

OXIDE CORPORATION Standard Terms & Conditions of Sale (for export from Japan)

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OXIDE CORPORATION Standard Terms & Conditions of Sale (for export from Japan)

The accompanying Oxide quotation or sales order acknowledgement (the "Order") and these Sales Terms and Conditions (this "Contract") shall constitute the entire agreement between the Purchaser, owner or its agent ("Purchaser") and Oxide Corporation or its direct or indirect subsidiary (individually and collectively referred to as "OXIDE") for the products, parts, components, and software set forth in the Order (the "Products") and/or any services set forth in the Order (the "Services") and shall supersede all prior or contemporaneous oral or written negotiations, agreements, understanding or representations with respect thereto. Unless otherwise expressly provided with respect to a particular sale, all quotations and sales are made in accordance with, and subject to, this Contract. By submitting a purchase order to OXIDE or by using any Products or having any Services performed, Purchaser agrees to be subject to this Contract in its entirety. All purchase orders must be bona fide commitments showing mutually agreed prices, quantities and shipping terms. OXIDE rejects any conflicting conditions of Purchaser or any conditions of Purchaser deviating from this Contract, and this Contract shall prevail over any provision contained in any of Purchaser's general terms and conditions, or any Purchaser order, acceptance, confirmation or acknowledgement, regardless of whether or when Purchaser submitted its order or such terms and conditions. Without limiting the foregoing, unless otherwise agreed in writing by OXIDE, nothing contained in any purchase order of Purchaser shall in any way modify or add any provision to this Contract. In addition, fulfillment of Purchaser's order does not constitute acceptance of any of Purchaser's terms and conditions and does not serve to modify or amend this Contract. Notwithstanding anything herein to the contrary, if a written contract signed by both parties covers the sale of the Products and Services covered hereby, the terms and conditions of that Contract shall apply.

IF ANY ACCOMPANYING OXIDE QUOTE IS DEEMED AN OFFER, SUCH OFFER IS EXPRESSLY CONDITIONED ON PURCHASER'S ASSENT TO THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT, AND ISSUANCE BY PURCHASER OF A PURCHASE ORDER IN RESPONSE SHALL BE DEEMED AN ACCEPTANCE OF THESE TERMS AND CONDITIONS. IF ANY ACCOMPANYING OXIDE ORDER ACKNOWLEDGMENT IS DEEMED AN ACCEPTANCE OF PURCHASER'S PURCHASE ORDER OR OTHER OFFER OF PURCHASER, SUCH ACCEPTANCE BY OXIDE IS EXPRESSLY MADE CONDITIONAL ON PURCHASER'S ASSENT TO ANY ADDITIONAL AND DIFFERENT TERMS CONTAINED IN THIS CONTRACT, AND THE FAILURE BY PURCHASER TO SPECIFICALLY OBJECT TO THESE TERMS AND CONDITIONS IN WRITING WITHIN TEN (10) WORKING DAYS OF RECEIPT OF THESE TERMS SHALL CONSTITUTE AN ACCEPTANCE HEREOF.

1. Prices.

1.1 All prices published by OXIDE or quoted by an OXIDE representative may be changed at any time without notice. Unless otherwise stated, written quotations expire automatically ninety (90) calendar days from the date issued. All prices are subject to adjustment on account of specifications, quantities, shipment arrangements or other terms and conditions which are not part of the original price quotation. Prices are exclusive of all excise, sales, use, transfer and other taxes (including without limitation VAT as well as import, export and customs fees and duties, if applicable) imposed by any federal, state, municipal, or other governmental authorities, insurance costs and licensing fees, all of which shall be paid by Purchaser. Unless otherwise expressly agreed in writing, such prices do not constitute payment for any rights to any technical data, proprietary rights, or patent rights relating to the Products, Software or Services. Unless agreed otherwise in writing, Purchaser shall reimburse OXIDE for all reasonable, actual out-of-pocket expenses incurred in connection with the Services including, but not limited to, travel and lodging expenses. Purchaser is responsible for obtaining and providing to OXIDE with any certificate of exemption or similar document required to exempt any sale from sales, use, or similar tax liability. In the absence of proper evidence of exemptions, Purchaser shall reimburse OXIDE for all taxes, excises, duties, imposts or other charges which OXIDE may be required to pay any government (national, state or local) upon, or measured by the production of any phase or part of the production, storage, sale, transportation, delivery and/or use of the Products. All prices shall be as specified by OXIDE, or as set forth in the accompanying OXIDE quote and/or order acknowledgment, or, if no price has been specified, shall be OXIDE'S standard list price in effect at the time of delivery. OXIDE may impose additional surcharges to offset significant and unpredictable increases in the cost of manufacturing, shipping and servicing our products. By issuing an order for our Products, Software and/or Services, Purchaser agrees to pay these surcharges upon notification.

1.2 If volume discount pricing was provided for any Order in which Purchaser fails to purchase or take delivery of the committed or specified Product quantity (whether a result of permitted cancellation or otherwise), Purchaser shall pay OXIDE the difference between the list or non-discounted price and the discounted price for all delivered Products.

2. Terms of Payment.

Unless otherwise expressly stated in writing, payment terms are net cash thirty (30) calendar days from the date of invoice. OXIDE reserves the right to require alternative payment terms, including but not limited to letter of credit, COD (cash on delivery) or payment in advance depending on the credit record. Confirmation of an Order and payment terms are subject to credit approval. OXIDE

reserves the right, at its sole discretion and without prior notice, to at any time require full or partial payment in advance, or to limit, revoke or modify any credit terms previously extended as to time or amount, if OXIDE, in its reasonable judgment, believes there is a risk that Purchaser will fail to make full payment when due based on Purchaser's financial condition or payment history. If applicable, payments will be made in accordance with a specified payment schedule. Purchaser's failure to make payment when due will be a material breach of this Contract, and OXIDE, at its sole discretion and without incurring any liability, may withhold delivery of any Products or Services at any time in which Purchaser's account is past due or exceeds its approved credit limit, until payment is received or until written approval by OXIDE of an alternative payment schedule has been issued. If OXIDE elects to continue to make shipments, OXIDE'S action shall not constitute a waiver of any default by Purchaser or in any way affect OXIDE'S legal remedies for any default. In the event of such suspension of performance by OXIDE, there will be an equitable adjustment made to the delivery schedule and Order price reflecting the duration and cost resulting from such suspension. Purchaser may only suspend the Order upon OXIDE'S written consent. All amounts are stated in, and payment shall be made in Japanese Yen unless otherwise agreed to in writing or expressly stated in the Order. In case that the payment is due after the delivery of ordered products, to the extent permitted by law, overdue payments shall be subject to finance charges computed at a periodic rate of 1.5% per thirty (30) days and maximum eighteen percent (18%) per one (1) year. Purchaser shall indemnify OXIDE against all expenses and legal costs incurred by OXIDE in recovering overdue amounts and/or incurred as a result of cancellation or suspension of deliveries or performance. Amounts owed by Purchaser with respect to which there is no dispute shall be paid without set-off for any amounts which Purchaser may claim are owed by OXIDE and regardless of any other controversies which may exist.

3. Delivery.

3.1 Unless otherwise specified, all sales are FCA "OXIDE'S designated facility in Japan" (Incoterms 2020). OXIDE shall not be liable for any loss or damage resulting from any delay in delivery or failure to deliver which is due to any cause outside of OXIDE'S control. Purchaser shall be liable for all costs and expenses incurred by OXIDE, including for holding or storing products for Purchaser, if delivery is delayed with OXIDE'S consent, by Purchaser, or at Purchaser's request, or as a result of Purchaser's inability to receive Products. Shipping and milestone dates are approximate and are based upon OXIDE'S prompt receipt of all necessary Order, shipping information, and service and development work-related requirements or specifications, if service or development work is applicable to the Order. OXIDE endeavors to use its reasonable efforts to produce and ship the quoted Product quantity.

3.2 Terms and conditions hereby apply to export transactions from Japan, excluding sales to

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customers in Japan for use in Japan. As stated in Article 15, In case that Purchaser in Japan intend to export Products, either Product as it is or, as a part of machinery, equipment or, tools, such Purchaser are required to comply with Japan export controls as being exporters.

4. Shipment.

Unless otherwise specified in OXIDE'S pricing policies and published price schedules in effect at time of shipment, transportation and handling expenses shall be paid by Purchaser (FCA Japan). Further, unless specific instructions to the contrary are supplied by OXIDE, methods and routes of shipment will be selected by Purchaser. OXIDE does not assume any liability in connection with shipment (except to the extent liability is caused by OXIDE'S gross negligence or willful misconduct), nor shall any carrier be deemed to be an OXIDE agent. Unless otherwise specified by OXIDE, all shipments will be insured at Purchaser's expense and made at Purchaser's risk, and Purchaser shall be responsible for making all claims with carriers, insurers, warehousemen and others for misdelivery, non-delivery, loss, damage, or delay.

5. Title and Risk of Loss.

Subject to OXIDE'S right to stop delivery of Products in transit, delivery shall occur, title to Products (except for title to any Software which shall at all times remain with OXIDE) shall pass to Purchaser and Purchaser shall assume risk of loss or damage upon the earlier of delivery to Purchaser or to a carrier for shipment to Purchaser, unless otherwise agreed by both parties in writing.

6. Changes, Cancellations, Returns, Blanket Orders and Forecast.

6.1 OXIDE reserves the right to (a) make changes in Products or make substitutions and modifications in the specifications of the Products without notice, and without any obligation to incorporate those changes in any Products previously delivered to Purchaser and (b) ship to Purchaser the most current Product regardless of catalog description, if applicable, provided that such substitutions or modifications do not materially affect the performance of the Products. Purchaser may request changes to the Product. Should OXIDE agree in writing to make such changes, OXIDE reserves the right to adjust the prices and delivery dates for the Products, and to invoice Purchaser for any unearned discounts based upon the actual quantities of Products delivered. In addition, Purchaser shall be responsible for all costs associated with such change including, but not limited to, the burdened costs of all raw materials, work in progress and finished goods inventory on-hand or ordered which are impacted by such change. If changes to the specifications are required or are otherwise requested by Purchaser, and OXIDE determines, in

its sole discretion, that it is not capable of manufacturing the Products to meet such required or requested changes, OXIDE shall notify Purchaser and, unless Purchaser agrees that any requested change will not be implemented, OXIDE shall have the right, upon notice to Purchaser, to terminate the order for the Product without any further liability to Purchaser. In such event, Purchaser shall reimburse OXIDE for OXIDE'S actual cost of raw materials, labor, work in process and finished goods inventory on-hand or ordered prior to such termination. OXIDE reserves the right to offset any such costs against any amounts already paid by Purchaser to OXIDE for the Products.

6.2 Orders may be cancelled only upon OXIDE'S prior written approval, which approval may be granted or withheld in OXIDE'S sole discretion. For any permitted Order cancellation, Purchaser shall be liable for the fees and costs of all work done and materials purchased or provided up to the time of cancellation plus a charge for overhead and loss of profit and any other cancellation charges, including without limitation non-recurring engineering expenses, restocking fees, cancellation costs payable by OXIDE to its suppliers, and any other costs incurred by OXIDE relating to such cancellation, as well as the difference in the amount paid between any volume discount given and the current list or non-discounted price of the Product at the time of cancellation. In no event shall the Purchaser be liable for more than the contract price of the cancelled Products.

6.3 Where OXIDE has agreed to a return of a product in writing, any such return is subject to inspection after receipt by OXIDE. Any return shipment received by OXIDE shall be in its original condition and Purchaser may not return any customized Product. Purchaser bears all risk of loss or damage to the returned Products until delivery at OXIDE'S designated facility with appropriate environment.

6.4 Blanket Purchase Orders. If Purchaser orders the Products through the issuance of one or a series of blanket purchase orders, such blanket purchase order shall be binding and non-cancelable. If no release schedule is provided in the blanket Purchase order, Purchaser is required to issue releases covering the total quantity in the blanket purchase order prior to the expiration date of the blanket Purchase Order, or if no expiration date is included, no later than twelve (12) months from the issuance of the blanket Purchase Order, always taking into account OXIDE'S standard lead times for the applicable Product.

6.5 Forecasts. If OXIDE is building to forecast in the absence of a blanket purchase order, Purchaser shall provide to OXIDE a forecast of its requirements for Products, updated by Purchaser at least monthly (the "Forecast"). Purchaser shall be liable for twelve (12) calendar weeks of Products immediately following the date of each Forecast (the "Committed Purchases").

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Purchaser shall take delivery of the Committed Purchases in accordance with the agreed upon delivery dates and if no delivery dates have been agreed upon, within sixteen (16) calendar weeks from the applicable Forecast date.

7. Services.

Overhaul maintenance and repair services of OXIDE's laser Products, to bring the Product in conformance with the Specifications, have to be performed in OXIDE's designated facilities in Japan by using special jig tools, and under controlled environmental conditions. Because of this nature, on-site services ("On-site Services") are limited to status check, diagnosis, alignment or, environmentally acceptable parts exchange.

This Section 7 shall apply in the event On-site Services are purchased by Purchaser.

7.1 If OXIDE is providing On-site Services, such locations must be agreed in writing by OXIDE, or as otherwise specified in the OXIDE quotation.

7.2 In connection with a repair, OXIDE may, in its sole reasonable discretion, determine that certain additional remedial repairs or replacement of consumable items are necessary to bring the Product in conformance with the Specifications, and such repairs and consumables shall be made at Purchaser's cost. Repair quotation is issued upon confirming the condition of the Product.

7.3 OXIDE shall have no obligation relating to the operation and/or functionality of any non-OXIDE product attached to or otherwise linked to the Product.

7.4 Purchaser shall provide reasonable access, a proper electrical and physical environment, if applicable, and all information reasonably requested by OXIDE.

8. Software License Terms.

Purchaser acknowledges that the software or firmware components and applications, if any, either available on a stand-alone basis or embedded or accompanying the Products sold hereunder (the "Software") and any accompanying documentation (the "Documentation") are licensed and not sold to Purchaser. OXIDE shall at all times have and retain title and full ownership of the Software and the Documentation, and Purchaser shall receive no rights to the Software or the Documentation except as expressly provided herein. Unless the parties enter into a separate written license agreement, including a shrinkwrap and/or clickwrap agreement (in which case, the terms of that separate agreement will prevail), the following license terms shall apply: upon OXIDE'S receipt of full payment for the Software, Purchaser shall be entitled to use the Software

and the Documentation only for its own internal use; Purchaser may use the Software only in object code form, only per the Documentation, and only with the Products for which it is designed (if any); Purchaser may not copy the Software or Documentation, except to make a reasonable number of backup copies of the Software and a reasonable number of copies of the Documentation to use the Software; and Purchaser agrees to any shrinkwrap and/or clickwrap related to third party software which is provided to Purchaser. For purposes of this Contract, Software and Documentation shall be deemed to be "Products." No license to use the source code of the Software is provided hereunder. Any Software and Documentation provided to the U.S. Government is only provided as "commercial computer software" and "commercial computer software documentation," respectively, under these Terms and Conditions (per 48 CFR 11.20.1.48 CFR 226.6.202-1, or other applicable regulations). Purchaser shall not use, distribute, license, sublicense, resell, copy, make available or otherwise transfer all or any part of the Software or the Documentation other than as expressly permitted hereunder without the prior written consent of OXIDE. Purchaser shall not, nor shall it permit any employee or agent of Purchaser to, adapt, modify, copy, reproduce, reverse engineer, decompile, decrypt or disassemble the Software in any way without the prior written consent of OXIDE. Except as expressly set forth herein, OXIDE shall have no obligations to Purchaser whatsoever with regard to the Software. Without limiting the generality of the foregoing, OXIDE has no obligation to develop updates or modifications to the Software or develop or provide Software development tools to Purchaser.

9. Intellectual Property and Other Property Rights.

9.1 OXIDE Rights. Purchaser may not copy, modify, enhance, supplement, create derivative work from, adapt, translate, reverse engineer, disassemble, or otherwise reduce any Products. The foregoing restriction on reverse engineering shall not apply only to the extent reverse engineering is explicitly permitted by mandatory interoperability provisions of applicable law. As between Purchaser and OXIDE, OXIDE retains all right, title and interest in and to all inventions, ideas, processes, methods, know-how, skills and techniques developed, discovered or conceived by OXIDE or its employees, including without limitation those developed and/or used in connection with the manufacture of the Products or performing Services hereunder (collectively, the "OXIDE Rights"). OXIDE Rights include, but are not limited to, patent rights, copyrights, trade secret rights, trademark rights, mask work rights and other proprietary rights throughout the world. Purchaser shall not acquire any OXIDE Rights or any other right, title or interest in or to any intellectual property of OXIDE either supplied to Purchaser hereunder or resulting from this Contract, unless expressly agreed to the contrary and except the limited Software license (if applicable) provided in Section 9 and as provided in Section 9.2 below, and nothing contained herein shall give Purchaser any right to utilize the OXIDE Rights or any such intellectual property in any manner whatsoever except in connection with Purchaser's use of the applicable Product in accordance

with the Documentation for the same. If Purchaser shall in any way acquire any such rights, then Purchaser shall immediately inform OXIDE and shall forthwith take such steps as may be required to assign such rights to OXIDE or to vest such rights in OXIDE. OXIDE shall retain all right, title and interest in and to all materials, fixtures, tools and/or dies furnished, designed, developed or manufactured by OXIDE in connection with the manufacture of the Products.

9.2 OXIDE'S License to OXIDE IP. OXIDE hereby grants to Purchaser a nonexclusive, nontransferable, worldwide, limited license to use the OXIDE Rights solely to the extent required for Purchaser to use the Products sold or Software licensed hereunder.

9.3 Prohibition Against Use as Molds. Purchaser shall not use the Products as molds, or to permit such use by any third party. THE PARTIES ACKNOWLEDGE AND AGREE THAT THEY ARE ENTERING INTO THIS CONTRACT ON THE UNDERSTANDING THAT THE PRICE FOR THE PRODUCTS TO BE PROVIDED HAS BEEN SET TO REFLECT THE FACT THAT PURCHASER AGREES NOT TO REVERSE ENGINEER, COPY OR REPLICATE PRODUCTS, TO USE PRODUCTS AS MOLDS, OR TO PERMIT SUCH ACTIONS BY ANY THIRD PARTY, AND IF NOT SO ACKNOWLEDGED AND AGREED, THE PRICES FOR THE PRODUCTS WOULD HAVE BEEN SUBSTANTIALLY HIGHER.

9.4 Customer-Furnished Material. If Purchaser, with OXIDE'S prior approval, provides products, raw materials, fixtures or tools (collectively, the "Customer Furnished Material" or "CFM") to OXIDE for incorporation into, or use in the manufacture of, the Products, or in conjunction with the Services, Purchaser shall retain title to, and shall continue to bear all risk of loss or damage to, such CFM. CFM IS PROVIDED BY PURCHASER AT PURCHASER'S RISK. IN NO EVENT SHALL OXIDE BE LIABLE FOR ANY LOSS OR DAMAGE TO SUCH CFM RESULTING FROM ANY CAUSE WHILE IN OXIDE'S POSSESSION. PURCHASER SHALL BE SOLELY RESPONSIBLE FOR INSURING THE CFM AGAINST ANY SUCH LOSS OR DAMAGE. CFM certification and quality are the responsibility of Purchaser. All CFM is subject to inspection by OXIDE upon receipt, and OXIDE reserves the right to refuse the CFM and/or requote the order based upon such inspection (such requote must be accepted by Purchaser to be effective and, where it is not accepted, OXIDE reserves the right to then refuse the CFM). CFM is not guaranteed to yield Purchaser's total order quantity. If material shortages occur due to yield, Purchaser shall, at its option, either supply additional CFM to complete the order or close the order short. Any CFM not used by OXIDE will be returned to Purchaser, at Purchaser's risk and expense.

10. Confidentiality.

Purchaser acknowledges that in connection with the purchase and sale of Products or Services or the licensing of Software, OXIDE may make available certain business (including without limitation, pricing) and technical information and materials, including the Software and Documentation, and all marked information ("Confidential Information"). Any information or material which by its nature and under the circumstances surrounding its disclosure is generally considered proprietary and confidential shall also be deemed Confidential Information regardless of whether it is properly marked with legends or properly reduced to writing. Purchaser shall (a) hold the Confidential Information in strict confidence and use its reasonable efforts to prevent the unauthorized disclosure of the Confidential Information; (b) not disclose the Confidential Information in any manner whatsoever, allow any third party to take possession of or to inspect, observe any operation of, or disassemble any Product or any portion of thereof, or take any photograph or recording of the Product or the operation thereof, except as permitted by subparagraph (d) below or as required by applicable law; (c) use the Confidential Information only for the purpose of performing its obligations hereunder or in conjunction with the operation of the Products or Software and for no other purpose; and (d) provide access to the Confidential Information to only those of its employees or representatives who need to know the Confidential Information for the sole purpose of using the Products or Services in compliance with this Contract. These obligations shall not apply to information that: (i) was independently developed by or for the receiving party without use of the disclosing party's Confidential Information, in whole or in part, as demonstrated by written evidence; (ii) is or becomes generally available to the public without breach of confidentiality obligations by the receiving party; (iii) was in the receiving party's possession or was known by the receiving party without restriction at the time of disclosure by disclosing party, as demonstrated by written evidence; or (iv) is lawfully received by the receiving party on a non-confidential basis from a third party without breach by such third party of any legal, contractual, or fiduciary obligation to the disclosing party.

11. Limited Warranties and Remedies.

11.1 Warranty Period of products. OXIDE warrants, to the original Purchaser of the OXIDE laser products (hereinafter referred to as "Products"; excluding Software, parts, consumables, and prototypes), that for the applicable warranty period of (i) twelve (12) calendar months from the date of delivery from OXIDE to Purchaser under the conditions of FCA Japan (such delivery shall be hereinafter called "Delivery (FCA Japan)" or, (ii) five thousand (5,000) operation hours whichever comes earlier (the "Warranty Period"), the Products shall be free from material defects in materials and workmanship and will conform in all material respects to the applicable Product specifications, under normal use and service when correctly installed, maintained, serviced and operated within the Product specifications for which they were designed.

11.2 Overhauling of Products. For Products returned to OXIDE by Purchaser for overhaul maintenance, OXIDE'S standard overhaul charges shall be applicable in addition to all freight charges and insurance from Purchaser's facility up to the original point of Delivery (FCA Japan). Unless otherwise stated in OXIDE'S quote, OXIDE warrants the same warranty conditions as above 1 for the overhauled Products, of which performance is restored to that of a new product. OXIDE shall be responsible for the freight and other expenses arising from the returning of the overhauled Product from OXIDE's facility to the original point of Delivery (FCA Japan).

11.3 Repair under warranty. During the Warranty Period, OXIDE will, at its option and in its sole discretion, repair or replace any Product which does not comply with the above warranty under above 1 or 2 without charge to Purchaser, provided that, within the Warranty Period, Purchaser shall notify OXIDE in writing within five (5) business days from discovery of the noncompliance (to be delivered to OXIDE by the end of Warranty Period) stating identification number and observed phenomenon of the subject Product(s).

Purchaser shall bear all freight charges and insurance up to the original point of Delivery (FCA Japan). Purchaser bears all risk of loss or damage to the Products until delivery at OXIDE'S designated facility. Repaired and replacement Products, parts and components shall be warranted for the remainder of the original warranty or for thirty (30) calendar days from date of shipment, whichever is longer.

OXIDE shall be responsible for the freight and other expenses arising from the returning of the repaired Product during the Warranty Period at DDP logistic warehouse in Purchaser's country. The Purchaser shall bear such expenses incurred after the Warranty Period, as being non-warranty repair.

11.4 Repair out of warranty. For parts or Products returned for repair that are not covered under warranty under above 1 or 2, OXIDE'S standard repair charges shall be applicable in addition to all shipping expenses. Unless otherwise stated in OXIDE'S repair quote, any such out-of-warranty repairs are warranted for thirty (30) calendar days from date of shipment of the parts or repaired Product. OXIDE may, at its discretion, use reconditioned components in the Service of Products or to satisfy its warranty obligations, provided that any reconditioned components used shall be functionally equivalent to new components. OXIDE shall be responsible for the freight and other expenses arising from the returning of the repaired Product during the Warranty Period at DDP logistic warehouse in Purchaser's country. The Purchaser shall bear such expenses incurred after the Warranty Period, as being non-warranty repair.

11.5 Packing requirements. Return Products should be packed in original package material in the original manner, or to comply with OXIDE package specifications.

11.6 Not covered by warranty.

11.6.1. This warranty does not apply to any Product or part which, as determined by OXIDE in its sole discretion, (a) has been installed, operated, maintained, serviced, modified, altered or used other than in accordance with Product specifications recommended by OXIDE for the proper and normal use of the part or Product; (b) has been repaired, modified or altered by any party other than OXIDE or a third-party authorized in writing by OXIDE; (c) has been used in conjunction with parts or equipment not provided or authorized by OXIDE; (d) has been contaminated with corrosive, reactive, and/or harmful chemicals, gases or any radioactive materials; (e) has been subjected to unusual physical, thermal, electrical or optical stress, misuse, abuse, tampering, accident, contamination, negligence or neglect in use, storage, transportation or handling (including any failure to maintain appropriate environmental conditions as specified by OXIDE for a particular Product); (f) is a consumable item or an item requiring repair or replacement due to normal wear and tear; (g) is based on designs or specifications provided to OXIDE; (h) has been modified or altered such that OXIDE is unable to verify the alleged warranty nonconformance with its standard test equipment or procedure; or (i) is damaged as the result of a Force Majeure Event. If a seal is used on the Product, any removal or breaking of the seal shall void the warranty.

11.6.2. Calibrations performed in accordance with the application user manual shall not void the warranty if performed properly. The foregoing warranty does not apply to or cover (i) any Customer Furnished Material incorporated into the Products; (ii) damage to sensors; (iii) Products that are marketed and sold by OXIDE as a distributor for a third-party manufacturer and under such third-party manufacturer's name, except to the extent of any warranty that is expressly provided to OXIDE by such third-party manufacturer and is assignable by OXIDE to its customers; or (iv) on-site warranty repair unless otherwise agreed.

11.6.3. The foregoing warranty applies only so long as the Products remain in use in the country of purchase. To the extent the Products are removed from the country of purchase, the foregoing warranty may be voided at OXIDE'S discretion..

11.7 Software. Unless otherwise provided in the Order, for Software OXIDE warrants to the Purchaser of the Products or licensee of Software that, for the duration of the warranty period for the applicable Product if Software is licensed with a Product, or a period of fifty four (54) calendar weeks from the day Software becomes available if Software is licensed individually, the Software shall be free from significant programming errors or defects when properly installed. For Software upgrades or reconfigurations performed in connection with Services, OXIDE warrants that, for the longer of: (a) a period of ninety (90) calendar days following completion of the upgrade or reconfiguration, or (b) the remaining Software warranty period, if any, on the associated Product

sold by OXIDE (if applicable) to Purchaser, the Software shall be free from significant programming errors or defects when properly installed. During the applicable warranty period, if Purchaser promptly notifies OXIDE in writing of possible errors or defects in the Software, identifying any such error or defect in reasonable detail sufficient to allow OXIDE to identify and replicate such error or defect, OXIDE shall, at no cost to Purchaser, use commercially reasonable efforts to promptly repair and correct such errors or defects in the Software. The foregoing warranty is nontransferable unless approved by OXIDE in writing.

These warranties shall not apply to any errors or defects in the Software to the extent caused in whole or in part by (a) any combination of the Software with functionality, software, hardware or other products not supplied or approved by OXIDE; (b) any correction or modification of the Software not made by OXIDE or corrections or modifications made by OXIDE but to Purchaser's written specifications; or (c) the failure of Purchaser to use the most current release of the Software provided to Purchaser or to follow the most current instructions as may be provided by OXIDE from time to time with respect to the proper use of the Software. Except for Software upgrades or reconfigurations provided in connection with Services pursuant to the Order, these warranties do not apply to, and do not obligate OXIDE to develop or to provide, any future releases, updates, upgrades or modifications to the Software or develop or provide Software development tools to Purchaser. On-site repair service is not covered under the foregoing warranty, unless otherwise stated in OXIDE'S quotation or otherwise agreed upon by the parties in writing.

Notwithstanding the foregoing, if the Software is provided free of charge, the Software is provided "AS IS" and as such, OXIDE shall have no warranty obligations to Purchaser.

11.8 Services. OXIDE warrants that any Services will be of a professional quality conforming to generally accepted industry standards and practices, provided that Purchaser notifies OXIDE of any non-conforming Service within thirty (30) calendar days from completion of that Service. This warranty and OXIDE'S Service obligations shall not apply in the event Purchaser fails to comply with Section 7.4. OXIDE'S RE-PERFORMANCE OF SERVICES SHALL BE OXIDE'S SOLE OBLIGATION, AND PURCHASER'S SOLE REMEDY, AT LAW OR IN EQUITY IN THE EVENT ANY SERVICE FAILS TO CONFORM TO THE FOREGOING WARRANTY FOR SERVICES.

11.9 Limitations. TO THE FULLEST EXTENT PERMITTED BY LAW, THE FOREGOING WARRANTIES ARE THE EXCLUSIVE AND SOLE WARRANTIES OF OXIDE FOR PRODUCTS, PARTS, SOFTWARE AND SERVICES. ALL OTHER WARRANTIES, REPRESENTATIONS, PROMISES OR GUARANTEES, EXPRESS OR IMPLIED, ARE EXCLUDED AND EXPRESSLY DISCLAIMED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE. THE OBLIGATIONS OF OXIDE SET FORTH IN THIS WARRANTY SECTION SHALL BE OXIDE'S

SOLE LIABILITY, AND PURCHASER'S SOLE REMEDY, FOR BREACH OF THE FOREGOING WARRANTIES. WITHOUT LIMITING THE FOREGOING AND FOR THE AVOIDANCE OF DOUBT, ALL CONSUMABLE AND EXPENDABLE COMPONENTS ARE PROVIDED "AS IS."

12. Liability.

IN NO EVENT SHALL OXIDE'S (OR ITS LICENSORS' OR SUPPLIERS') MAXIMUM LIABILITY UNDER THIS CONTRACT EXCEED THE AMOUNT PAID HEREUNDER FOR THE SPECIFIC PRODUCT, PART, SOFTWARE OR SERVICE WHICH CAUSED THE DAMAGE. IN NO EVENT SHALL OXIDE (OR ANY OF ITS LICENSORS OR SUPPLIERS) BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, SPECIAL, COVER OR INDIRECT DAMAGES (INCLUDING BUT NOT LIMITED TO THOSE RELATING TO COMMERCIAL LOSSES, LOST REVENUES OR PROFITS, INTERRUPTION OF BUSINESS, LOSS OF GOODWILL, INCONVENIENCE, DELAY OR FAILURE OF DELIVERY, LOST, DAMAGED OR DESTROYED DATA OR DOCUMENTATION, OR COST OF REMOVAL AND REINSTALLATION OF GOODS) OR CLAIMS OF THIRD PARTIES, REGARDLESS OF THE FORM OF ANY CLAIM, WHETHER BASED IN LAW OR EQUITY, IN CONTRACT, TORT OR OTHERWISE, AND WHETHER FROM BREACH OF THIS CONTRACT, DEFECTIVE PRODUCTS, PARTS OR SOFTWARE OR OTHERWISE, EVEN IF OXIDE HAS BEEN ADVISED OR SHOULD BE AWARE OF THE POSSIBILITY OF THE SAME. No suit or action shall be brought against OXIDE more than one (1) year after the cause of action has accrued. This Section 12 shall apply to the fullest extent permitted by law.

13. Infringement.

If a Product is adjudicated by a court of competent jurisdiction in a final, non-appealable order to infringe the intellectual property right of a third party, OXIDE shall, at its expense and option either (I) procure for Purchaser the right to use the Product in question, or (II) modify the Product, or replace with an alternative product, in each case to avoid infringement. If neither of the foregoing remedies can be obtained upon commercially reasonable terms, OXIDE may allow Purchaser to return to OXIDE the Products and OXIDE shall refund to Purchaser the fees paid by Purchaser to OXIDE (if any) for the applicable Product. The foregoing shall not apply if the alleged infringement is attributable to the combination of the Product with products not provided by OXIDE, or if the Product is modified or altered by any person or entity other than OXIDE, or if the Product is used outside the scope of the OXIDE Product specification, or if the Product is based on Purchaser's or its customer's designs or specifications.

THIS SECTION 13 STATES OXIDE'S SOLE RESPONSIBILITY AND LIABILITY, AND THE PURCHASER'S SOLE REMEDY, FOR ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY

PATENT, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT BY ANY PRODUCT, PARTS, SERVICES OR SOFTWARE DELIVERED OR PROVIDED HEREUNDER. THIS SECTION 13 IS IN LIEU OF AND REPLACES ANY OTHER EXPRESS, IMPLIED OR STATUTORY WARRANTY AGAINST INFRINGEMENT.

14. Assignment.

Purchaser shall not delegate any duties nor assign any rights or claims under this Contract without OXIDE'S prior written consent, and any such attempted delegation or assignment shall be void.

15. Compliance with Laws.

15.1 Purchaser shall comply with all applicable laws, rules, and regulations, of all government authorities, including, without limitation, all applicable import and export laws and regulations. OXIDE'S sale and delivery of Products, Services and/or technical data are subject to export, re-export, and economic sanctions controls administered by Japan and other related countries and regions, including any requirement for OXIDE to apply for an export license, which may result in a delay in delivery and/or additional costs or, if denied by the applicable government authority, may prevent the sale and delivery of Products. The quoted lead time for delivery of the Products may be impacted by time required to obtain an export license, if applicable. OXIDE shall not be liable to Purchaser for any delivery delay or failure including delivery suspension resulting from OXIDE'S compliance with licensing or other requirements under the applicable Export Regulations. Purchaser acknowledges and agrees that if the Products and/or associated technical data delivered by OXIDE hereunder are to be exported, re-exported or transferred, Purchaser shall comply with all applicable Export Regulations. In cases of a routed export transaction, Purchaser, acting as the Foreign Principal Party in Interest ("FPPI"), shall assume all export responsibilities, including but not limited to determining license requirements, obtaining licenses, submitting export information to the applicable Governmental Agencies, and providing power of attorney to and overseeing any forwarder or agent acting on its behalf. Furthermore, if Purchaser deems necessary, the FPPI shall authorize OXIDE to act as an authorized agent for export control to submit export licenses and/or transmit export information as required under Export Regulations. Purchaser shall ensure that its forwarder or agent complies with all applicable Export Regulations.

15.2 Purchaser shall defend, indemnify, and hold harmless OXIDE from and against any claim, loss, liability, expense or damage (including liens or legal fees) incurred by OXIDE with respect to any export or re-export activities of Purchaser and/or Purchaser's forwarder or agent which are contrary to the provisions in this section. Without limiting the generality of this Section 15, unless

specific authorization is granted by Japan or other applicable jurisdiction, Purchaser shall not (i) sell, transfer, export, re-export, or otherwise divert any Products to any country, company or individual to which the sale, transfer, export, re-export or diversion is prohibited under applicable U.S., European or other laws or regulations because of an embargo, economic sanction, restricted party, end-use or other restrictions; (ii) use the Products for any nuclear-related activities; or (iii) use the Products in activities that support, directly or indirectly, the development, production, stockpiling, use or sale of chemical, biological or nuclear weapons; rocket or missile systems; or any other illicit end-use.

15.3 In case that OXIDE confirm strong reasons to believe that the purchaser or the purchaser's business partners or subcontractors, etc. commit a violation of any matters in this article 15, the purchaser shall compensate OXIDE for all damages, including direct and indirect damages, investigation costs, attorney's fees, etc.. If it is difficult to determine the amount of damages, the purchaser agrees that the amount of damages shall be deemed to be an amount reasonably calculated by our company, up to a maximum of 300% of the sales price.

16. Governing Law.

This Contract and matters connected with the performance thereof or otherwise arising out of this Contract shall be construed, interpreted, applied, governed and enforced in all respects by the laws of Japan.

All disputes, controversies or differences arising out of or in connection with this contract shall be finally settled by arbitration in accordance with the Commercial Arbitration Rules of The Japan Commercial Arbitration Association. The place of the arbitration shall be Tokyo, Japan.

17. Force Majeure.

OXIDE'S performance of its obligations will be excused or the timeframe for performance will be extended as is reasonably necessary under the circumstances, if OXIDE is prevented from or restricted in performing its obligations in whole or in part by riots, fire, flood, earthquake, explosion, epidemics, war, strike or labor disputes, embargo, civil or military authority, act of God, changes in law, regulation or governmental policy, acts or omissions of vendors or suppliers, transportation difficulties or delays, or other causes beyond its reasonable control ("Force Majeure Event"). In such Force Majeure Event, such performance shall take place as soon thereafter as is reasonably practicable. Failure of the Purchaser to provide timely response to requests from OXIDE may also result in delivery delays which shall be excused hereunder. If OXIDE'S supply of Products is limited by any such cause, OXIDE shall have the right to allocate OXIDE'S available supply over OXIDE'S own requirements and OXIDE'S commitments to its customers, in OXIDE'S sole

discretion.

18. General.

If any provision of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable in any respect, such determination will not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct. To the extent that any such provision is found to be invalid, illegal or unenforceable, the parties will negotiate in good faith to substitute for such provision, to the extent possible, a new provision that most nearly effects the parties' original intent in entering into this Contract or to provide an equitable adjustment if no such provision can be added. The other provisions of this Contract will remain in full force and effect. No waiver of any provision of this Contract shall be valid or binding on OXIDE unless agreed to in writing by OXIDE. The failure of OXIDE to enforce at any time any of the provisions of this Contract, or the failure of OXIDE to require at any time performance by Purchaser of any of the provisions of this Contract, shall in no way be construed to be a present or future waiver of such provisions, nor in any way affect the validity of OXIDE to enforce each and every such provision thereafter. All of OXIDE'S rights and remedies, whether evidenced hereby or by any other contract or document, shall be cumulative and nonexclusive and may be exercised singularly or concurrently. OXIDE shall have the right to terminate any order, or to delay the shipment thereof, by reason of (a) Purchaser's bankruptcy or insolvency, or the pendency of any proceedings against Purchaser under any statute for the relief of debtors; (b) Purchaser's breach of this Contract; (c) OXIDE'S learning that the ultimate destination of the Products is other than that set forth in the OXIDE quote; or (d) failure of Purchaser to meet any other reasonable requirements established by OXIDE or to provide timely responses to requests from OXIDE (including acts or omissions of Purchaser which may delay production). The headings used throughout this Contract are for convenience of reference only and will be disregarded for the purpose of construing and enforcing this Contract. No modification to this Contract shall be valid unless agreed to in writing by OXIDE.

19. Safety Compliance.

Purchaser is solely responsible for the safety of its personnel and property in connection with the use of Products covered by this Contract. Purchaser shall identify and comply, and cause its personnel to comply, with all applicable use and safety laws, rules, regulations, industry standards and practices, and other requirements, including requirements and instructions provided to Purchaser by OXIDE at any time. For Category 4 laser Products or Products containing Category 4 lasers: Purchaser shall restrict access to the Product to necessary personnel only that have been properly trained in the safe operation of such Products, and require all such personnel to

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wear appropriate laser safety glasses and utilize any other required safety equipment and precautions. Purchaser is responsible for supplying safety equipment and implementing safety precautions for Purchaser's personnel. Inspection for compliance with safety regulations of the Center for Devices and Radiological Health or with any other government or industrial standards is not included as a part.

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