

TOPCON'S GENERAL TERMS AND CONDITIONS OF PURCHASE

This "Topcon's General Terms and Conditions of Purchase" (the "GTC") is a legally binding contract between a supplier who accepts the Order ("Supplier") and Topcon Corporation or any other affiliated company of Topcon Group, who places the Order to Supplier ("Topcon"). Unless otherwise agreed to in writing by Topcon, the GTC shall apply to all purchase orders for goods or services (collectively "Goods"), in addition to any terms set forth on the face of, or attached to or incorporated by reference into, an individual purchase order issued by Topcon ("Order"). Topcon hereby objects to any different, additional or conflicting terms proposed by Supplier in any communication between Topcon and Supplier or otherwise (including, but not limited to, any of Supplier's invoices, acknowledgements, other forms or website), unless Topcon expressly and specifically agrees in writing to such terms. Supplier's acceptance of any Order shall be deemed an acceptance of the GTC.

1. Acceptance

Any Order shall be deemed accepted by Supplier upon: (i) Supplier's acknowledgement of the Order, (ii) any performance by Supplier under the Order, or (iii) passage of ten (10) business days after Supplier's receipt of the Order without any notice to Topcon.

2. Change Order

Topcon may request changes in the Order by issuing a written notice ("Change Request") to Supplier, which shall not be unreasonably withheld by Supplier. Supplier shall immediately (but no later than [five (5) business days] after receipt of the Change Request) notify Topcon of any proposed change of delivery date, price and any other terms on the Order in response to the Change Request, together with supporting documents. No changes proposed by Supplier shall become effective unless agreed in writing by Topcon.

3. Shipment and Delivery

Supplier represents and warrants that the Goods shall be properly contained, packaged and labeled, and shall be suitably packed for safe transportation at the lowest transportation and insurance rates. Supplier shall purchase appropriate cargo insurance covering any damages and losses of the Goods during the transportation from the place of shipment to the named place of delivery to Topcon. Supplier shall perform pre-shipment inspection on the Goods before shipment, and shall submit an inspection report to Topcon prior to shipment upon request by Topcon. In addition, Supplier shall submit a delivery specification to Topcon upon request by Topcon. Time of delivery is of the essence. Shipment and delivery shall be made by Supplier in strictly compliance with the schedule set forth in the Order. If Supplier fails to comply with the delivery schedule under the Order, Topcon may, at its option and in addition to other right or remedy available to it, terminate the Order, in whole or in part, without any liability to Supplier. Trade terms used in the Order and the GTC shall be interpreted in accordance with the latest INCOTERMS as of the date of the Order, unless otherwise expressly prescribed in the Order. Title to and risk of loss or damage to the Goods shall pass to Topcon upon delivery thereof.

4. Inspection

Topcon may conduct 100% or random sampling inspection of Goods at its option under its own inspection criteria, and may reject all or any portion of the Goods or lot of Goods if Topcon determines them to be defective or nonconforming. If the Goods are defective or otherwise not in conformity with the requirements of the Order, Topcon may, by written notice to Supplier: (i) require repairing or replacement of the rejected Goods at Supplier's expense; or (ii) accept such Goods at an equitable reduction in price; or (iii) cancel the Order.

5. Price and Payment

The prices of the Goods shall include all expenses and applicable taxes incurred before delivery to Topcon under the Order, unless otherwise agreed by Topcon and Supplier. Supplier shall send invoice of the Goods to Topcon after delivery, and Topcon will make payment for the said invoice by T/T remittance at the end of the following month of delivery unless otherwise stated in the Order.

6. Materials

Title to any material, parts, tooling, equipment, technical data and documents or others that Topcon pay for or provides to Supplier ("Materials") shall remain or vest with Topcon. Supplier shall conspicuously label "Topcon Property" as such, store and maintain them in good condition, with due care and diligence (and shall abide by any other provisions agreed between Topcon and Supplier). Supplier shall not allow any liens to be placed upon them, and not change their location without prior written approval from Topcon. In the event of destruction, loss, theft, damage, or defacement of Material, Supplier shall immediately notify Topcon of occurrence thereof and shall follow the instructions of Topcon. Without prejudice to any other remedies of Topcon hereunder, Supplier shall indemnify Topcon against damages, losses, costs and expenses resulting from replacement or repairing of Materials attributable to Supplier. Supplier shall use the Materials only for the purpose of the Order, and shall promptly return them (with any and all duplicates, if any) at its expenses when (i) any performance under the Order has been completed or terminated, or (ii) at any time upon request of Topcon.

7. Warranty

Supplier warrants that each Goods delivered hereunder shall: (i) conform with any applicable drawings, designs, specifications, samples and other descriptions furnished or specified by Topcon; (ii) be free from defects in material and workmanship; (iii) comply with all applicable laws and regulations; and (iv) not infringe any patent, published patent application, or other intellectual property rights of any third party. In the event that any defect in the Goods is found out during fifteen (15) months after delivery or other terms set forth in the Order, Supplier shall, at its own costs and responsibilities, promptly re-perform the services, repair or replace any non-conforming Goods in accordance with Topcon's instruction. Topcon's inspection or acceptance of any Goods or payment for them shall not be deemed to release Supplier from obligations under these warranties.

8. Quality Assurance

Supplier shall satisfy quality standards required by Topcon and shall conduct a proper quality control with regard to all of the process from order receipt to shipment of the Goods. Supplier represents and warrants that all Goods shall comply with the quality standards as specified in the documents issued by Topcon (including, but not limited to specifications, drawings, and test procedures). Upon request from Topcon, Supplier shall submit to Topcon appropriate documentation proving that such quality assurance system works sufficiently. Supplier shall also comply with all terms and conditions set forth in "Quality Assurance Terms and Conditions" attached hereto as the Exhibit.

9. Intellectual Property

Unless otherwise agreed by Topcon and Supplier, any and all inventions, improvements, developments, work and discoveries newly conceived, discovered, created or first reduced to tangible work product by Supplier or Subcontractor and relating to the Goods produced

thereby pursuant to Topcon's designs or specifications shall be the sole property of Topcon. Supplier hereby assigns fully to Topcon all such inventions, improvements, developments, work and discoveries, and all intellectual property rights therein.

Supplier hereby grants to Topcon a non-exclusive, royalty-free, worldwide, irrevocable and perpetual license to use Supplier's intellectual property (if any), to give Topcon full benefit of any Goods incorporating such Supplier's intellectual property.

10. Subcontract

Supplier may subcontract the performance of its obligations required under the Order to third party ("Subcontractor") unless prior written approval of Topcon is required in the Order, provided, that, in such case, Supplier shall cause the Subcontractor to comply with the GTC, and shall remain fully liable to Topcon for any actions or inactions of the Subcontractor which would constitute a breach hereof.

11. Confidentiality

Supplier shall treat as and keep in strict confidence any and all technical or business information disclosed by Topcon in connection with the Order, including, without limitation, designs, processes, drawings, specifications, reports, equipment, tools and patterns ("Information"), and shall not, without prior written consent of Topcon, disclose or divulge any Information to any third party, and may use them only in performance of the Order. Supplier shall return all Information and any copies thereof to Topcon or make such other disposition thereof as may be directed and approved by Topcon, and shall, if requested by Topcon, certify to such return or destruction.

This Section 11 shall not apply to the information that

- (i) is in the public domain or falls into the public domain through no fault of Supplier;
- (ii) is already known to Supplier before it receives Information from Topcon;
- (iii) is rightfully obtained by Supplier from a third party without confidentiality obligation; (iv) is developed independently by Supplier without access to Information; or
- (v) is required to be disclosed by law, regulation or order of a governmental agency, court or the like, provided that Topcon shall be given enough time, where legally practicable, to seek a protective order to limit disclosure.

12. Indemnification

Supplier shall indemnify, hold harmless and, at Topcon's request, defend Topcon, its affiliates, and each of its and their directors, officers and employees, agents, contractors, distributors and customers from and against any and all claims, counterclaims, demands, actions, allegations, cause of action, or suits or proceedings whatsoever ("Claims"), and any and all damages, liabilities, losses, payments, obligations, costs and expenses (including, without limitation, attorneys' fees and costs), as they are incurred arising out of or relating to; (i) any patent, trademark, copyright, trade secret or other intellectual property infringement claim relating to the Goods; (ii) injuries or death to persons or damage to property in any way arising out of or caused by the Goods; (iii) any breach of any provision of the GTC or the Order. Such Indemnification by Supplier above shall not be deemed to prohibit or restrict Topcon from seeking injunctive relief or seeking other rights and remedies as it may have. Supplier shall, at its own cost, maintain in effect adequate insurance (including, but not limited to, product liability and general liability insurance). Upon request from Topcon, Supplier shall deliver Topcon copies of certificates as evidence of said insurance.

13. Compliance with Laws

- 1) Supplier shall comply with any and all laws, regulations and standards applicable to the transactions contemplated by the GTC, including, but not limited to, any laws and regulations concerning export control, anti-bribery, anti-unfair competition and data protection. Each Party shall establish and maintain appropriate management systems to prevent any violation thereof.
- 2) Supplier shall comply with Topcon's compliance and ethical policy, "Topcon Business Partners' Code of Conduct" (including any rules and guidelines associated therewith; collectively referred to as "BP Code of Conduct"). BP Code of Conduct is available at Topcon's website: <https://global.topcon.com/about/governance/code/business/> or other website designated by Topcon. BP Code of Conduct may be amended by Topcon from time to time.
- 3) In the event that Supplier discovers that it has violated or is likely to violate any of applicable laws, regulations or policies aforesaid, Supplier shall immediately notify Topcon and shall cooperate with the investigation conducted by Topcon. In the event that Topcon and/or any third party suffers damage as a result of such violation, Supplier shall compensate for such damage.

14. Audit

Topcon shall have the right, upon reasonable notice to Supplier, to audit and inspect the records and facilities of Supplier, Subcontractor and/or sub-suppliers during regular business hours, by itself or through its designated third party, including, but not limited to, regulatory authority, to verify Supplier's compliance with the GTC and any other agreements between Topcon and Supplier.

15. Force Majeure

Neither Topcon nor Supplier shall be liable to the other party for default or delay in performing its obligations, if caused by an event beyond its reasonable control, without limitation, fire, flood, earthquake or acts of God, war, terrorism, riots, civil disorders, rebellions, revolutions, strikes, labor dispute, provided that the affected party gives prompt written notice of any such inability to perform to the other party. If such force majeure event prevents Supplier from performance for a continuous period of more than [ten (10) business days], Topcon may cancel the Order.

16. Waiver

No delay or failure of each party in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude other or further exercise thereof or the exercise of any other right, power or remedy.

17. Termination

In the event that Supplier is in material breach of the GTC and/or the Order, or in the event of Supplier's bankruptcy, insolvency, liquidation, appointment of receiver, Topcon shall have the right, without prejudice to its other rights and remedies, to cancel any Order, in whole or in part upon written notice to Supplier.

18. Assignment

Supplier shall not assign the Order or any rights or obligations thereunder without the prior written consent of Topcon, and any attempted assignment or transfer in violation of this provision shall be void and of no effect.

19. Severability

The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provisions hereof, which shall remain in full force and effect to the fullest extent permitted by law.

20. Disputes

Supplier agrees and irrevocably consents exclusive personal jurisdiction of the Tokyo District Court for the purpose of any action, suit or proceeding arising out of or relating to the sales and purchase hereunder. Notwithstanding to the foregoing, in case that Supplier or Topcon is located in the People's Republic of China (PRC), all disputes, controversies or differences arising out of or in connection with the GTC 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.

21. Governing Law

The GTC (including the Exhibit attached hereto), Orders and any transactions hereunder shall be governed by and construed in accordance with the laws of the country (or state) in the place of business of Topcon, without regards to the principles of conflict of law. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to the sales and purchase hereunder.

22. Order of Precedence

If there is any conflict between the GTC and an agreement for specific transactions regarding OEM or manufacturing, the latter shall prevail and control.

Quality Assurance Terms and Conditions

Article 1 (Purpose)

1. This Quality Assurance Terms and Conditions (“QATC”) sets forth Supplier’s obligation regarding the quality control requirements of the Goods supplied by Supplier to Topcon pursuant to the Topcon’s General Terms and Conditions of Purchase (“GTC”) and the Order in order to maintain the best quality standard and reliability of the Goods.
2. In addition to the GTC, Supplier shall comply with this QATC.
3. Unless otherwise provided in this QATC, any defined terms used in the GTC shall have the same meanings in this QATC.

Article 2 (Quality Assurance)

1. Supplier shall implement quality control of the Goods in all of the process from order receipt to shipment and ensure the best quality required for the Goods to prevent any Goods which are not in conformity with the GTC and/or the Order with respect to kind, quality, quantity or otherwise (“Non-Conformity”) in the production thereof.
2. Supplier shall promptly consult with Topcon in good faith and make its best efforts to resolve any doubt or uncertainty with respect to the quality standard for the Goods required by Topcon, if any.

Article 3 (Representation and Warranty)

Supplier hereby represents and warrants that all of the Goods delivered to Topcon meet all of the quality required by Topcon and are of safe and reliable quality. Supplier shall be also responsible for the quality of the Goods and any parts thereof procured from its Subcontractor.

Article 4 (Quality Control System)

Supplier shall establish the quality control system and implement the quality assurance items specified below (“Quality Assurance Item”) to ensure the quality of the Goods and fulfill the quality control thereof.

Article 5 (Acceptance Test)

In the event that Topcon determines that Supplier’s quality assurance is sufficient, adequate and appropriate taking into account Supplier’s quality performance and quality control system, Topcon may have Supplier implement all or any part of the acceptance tests for the Goods on behalf of Topcon. The detailed terms and conditions of the acceptance test by Supplier shall be determined in separate written agreements between Topcon and Supplier.

Article 6 (Non-Conformity)

1. When Topcon believes that the Goods includes the Non-Conformity, Topcon will notify Supplier in writing of the reasonable details of such Non-Conformity.
2. When the Goods includes the Non-Conformity, Supplier shall (i) report in writing to Topcon the analysis result of the causes and the recurrence prevention measures that Supplier deems the most reliable and effective to resolve the causes and (ii) implement such measures if Topcon approves them.

Article 7 (Record Submission and Keeping)

1. Immediately upon Topcon’s request, Supplier shall submit to Topcon the following documents relating to the Goods and give necessary cooperation to Topcon including but not limited to technical explanation:
 - (1) Inspection Procedure;
 - (2) QC process chart;
 - (3) Test/Inspection Sheet;
 - (4) Process Control Record;
 - (5) Non-Conformity report and Corrective action report;
 - (6) Material Certificate;
 - (7) Certificate of Origin; and
 - (8) Any other documents relating to quality control.
2. Supplier shall keep the documents specified in Article 7.1 for a period of at least eleven (11) years from the production of the relevant Goods.

Article 8 (Changes)

1. Supplier shall not change the items below and any other item which would have material influence on the Goods, specifications and the quality thereof such as production and supply process thereof, without prior written approval from Topcon following discussions regarding measures for the quality assurance between Topcon and Supplier:
 - (1) Design and/or specifications of the Goods (including materials, and parts);
 - (2) manufacturing place;
 - (3) manufacturing method or process (including manufacturing equipment, facilities, jig, die, mold, tool and method of assembling and processing);
 - (4) parts, components and materials of the Goods;
 - (5) Subcontractor, retailer, supplier and seller of parts, components and any other materials necessary for production and supply of the Goods;

- (6) procedures or standards of inspection; and/or
 - (7) deployment of experts possessing specialized skills (soldering, welding, crimping, gluing, and the like).
2. Before the changes in accordance with Article 8.1 above, Supplier shall evaluate and assess the quality and reliability thereof and provide with Topcon quality documents, data and other materials required by Topcon.
 3. Supplier shall not deliver to Topcon the Goods implemented the changes listed in Article 8.1 without Topcon's prior written approval.

Article 9 (Trading Company's Obligation)

If Supplier is a trading company, Supplier shall impose the obligations equivalent to Supplier's obligations under this QATC upon suppliers of the Goods and shall execute written agreements regarding the quality assurance with said suppliers.

Article 10 (Compliance)

1. Supplier shall comply with any and all the rules and standards of, in relation to or in connection with safety and environment set forth in applicable laws and regulations (including any revisions thereof).
2. Supplier shall comply with any standards and action guidelines for Topcon's suppliers established by Topcon, including "Basic Procurement Policy of Topcon" and Topcon's "[Green Procurement Guidelines](https://global.topcon.com/about/procurement/green-03/)" (<https://global.topcon.com/about/procurement/green-03/>).
3. Upon Topcon's requests, Supplier shall provide Topcon with the documents regarding the rules and standards written in Article 10.1, report to Topcon the usage conditions of harmful substance specified by Topcon as managed substances as well as execute written agreements with Topcon for restrictions on use of such substances.

Quality Assurance Item

Item		Detail
1	Quality Control System	To establish and implement the quality control system for the Goods in all of the process from order receipt to shipment
2	Specification, Design, Instruction	<ol style="list-style-type: none"> (1) To determine the quality standards after consideration and comprehension of the requirements detailed in the specifications; (2) To assign the manager to control and regulate the specifications and manage thereof; and (3) To keep the specifications updated all the time, by replacing from former to new in a case of correction of the specification.
3	Management of Manufacturing Equipment and Facilities, Measuring Instruments and Test Equipment	<ol style="list-style-type: none"> (1) To make plans for periodic inspections and maintenance of manufacturing equipment, facilities, measuring instruments, test equipment and other necessary equipment, to conduct inspection and maintenance thereof according to said plans in order to keep the accuracy necessary for the quality assurance; (2) To test and calibrate measuring and testing control instruments used in process inspection and shipping inspection before the predetermined expiration date and to keep the record thereof in order to ensure the accuracy of such instruments; and (3) To take necessary measure not to use measuring and testing control instruments that have been found to be defective during test and inspection.
4	Management of the Manufacturing Process	<ol style="list-style-type: none"> (1) To make the procedure necessary for management of the manufacturing process, such as operation standard and quality control operation flow chart and to conduct stable operation; (2) In the case of defect occurring, to conduct recurrence prevention measure for the defects, including without limitation, immediate investigation, implementation of prevention measures and revising operation standard; (3) To submit the initial sample of the changed Goods and obtain Topcon's prior approval thereof when the changes of work process which would have material influence on the quality; (4) To conduct education and training for workers to obtain skills and knowledges necessary for the work; and (5) To prevent incident, problem and other anomalous occurrence by stipulating the management standard of facilities and work and conducting daily and periodic check.
5	Initial Quality Confirmation	The initial production of the Goods shall be subject to the quality confirmation conducted by Topcon. After obtaining such Topcon's approval, the mass production shall be started.
6	Inspection	<ol style="list-style-type: none"> (1) To inspect the Goods by lot-by-lot (or inspect all of the Goods if Topcon instructs accordingly) and keep the records of all inspections; (2) The method of inspection shall be determined taking production quality into account; and (3) Sampling of the lot shall be done using a reasonable sampling method that is representative of the population.
7	Subcontractor Management	<ol style="list-style-type: none"> (1) To subcontract after conducting the total evaluation of the Subcontractor in terms of its quality, delivery, price, management system and production/manufacture engineering; and (2) To obtain Topcon's prior approval when Supplier desires to change the Subcontractor designated by Topcon.
8	Non-Conformity	<ol style="list-style-type: none"> (1) To provide the answers for the causes, measures and other information required by Topcon within Topcon's instructed period when Supplier is requested to take measures for the Non-Conformity; and (2) To take any and all measures to prevent recurrence of the Non-Conformity, including but not limited to adding such measures into work standards manuals.
9	Traceability	Supplier shall establish the traceability system regarding the Goods in order to record and maintain Supplier's procedure and work, materials, parts, products and components supplied/procured by Supplier and the work subcontracted by Supplier to the Subcontractor.
10	Stock and Transportation	To take any and all measures necessary for the control and management of the stock of parts, components and materials and the packaging and transportation of the Goods during delivery to avoid quality deterioration.