

GENERAL TERMS AND CONDITIONS of SALE

Definition of Terms

1. "shipment" shall take place when the carrier receives physical possession of equipment at Seller's dock
2. "placement" by Purchaser shall include the physical movement and setting in place of equipment in Purchaser's facility.
3. "delivery" shall take place when the goods arrive at the Purchaser's dock
4. "acceptance" shall take place after tool has been installed at Purchaser's site, setup and testing is complete, and the equipment has been placed in good working order and is ready for use.

Quotations

Semilab is pleased to provide price and delivery quotations by e-mail or fax. Quotes are valid for 60 days, unless stated otherwise on the quote.

Placing an Order

Purchase order can be sent by fax or by e-mail to Semilab

Fax: +36-1-505-4690

e-mail: semilab@semilab.hu

Necessary information:

Seller requires the following with the order:

- Purchaser shipping address, together with the name and phone number of the contact person
- Purchaser billing address, together with the name and phone number of an accounts-payable contact person

Prices and Terms of Payment

All sales are ex works (EXW - Incoterms 2020) and exclude shipping, taxes and duty. Prices quoted are valid for 30 days or as stated. Payment for purchases shall be made by bank transfer.

- 30% of the total amount shall be due within 30 days after placing the order (PO).
- 60% of the total amount shall be due within 30 days after upon shipment.
- 10% of the total amount shall be due within 30 days after the delivery/final acceptance date.

Shipment

Shipment will be made in accordance with the shipment schedule, which is mutually agreed to by Purchaser and Seller, subject to conditions beyond Seller's control. The method of shipment is to be consistent with the nature of the equipment and the hazards of transportation and will be specified by Seller. Seller will, however, accommodate Purchaser's request for a specific carrier whenever possible.

Purchaser shall bear all costs and charges especially freight and insurance arising from shipment of the goods from the port of dispatch to the port of destination. Shipment and insurance are arranged by the Purchaser. Per Purchaser's request Seller shall give a quotation for freight and insurance costs and arrange shipment according to Purchaser's requirements.

Placement and Delivery

After receipt of equipment, at a mutually agreed upon time, Purchaser and Seller will jointly inspect such equipment for damage/missing items and make note of any problems. Purchaser shall also make available a suitable place of installation with all facilities as specified in Seller's Specification. Purchaser shall furnish all labor required for unpacking and placement. Equipment will then be installed and placed in good working order by Seller.

Training

Prior to completion of Acceptance, Seller will provide Purchaser appropriate operator training, if necessary, for the equipment. Failure of Purchaser to provide facilities or personnel for training in the operation of equipment during the normal installation period may result in additional installation and checkout charges.

Limited warranty

Seller warrants new equipment to be free from defects in material and workmanship for a period of one (1) year unless otherwise stated from the date of delivery/final acceptance. If tool is used to monitor the production prior the formal tool acceptance it is deemed to be accepted, and warranty period will be started regardless of status of final payment.

Should the equipment fail to be free from defects in material or workmanship during the applicable warranty period, Seller will repair or replace the defective material at no additional charge except as set forth below.

Repair parts will be furnished on an exchange basis and will be either reconditioned or new. All replaced parts become the property of Seller.

This limited warranty does not include service to repair damage to the equipment resulting from accident, disaster, misuse, storage and delay of startup >90 days, abuse or modification of the equipment.

Limited warranty service may be obtained by notifying Seller of defects in material during the warranty period. If repair parts are to be exchanged by mail, Purchaser agrees to insure returned parts or assume risk of loss or damage in transit, to prepay shipping charges to the Seller and to use appropriate shipping materials and containers.

Semilab bears no liability for any improper handling of the transportation package or opening of the package in/under the improper conditions specified on the crate and supplementary documentation (e.g. temperature, humidity, cleanness etc).

Operating system update by customer is not recommended and may cause deviation in system performance and loss of warranty. Semilab bears no warranty or any malfunction resulting from unauthorized software or hardware upgrades. Every operation or measurement software related updates or maintenance can only be performed by SEMILAB employees. Metrology systems are NOT recommended to have direct internet access.

If you have any software update related request, please always contact SEMILAB for scheduling an appointment.

Limited liability

The total liability of Seller for all claims of any kind arising from or related to the formation, performance or breach of this Contract, or any Products or Services, shall not exceed the (i) Contract Price, or (ii) if Buyer places multiple order(s) under the Contract, the price of each particular order for all claims arising from or related to that order. Seller shall not be liable for loss of profit or revenues, loss of use of equipment or systems, interruption of business, cost of replacement power, cost of capital, downtime costs, increased operating costs, any special, consequential, incidental, indirect, or punitive damages, or claims of Buyer's customers for any of the foregoing types of damages.

All Seller liability shall end upon expiration of the applicable warranty period, provided that Buyer may continue to enforce a claim for which it has given notice prior to that date by commencing an action or arbitration, as applicable under this Contract, before expiration of any statute of limitations or other legal time limitation but in no event later than one year after expiration of such warranty period.

Schedule changes and Delay Penalties

In the event of customer schedule delays after PO placement, Semilab will work with customer to accommodate small changes when possible, up to a maximum of 90 days. If schedule is delayed by >90 days, Semilab will require a 35% pre-payment (or balance to reach 35% in case a pre-payment was already made), to cover inventory and delay costs, and will then work to meet new schedule. In case of delays >180 days, Semilab reserves the right to invoice cancellation charges as detailed below, and require a new PO confirming any new schedule.

Claims related to schedule delays by Semilab will not be accepted unless mutually agreed in writing prior to Purchase Order placement. In any event the total of all cumulative claims (shipment / installation / & acceptance) shall not exceed 0.5% per week delay of the contract price for the delayed unit, beginning after standard lead time plus a 2-week grace period. No penalties will apply based accelerated schedules, which may be agreed on a best endeavor basis. In all circumstances total penalties applied will be capped at a maximum value equal to 5% of the Contract Price.

Intellectual Property

Semilab has developed and owns the rights to certain equipment, modules, measurement and analysis software and products related to metrology for the characterization of semiconductor, flat panel display and photovoltaic materials, for monitoring the manufacturing process of semiconductor devices, display and solar cells, and/or for research and development in these areas ("Products").

The Purchase does not grant any express or implied rights or license to the Buyer to or under any trade secrets, patents, patent applications, inventions, copyrights, trademarks, trade secret information, works of authorship, or other intellectual property rights heretofore possessed by Semilab or other information which is identified as confidential by the Seller or that a reasonable person would consider confidential by the nature of the information or the circumstances of its disclosure. All Intellectual Property Rights are and shall remain the sole and exclusive property of Semilab and expressly reserves all of its right to any such patent, patent claim, intellectual property or confidential information. Purchaser agrees to notify Seller promptly in writing of any third-party claims that any Purchaser's product(s) infringes upon that party's intellectual property rights.

If Buyer should breach or threaten to breach any of the provisions of this Section, Seller in addition to any other remedies it may have at law or in equity, will be entitled to a restraining order, injunction, or other similar remedy in order to specifically enforce the provisions of this Section. Buyer specifically acknowledges that money damages alone would be an inadequate remedy for the injuries and damage that would be suffered and incurred by the Seller as a result of a breach of any of the provisions of this Section. In the event that Seller should seek an injunction hereunder, Buyer hereby waives any requirement for the submission of proof of the economic value of any Confidential Information and acknowledges that Semilab restrained or compelled by such relief will suffer minimal monetary harm.

Cancellation

40% of total order value for cancellation from order placement to 90 days prior to shipment; 50% of total order value for cancellation between 90 days and 30 days prior to shipment; 60% of total order value for cancellation received during the 30 days prior to scheduled ship date.

Rescheduling of system shipment for more than 180 days will be considered as order cancellation.

Termination of support

For systems beyond a certain age, we reach practical limitations when tool support can no longer be offered. For all current equipment models, Semilab guarantees support for the tools in the field for a period of 8 years after the original shipment date from Semilab.

After this 8-year period, the tool is also considered as an obsolete product.

Measurement service

Semilab provides measurement report to customers on their own relevant samples (pieces of products on different levels of production steps) using one or more Semilab metrology systems.

Measurement service has two categories:

- Demo measurement
- Paid measurement service

Report includes measurement principle, Semilab system description, specific result and might include suggested Semilab system configuration (in case of Demo measurement).

In case of Demo measurement, the report shows to our customer the capabilities of our metrology system and show the potential benefits by using the equipment inside customer's factory. Report might help to indicate the return of investment by buying Semilab system.

In case of Paid measurement service, the report shows the values, parameters, tables, charts what was requested by the customer. The result showed in the measurement report might help the customer to fine their sample preparation processes and/or show potential errors inside their production.

The process includes the following:

- Customer provides information about the samples to be measured. Based on it Semilab suggests the suitable metrology system(s) for the measurement service. Sample preparation (if any) to be discussed as well after this agreement.
- Samples provided and sent by the customer to the product center (Hungary, China or USA).
- Sample preparation (if needed) performed by Semilab personnel. Measurement and analysis are performed based on the mutual agreement.
- As a final document measurement report is provided to the customer in PDF format.

Raw data might be shared with the customer only in case of two below circumstances stands:

- This data has relevant further information for the customer which cannot be collected from the report itself.
- It does not include information which disclose disproportionately much information about the measurement technique itself.

The characteristics of samples provided to Semilab by the Customer and the measured data will be treated confidential under all circumstances, not shared with third party.

Samples after measurement service shall upon respective request of the Customer either be returned to Customer or left at Semilab. In the lack of returning request after 3 years of storage Semilab regards it a waiver by the Customer of his rights to property and shall be able to dispose of property as an owner.

Semilab Information Security Control System

Semilab Ltd. has implemented an information security control system in accordance with industry standards and the prerequisites of ISO 27001. Following the IT security and business continuity risk assessment, organizational, technical, and logical protection policies have been introduced within this framework to ensure the protection of clients' data as well as secrecy, soundness and availability of the entire IT system of the Customer.

Protection policies include but are not limited to the following:

- All projects apply the principle of minimum necessary access in regard to data provided by the Customer; only the minimum number of colleagues necessary have access to such data.
- Customer data storage is logically separate from that of all other business partners.
- User access to the IT systems of Semilab Ltd. is controlled, and the access of users that have been inactive for 90 days is suspended.
- Access to IT systems is restricted by single-factor protection at least. In case of password handling, a complexity in accordance with industry recommendations is defined. In case of single-factor systems, passwords are changed every 180 days at most.
- Semilab Ltd. operates a virus protection system with an up-to-date database on its IT systems.
- Protection against unwanted intrusions is used (firewalls).
- Semilab Ltd. makes backup copies of all data stored on its IT systems. On the backup data, regular data restoration tests are performed.
- On the sites of Semilab. Ltd. physical protection systems proportionate with the pertaining risks are in place. Semilab identifies and surveys all persons entering these manufacturing and research facilities.