
1. Agreement

The terms and conditions set forth below, together with those appearing in any applicable purchase order and any attachments thereto (collectively, the "Order"), constitute an agreement between Thorlabs, Inc., a New Jersey corporation with a principal place of business located at 56 Sparta Avenue, Newton, New Jersey 07860, or any other Thorlabs entity identified on the face of the applicable purchase order ("Thorlabs"), and the supplier ("Supplier").

In the event of a conflict between this Order and any other written agreement between the parties specifically covering the same goods or services, the terms and conditions of this Order shall prevail. This Order shall prevail over any differing or additional terms and conditions proposed by the Supplier, including, without limitation, those contained in any quotation, order confirmation or invoice.

2. Pricing and Payment Terms

Pricing, standard lead time, minimum, and maximum orders for goods/services shall be agreed upon at the time of the quotation and may not increase without written consent from Thorlabs. Quoted prices shall be inclusive of testing, packaging, and shipping. Payment terms are net 30 days from date of invoice. Payments will be made via check and do not signify product acceptance. Thorlabs has the right to terminate all or any portion of an Order upon five (5) days' notice prior to scheduled delivery.

NRE (non-recurring engineering) charges such as special tooling, gauging, or fixturing requirements shall be agreed upon at the time of quotation. Any item loaned by Thorlabs to the Supplier is the sole responsibility of the Supplier. This shall include the responsibility to properly label, control, store, and calibrate such equipment in a reasonable fashion. Unreturned or severely damaged items may be billed to the Supplier at replacement cost.

3. Procurement

Sourcing of raw materials required to produce our parts shall be the responsibility of the Supplier. Appropriate measures shall be taken by the Supplier to ensure materials are sourced from acceptable vendors. Stability of the vendors is to be assessed and, in some cases, an alternate source of material should be identified. A process should be established to develop a safety stock of materials to meet production requirements.

4. Outsourcing

The Supplier is responsible for disclosing any sub-contractors involved in the production of Thorlabs components.

The Supplier shall notify and receive prior written consent from Thorlabs should there be a need to or change sub-contractors or sources of supply. It is ultimately the responsibility of the Supplier to ensure that all outsourced parts are produced in accordance with all Thorlabs specifications and the terms of this Order.

5. Resource Management

It is the responsibility of the Supplier to ensure that all personnel involved in the processing of Thorlabs parts are skilled and adequately trained. Suppliers shall ensure manufacturing equipment used to produce our parts is of adequate design and construction relative to the type of production required. This

equipment is to be cleaned and subject to periodic preventive maintenance. Suppliers shall provide a work environment conducive to producing satisfactory components.

6. Quality System

It is the responsibility of the Supplier to provide components that conform to all current specifications provided by Thorlabs including, with respect to mechanical and optical products, the specifications and standards set forth in the Thorlabs Mechanical and Optical Standards found at www.thorlabs.com under the pull tab The Company, Suppliers.

Systems must be implemented to maintain specification control and testing and inspection procedures to verify product conformance. Measuring adherence to specifications shall be performed utilizing calibrated equipment traceable to NIST or equivalent standards.

7. Documentation

Documentation in the form of Certificates of Compliance (COC) or Certificates of Analysis (COA) shall be provided by the Supplier upon request and should include, at a minimum, the Supplier name, item part number, revision level, lot number and/or purchase order number, quantity produced, and any required test parameters and results.

The Supplier shall perform a First Article Inspection (FAI) following the first production run of a new part, revision to an existing part, and/or following maintenance or modifications to the production equipment utilized to manufacture our part(s). The resulting data is to be provided upon shipment of the parts. First Piece Inspection (FPI) requirements will be indicated within individual purchase orders. If one production run is delivered across multiple shipments, a copy of the FPI record should accompany each delivery and must include the full lot quantity and date of production.

8. Warranty

The Supplier warrants that (a) the goods conform to their published specifications and shall be free from defects in materials and workmanship under normal use, (b) the goods are new and do not contain any used or reconditioned parts or materials, unless otherwise specified or approved by Thorlabs; (c) the goods and services do not and shall not infringe any patent, trademark, copyright, trade secret or other intellectual property right of a third party; (d) the goods, and results of the services, do not use or incorporate any freeware, shareware or open source software, unless otherwise specified or approved by Thorlabs; and (e) all services shall be performed in a professional manner.

9. Counterfeit Mitigation

The Supplier shall not deliver Counterfeit Products to Thorlabs in accordance with AS5553. The Supplier shall only purchase items to be delivered or incorporated as Product to Thorlabs directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Product shall not be acquired from independent distributors or brokers unless approved in advance in writing by Thorlabs. For purposes of this clause, Product consists of those parts delivered under an Order that are the lowest level of separately identifiable items (e.g., articles, components, goods, and assemblies). "Counterfeit Product" means a Product that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Product that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.

The Supplier shall immediately notify Thorlabs with the pertinent facts if it becomes aware or suspects that it has furnished Counterfeit Product to Thorlabs. When requested by Thorlabs, the Supplier shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.

10. Non-Conforming Parts

Non-conforming parts identified by the Supplier during production must be segregated and investigated. If rework is required, it should be performed with the same or tightened inspection parameters. If the Supplier feels the non-conformance does not affect the functionality of the piece, they may request a deviation for the specific features found out of tolerance. The request must indicate the scope and time period of the deviation. A copy of the approved deviation must accompany the parts to Thorlabs.

Non-conforming parts identified after receipt by Thorlabs will be returned to the Supplier for credit. There shall be a recall process in place to facilitate the return of defective parts. Thorlabs also reserves the right to sort and/or rework a sufficient volume of the delivered product. In such cases, the Supplier may be held responsible for costs of materials and labor incurred to perform such sorting or rework. The Supplier shall investigate the defect to determine the root cause of the failure. In some cases, Corrective/Preventive Actions shall be defined by the Supplier to prevent recurrence.

11. Change Requests

The Supplier may request a specification exception. If the exception requires a permanent change, a request shall be made in writing including the specific change, the reason for change, and any projected impact to production time. If the change is temporary and does not require an item revision, a deviation may be issued. In either case, no specification changes may occur without receiving prior written consent from Thorlabs.

12. Storage, Shipment and Delivery

The Supplier shall store product in defined areas and under appropriate conditions to reduce the possibility of damage or mix-up. Parts must be packaged to ensure that the cosmetic and dimensional specifications are not compromised during their transportation. Packaging should not exceed 8 ½" x 12 ½" x 9" unless components exceed this size or a prior shipping arrangement has been agreed upon.

When possible, shipments should be made with a first in, first out methodology. All shipping containers are to be clearly marked with at least the Supplier name, item part number, revision, lot number and/or purchase order number, and quantity. Should any delivery contain hazardous parts, clear handling instructions must be provided.

It is the responsibility of the Supplier to ensure that shipments are delivered on the delivery date agreed upon with the purchase order. The Supplier shall immediately notify Thorlabs of any conditions preventing on-time deliveries. Title to and risk of loss to all or any portion of the products shall transfer to Thorlabs upon delivery at Thorlabs' facility point of destination.

The Supplier further covenants that in the performance of this Order it will comply with all applicable U.S. Department of Transportation regulations on hazardous materials and other applicable federal, state, or local statutes, laws, rules or regulations and Supplier further agrees to indemnify and hold Thorlabs harmless from any loss, damage, fine, penalty or expense that Thorlabs may suffer as a result of Supplier's failure to comply with this covenant.

13. Right of Entry

The Supplier shall allow access, during normal business hours, to Thorlabs, its customers, or any applicable regulatory agency, for purposes of determining and verifying the quality of work, records and materials. Such right of entry shall include any and all applicable Supplier facilities, and/or the facilities of any applicable sub-contractor.

14. Import and Export Requirements

The Supplier shall comply with all applicable import and export requirements, and shall furnish to Thorlabs, upon request, information or documentation of the Supplier's compliance, as well as any other information or documentation required to enable Thorlabs to comply with such requirements applicable to its receipt of any goods or services. Without limiting the generality of the foregoing sentence, the Supplier warrants the following:

Upon Thorlabs' request, the Supplier shall provide Thorlabs with an appropriate certification stating the country of origin for the goods, sufficient to satisfy the requirements of (a) the customs authorities of the country of receipt; and (b) any applicable export licensing regulations, including those of the United States.

All Goods and their packaging shall be marked with the country of origin.

The Supplier shall issue a commercial invoice containing, without limitation, the following information: invoice number, invoice date, name and address of the shipper, name and address of the Supplier (if different from the shipper), name and address of the consignee, name and address of the buyer (if different from the consignee), a detailed description of the goods, model number, part-numbers, serial number of the goods (if goods are serialized), Harmonized Tariff Schedule (HTS) number for the destination country, order number, box number, total number of boxes, total box weight (in kilograms), country of origin, quantities in the weight and measure of the country to which the goods are shipped, unit price of each good, value of any customs assists, total invoice value, currency of the invoice, invoice type, Incoterms 2010 term of sale, carrier name and bill of lading number.

If any goods are imported, the Supplier shall when possible allow Thorlabs to be the importer of record, unless otherwise specified or approved by Thorlabs. If Thorlabs is not the importer of record and Seller obtains duty drawback rights to the goods, the Supplier shall furnish to Thorlabs, upon request, information and documentation required by the customs authorities of the country of receipt to prove importation and to transfer duty drawback rights to Thorlabs.

15. Compliance and Social Responsibility

Environmental Compliance. All goods and their packaging, including chemical substances, shall comply with all applicable environmental, health and safety (EHS) laws, rules, and regulations. The Supplier shall, at the request of Thorlabs, provide information and documentation sufficient to confirm that the goods and their packaging does not contain (i) dangerous substances of the type and in excess of the amounts prohibited by the Restriction on Hazardous Substances (RoHS) Directive 2011/65/EU with amending (RoHS3) Directive 2015/863 of the European Parliament and the Council dated June 8 2011, as the same may be amended, and (ii) Substances of Very High Concern in excess of the concentrations permitted by the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Directive 1907/2006/EU of the European Parliament and of the Council dated December 18, 2006, as the same may be amended, and (iii) Toxic Substances Control Act (TSCA) 6(h) as amended by the Frank R.

Lautenberg Chemical Safety for the 21st Century Act of the Environmental Protection Agency of the United States Environmental Protection Agency (EPA), as the same may be amended.

Product Compliance. All goods must be manufactured to a standard that allows for its resale internationally and domestically. The Supplier shall, at the request of Thorlabs, provide information and documentation, including without limitation Declaration of Conformity and copies of the Supplier's technical data files, sufficient to confirm that the goods can be offered for sale internationally and domestically, including within the United States, European Union, United Kingdom, Canada, China, and Japan, in compliance with application regulations of Federal Communications Commission (FCC), Conformité Européenne (CE), UK Declaration of Conformity (UKCA), Canadian Standards Association, China Compulsory Certification (CCC) and Product Safety of Electrical Appliance and Materials (PSE).

Conflict Minerals. The Supplier shall, at the request of Thorlabs, provide such information and documentation necessary to assist Thorlabs in responding to requests made by Thorlabs customers who are subject to the reporting requirements of the U.S. Dodd Frank Financial Reform Law of 2010, and shall certify and confirm that any goods supplied to Thorlabs, whose functionality or production depends on the use of tin, tantalum, tungsten or gold (3TG), does not contain any 3TG that is sourced, directly or indirectly, from a mine located in the Democratic Republic of Congo or any adjoining country.

Code of Conduct. The Supplier confirms that it has reviewed the Thorlabs Code of Conduct, a copy of is set forth under the Supplier icon found at www.thorlabs.com under the pull tab The Company, Suppliers, and covenants and agrees that it will comply with the principles and requirements of the Thorlabs Code of Conduct that are applicable to its suppliers.

CTPAT. The Supplier agrees to develop and implement, within a framework consistent with the United States Customs Trade Partnership Against Terrorism (C-TPAT) recommendations/guidelines, a verifiable, documented program to enhance security procedures throughout its supply chain process. Where the Supplier does not exercise control of a production facility, transportation or distribution entity, or process in the supply chain, the Supplier agrees to communicate the C-TPAT recommendations/guidelines to its suppliers and distribution service providers and, where practical, condition its relationships to those entities on the acceptance and implementation of the C-TPAT recommendations/guidelines.

16. Miscellaneous

No Assignment. Neither the Supplier nor Thorlabs shall assign their rights or obligations without the other party's prior written consent.

Modification or Waiver. The modification or waiver of any term or condition of this Order must be in writing. No such modification or waiver shall be enforceable unless in a written agreement signed by both parties. No single waiver shall be construed as a waiver of any other term or condition, nor as a waiver of any subsequent breach of the same term or condition.

Non-Restrictive Relationship. Nothing in this Order shall be construed to preclude Thorlabs from producing, distributing or marketing the same or similar goods or services as the goods or services provided under this Order or purchasing such same or similar goods or services from other third parties.

Severability. If a body of competent jurisdiction holds any term or provision of this Order to be invalid or unenforceable, such term or provision will be construed, limited or, if necessary, severed to the extent

necessary to eliminate such invalidity or unenforceability, and the other provisions of this Order will remain in full force and effect.

Insurance. When providing services to Thorlabs, the Supplier will secure and maintain insurance providing coverage for liabilities to third parties for bodily injury (personal injury) and damage to property in amounts sufficient to protect Thorlabs in the event of such injury or damage, and will be in compliance with any and all laws, regulations or orders. The Supplier further will maintain such additional types and limits of insurance as is customary for a company of similar size and similar operations to the Supplier in the jurisdiction or jurisdictions in which the Supplier's operations take place.

Product Discontinuance. The Supplier shall provide Thorlabs written advance notice of all product discontinuances within a reasonable time frame in order to enable Thorlabs to procure substitutes. At a minimum, such notice shall include: part numbers, planned substitutions, and last order and shipment dates.

Choice of Law. Without reference to any conflict of laws provisions, this Order shall be interpreted and governed by the laws of the State, Province or jurisdiction of Thorlabs' facility where the order originates. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Order.