that refers to the subject matter of Seller' s quote,
- (c) by receipt by Buyer of delivery of any products ( "Products" ) or services ( "Services" ) set forth on the face of the applicable quote/order acknowledgement and in case of receipt by Buyer of delivery of any Products, failure by Buyer to return the Products within five (5) days following such delivery, or
- (d) by payment (in part or whole) for any Products or Services.

These terms shall not be modified except in writing, signed by the parties hereto. No waiver by Seller of any default or provision hereof shall be deemed a waiver of any subsequent default or provision.

### **2. PRODUCTS PROVIDED AND PRICE**

- (a) Unless otherwise provided on the face of the applicable quote/order acknowledgement, products furnished hereunder shall be newly manufactured products but may contain components which have been previously used in other product units. Any such previously used components have been disassembled, reprocessed and reassembled, as appropriate, and meet or exceed the Seller' s specifications for newly manufactured components
- (b) The price of all Products unless otherwise specifically stated on the face hereof is F.O.B. carrier, at the place of manufacture or warehouse location, which is the address set forth on the face hereof, exclusive of insurance cost. The cost of packaging for normal domestic shipment is included in the invoiced price. Where special domestic or export packaging is specified, involving greater expense, a charge will be made to cover such extra expense.
- (c) Prices and orders do not include Federal, State or local excise, sales, use or other taxes now or hereinafter enacted, which are applicable to the Products sold hereunder or this transaction (excluding only taxes based on Seller' s income) which tax or taxes will be added by Seller to the sales price when Seller has the legal obligation to collect the same and will be invoiced to and paid by Buyer, unless Buyer provides Seller with a proper tax exemption certificate. In the event Seller is required to pay any such tax, fee or charge at the time of sale or thereafter, the Buyer shall reimburse Seller therefore.
- (d) Prices quoted are for the Products and Services described on the face hereof only and do not include technical data, proprietary rights of any kind, patent rights, qualification, environmental or other than Seller' s standard tests unless expressly agreed to in writing by Seller.
- (e) Unless otherwise stated by Seller in writing, all quotations shall expire sixty (60) days after date thereof.

### 3. PAYMENT TERMS

(a) Unless otherwise stated on the front of or on the face of the applicable quote/order acknowledgement, the terms of the sale are net 30 from date of invoice. Seller reserves the right to require alternative payment terms, including, without limitation, sight draft, letter of credit or payment in advance. All payments shall be made to seller at its principal office in Santa Clara, California, or such other office as designated on the face hereof. Interest accrues on overdue invoices at the rate of one and one-half percent (1 ½%) per month, but not more than the amount allowed by law, on the unpaid balance from the original due date of the invoice. Payment shall not be withheld for delay in installation if at Buyer's request nor for delay in delivery of required documentation unless a separate price is stated therefore, and only to the extent of the prices stated.

(b) All orders are subject to, and the obligation of Seller to make deliveries is subject to, the right of the Seller as provided in paragraph 11, to require of the Buyer payment of all or any part of the purchase price in advance of delivery or to make shipment C.O.D. If the Buyer fails to make advance payment when requested by Seller, or if the Buyer is or becomes delinquent in the payment of any sum due Seller (whether or not arising out of this order) or refuses to accept C.O.D. shipment, then Seller shall have the right, in addition to any other remedy to which it may be entitled in law or equity, to cancel the sales order, refuse to make further deliveries, and declare immediately due and payable all unpaid amounts for goods previously delivered to the Buyer. Partial shipments made under any order shall be treated as a separate transaction and payment thereof shall be made accordingly. However, in the event of any default by Buyer, Seller may decline to make further shipments without in any way affecting its rights under such order.

(c) Seller reserves a purchase money security interest in the Products sold hereunder and the proceeds thereof, in the amount of the purchase price. In the event of default by Buyer on any of its obligations to Seller, Seller will have the right to repossess the goods sold hereunder without liability to Buyer. In such event, Buyer agrees to make the Products available to Seller so that Seller can repossess them without a breach of the peace. This security interest will be satisfied by payment in full. A copy of the invoice may be filed with appropriate authorities at any time as a financing statement and/or chattel mortgage to perfect Seller's security interest. Buyer shall cooperate fully with Seller to execute such other documents and to accomplish such filings and/or recordings thereof as Seller may deem necessary for the protection of Seller's interests in the Products furnished hereunder.

### 4. TRANSPORTATION AND RISK OF LOSS

(a) Unless otherwise agreed to in writing by Seller, all transportation shall be at the expense of Buyer, Seller reserving the right to ship Products freight collect and to select the means of transportation and routing. Unless otherwise advised, Seller may insure to full value of the Products or declare full value thereof to the transportation company at the time of delivery and all such freight and insurance costs shall be for Buyer's account. All Products shall be shipped EXW origin (Incoterms 2020), with title and risk of loss or damage passing to Buyer upon delivery of the Products to the transportation company at Seller's manufacturing location or warehouse, regardless of whether installation is provided by or under supervision of Seller.

(b) Seller may at its option obtain insurance for the Products covering their delivery to Buyer and Buyer agrees to reimburse Seller for the cost of providing such insurance. If Buyer has not been notified of the existence of insurance coverage and provides its own insurance for such shipment Seller will waive its insurance charge.

(c) Confiscation or destruction of, or damage to Products shall not release, reduce or in any way affect the liability of Buyer therefore. Notwithstanding any defect or nonconformity, or any other matter, such risk of loss shall remain in Buyer until the Products are returned at Buyer' s expense to such places as Seller may designate in writing. Buyer, at its expense, shall fully insure Products against all loss or damage until Seller has been paid in full therefore, or the Products have been returned, for whatever reason, to Seller.

## **5. SHIPMENT**

Seller will use its reasonable best commercial efforts to meet shipment schedules. However, any shipment quotation or forecast on an order acknowledgment is only an estimate of the time required to make shipment and Seller will not assume liability, consequential or otherwise, because of any delay or failure to deliver all or any part of any order for any reason, including its active or passive negligence. Seller reserves the right to allocate inventories and current production in any way it deems desirable.

## **6. INSPECTION AND ACCEPTANCE**

The Buyer shall have the right to inspect the goods upon tender of delivery. Failure of the Buyer to inspect the goods and give written notice to the Seller of any alleged defect or nonconformity within thirty (30) days after tender of delivery shall constitute an irrevocable acceptance by Buyer of the goods delivered to him, provided the goods for which Seller agrees in writing to provide installation by its personnel, shall be deemed accepted by Buyer upon completion by Seller of its applicable acceptance tests or execution of Seller' s acceptance form by Buyer. Notwithstanding the foregoing, use of any such goods by Buyer, its agents, employees or licensees, for any purpose after delivery thereof, shall constitute acceptance of the goods by Buyer.

## **7. RETURNS**

The Products may not be returned to Seller without first obtaining Seller' s consent. The request for return and credit must be filed with Seller and shall include purchase order number, approximate date shipped and any and all other identifying numbers (such as invoice number, date of invoice, P.O. numbers, etc.). Each request for return of Products for credit should state the type and quantity of goods, the part numbers and the reasons for the return. If return authorization is granted, Products shall be returned in a clean, well-packaged condition. No credit allowance on defectives will be made and no replacement for defectives will be shipped in any event, unless the alleged defectives are, among other things, established to Seller' s satisfaction after suitable testing and inspection by Seller.

## **8. TERMINATIONS**

Any order for a standard Product with a published price accepted by Seller and terminated by Buyer prior thirty (30) days of scheduled shipment, shall be subject to a termination charge of not less than ten percent (10%) of the order

value to cover costs of processing and order handlings. Termination thereof within thirty (30) days of scheduled shipment shall be subject to a written acceptance by Seller and termination charge of not less than twenty-five percent (25%) of the order value. Thereafter no such order may be terminated except by mutual agreement in writing. No order for nonstandard products or products without a published price may be terminated by Buyer except by mutual agreement in writing. Terminations by mutual agreement are subject to the following conditions:

- (a) Buyer will pay, at applicable contract prices, for all Products which are completely manufactured and allocable to Buyer at the time of Seller' s receipt of notice of termination;
- (b) Buyer will pay all costs, direct and indirect, which have been incurred by Seller with regard to Products which have not been completely manufactured at the time of Seller' s receipt of notice of termination, plus a pro rata portion of the normal profit on the contract;
- (c) Buyer will pay a termination charge on all other Products affected by the termination. Seller' s normal accounting practices shall be used to determine costs and other charges. To reduce termination charges, Seller will divert completed parts, material or work-in-progress from terminated contracts to other customers whenever, in the Seller' s sole discretion, it is practicable to do so. In the event of a termination, Buyer will have no rights in partially completed goods.

## 9. LIMITED WARRANTY—LIMITATION OF REMEDIES

- (a) Except as otherwise specified herein, Seller warrants the Products:
  - To be free from defects in material and workmanship for a period of time and under such conditions as specified in Seller' s warranty for the individual Product, or for twelve (12) months from shipment if a warranty for an individual Product is not specified, and
  - To perform in the manner and under the conditions as specified in Seller' s warranty for the individual Product or for twelve (12) months from shipment if a warranty for an individual product is not specified.
- (b) This warranty is the only warranty made by Seller with respect to the Products and no representative or person is authorized to bind Seller for any obligations or liabilities beyond the warranty in connection with the sale of Seller' s goods. This warranty is made to the original purchaser only at the original location and is nontransferable, and may only be modified or amended by a written instrument signed by a duly authorized officer of Seller. Major sub-systems manufactured by other firms but integrated into Seller' s system are covered by the original manufacturer' s warranty and Seller makes no warranty, express or implied regarding such sub-systems. Goods or parts which are replaced or repaired under this warranty are warranted only for the remaining unexpired portion of the original warranty period applicable to the specific product.
- (c) These remedies are available only if Seller is notified in writing by Buyer promptly upon discovery of the defect, and in any event within the warranty period for the individual Product, Seller' s examination of such goods discloses to Seller' s satisfaction that such defects actually exist and the goods have not been
  - repaired, worked on, or altered by persons not authorized by Seller so as, in Seller' s sole judgment, to injure the stability reliability, or proper operation of such goods
  - subject to misuse, negligence or accident; or
  - connected, installed, used or adjusted otherwise that in accordance with the instructions furnished by Seller.

(d) All Products that Buyer considers defective shall be returned to Seller' s office as designated on the face hereof transportation costs prepaid and borne by Buyer (unless otherwise provided on the face hereof). The risk of loss of the goods shipped or delivered to Seller' s plant for repair or replacement will be borne by Buyer.

(e) If it is found that any Product has been returned without cause and is still serviceable, Buyer will be notified and the Product returned at Buyer' s expense. In addition, a charge for testing and examination may, in Seller' s sole discretion, be made on Products so returned.

(f) THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES (EXCEPT FOR SPECIFIC WRITTEN PRODUCT PERFORMANCE GUARANTEES) WHETHER WRITTEN, ORAL OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND SHALL BE THE BUYER' S SOLE REMEDY AND SELLER' S SOLE LIABILITY ON CONTRACT OR WARRANTY OR OTHERWISE FOR THE PRODUCT.

## **10. SELLER' S RIGHTS TO SUBCONTRACT**

Seller may subcontract any portion of the work on any item subject to this Agreement, but Seller' s obligations and rights hereunder shall not thereby be limited or affected.

## **11. BANKRUPTCY OR INSOLVENCY OF BUYER**

If the financial conditions of the Buyer at any time is such as to give Seller, in its judgment, reasonable grounds for insecurity concerning Buyer' s ability to perform its obligations under this Agreement.

Seller may

- (a) by notice in writing to Buyer, cancel this Agreement, without judicial intervention or declaration of default of Buyer and without prejudice to any right or remedy which may have accrued or may accrue thereafter to Seller,
- (b) require full or partial payment in advance and suspend any further deliveries for continuance of the work to be performed by Seller until such payment has been received or
- (c) make shipments C.O.D.

## **12. PATENT PROTECTION**

(a) Seller will defend Buyer at its own expense, as set forth herein, against any claim that the design or manufacture of any standard Product furnished hereunder constitutes an infringement of any patents or other industrial property rights. Buyer shall notify Seller promptly in writing of any such claim of infringement and shall give Seller full authority, information and assistance in settling or defending such claim. Seller shall have no liability whatsoever with respect to any claims settled by Buyer without Seller' s prior written consent. Seller shall not have any liability to the Buyer under any provision of this clause if any patent infringement or claim thereof, is based upon the use of the goods as modified by any person other than the Seller or in combination with equipment or devices act made by Seller, or in a manner for which the goods were not designed.

(b) Unless otherwise specified on the face of the applicable quote/order acknowledgement, the purchase price for the Products includes licensing fees payable to Patlex Corporation.

(c) In case the Products furnished by Seller with respect to any such claim are held in and of themselves to constitute infringement and their use is enjoined, Seller, within a reasonable time, shall, at its option, either

- secure for Buyer the right to continue using the Products by suspension of the injunction, by procuring for the Buyer a license or by some other means, or
- at Seller's own expense, replace the Products with non-infringing goods, or
- remove the enjoined Products and refund the sums paid therefore.

The foregoing states the entire liability of Seller with respect to infringement of intellectual property rights by the goods or any part thereof or by their operation. These provisions, however, shall not apply to any equipment, device or parts specified by Buyer but not manufactured by Seller. THE FOREGOING STATES SELLER'S ENTIRE LIABILITY AND OBLIGATION (EXPRESS, STATUTORY, IMPLIED OR OTHERWISE) WITH RESPECT TO INTELLECTUAL PROPERTY INFRINGEMENT OR CLAIMS THEREFORE.

### **13. PROPRIETARY RIGHTS**

The sale of the Products hereunder to Buyer shall in no way be deemed to confer upon Buyer any right, interest or license in any patents or patent applications or design copyrights the Seller may have covering the Products. Seller retains for itself all proprietary rights in and to all designs, engineering details, and other data and materials pertaining to any Products supplied by Seller and to all discoveries, inventions, patents and other proprietary rights arising out of the work done by Seller in connection with the Products or with any and all Products developed by Seller as a result thereof, including the sole right to manufacture any and all such Products. Buyer warrants that it will not divulge, disclose, or in any way distribute or make use of such information, and that it will not manufacture or engage to have manufactured such Products.

### **14. FORCE MAJEUR**

"Event of Force Majeure" means an event beyond the control of a party, as a result of which the party is unable to perform its obligations hereunder, including but not limited to natural calamities, war, riot, rebellions, revolutions or other civil commotion, governmental or other regulatory actions, government shutdown, trade disputes between import and export countries or regions (including origins), embargo, strikes or lockout, quarantines, pandemics, epidemics or public health hazards (including any resulting or related governmental control measures or actions), inability to obtain materials, components, energy, manufacturing services or facilities, or transportation on commercially reasonable terms, or other events beyond the reasonable control of such party. If an Event of Force Majeure occurs, the party affected by the Event of Force Majeure shall not be responsible for any damage, increased costs or loss which the other party may sustain by reason of such a failure or delay of performance, and such failure or delay shall not be deemed a breach of this Agreement.

### **15. EXPORT CONTROL**

Buyer agrees that it will comply with all applicable laws, regulations, and administrative rules. Without limiting the generality of the foregoing, Buyer represents itself to be knowledgeable as to the United States, the Republic of China and other relevant laws, regulations and requirements regarding the environment and the export, import or re-export of Products, whether tangible or intangible, from the United States of America, the Republic of China or elsewhere, and agrees to conduct its activities in accordance with all applicable environmental regulations and any similar or

other rules, and import and export regulations. Coherent may suspend performance if Buyer is in violation of any applicable laws or regulations. Buyer will provide any additional documentation required by Seller for compliance with applicable laws. Buyer further acknowledges and agrees that the sale hereunder is authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. Unless otherwise stated in Seller's sales quotation or order acknowledgement, Buyer is the ultimate consignee or end-user and the country in which Buyer is incorporated is the country of ultimate destination. The Products may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the local country laws and regulations. The United States also has re-export laws that prohibit the sale of Coherent goods to embargo and sanctioned countries or for prohibited end use. Please review the quote and/or order acknowledgement for the ECCN number. Contact Coherent for any ECCN details as required by your company before exporting.

## **16. APPLICABLE LAW; JURISDICTION AND VENUE**

The validity, performance and construction of this Agreement, and any disputes arising from or relating thereto, will be governed by the laws of the Republic of China without reference to its conflict of laws principles. The United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (CISG) shall not apply. Taiwan Taipei District Court will have exclusive jurisdiction and venue over any dispute arising out of any claim, or among the parties arising out of or relating to this Agreement, and Seller and Buyer hereby consent to the jurisdiction of such court.

## **17. LIMITATION OF LIABILITY**

- (a) SELLER'S LIABILITY UNDER, FOR BREACH OF, OR ARISING OUT OF THIS AGREEMENT AND/OR SALE WILL BE LIMITED TO REPAIR OR REPLACEMENT OF ANY DEFECTIVE PRODUCTS OR A REFUND OF THE PURCHASE PRICE OF THE PRODUCTS, AT SELLER'S SOLE OPTION, AS SET FORTH IN PARAGRAPH 9 ABOVE. IN NO EVENT WILL SELLER BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTED PRODUCTS BY BUYER, NOR WILL SELLER BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES INCLUDING WITHOUT LIMITATION LOSS OF PROFIT WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS HOWEVER CAUSED, WHETHER FOR BREACH OR REPUDIATION OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE OR OTHERWISE. THE ESSENTIAL PURPOSE OF THIS PROVISION IS TO LIMIT THE POTENTIAL LIABILITY OF SELLER ARISING OUT OF THIS AGREEMENT AND/OR SALE.
- (b) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IN NO EVENT WILL COHERENT'S TOTAL LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTION CONTEMPLATED HEREUNDER (INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR INDEMNITY CLAIMS), REGARDLESS OF THE FORUM AND REGARDLESS OF WHETHER ANY ACTION OR CLAIM IS BASED ON CONTRACT, TORT OR OTHERWISE, EXCEED THE TOTAL AMOUNT PAID BY BUYER TO COHERENT HEREUNDER FOR THE PRODUCTS OR SERVICES ACTUALLY GIVING RISE TO SUCH LIABILITY (DETERMINED AS OF THE DATE OF ANY FINAL JUDGMENT IN SUCH ACTION). THIS LIMITATION IS CUMULATIVE, WITH ALL PAYMENTS TO BUYER FOR CLAIMS OR DAMAGES BEING AGGREGATED TO DETERMINE SATISFACTION OF THE LIMIT. THE EXISTENCE OF ONE OR

MORE CLAIMS WILL NOT ENLARGE THE LIMIT. NO CLAIM, SUIT OR ACTION WILL BE BROUGHT AGAINST COHERENT MORE THAN ONE YEAR AFTER THE RELATED CAUSE OF ACTION HAS TRANSPIRED.

#### **18. SUBSTITUTIONS AND MODIFICATIONS**

Seller will have the right to make substitutions and modifications at the specifications of Products sold by Seller, provided that such substitutions or modifications will not materially affect overall Product performance.

#### **19. ATTORNEY' S FEES AND COSTS**

Reasonable attorney' s fees and costs will be awarded to the prevailing party in the event of litigation involving the enforcement or interpretation of this Agreement.