

General terms and conditions of purchase

I. General, scope

1. The contract relations between Topcon Electronics GmbH, hereinafter known as Topcon Electronics, and its suppliers, contractors, sales staff or service providers, hereinafter known as the Supplier, shall, in addition to the contract agreements, be based exclusively on these general terms and conditions of purchase, hereinafter known as GTCPs. Contradictory general terms of business of the Supplier or terms of business which differ from these GTCPs are hereby rejected. These GTCPs shall apply even if Topcon Electronics accepts the delivery without reservation if it is aware that the Supplier has contradictory terms of business or terms of business which differ from these terms.

2. The conclusion of a contract shall not fail due to contradictory general terms of business. Insofar as colliding general terms of business are identical, the mutually agreed terms shall apply. Furthermore, the provisions set out in Topcon Electronics' GTCPs shall be deemed to have been agreed which are contradicted by non-colliding provisions in the Supplier's general terms of business. On the other hand, those provisions in the Supplier's general terms of business which do not agree with the contents of Topcon Electronics' GTCPs shall not be part of the contract. Dispositive law shall apply in all other cases.

3. These GTCPs shall only apply to transactions with enterprises in the sense of Section 14 of the German Civil Code [BGB].

4. These GTCPs shall also apply to all future transactions with the Supplier until we issue new terms of purchasing.

5. No side-agreements to these GTCPs have been made.

II. Purchase orders, acceptance

1. If Topcon Electronics places an order with the Supplier, the Supplier, if it does not wish to accept the order, undertakes to notify Topcon Electronics of this within two weeks of receiving the order. After the elapse of this period, the order shall be deemed to have been accepted. Topcon Electronics shall be entitled to cancel the order until such time as the acceptance confirmation is received.

2. The Supplier shall confirm Topcon Electronics' orders within three working days in the form of a written order confirmation.

3. The order confirmation must contain details of the price, discount, binding delivery date and all numbers and references from the purchase order. Confirmed prices shall be regarded as fixed prices. Changes from the prices, discounts and delivery dates shown in the purchase order must be specially highlighted. They shall only become part of the contract if they are confirmed by Topcon Electronics.

4. Quotations, drafts, specimens and samples from the Supplier shall be free of charge to Topcon Electronics. At the request of Topcon Electronics, its documents must be returned without delay and free of charge if they are no longer needed for producing the quotation or fulfilling the contract.

5. No payments or reimbursements shall generally be made for visits or the production of quotations, projects, etc.

III Modifications

1. Topcon Electronics may request technical changes to the design and/or construction of the subject of the order within reason for the Supplier. The effects of such changes, particularly in terms of increased or reduced costs and the delivery

dates, must be agreed by mutual consent within reason.

2. The Supplier shall not be entitled to modify the subject of the order without prior written consent from Topcon Electronics.

IV. Call orders

1. If Topcon Electronics has planned call orders, they may also be placed orally or, in writing, e.g. by e-mail or by data transfer.

Call orders shall become binding if they are not revoked by the Supplier within one week of receipt.

2. Blanket orders shall only provide entitlement to purchase raw materials in the required quantities.

3. Unless otherwise agreed, the production of parts for call orders shall not be permitted until the call order has been received.

V. Prices

1. The agreed prices shall be binding; this shall also apply to blanket orders over the entire term of the agreement. If no prices are quoted, the Supplier's list prices at the time of the purchase order with standard commercial deductions shall apply.

2. All prices shall be understood net including delivery, packing, shipment, public charges, duties and exclusive of current statutory value-added tax. DDP Geisenheim Incoterms 2020 and FCA shall apply to imports.

3. Price increases shall require the express consent of Topcon Electronics before they come into effect.

4. If Topcon Electronics must reduce its prices as a result of market developments, the parties to the contract shall enter negotiations about a corresponding reduction in delivery prices.

5. The Supplier shall not charge Topcon Electronics any higher prices or grant it any worse terms than those used for other comparable customers.

VI. Invoice, terms of payment

1. Invoices must be sent to Topcon Electronics when the goods are shipped, but separately from the goods. Invoices must contain the following details: tax number, supplier number, number and date of the purchase order, Topcon Electronics part number and designation, unloading point, number and date of the delivery note, quantity of invoiced goods or services, unit and total price, agreed terms of payment and the country of origin of the supplied goods. Invoices which have not been issued correctly shall be regarded as not having been issued at all.

2. Payments shall be made within 60 calendar days of the date of the invoice strictly net by means of bank transfer to the Supplier. If payment is made within 14 days of the invoice date, the Supplier shall grant a discount of 3%. The criteria for meeting these deadlines shall be the date of receipt of the invoice by Topcon Electronics and the receipt of the bank transfer instruction by the bank. Delays caused by incorrect invoices shall not adversely affect the agreed discount periods.

3. Payments shall be made by electronic bank transfer. Unless otherwise agreed, payments shall be made by Topcon Electronics in euros or USD to the Supplier's German bank account at no charge to it.

4. In the event that incorrect goods are delivered, Topcon Electronics shall be entitled to withhold a corresponding proportion of the payment until the order has been completed correctly.

Payments made shall not be regarded as acknowledgement that the goods are compliant with the contract.

5. If Topcon Electronics is in default, it shall pay default interest at a rate of 5% above the base rate. Topcon Electronics shall not be held in default in the event of negligence. Topcon Electronics' duty to compensate for default damages shall be restricted to typical damages.

6. If it becomes apparent after the conclusion of the contract that the delivery of the goods Topcon Electronics requires is at risk as a result of a lack of capacity on the part of the Supplier, Topcon Electronics may refuse payment and set a reasonable deadline for the Supplier in which it must supply goods against payment on a reciprocal basis or must provide security. If the Supplier refuses or the deadline passes fruitlessly, Topcon Electronics shall be entitled to cancel the contract and demand compensation.

7. Topcon Electronics shall be entitled to cancel the contract if the solvency of the Supplier deteriorates to an extent that jeopardises the fulfilment of the contract or if the Supplier ceases making deliveries. This right to cancel may also be exercised in part.

VII. Delivery, transfer of risk

1. Every shipment must be accompanied by a delivery note in single copy form which contains Topcon Electronics' purchase order number and the precise designation of the content in terms of parts and quantities. Technical descriptions and instructions for use must be supplied with the goods. Complete documentation must be supplied with software.

2. The formalities which allow value-added tax to be deducted under the Value-Added Tax Act must be observed. In particular, if goods are supplied from other EU countries, the European Value-Added Tax Registration Number must be quoted.

3. Part shipments shall only be accepted by express agreement. If part shipments have been agreed, the outstanding quantity remaining must be shown.

4. The transfer of risk shall take place at the consignee address specified by Topcon Electronics. After delivery, the risk shall not be transferred until after the goods have been unloaded by the Supplier or forwarding contractor at the consignee address specified by Topcon Electronics or after the acceptance procedure. This shall apply even if Topcon Electronics' personnel help with the unloading.

5. The Supplier undertakes to coordinate the delivery of the goods with Topcon Electronics when selecting the freight carrier.

A freight carrier whose means of transport provides state of the art environmental protection shall be preferred.

6. Topcon Electronics has a transport insurance policy in place. No additional costs incurred by the Supplier for transport insurance shall be accepted.

7. The goods may be received during business hours or the goods receiving times specified by Topcon Electronics.

VIII. Labelling, packaging, transport, traceability

1. The labelling, packaging and transport and other delivery parameters (containers, batch size and dimensions) shall be defined in the purchase order and PPAP documents.

2. The packaging must be such that it definitely prevents the products suffering damage during transport and storage so that they can be supplied to Topcon Electronics in perfect condition. If possible, potentially pollutant materials such as

oiled paper or polystyrene are to be avoided.

3. Packaging may be returned by Topcon Electronics. The place of fulfilment for the duty of the Supplier to take back packaging under Section 4 of the German Packaging Regulation [VerpackV] shall be the place of transfer of the goods.

4. Charged packaging must be credited in full on its return as long as it can be reused.

The credit note must be submitted in single copy form giving details of the invoice in which the charge was made.

5. In the event of transport problems, the Supplier must notify Topcon Electronics without delay and reach an agreement which will rectify the transport problem. Such action must ensure that goods are supplied to keep up with the production process.

Topcon Electronics shall be entitled to demand a replacement shipment in the event of transport problems regardless of the reasons and scope of the transport problem.

6. The Supplier undertakes to maintain a suitable system which ensures the traceability of the products from shipment to raw material with the inclusion of its subcontractors and taking into account all production batches used.

IX. Lead time, delivery delays

1. Agreed delivery dates shall be binding. The criteria for meeting the delivery date or the lead time shall be the receipt of the goods at the consignee address or place of use specified by Topcon Electronics. If collection from the Supplier has been agreed, the Supplier must make the goods ready promptly taking into account the normal time required for loading and shipment.

2. The Supplier shall provide Topcon Electronics with an information sheet about the origin of its goods on request.

3. If the Supplier finds that it is unable to meet an agreed delivery date, it must notify Topcon Electronics without delay giving the reasons for and the duration of the delay. This shall not exempt it either from its duty to fulfil the contract promptly or from any duty to pay compensation.

If the Supplier is in default, it shall be obliged to comply with a request by Topcon Electronics to ship the goods urgently (express courier, overnight courier, express parcel, air freight, etc.) at its expense.

4. In the event of the Supplier being in default with the agreed service, Topcon Electronics shall be entitled to demand a contract penalty in the amount of 0.5% of the net value of the goods or service per week or part week subject to a limit of 10% of the net delivery or order value. Topcon Electronics may also claim additional default damages unless the Supplier is not responsible for the delay.

The Supplier shall be permitted to provide evidence that the actual damages were lower.

The contract penalty shall be set off against any claim for compensation. The right to demand payment of an agreed contract penalty shall not be forfeited by the fact that the contract penalty was not expressly reserved by Topcon Electronics during the acceptance of the late delivery as long as it is claimed before the final payment is made.

5. After the fruitless elapse of an extended deadline set by Topcon Electronics, Topcon Electronics may also cancel the delivery regardless of who is answerable for the breach of duty resulting in the delay, or claim compensation for non-fulfilment unless the Supplier is not responsible for the delay.

6. If the Supplier is in default, Topcon Electronics shall be entitled to purchase goods or services from another supplier to cover its needs if such purchases are expedient in the circumstances to prevent the threat of consequential damages. The additional costs Topcon Electronics incurs as a result of this must be paid by the Supplier.

7. The Supplier can only claim that a delay is due to the lack of documentation to be supplied by Topcon Electronics if it has sent a written reminder about the documents and has not received them within a reasonable period of time.

X. Forces majeures

1. Forces majeures, labour disputes or other unavoidable and unforeseeable events for which the Supplier cannot be held responsible shall only release the Supplier from its duties for the duration of the problem and within the scope of its effects.

2. The Supplier undertakes within reason to provide the required information without delay and to adjust its duties to the changed situation in good faith.

3. Topcon Electronics shall be wholly or partly exempted from its duty to accept the ordered goods and also to cancel the contract if the goods are no longer useful to Topcon Electronics on a commercial basis as a result of the delay caused by such circumstances. This is particularly the case if Topcon Electronics' needs are reduced by more than 30%.

4. If the prompt acceptance of the goods or services by Topcon Electronics is not possible due to forces majeures or other unforeseen events which are beyond Topcon Electronics' control and which have an effect on the acceptance of the goods, the acceptance period shall be reasonably extended and no acceptance default shall occur.

5. If the Supplier or one of its subcontractors suffers a force majeure which prevents the Supplier from providing Topcon Electronics with the contract duties it owes Topcon Electronics under this contract for a period of more than 4 weeks, Topcon Electronics shall be entitled to manufacture the contract products or provide the ordered service itself or have it manufactured or provided by third parties. The requirement for this, however, shall be that as a result of the problem, Topcon Electronics is unable to comply with its delivery or service provision duties to third parties and both Topcon Electronics and the contracted third parties have previously concluded a confidentiality agreement with the obligation that any supplied confidential information can only be used for the manufacture of the contract products or the provision of the service. In this case, the Supplier must supply Topcon Electronics with all tools required for the manufacture of the contract products or the provision of the service if they are not available on the open market, as well as providing all the required documents, drawings, samples and other documentation and information without delay at Topcon Electronics' request and to provide all reasonable support for the relocation of the production or provision of the service and to grant Topcon Electronics limited transferable, non-exclusive, irrevocable utility rights free of charge for the period for which the force majeure lasts plus a reasonable period for the start-up of production by the Supplier.

XI. Duty to inspect and complain

1. The receiving inspection by Topcon Electronics shall only cover an inspection of the product identity on the basis of a comparison of the purchase order with the delivery note and the packaging labels, the supplied product quantity on the basis of a comparison of the delivery note with the purchase order and the exterior of the packaging to identify any obvious transport damage. No additional inspection duties shall apply.

2. Topcon Electronics shall notify the Supplier of any defects found during these inspections without delay but at the latest within five working days of the discovery of the defect. To this extent, the Supplier waives its right to claim that a complaint was made late under Section 377 of the German Commercial Code [HGB].

A complaint by Topcon Electronics' customers shall take precedence for goods which are sold on by Topcon Electronics.

3. In the event that a justified complaint is made, Topcon Electronics reserves the right to charge the Supplier with the costs of the inspection and complaint.

4. The Supplier shall bear the costs and risk of the return transport of defective goods.

XII. Warranty

1. The statutory definition of defect shall apply. The Supplier shall guarantee that its products, services and work are perfect, in particular that they have the agreed properties and comply with the product requirements set out in the purchase order documents, the relevant statutory and official regulations, EU directives, technical standards, for example VDE, VDI and DIN, the safety recommendations of relevant German bodies or federations and corresponding foreign regulations particularly in the EU, EEA, USA and Asia and the state of the art and are free of third party legal claims and are suitable for the purpose, with which the Supplier is familiar.

2. The Supplier shall supply safety data sheets with its goods.

XIII. Defect liability

1. Topcon Electronics shall be entitled, at its discretion, to demand fulfilment from the Supplier, cancel the contract or reduce the purchase price and demand compensation or reimbursement of its costs under the statutory regulations. As part of the fulfilment procedure, Topcon Electronics shall be entitled to demand either defect rectification or the delivery of perfect goods at its discretion.

2. The Supplier undertakes to bear all the expenses for the purposes of defect rectification, replacement delivery or damage rectification, in particular transport, travel, labour and material costs.

The provisions of Section 445a of the Civil Code relating to compensation for expenses under the proviso of Section 439 of the Civil Code shall apply as and where appropriate, even if Topcon Electronics has supplied its customer with defective overall goods and the defect within the overall goods was caused by a product from the Supplier.

3. If the Supplier does not complete the defect rectification work or replacement delivery by a deadline set by Topcon Electronics or if the defect rectification work is impossible or fails, Topcon Electronics shall be entitled to cancel the contract and demand compensation instead of fulfilment.

4. If, due to special urgency, it is no longer possible to notify the Supplier of the defect and potential losses and to set it a deadline for this work, albeit a short one, Topcon Electronics shall be entitled to rectify the defect at the expense of the Supplier itself or to have it rectified by a third party.

5. If the same goods are supplied repeatedly in defective form, Topcon Electronics shall be entitled to cancel the contract, even for the non-fulfilled scope of the order, after giving a written warning if further defective goods are supplied.

6. The Supplier must reimburse Topcon Electronics with all damages, costs and expenses caused by the defective Supplier product or the defective Supplier service.

XIV. Product liability and indemnification

1. The statutory regulations shall apply to the Supplier's product liability.

2. In the event that Topcon Electronics is sued for compensation by a customer or other third party for property damage or bodily injuries, the Supplier undertakes to indemnify and hold Topcon Electronics harmless from and against such claims if and in as far as the damage was caused by a defect in the products delivered by the Supplier.

3. In such cases the Supplier shall pay all costs and expenses, including the costs of any legal prosecution or product recall action. This shall also apply to costs which are invoiced to Topcon Electronics by its customers.

XV. Breaches of intellectual property rights

1. The Supplier shall accept liability for claims which result from the breach of intellectual property rights and intellectual property rights applications (intellectual property rights) if its products are used as intended. The Supplier is aware that Topcon Electronics sells the end products globally.

2. The Supplier shall indemnify and hold Topcon Electronics and its customers harmless from and against all claims which a third party lodges against Topcon Electronics as a result of a legal breach by the Supplier's product or the Supplier's service and shall reimburse Topcon Electronics with its costs resulting from any legal prosecution and legal defence in this respect.

XVI. Statute of limitations

1. The statute of limitations for claims for product and legal defects shall be 60 months from the date of delivery or the acceptance of the products by Topcon Electronics. The above deadlines shall only apply if the law does not specify a longer statute of limitations or one which starts at a later date.

2. The statute of limitations shall be suspended for the period which starts with the dispatch of a defect notification and ends with the fulfilment of the warranty claim or three months after the final refusal of the defect rectification.

3. The statute of limitations or warranty period for parts which could not remain operational during the inspection of a defect and/or defect rectification work shall be extended by the duration of the break in use or operation.

4. If the Supplier is clearly not only acting with goodwill or with the intent of finding an amicable settlement of a dispute but in the knowledge that it has a duty to rectify the defect wherein the scope, duration and costs of the defect rectification work must be given particular consideration, the statute of limitations shall restart for components supplied during the statute of limitations period when the supplier has completed the services required for refulfilment or after the acceptance procedure.

5. The statute of limitations for indemnification claims shall be three years. It shall start at the end of the year in which the claim is lodged and Topcon Electronics has become aware of the circumstances on which the claim is based and the identity of the debtor or should have become aware of this information or should have become aware of it if Topcon Electronics had not been guilty of gross negligence. Any longer statute of limitations under the law shall take precedence.

XVII. Purchase of consumer goods

If Topcon Electronics is sued on the basis of Section 478 of the German Civil Code [BGB] or an equivalent compensation method agreed in the contract as a result of a defect affecting the product delivered by the Supplier, Section 478 of the Civil Code shall apply between Topcon Electronics and the Supplier as and, where appropriate, to the products delivered by the Supplier.

XVIII. Insurance cover

1. The Supplier undertakes to take out and maintain public and product liability insurance cover with extended product liability insurance and an insured sum of at least EUR 5 million per claim for bodily injuries and for property and product damage and twice this amount per insurance year as well as

recall cost insurance cover for automotive parts with an insured sum of at least EUR 2.5 million per claim and insurance year.

2. The scope of the extended product liability insurance must be based on the specimen terms of the Federation of the German Insurance Industry e.V. (GDV), issue date January 2015, for the product liability model with the deletion of the automotive part exclusion for removal and installation cost cover pursuant to No. 4.4 of Product Liability Insurance and with the addition of the optional cover extensions such as the machine clause set out in No. 4.5 and the inspection and sorting costs clause pursuant to No. 4.6 of Product Liability Insurance.

3. The cover must also extend to claims in other countries.

4. The Supplier must submit the provisions for the modification of the inspection and complaint duties set out in No. XI, for the exemption set out in No. XIV, for the statute of limitations set out in No. XVI and for consumer goods purchase law set out in No. XVII of these GTCPs to its product liability insurer to obtain cover as part of the insurance policies required in Para. 1 of this No. XVIII. If the insurer rejects this, the Supplier must provide Topcon Electronics with written notification without delay but at the latest within one week.

5. The Supplier shall provide Topcon Electronics with a certificate of insurance for the above cover at the latest when the contract is concluded.

XIX. Assignment of claims, setting off

1. The Supplier undertakes to assign any warranty claims and compensation claims against subcontractors to Topcon Electronics without delay if requested to do so by way of fulfilment and to notify the subcontractor and its own product liability insurer of this assignment.

2. Topcon Electronics shall be entitled to disclose this assignment in the event that the Supplier goes into insolvency. Topcon Electronics shall also be entitled to cancel the order for any goods not supplied at this time.

3. Topcon Electronics shall be entitled to take legal action for both compensation claims against the Supplier and for assigned compensation claims against subcontractors.

4. The Supplier may only set off against claims made by Topcon Electronics if the Supplier's counterclaim is undisputed, has been established by a court of law or a decision on it is pending.

5. The Supplier shall not be entitled to assign its accounts receivable from Topcon Electronics or to have them collected by third parties without the prior written consent of Topcon Electronics which may not be refused without good reason. If the Supplier nevertheless assigns accounts receivable from Topcon Electronics to a third party without its consent, Topcon Electronics may make payment to either the Supplier or the third party to exempt itself from this obligation.

XX. Commercial intellectual property rights

1. Topcon Electronics shall be entitled to all commercial intellectual property rights to developments made by the Supplier on behalf of Topcon Electronics. If possible, these must be transferred to Topcon Electronics. If such transfer is not possible, Topcon Electronics shall be granted a comprehensive and exclusive licence free of charge.

2. If commercial intellectual property rights are required for the sale, possession or use of the products, the Supplier shall supply them to Topcon Electronics or the third parties named by Topcon Electronics free of charge.

3. All commercial intellectual property rights relating to customer-supplied items shall remain the property of Topcon

Electronics.

4. The parties to the contract undertake to notify each other without delay of any risks of breaches and alleged breaches which come to their attention and to give each other an opportunity to defend themselves against such claims mutually.

5. If requested by Topcon Electronics, the Supplier shall notify Topcon Electronics of the use of published and unpublished intellectual property rights of its own or of licensed intellectual property rights and intellectual property rights applications relating to the subject of the order.

XXI. Confidentiality

1. The Supplier undertakes to treat all aspects of the business relationship in confidence. In particular, it shall treat all commercial and technical details which are not part of the public domain and which come to its attention as a result of the business relationship as confidential. All information relating to Topcon Electronics' business relationship must not be shared with third parties. The disclosure even in part of Topcon Electronics' order to third parties shall only be possible with Topcon Electronics' prior written consent; in this case the Supplier shall ensure that the third parties are subject to a confidentiality agreement of the same type and scope.

2. Topcon Electronics shall reserve title and copyright to illustrations, drawings, calculations and other documents or objects that Topcon Electronics transfers to the Supplier. Topcon Electronics' documents may only be supplied to those persons who complete Topcon Electronics' order. The Supplier shall ensure that its personnel shall also be subjected to appropriate confidentiality agreements.

3. The Supplier undertakes to maintain this confidentiality even after the end of the business relationship. All items provided by Topcon Electronics shall be returned to Topcon Electronics after the rejection or completion of the order without having to be requested.

4. The documents and information provided to the Supplier may only be copied if required for operational reasons and in compliance with copyright regulations.

5. The Supplier may only advertise this business relationship with Topcon Electronics' prior written consent.

6. The order may not be transferred to a third party without Topcon Electronics' consent. This shall entitle Topcon Electronics to cancel the order and to claim compensation.

7. The Supplier undertakes not to conduct business which corresponds to the subject of our order with Topcon Electronics' customers either directly or indirectly.

8. Products which comply with the purchase order and are not manufactured to general specifications but for a specific application must not be supplied to third parties.

XXII. Spare parts

The Supplier undertakes to supply Topcon Electronics with spare parts for the goods concerned for a minimum period of 18 years after the end of series production.

XXIII. Customer-supplied goods, reservation of title

1. Technical documents, documentation, inspection and testing equipment, tools, works standard sheets, production equipment, substances, parts, etc. supplied by Topcon Electronics (hereinafter known as "customer-supplied goods") shall remain the property of Topcon Electronics.

2. The Supplier undertakes to inspect the items provided by Topcon Electronics for obvious defects, such as identity, quantity and transport damage when they are received and to

notify Topcon Electronics without delay of any defects. Topcon Electronics must be notified of any defects discovered when working on the customer-supplied goods without delay after their discovery and all work must be stopped.

3. The customer-supplied goods may only be used to complete the order. They must not be copied, sold, transferred by way of security, pledged or disposed of by any other means. The same shall apply to goods manufactured using this production equipment.

4. If items owned by Topcon Electronics are seized by third parties, the Supplier undertakes to notify Topcon Electronics in writing without delay. During the actual seizure process the Supplier must notify the enforcement body of the ownership situation relating to the items.

5. The Supplier undertakes to keep items owned by Topcon Electronics safe and to insure them at new value at its (the Supplier's) expense as part of its property insurance policy in the form of third party insurance with as wide-ranging cover as possible (*all-risk coverage, extended coverage*). The Supplier shall assign the compensation claims from this insurance to Topcon Electronics and must notify its insurer of this assignment. Topcon Electronics hereby accepts this assignment.

6. The Supplier shall be obliged to conduct any servicing and inspection work required on the goods provided by Topcon Electronics and all maintenance and repair work on them promptly and at its own expense.

7. The customer-supplied goods shall be returned to Topcon Electronics after the termination of the order without having to be requested. The Supplier shall not be able to exercise a right of retention.

8. The processing and assembly of the customer-supplied goods by the Supplier shall be completed on behalf of Topcon Electronics. If the customer-supplied goods (reservation of title goods) are connected, mixed or processed with other items which are not the property of Topcon Electronics, Topcon Electronics shall acquire co-title to the new goods in proportion of the value of the customer-supplied items to the other items at the time of the connection, mixing or processing. If the Supplier's item may be regarded as the main item, it is hereby agreed that the Supplier shall transfer a proportion of the title to them to Topcon Electronics.

9. Topcon Electronics' sole title and co-title items shall be stored by the Supplier free of charge.

10. Additional costs due to material defects and dimension inaccuracies on the customer-supplied raw materials may only be charged to Topcon Electronics with its prior written consent for these costs.

11. If the secured rights exceed the purchase price of all unpaid reserved title goods by more than 15%, Topcon Electronics shall release an appropriate part of the security rights at the request of the Supplier.

12. Topcon Electronics shall not recognise any extension of a reservation of title which goes beyond the simple reservation of title of the Supplier to an unprocessed Supplier's product stored at Topcon Electronics' premises, in particular after its processing, connection or mixing with other goods, and after the sale of the Supplier's product.

XXIV. Breach of current sanction lists

In Topcon Electronics' capacity as an EU importer, it must ensure that it is not supplied with goods subject to sanctions from other countries. The Supplier therefore undertakes to comply with the current EU sanction lists.

1. In compliance with the Anti-Terrorism Regulations of the EC and EU No. 2580/2001 and No. 881/2002 as well as No. 753/2011, the Supplier shall confirm that it has no business contacts with companies, firms, financial institutions, organisations or persons who are on the EU and/or US sanctions lists. This shall also apply to the Supplier's subsidiaries and branch offices as well as to holdings in third party companies in Germany and elsewhere. The Supplier also undertakes to provide Topcon Electronics without delay with written notification of any positive results found during a review of these sanctions lists.

2. If Topcon Electronics' purchase order refers to goods which are listed in Annex XVII of the current Russia Sanction Regulation EU 883/2014, which are processed outside the EU using upstream products which are also listed in Annex XVII and are not yet located in the EU, the Supplier must ensure that these upstream products do not originate in Russia. The Supplier undertakes to provide evidence of this by submitting suitable documents, such as invoices, delivery notes, quality certificates, long term supplier declarations, calculation and production documents, customs documents from the exporting country, business correspondence, product descriptions, manufacturer declarations or exclusion clauses in purchase contracts, demonstrating that the upstream products do not originate in Russia. Otherwise, Topcon Electronics shall be entitled to cancel the contract.

3. If the Supplier fails to comply with the duties described in paragraph 1 and paragraph 2 above, Topcon Electronics shall be entitled to terminate this contract and all other existing contracts with the Supplier and to terminate any existing business relationships with immediate effect without the Supplier being able to lodge any claims for compensation as a result. The Supplier must also indemnify Topcon Electronics from claims by third parties lodged against it as a result of breaching the relevant sanction regulations if said breach was caused by the Supplier. The Supplier must reimburse Topcon Electronics with all costs caused by this, including fines and reasonable legal costs as well as damages.

XXV. Export and customs regulations

1. The Supplier undertakes to notify Topcon Electronics of any licensing obligations for (re)exports of its goods under German, European and US export and customs regulations as well as the customs and export regulations of the country of origin of its products in its business documents. The Supplier shall at least provide the following information for the relevant goods in its quotations, order confirmations and invoices:

- Export list numbers pursuant to Annex AL to the German Foreign Trade Regulation or equivalent list items on relevant export lists
- The ECCN (Export Control Classification Number) for US goods pursuant to the US Export Administration Regulations (EAR)
- The trading policy origin of its goods and the components of its goods, including technology and software
- Whether the goods have been transported through the USA, manufactured or stored in the USA or manufactured with the help of US technology
- The statistical goods number (HS code) of its goods
- The name of a contact in its company who is responsible for clarifying any inquiries from Topcon Electronics.

2. At Topcon Electronics' request, the Supplier undertakes to notify it in writing of all other foreign trade data relating to its goods and their components and to notify it without delay of all modifications to the existing data before the delivery of any products affected by this.

3. The Supplier shall notify Topcon Electronics without delay if a consignment is subject in full or in part to export restrictions under German or any other law.

XXVI. Compliance 1. The Supplier shall ensure that its products, goods and services comply with current laws, EU directives, regulations, standards and other conditions that apply to the Supplier. This shall particularly but not exclusively apply to EU REACH Regulation, the EU RoHS Directive and the Minimum Wage Act (MiLoG) as well as the Act on Mandatory Working Conditions for Workers Posted Across Borders and for Workers Regularly Employed in Germany (AEntG). At Topcon Electronics' request, the Supplier shall provide suitable evidence that these duties have been satisfied.

2. With reference to the MiLoG and AEntG, the Supplier undertakes to ensure that the personnel used by it or its subcontractors to fulfil contracts receive the statutory minimum wage or, if the services to be provided are carried out in the territory covered by a European Posting Directive and/or the AEntG, particularly for postings from other countries or to other countries, the specified working conditions are satisfied, depending on the duration of the work. It must also satisfy the other collective wage-bargaining agreement and statutory duties to pay contributions to social security organisations, professional associations and other organisations and, if subcontractors are used, to ensure by means of documentary evidence that the current requirements are satisfied by these subcontractors.

3. If justified claims are made against Topcon Electronics due to a failure of the Supplier to comply with its obligations listed in paragraph 1 and/or paragraph 2, the Supplier must indemnify Topcon Electronics from said claims at its request and reimburse it for any damages it incurs.

XXVII. Social, ecological and other responsibility

1. Social and ecological responsibility and sustainability play a major role in Topcon Electronics' corporate activities.

2. Topcon Electronics' suppliers therefore undertake to comply with the statutory regulations for dealing with personnel, environmental protection and industrial safety and to make every effort to reduce negative effects on people and the environment of their activities. In particular, Topcon Electronics' suppliers must adopt and comply with the principles for the protection of international human rights, the right to collective wage-bargaining negotiations, the abolition of slave and child labour, the elimination of discrimination in recruitment and employment, responsibility for the environment and the prevention of corruption on the basis of the UN's Global Compact Initiative, the Supply Chain Due Diligence Act (LkSG) and the binding ESG reporting duties under the Environmental, Social and Governance criteria and to impose these obligations on its own supply chain.

3. In the event of breaches and if there is a likely threat of such breaches, the Supplier undertakes to notify Topcon Electronics of this without delay.

4. In the event that the Supplier repeatedly breaches these above principles and duties, Topcon Electronics shall be entitled to cancel any existing contracts or to terminate them without notice for a material reason.

XXVIII. Place of jurisdiction and applicable law

1. The exclusive place of jurisdiction for lawsuits with a value over EUR 5,000 shall be Frankfurt am Main District Court. Up to the above lawsuit value, the place of jurisdiction shall be the court with jurisdiction for Topcon Electronics' registered office or the Supplier's place of jurisdiction at Topcon Electronics' discretion.

2. This contract shall be subject to German law. The application of the Convention of the United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980 and the reference regulations of German International Private Law shall be excluded.

3. If individual provisions in these general terms and conditions of purchase should be or become fully or partly invalid or unfeasible or if the contract proves to have a loophole, the validity of the other provisions shall not be affected by this. The parties to the contract shall make every effort to replace the invalid provision with another provision which comes as close as possible to the commercial aim and legal sense of the original formulation and complies with the relevant statutory regulation.

4. Topcon Electronics shall process all the Supplier's data exclusively for the purposes of conducting business and on the basis of the specifications of the relevant data protection regulations.

If it submits a written request, the Supplier shall also be entitled to receive information about its personal data collected, processed and used by Topcon Electronics.

XXIX Precedence

These GTCP are a translation of the original German version of the General Terms and Conditions of Purchase (AEB). In the event of different interpretations or contradictions between these GTCP and the original German AEB, the German version takes precedence.

Date of issue: January 2024