General Terms and Conditions of Sale and Delivery of Freiberger Compound Materials GmbH (FCM)

Version: 1.4 Status: August 28th, 2024

1. GENERAL

1.1 The following General Terms and Conditions of Sale and Delivery ("GTC") shall exclusively govern all sales and deliveries by FCM to any of its customers. Unless otherwise agreed, the GTC apply in their form valid at the time an order is placed or at least in the form most recently communicated to the customer in text form as framework agreement also for similar future contracts without the obligation for FCM to refer to the GTC in each single case. In case of an ongoing business relationship, the GTC apply to all contracts concluded in the future.

1.2 Individual agreements between FCM and the customer concluded in a particular case shall take priority over these GTC. However, this applies only to such regulations for which an individual agreement is made. For any regulations for which no individual agreement exists, these GTC apply. A written agreement or written approval of FCM is required for such an individual agreement, subject to proof of the contrary.

1.3 These GTC apply exclusively; general terms of the customer that are conflicting to, deviate from or amend these GTC are not accepted by FCM unless FCM has explicitly consented to such terms in writing. This approval requirement applies in any case, even if, for example, FCM carries out orders by the customer without objecting to the customer's terms although FCM was aware of such opposing or deviating terms.

1.4 These GTC only apply to companies, legal entities incorporated under public law and public law special funds; these GTC do not apply to consumers.

1.5 References to legal regulations are clarifications only. Even if not explicitly mentioned, the legal regulations apply unless they are directly modified or expressly excluded.

2. OFFERS, PURCHASE ORDERS

2.1 Offers made by FCM shall always be deemed non-binding unless they are expressly marked as binding.

2.2 Customer purchase orders are binding offers to conclude a purchase agreement. Customer purchase orders shall become binding for FCM only upon written acceptance by FCM or the delivery of the ordered goods. FCM may accept purchase orders within one (1) week from receipt thereof.

2.3 Confirmed purchase orders may only be postponed, cancelled, substituted or otherwise changed by mutual written agreement. In any of such case, the customer must reimburse FCM for all costs, expenses or damages incurred by FCM by such change, including interest charge for the delay in payment at the rate indicated under Section 6.3 below. FCM may request that the originally agreed price shall apply.

3. DELIVERY AND DELAY IN DELIVERY

3.1 Deliveries shall be according to agreed Incoterms® 2020.

3.2 Delivery terms and delivery dates specified by FCM shall be non- binding estimates, unless binding terms and dates were expressly agreed upon in individual cases.

3.3 In case FCM is not able to fulfill binding delivery terms or dates due to reasons for which FCM is not responsible, FCM shall immediately notify the customer hereof and of the newly envisaged delivery terms or date. In case FCM is not able to fulfill within the newly envisaged delivery terms or date, FCM is entitled to rescind the purchase agreement in total or partially. Unless otherwise agreed, FCM will refund any consideration already paid by the customer.

3.4 The occurrence of FCM's delivery default shall be determined in accordance with the statutory regulations. In any case, however, FCM shall only be in default with its delivery if it has missed the delivery terms or date and a reasonable time for delivery set afterwards in writing by the customer lapses unsuccessfully. The customer shall set the deadline to at least four (4) weeks after the expiry of the delivery terms or date.

3.5 The customer's rights pursuant to Section 11 below and FCM's statutory rights, in particular in case of an exemption of the obligation to perform (e.g. in case of impossibility or unreasonableness of performance or subsequent performance), shall remain unaffected.

3.6 FCM shall be entitled to make partial deliveries provided that the acceptance of such partial deliveries is reasonable for the customer and, in particular, if the delivery of the remaining goods ordered is ensured and no significant additional expenditure or additional cost arise for the customer as a result thereof (unless FCM agrees to bear such cost). Each partial delivery may be invoiced separately.

4. ACCEPTANCE

4.1 If the customer is in acceptance default (i.e. the customer fails to accept the goods on the agreed delivery date), the customer omits a cooperation act or in case delivery is delayed due to reasons for which the customer is responsible, FCM may claim compensation for any damage resulting therefrom including any additional expenses (e.g. storage costs).

4.2 In case of non-binding delivery terms or dates FCM may notify the customer when the goods are ready for collection within a period of four (4) weeks. The customer shall be in default of acceptance if the customer fails to collect the goods within that timeframe. Section 4.1 applies for compensation claims mutatis mutandis.

4.3 In case of an default acceptance, FCM is entitled to charge the customer a lump-sum compensation of 0.1% of the amount invoiced per calendar day for the stored goods up to a maximum of 1% of the amount invoiced per calendar month. The evidence of a higher damage and FCM's legal claims (in particular additional expenses, adequate compensation and termination) remains unaffected; the lump sum shall be credited against any further compensation claims. The customer has the right to prove that FCM did not suffer any damage at all or only a significantly lower damage than the aforementioned lump sum.

5. PRICE

Except otherwise agreed, prices shall be exclusive packaging and shipping. Customs duties, fees, taxes and other public charges shall be paid by the customer.

6. PAYMENT, DEFAULT OF PAYMENT

6.1 Invoices shall be paid without deduction and are payable via bank transfer into one of the accounts indicated by FCM. Place of fulfillment shall be the registered office of FCM.

6.2 If the customer exceeds the payment term, it shall be in default without further reminder. The timeliness of the payment shall be determined by the date on which the invoiced amount is received on the FCM account indicated.

6.3 In case of a delayed payment, FCM is entitled to claim default interest at the applicable statutory interest rate for default. If there is no statutory applicable interest rate for default, FCM shall be entitled to claim an interest rate of 12% of the outstanding payment amount per year. FCM reserves the right to claim further damages caused by a delay.
§ 353 HGB (German Commercial Code) remains unaffected.

7. DETERIORATION OF FINANCIAL SITUATION

7.1 If the customer defaults with at least two payments arising from the business relationship with FCM, all of its effective payment obligations from all business relationships with FCM shall become due immediately.

7.2 If, after conclusion of a purchase agreement, it becomes likely that the customer may be unable to fulfill its contractual duties due to its financial status (e.g. payments are discontinued, insolvency proceedings have been instituted, seizure or forced execution measures have been taken, checks and bills are rejected, direct debits are returned, also involving third parties) or if FCM has legitimate doubts concerning the customer's creditworthiness or its ability to pay as a result of payments being delayed, the following shall apply:

a) FCM shall be entitled to suspend deliveries until prepayment of the purchase price by the customer or until the customer has provided FCM with an adequate security.

b) FCM shall be entitled to suspend deliveries until all of the customer's outstanding debts resulting from the business relationship with FCM have been paid in full or an adequate security is provided.

c) For claims not yet due, including those where FCM is required to render advance performance, as well as claims without economic connection to the delivery, FCM may suspend deliveries until prepayment of the purchase price by the customer or until the customer has provided FCM with an adequate security if FCM has a legitimate interest in doing so.

d) In case of a current account, FCM shall be entitled to suspend deliveries until all payments under the approved balances have been received or an adequate security has been provided.

7.3 If the customer fails to provide the prepayment or the security within two (2) weeks after FCM's request or such other deadline reasonably set by FCM, FCM is entitled to rescind the respective contract or, in case of a continuing obligation (e.g. a framework agreement), terminate such contract with immediate effect. The statutory regulations on the dispensability of setting a deadline remain unaffected.

8. TITLE RETENTION

8.1 FCM retains ownership of the goods delivered until receipt of all current and future payments owed under the purchase agreement and an ongoing business relationship (secured claim). In case of a current account, FCM retains ownership of the goods delivered until receipt of all payments of the approved balances.

8.2 The goods subject to retention of title ("**Reserved Goods**") may not be pledged to third parties nor transferred by way of security until the secured claims have been paid in full. The customer must inform FCM immediately in writing if an application is filed for the opening of insolvency proceedings or if the goods belonging to FCM are seized by third parties. The customer shall refer to FCM's title to the Reserved Goods towards the seizing third party. Insofar as the third party is unable to reimburse FCM for court costs and extra judicial costs of legal action pursuant to § 771 ZPO (German Code of Civil Procedure), the customer is liable for FCM's loss.

8.3 In case of a breach of contract by the customer, in particular non-payment of the purchase price due, FCM is entitled to withdraw from the contract in accordance with the statutory regulations and/or demand the return of the Reserved Goods. The demand for returning the Reserved Goods does not simultaneously constitute the declaration of withdrawal from the contract; rather, FCM is entitled to merely demand the return of the Reserved Goods and to reserve the right to withdraw from the contract. If the customer fails to pay the purchase price due, FCM may only assert these rights if FCM has unsuccessfully set a reasonable deadline for payment by the customer or if setting a deadline is dispensable according to the statutory regulations. The customer hereby grants FCM, or a third party designated by FCM, access to the customer's business premises and warehouses during usual business hours to reclaim the Reserved Goods. FCM or the designated third party shall be granted access to the Reserved Goods and the customer shall provide sufficient support in removing the Reserved Goods. Further claims of FCM shall remain unaffected.

8.4 Once the Reserved Goods have been retrieved, FCM shall be entitled to adequate utilization of the same, provided FCM has informed the customer of its intention with reasonable prior notice. The utilization proceeds shall be set off against the customer's liabilities reduced by reasonable utilization costs.

8.5 Until revoked in accordance with (c) below, the customer shall be entitled to resell and/or process the Reserved Goods in the ordinary course of business. In this case, the following additional regulations apply:

a) The retention of title extends to the full value of the products ("Products") resulting from the processing, mixing or combining of FCM's goods, whereby FCM is deemed to be the manufacturer of the Products. If, in the event of processing, mixing or combining with goods of third parties, the latter's right of ownership remains in force, FCM shall acquire co-ownership of these Products in proportion to the invoice values of the processed, mixed or combined goods. The provisions on retention of title applicable to the goods subject to retention of title shall also apply accordingly to the Products.

b) The customer hereby assigns to FCM as security all claims against third parties arising from the resale of the goods or the Products in the amount of FCM's possible co-ownership share in accordance with the paragraph above. FCM accepts such assignment. The obligations of the customer pursuant to Section 8.2 apply also with regard to the assigned claims.

c) The customer remains authorized to collect the claims alongside FCM. FCM shall not collect claims if the customer meets its payment obligations towards FCM, there is no defect in the customer's ability to pay and FCM does not assert the retention of title by exercising a right in accordance with Section 8.3. However, if any of the above should be the case, FCM is entitled to demand the customer to inform FCM about the assigned claims and their debtor, provide all information required for their collection, hand over the relevant documents and notify the debtors (third parties) of the assignment. The customer's right to collect claims ceases to exist with the occurrence of such event. FCM is also entitled to revoke the customer's authority to further sell and process the Reserved Goods.

d) If the realizable value of the securities exceeds FCM's claims by more than 10%, FCM will release securities of FCM's choice at the customer's request.

8.6 The customer undertakes to handle the Reserved Goods with utmost care. The customer must take out adequate insurance against damage caused by fire, tap water, storm/hail, burglary, sprinkler leakage and natural hazards, based on the replacement value of the goods.

8.7 The customer uses reasonable efforts to comprehensively support FCM in safeguarding its rights pursuant to this Section 8 in the country where the Reserved Goods are located (if necessary by means of other security).

9 WARRANTY

9.1 FCM warrants for a period of twelve (12) months from the date of delivery that the goods shall conform to the agreed specifications. In any case, the warranty for the EPI-ready status of the wafer surface is limited to six (6) months from the date of certification. Except for the aforementioned warranty, FCM disclaims any and all other express or implied warranties with respect to the goods and any warranty of merchantability or fitness for a particular purpose is expressly disclaimed. The customer is exclusively responsible for fitness for purpose, handling, use and application of the goods.

9.2 Information provided by FCM in writing, verbally or in any other form with regard to suitability, including application, processing or another use, as well as technical support offered are rendered to the best of FCM's knowledge; however, all of the above shall be deemed non- binding information only. The information shall not release the customer from verifying on its own behalf the suitability of goods delivered by FCM for the intended purposes. Application, processing and any other use of the goods are beyond FCM's control and shall therefore be the customer's responsibility.

9.3 FCM does not grant any guarantees in the legal sense; in particular, no guarantees shall be assumed within the meaning of §§ 276, 444, 634 BGB (German Civil Code). This also applies if terms such as "guarantee", "ensure", etc. are used, unless provided for hereinafter or expressly agreed otherwise. Guarantees, particularly guarantees of quality shall be binding on FCM only to the extent that (i) they are included in an offer or order confirmation, (ii) they are referred to expressly as "guarantee" or "guarantee of quality", and (iii) FCM's duties from such guarantee are expressly stated.

10 CLAIMS FOR DEFECTS

10.1 Claims arising from a supplier recourse are excluded if the defective goods have been further processed by the customer or a third party, e.g. by incorporation into another product.

10.2 Basis of FCM's defect liability is the agreed quality of the goods, i.e. the agreed specification of the goods.

10.3 The customer's claims for defects are subject to the customer having performed at its own cost an incoming inspection of goods upon delivery and defects being duly notified in accordance with §§ 377, 381 HGB (German Commercial Code). Acceptance of goods shall not be refused on grounds of minor defects. An inspection must in any case be carried out immediately before processing the goods.

10.4 If a defect becomes apparent upon delivery, inspection or at any later point in time, FCM must be notified thereof without delay. In any case, obvious defects must be reported within one (1) week from delivery and defects not recognizable during the inspection within the same period of time from discovery. Notification of defects shall be made in writing and specify the defect. If the customer fails to properly inspect and/or notify FCM of the defect, FCM's liability for the defect not notified, not notified in a timely manner or not notified properly is excluded in accordance with the statutory regulations. Defective goods shall be made available to FCM for inspection on demand.

10.5 If the delivered good is defective, FCM can choose to provide subsequent performance by remedying the defect (subsequent improvement) or by delivering a defect-free good (replacement delivery). FCM's right to refuse subsequent performance under the statutory conditions shall remain unaffected. Subsequent performance shall be made without recognition of a legal obligation. If FCM chooses to provide supplementary performance by eliminating the defect, the remaining part of the original statutory period begins as of the date the rectified goods are returned. The same applies in the case of subsequent delivery.

10.6 FCM shall be entitled to predicate the subsequent performance on the customer paying the purchase price due. The customer is, however, entitled to withhold a reasonable part of the purchase price.

10.7 The customer shall provide FCM with the necessary information and give FCM adequate time and opportunity for the subsequent performance, in particular hand over the goods for inspection purposes. In the event of a replacement delivery, the customer must return the defective goods to FCM.

10.8 Subsequent performance does not include the removal of the defective goods or reinstallation if FCM was not originally obliged to install it. Expenses necessary for the purpose of inspection and subsequent performance, in particular, but not limited to transport, travel, labor and material costs shall be borne by FCM or be reimbursed by FCM in accordance with the statutory regulations if a defect has actually been discovered. Otherwise, FCM is entitled to demand from the customer the costs incurred as a result of the demand to remedy defects (in particular inspection and transport costs), unless the lack of defectiveness was not recognizable for the customer.

10.9 If the supplementary performance has failed or a reasonable deadline set by the customer for the supplementary performance has expired unsuccessfully, or is dispensable according to the statutory regulations, the customer may withdraw from the agreement or reduce the purchase price. The customer has no right of withdrawal in the case of an insignificant defect. Claims for damages or reimbursement of futile expenses even in case of a defect only exist in accordance with Section 11 and are otherwise excluded.

11 LIABILITY

11.1 Unless otherwise specified in these GTC, FCM is liable to the customer in accordance with the statutory regulations.

11.2 Within liability for fault and irrespective of the legal basis, FCM is liable for damages caused by intent and gross negligence. In case of ordinary negligence, subject to more lenient statutory regulations on liability (e.g. due care in our own affairs, minor breach of duty), FCM is only liable for damages

a) resulting from injury to life, limb or health;

b) from the violation of essential contractual duties the performance of which is required for the due execution of the contract and the observance of which the contracting partner relies on and may rely on, regularly. In this case, however, liability shall be limited to the typically foreseeable damage. Liability shall however, not exceed the purchase price of the affected delivered goods.

11.3 The limitations of liability set forth in 11.2 apply also in case of breaches of duty by or for the benefit of persons whose behavior FCM is responsible for pursuant to statutory regulations. The limitations of liability do not apply if FCM fraudulently conceals a defect, FCM has provided a guarantee for the quality of the goods or the customer's claims pursuant to the product liability law.

11.4 For a breach of duty that does not consist in a defect, the customer may only withdraw from the contract if FCM is responsible for that breach of duty. A free right of termination for t he customer (especially according to §§ 650, 648 BGB (German Civil Code) is excluded. Apart from that, the statutory requirements and legal consequences shall apply.

12 STATUTE OF LIMITATION

12.1 The general limitation period for claims arising from defective goods and defects of title shall be one (1) year from delivery. If acceptance has been agreed, the limitation period shall commence upon acceptance.

12.2 The aforementioned limitation period of the law governing purchases also applies to contractual and non-contractual claims for damages of the customer which are based on defective goods, unless the application of the regular statutory limitation period would lead to a shorter limitation period in individual cases. Claims for damages pursuant to Section 11.2 sentence 1 and sentence 2 a) as well the Product Liability Act shall become time-barred in accordance with the statutory limitation periods.

13 FORCE MAJEURE

In the event of FCM being unable to fulfill their contractual duties as a result of force majeure (i.e. mobilization, war, terrorism, insurgence, natural catastrophes, fire, epidemics, pandemics) or due to other unforeseeable circumstances for which FCM bears no responsibility (i.e. strikes or lawful lockouts, operation or transport interruptions, boycotts, any regulation or requirement of the public authorities, difficulties in the procurement or non-availability of raw materials, electricity or natural gas, inadequate delivery from suppliers), the delivery terms agreed on shall be extended by the duration of the obstruction plus an appropriate resumption time. Furthermore, FCM shall not be held responsible for the circumstances mentioned if they occur during an already existing delay. FCM shall notify the customer as soon as possible of the start and expected end of such circumstances. If the obstruction lasts six (6) months or longer, both parties shall be entitled to rescind the contract.

14 ADHERENCE TO REGULATIONS AND EXPORT, TECHNOLOGY RIGHTS

The customer shall adhere to all legal regulations and official requirements as well as to all applicable laws and particularly to the export regulations and laws of the country in which the customer is conducting business. The customer shall obtain all required authorizations and licenses in due time as well as all other permissions which are required as per such applicable laws for the use and export of goods. The customer will not actively or passively, directly or indirectly participate and engage in any form of corruption, money laundering, terror financing as well in the infringement of fundamental rights of its employees or child labor.

14.1 FCM is entitled to suspend delivery to the customer if, without FCM's fault or sharing in the responsibility in such, the customer violates applicable laws or if not all of the required permissions have been obtained. FCM reserves all patent, trade secret, and other intellectual property rights incorporated into, used to manufacture, or otherwise relating to the goods. The customer grants FCM the right and unlimited license to use any customer-provided specifications, data, information, and techniques in the production of goods. FCM is free to provide goods to third parties without restriction.

14.2 All designs, drawings, specifications, and other proprietary information made available by FCM shall be and remain the legal property of FCM or its suppliers. Upon termination of sales to the customer, the customer will cease to use such proprietary information and will promptly return to FCM any and all such designs, drawings, specifications, and all other information and data furnished.

14.3 The customer acknowledges and understands that the goods of FCM ("FCM Products") (A) are subject to the restrictions of the so-called "Entity List Foreign Direct Product Rule" pursuant to § 734.9(e) of the Export Administration Regulations („EAR") and (B), therefore, they may not be provided without a license from the U.S. Department of Commerce's Bureau of Industry and Security:

(i) any entity with a Footnote 1 or Footnote 4 designation in the license requirement column of Supplement No. 4 to Part 744 of the EAR (a "FN1 or FN4 Designated Entity"), or

(ii) to anyone else if you have knowledge or reason to know that:

a. FCM Products will be incorporated into, or used in the development or production of any part, component, or other item (e.g., a chip, integrated circuit, or other component or equipment) produced, purchased, or ordered by any FN1 or FN4 Designated Entity, or

b. any FN1 or FN4 Designated Entity is a party to any transaction involving the FCM Products, e.g., as a purchaser, intermediate consignee, ultimate consignee, or end-user.

14.4 The customer guarantees that the FCM goods will only be used, exported, re-exported from Germany or elsewhere, or transferred (in country) in full and entire compliance with the REGULATION (EU) 2021/821 (control of exports, brokering, technical assistance, transit and transfer of dual-use items) and § 9 Außenwirtschaftsverordnung (German Foreign Trade and Payments Ordinance).

14.5 The customer guarantees that the FCM goods will be used, exported, re-exported from Germany or elsewhere, or transferred (in country) in full and entire compliance with the requirements of all applicable regulations and controls relating to Russian and Belarus sanctions, including but not limited to the European Union Council Regulations (EU) No. 833/2014 and No. 765/2006.

15 OFFSETTING AND RIGHT OF RETENTION

The customer is only entitled to set-off and / or retention rights to the extent that the customer's claim has been awarded finally by a competent court or is undisputed. The customer shall not be entitled to exercise its right of retention to the extent that the counterclaims are not based on the same contractual relationship.

16 ASSIGNMENTS

The customer shall not be entitled to assign any of its rights and obligations under a contract either in part or in full without obtaining prior written approval by FCM. FCM shall be entitled to assign its rights and duties under the contract, in particular to affiliated companies as defined in § 15 AktG (German Corporate Act).

17 CONFIDETIALITY AND DATA PROTECTION

17.1 In case FCM and the customer have entered into a non-disclosure agreement, such agreement shall prevail over the following regulations relating to confidentiality. The customer is obliged to treat all business and operational secrets (such as pricing, illustrations, drawings, calculations, specifications and other documents) as well as the findings and results originating therefrom (hereinafter: "Information") as confidential, to not make such Information accessible to third parties, to only use it for the performance of this order and to not exploit the Information directly or indirectly, in whole or in part in any manner with copyright relevance. This also applies after termination of the contractual relationship under this order. The customer will impose these obligations also on its employees, legal representatives and vicarious agents. These obligations do not apply for any Information that was or becomes publicly available before or after FCM has provided such Information to the customer or in case such Information has been rightfully disclosed to the customer by an independent third party not being bound by confidentiality obligations.

17.2 The confidentiality obligation also applies for personal data related to FCM or third parties, which became known to the customer in relation to the order by FCM. In particular, the customer must safeguard this Information and any results thereof against unauthorized access by third parties. A transfer of personal data to third parties requires the prior written approval by FCM, unless the customer is obliged to disclose such data by mandatory statutory provision. The customer must comply with and implement the statutory regulations regarding data secrecy and data protection, in particular the regulation of the EU General Data Protection Regulation (GDPR). The customer must train its employees respectively and must impose the confidentiality obligations in this regard on those employees.

17.3 In case the customer processes personal data for FCM, the customer will enter into a separate agreement regarding data protection and data security in contractual relationships.

18 APPLICABLE LAW, PLACE OF JURISDICTION, MISCELLANEOUS

18.1 All legal relationships between FCM and the customer shall be subject to German law under the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).

18.2 Exclusive jurisdiction and legal venue for all disputes resulting from or in connection with a contract shall be Dresden. FCM shall be entitled to institute proceedings against the customer at its place of business.

18.3 Should individual regulations of these GTC be or become null and void, the validity of the remaining regulations shall remain unaffected.