



Standard Terms of Sale

(July 2016)

Preamble

These Standard Terms of Sale shall apply to any and all sales made by Topsil GlobalWafers A/S (Topsil) to its customers (each customer separately referred to as the Purchaser). The application of these Standard Terms of Sale shall be deemed agreed between the parties when the Purchaser has received Topsil's order confirmation including a copy of these Standard Terms of Sale.

Any deviations from these Standard Terms of Sale shall be explicitly agreed in writing between the parties.

1. Offers

Offers made by Topsil are valid for 30 days subject to availability.

2. Prices

Prices are as per Topsil quotation. Prices are inclusive of Topsil's standard packaging but exclusive of VAT and other applicable tax and duties.

3. Delivery and Delivery Time

The parties agree that the goods shall be delivered EXW Warsaw (Incoterms 2010), including packaging. The goods may be subject to export controls, and delivery is therefore subject to the obtaining of the required export authorisation. The Purchaser is responsible for obtaining the required export authorisation and for procuring the documentation needed in order to obtain such authorisation. Topsil shall be entitled to effect deliveries successively.

The week of delivery will be indicated by Topsil at the date of shipment but time shall not be of the essence. The Purchaser may cancel the order where delivery has not taken place 45 calendar days after the end of the stipulated week of delivery but the Purchaser shall otherwise not be entitled to any compensation as a result of delay on the part of Topsil.

4. Export Control

Topsil's delivery of the goods to the Purchaser may be subject to export control. Topsil's delivery of the goods is therefore subject to the obtaining of appropriate export authorization, if required. The Purchaser agrees to procure the documentation required for Topsil to obtain such export authorization.

If and to the extent the Purchaser intends to resell the goods, the Purchaser agrees to observe all applicable export control regulations and embargos, including, but not limited to, applicable EU and US export control regulations and embargos, in connection with such resale".

5. Cancellation or Suspension by Purchaser

Unless otherwise agreed between the parties the Purchaser may only cancel or suspend an order for goods to be manufactured to the Purchaser's specification if the Purchaser pays, in the event of cancellation, the full costs incurred by Topsil up to the date of cancellation or, in the event of suspension, the costs which Topsil in its discretion determines will be incurred as a result of the suspension.

6. Quantity

The delivery of a quantity within $\pm 10\%$ of the agreed quantity shall be considered a delivery made in conformity with these Standard Terms of Sale and/or the contract of sale referring hereto between Topsil and the Purchaser.

With respect to minor orders, i.e. orders concerning less than 1,000 mm crystal or 1,000 wafers, the delivery of $\pm 25\%$ of the agreed quantity shall be considered a delivery made in conformity with these Standard Terms of Sale and/or the contract of sale referring hereto between Topsil and the Purchaser.

Topsil reserves the right to adjust the purchase price in accordance with the delivered quantity.

Topsil does not accept orders for goods with an aggregate value of less than USD 2,000 unless the ordered goods are in stock.

7. Obstacles to Delivery

Where the delivery to be made by Topsil is frustrated or considerably impeded, Topsil's obligation to deliver shall be negated for as long as the obstacle in question exists.

Topsil shall only be liable for damages where gross negligence can be proven on the part of Topsil.

8. Payment

Unless otherwise agreed, the purchase price is payable in cash 30 days after the date of invoice at Topsil's address or by transfer to Topsil's bank account. If the Purchaser fails to pay by the agreed date, Topsil shall be entitled to interest from the day on which payment of the purchase price became due at a rate of 1% per month or part of a month. Topsil reserves the right to demand advance payment or the provision of a guarantee.

9. Passing of Title

Topsil retains legal title to the goods until the Purchaser has paid the purchase price in full in accordance with clause 7. The legal title to the goods shall pass to the Purchaser on the date of proper payment regardless of the agreed delivery terms. Failure to pay on the agreed date does not eliminate the Purchaser's obligation to pay the purchase price.

If deliveries or successive deliveries are not properly paid in accordance with clause 7 the Purchaser is obliged on his account upon Topsil's request to return the goods in question. In such case no further deliveries will take place until title to the already delivered goods has passed to the Purchaser according to this clause 8.

10. Transfer of Risks

The Purchaser bears all risks of loss of or damage to the goods from the time they have been delivered in accordance with clause 3.

11. Breakages, Shortage, Non-delivery

Although every endeavour will be made to fulfil promises of delivery Topsil does not accept any liability in respect of non-delivery.

Topsil is prepared to submit claims under any insurance taken out by Topsil on behalf of the Purchaser for the value of the goods delivered in respect of breakages, shortage, or non-delivery, conditional upon the following:

- breakage or shortage must be notified in writing to the carrier (copy to Topsil) within 3 days after delivery, and goods and packaging should be retained for inspection by the carrier, inclusive of documentation, otherwise no claim for loss of goods can be submitted, and
- no responsibility can be accepted for goods lost in transit unless both the carrier and Topsil are notified of non-delivery within 14 days from date of Topsil's notice of dispatch.

12. Liability for Defects

Topsil undertakes, subject to the restrictions under clauses 12 to 15, at its sole discretion, either to replace defective goods with similar goods free from defects or to credit the defective goods to the Purchaser's account.

13. Notification

Any Topsil liability under clause 11 is subject to 1) that Topsil has been notified of the defects found by the Purchaser within 6 months after the Purchaser has received the goods, 2) that the Purchaser has notified Topsil without undue delay, and 3) that the defective goods have been returned to Topsil in the same condition as delivered and in original packaging within a period of 30 days after Topsil has been notified of the defects.

14. Acknowledgement

Topsil's liability under clause 11 requires that Topsil, after inspecting the returned goods, see clause 12, acknowledges that the goods are defective.

15. Gross Negligence

Any claim in excess of Topsil's liability under clause 11 is no concern of Topsil's, unless the Purchaser proves gross negligence on the part of Topsil. Topsil's liability for defects shall under no circumstances exceed the value of the defective goods.

16. Indirect Losses

Should Topsil be held liable, the Purchaser shall not be entitled to claim damages for trading losses, loss of profit, consequential losses or any other indirect losses.

17. Product Liability

Topsil shall under no circumstances be liable towards the Purchaser for damage caused by goods delivered by Topsil to any (movable or immovable) property or products of which the goods form a part, nor shall Topsil be liable for trading losses, loss of profit consequential losses or any other indirect losses. Topsil is liable for personal injury only if it is proven that the injury is due solely to the goods being defective when delivered to the Purchaser and that this is exclusively owing to gross negligence on the part of Topsil. In as far as Topsil should incur product liability towards any third party, the Purchaser is under an obligation to indemnify and hold Topsil harmless to the extent that Topsil's liability is limited towards the Purchaser. If a third party raises a claim against either party for damages for product liability, the party in question must notify the other party thereof forthwith. Topsil and the Purchaser are under a mutual obligation to allow proceedings to be instituted against them before the court which hears a claim for damages brought against either of them on the basis of damages allegedly caused by goods delivered by Topsil. However, any division of liability between Topsil and the Purchaser shall always be settled in accordance with clause 17.

18. Applicable Law and Venue

Any dispute arising out of these Standard Terms of Sale and/or the contract of sale referring hereto between Topsil and the Purchaser shall be governed by Danish law and shall be brought before the City Court of Copenhagen.