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 USA

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**Quotation Number: QTE00076107-01**

Quote Valid From: 11/7/2017  
 Quote Expiration Date: 12/31/2017  
 Customer Number: 1007585

**Please reference the quotation number when placing your order and send your order to:**

**Newport Corporation**

1791 Deere Avenue  
 Irvine, CA 92606  
 USA

Tel: (800) 222-6440  
 Fax: (949) 253-1680  
 sales@newport.com

Thank you for your interest in our products. We are pleased to supply the following quotation.

Item / Description	Qty.	Sales Price	Total Price
1. F-VDL-2-3-FA-S  Variable Delay Line, 1310/1550 nm, 330 ps, SMF-28 Pigtails, FC/APC Connectors  Lead Time: In Stock	1	\$1,868.00	\$1,868.00
Gross Value			\$1,868.00
Total Amount			\$1,868.00

**Terms and Conditions**

Currency: USD  
 Payment Terms: net 30 days  
 Delivery Terms: ZCL: Collect -Domestic Only, Y82W93

Payment terms stated above are subject to credit approval.

Unless otherwise stated herein, shipping charges are not included in the price. Any quoted shipping charges are estimates only.

Lead times are estimated based on current material availability and manufacturing allocations and are subject to change. Actual delivery date(s) will be verified following receipt of order and communicated at time of Seller's acceptance of the order.

Availability of product included in this quote is subject to prior sale.

The purchase and sale of the products will be governed by the terms and conditions stated in this quotation and in Seller's Terms and Conditions of Sale attached hereto and incorporated herein by reference. In the event of any conflict or inconsistency between the attached Terms and Conditions of Sale and the terms and conditions stated on the face of this quotation, the terms and conditions stated on the face of this quotation will govern and control.

Prices quoted are U.S. prices for U.S. consumption only. Any products that will be exported are subject to international pricing. If the products will be exported, Purchaser must contact Seller to obtain an updated quote. If the products are purchased at U.S. prices but the end destination is outside of the U.S., all product warranties will be null and void in Seller's sole discretion. By issuing a purchase order in connection with this quotation, Purchaser certifies that if products purchased pursuant to such purchase order are directly or indirectly

**Newport Corporation**  
**Corporate Headquarters**  
 1791 Deere Avenue  
 Irvine, CA 92606 USA

Federal I.D. 94-0849175  
 www.newport.com

**Confidential Information**

**Terms and Conditions**

exported, re-exported or transferred, Purchaser shall comply with all applicable global export control laws and regulations, including but not limited to regulations implemented under the Wassenaar Arrangement or other multilateral export control regimes, the U.S. Export Administration Regulations (EAR), and U.S. International Traffic in Arms Regulations (ITAR). In particular, Purchaser declares that it will not: (1) use the products for any end-use activities restricted under Part 744 of the EAR or any equivalent end use based restrictions (to the extent applicable to the country or end user); or (2) export, re-export or transfer the products to any person, entity, and/or country, in each case without first obtaining written authorization from the applicable government agency (if required).

Please reference the quotation number above when placing your order.

Thank you for your interest in our products. If you have any questions, please do not hesitate to contact us.

Marijke Van Spyk  
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(408) 980-4335

**NEWPORT CORPORATION – TERMS AND CONDITIONS OF SALE**

**CONTROLLING TERMS AND CONDITIONS.** All purchases and sales of products, including all parts, spare parts and components thereof (the "Products") or services (the "Services") between Buyer and Newport Corporation, and/or its direct and indirect subsidiaries (collectively, "Newport"), shall be made pursuant to the accompanying Newport quote and/or order acknowledgment and shall be governed by these Terms and Conditions. These Terms and Conditions and the accompanying Newport quote and/or order acknowledgment shall constitute the entire agreement between the parties pertaining to the subject matter hereof, and shall supersede all prior or contemporaneous oral or written negotiations, agreements, understanding or representations with respect thereto. These Terms and Conditions shall supersede any conflicting provision contained in any purchase order of Buyer. Unless otherwise agreed in writing, nothing contained in any purchase order of Buyer shall in any way modify or add any provision to these Terms and Conditions. These Terms and Conditions may not be amended or any provision hereof waived in any way except by an instrument in writing signed by both parties. IN THE EVENT THAT THE ACCOMPANYING NEWPORT QUOTE IS DEEMED AN OFFER, ACCEPTANCE BY BUYER OF SUCH OFFER IS EXPRESSLY LIMITED TO THE TERMS CONTAINED HEREIN. ISSUANCE BY BUYER OF A PURCHASE ORDER SHALL BE DEEMED AN ACCEPTANCE OF THESE TERMS AND CONDITIONS. IN THE EVENT THAT THE ACCOMPANYING NEWPORT ORDER ACKNOWLEDGMENT IS DEEMED AN ACCEPTANCE OF BUYER'S PURCHASE ORDER, SUCH ACCEPTANCE BY NEWPORT OF BUYER'S PURCHASE ORDER IS EXPRESSLY MADE CONDITIONAL ON BUYER'S ASSENT TO ANY ADDITIONAL AND DIFFERENT TERMS CONTAINED HEREIN. FAILURE BY BUYER TO SPECIFICALLY OBJECT TO THESE TERMS AND CONDITIONS IN WRITING WITHIN TWENTY (20) DAYS OF RECEIPT SHALL CONSTITUTE AN ACCEPTANCE HEREOF.

**PRICE; PAYMENT TERMS AND CHARGES.** The prices for all Products and Services shall be as set forth in the accompanying Newport quote and/or order acknowledgment and such prices shall be exclusive of all taxes and other charges referenced hereinbelow, all of which shall be paid by Buyer. Newport shall submit an invoice to Buyer with each shipment of Products. Each invoice shall be due and payable in U.S. Dollars net thirty (30) days from the date of shipment. Such payment terms are subject to credit approval. Newport reserves the right, at its sole discretion, to limit, cancel or modify Buyer's credit terms as to time or amount from time to time and without prior notice. Newport reserves the right to require alternative payment terms, including but not limited to sight draft, letter of credit or payment in advance. For credit card orders, Buyer's account will be charged upon shipment of the Products. Buyer shall pay all transportation, handling, insurance, taxes (except for taxes based on Newport's income), license fees, import, export and customs fees and duties, tariffs and other charges related to the Products or Services purchased hereunder. If claiming tax exemption, Buyer must provide Newport with valid tax exemption certificates. If Buyer fails to pay any invoice when due, Newport may charge Buyer interest in an amount equal to the lesser of one and one-half percent (1½%), or the maximum permissible rate, per month on any past due balance. Newport may withhold delivery of any Products or Services at any time in which Buyer's account is past due or exceeds its approved credit limit. If Newport employs any legal process to recover any amount due and payable from Buyer hereunder, Buyer shall pay all costs of collection and reasonable attorney's fees.

**TITLE AND RISK OF LOSS; ACCEPTANCE.** All Products will be delivered FOB (for domestic shipments) or EXW (Ex Works) (for international shipments), Newport's designated factory (INCOTERMS 2010). Delivery shall occur, title to the Products (except for title to any Software which shall at all times remain with Newport) shall pass from Newport to Buyer, and Buyer shall assume all risk of loss or damage, upon delivery of the Products to the carrier, unless otherwise agreed by both parties in writing. In no event shall Newport be liable for any delay in delivery (provided that Newport timely delivers the Products to the carrier as provided above), or assume any liability in connection with shipment, nor shall the carrier be deemed an agent of Newport. Buyer shall inspect all Products promptly upon receipt. The furnishing by Newport of a Product to Buyer shall constitute acceptance of that Product unless Newport receives a written notice of defect or nonconformity within five (5) business days after receipt by Buyer, provided, that such acceptance shall not relieve Newport of its warranty obligations hereunder.

**CHANGES.** Newport reserves the right to (a) make changes in Products without notice, and without any obligation to incorporate those changes in any Products previously delivered to Buyer and (b) ship to Buyer the most current Product regardless of catalog description, if applicable. Buyer may make changes to any order for standard Products which does not exceed \$5,000 (it being agreed that any series of similar orders for standard Products shall be aggregated and deemed one order for the purpose of determining such amount) by providing written notice to Newport at least thirty (30) days prior to the scheduled shipment date. Any changes to any order for custom or option configured Products, or any order or series of similar orders for standard Products which exceeds \$5,000, including but not limited to any changes to the specifications for the Products, must be approved in advance in writing by Newport. Newport must receive Buyer's change request at least thirty (30) days prior to the scheduled shipment date. In the event of changes to any order or the specifications for the Products, Newport reserves the right to adjust the prices and delivery dates for the Products, and to invoice Buyer for any unearned discounts based upon the actual quantities of Products delivered. In addition, Buyer shall be responsible for all costs associated with such change including, but not limited to, the burdened costs of all raw materials, work in progress and finished goods inventory on-hand or ordered which are impacted by such change.

**CANCELLATION.** Any order for standard Products which does not exceed \$5,000 (it being agreed that any series of similar orders for standard Products shall be aggregated and deemed one order for the purpose of determining such amount) may be cancelled by Buyer by providing written notice to Newport at least thirty (30) days prior to the scheduled shipment date. Any order for custom or option configured Products, or any order or series of similar orders for standard Products which exceeds \$5,000, may be cancelled only upon Newport's prior written approval, which approval may be granted or withheld in Newport's sole discretion. Any order cancellation will be subject to the following cancellation charges with respect to all cancelled units of Products: (a) the contract price of all Products completed prior to such cancellation; (b) the burdened cost of all raw materials (including long lead time items) in Newport's possession or on order, (c) the burdened cost of all raw materials incorporated into and all labor applied to work in progress, plus profit thereon in accordance with Newport's published margins; and (d) other reasonable cancellation charges including, but not limited to, non-recurring engineering expenses, cancellation costs payable by Newport to its suppliers, and any other costs incurred by Newport relating to such cancellation. Newport will use commercially reasonable efforts to reduce such cancellation costs by reallocating materials to other projects and/or returning surplus material to, or canceling orders with, its suppliers. In no event shall the Buyer be liable for more than the contract price of the cancelled Products.

**RETURNS.** Custom or option configured Products, film, optics, or any order or series of similar orders for standard Products which exceeds \$5,000 in the aggregate, are non-returnable. Any order for standard Products which does not exceed \$5,000 (it being agreed that any series of similar orders for standard Products shall be aggregated and deemed one order for the purpose of determining such amount) may be returned to Newport for credit within thirty (30) days of the initial invoice date (60 days outside of the U.S.) and are subject to a 25% restocking charge. Prior to returning a Product, Buyer must contact Newport's Return Department for shipping instructions and a return material authorization number ("RMA#"). Buyer must ship the Product back in its original condition and in the original or equivalent packaging, with the RMA# clearly marked on the outside of the box, freight prepaid. Newport shall not be responsible for any damage occurring in transit or obligated to accept Products returned without a RMA#. Buyer bears all risk of loss or damage to the returned Products until delivery at Newport's designated facility. Any return shipment received by Newport without an RMA# and/or whose contents are not received in their original condition, may be reshipped by Newport freight collect to Buyer.

**PROPRIETARY RIGHTS.** Unless otherwise specifically agreed in writing by Buyer and Newport, as between Buyer and Newport, Newport retains all right, title and interest in and to the Software, all inventions, ideas, processes, methods, know-how, skills and techniques developed, discovered or conceived by Newport or its employees, including without limitation those developed and/or used in connection with the manufacture of the Products or performing Services hereunder (collectively, the "Newport Rights"). Such rights include, but are not limited to, patent rights, copyrights, trade secret rights, trademark rights, mask work rights and other proprietary rights throughout the world. Newport hereby grants to Buyer a nonexclusive, nontransferable, worldwide, limited license to use the Newport Rights solely to the extent required for Buyer to use the Products or Software sold or licensed hereunder. Newport shall retain all right, title and interest in and to all materials, fixtures or tools designed, developed or manufactured by Newport in connection with the manufacture of the Products. Unless otherwise specifically agreed in writing by Buyer and Newport, as between Buyer and Newport, Buyer retains all right, title and interest in and to all specifications and materials provided by Buyer to Newport, and all inventions, ideas, processes, methods, know-how, skills and techniques developed, discovered or conceived by Buyer or its employees (the "Buyer Rights"). Such rights include, but are not limited to, patent rights, copyrights, trade secret rights, trademark rights, mask work rights and other proprietary rights throughout the world. Buyer hereby grants to Newport a nonexclusive, worldwide, limited license to use and exploit the Buyer Rights solely to the extent required for Newport to perform its obligations and exercise its rights hereunder.

**CONFIDENTIALITY.** Each of Buyer and Newport acknowledges that in connection with the purchase and sale of Products or Services, each party may make available to the other party certain confidential and proprietary business and technical information and materials, including the Software (the "Confidential Information"). Confidential Information shall be clearly marked with

proprietary legends of the disclosing party at the time of disclosure. If Confidential Information is orally or visually disclosed, it shall be reduced to writing and clearly marked with proprietary legends by disclosing party within 30 days of disclosure. All of the protections and restrictions in these Terms and Conditions as to the use and disclosure of Confidential Information shall apply during such 30-day period. Notwithstanding the foregoing, any information or material which by its nature and under the circumstances surrounding its disclosure is generally considered proprietary and confidential shall be deemed Confidential Information regardless of whether it is properly marked with legends or properly reduced to writing. Each party agrees that it (a) will hold the Confidential Information in strict confidence and use its reasonable efforts to prevent the unauthorized disclosure of the Confidential Information; (b) will not disclose the Confidential Information in any manner whatsoever, except as required by applicable law; (c) will use the Confidential Information only for the purpose of performing its obligations hereunder or in conjunction with the operation of the Products or Software and for no other purpose; and (d) will provide access to the Confidential Information to only those of its employees or representatives who need to know the Confidential Information for the purpose of performing their duties in connection with the Products or Services. These obligations shall not apply to information that: (i) was independently developed by or for the receiving party without use of the disclosing party's Confidential Information, in whole or in part, as demonstrated by written evidence; (ii) is or becomes generally available to the public without breach of confidentiality obligations by the receiving party; (iii) was in the receiving party's possession or was known by the receiving party without restriction at the time of disclosure by disclosing party, as demonstrated by written evidence; or (iv) is lawfully received by the receiving party on a nonconfidential basis from a third party without breach by such third party of any legal, contractual, or fiduciary obligation to the disclosing party.

**LICENSE TO USE SOFTWARE.** Buyer acknowledges that the software or firmware components and applications, if any, accompanying the Products sold hereunder (the "Software") are licensed and not sold to Buyer. Upon receipt of full payment therefor, Newport grants to Buyer a nonexclusive, personal, nontransferable, limited and royalty-free license to use and execute such Software in object code form only and only in conjunction with the operation of the associated Product. Buyer shall receive no rights to the Software except as expressly provided herein. No license to use the source code of the Software is provided hereunder. Buyer agrees that it shall not use, distribute, license, sublicense, resell or otherwise transfer all or any part of the Software or supporting documentation other than as expressly permitted hereunder without the prior written consent of Newport. Buyer agrees that it shall not, nor shall it permit any employee or agent of Buyer to, adapt, modify, copy, reproduce, reverse engineer, decompile, or disassemble the Software in any way without the prior written consent of Newport. Except as expressly set forth herein, Newport shall have no obligations to Buyer whatsoever with regard to the Software. Without limiting the generality of foregoing, Newport has no obligation to develop updates or modifications to the Software or develop or provide Software development tools to Buyer.

**AGREEMENT NOT TO REPLICATE.** Buyer agrees not to copy, replicate or reverse engineer the Products, use the Products as tools or molds, or to permit such actions by any third party. THE PARTIES ACKNOWLEDGE AND AGREE THAT THEY ARE ENTERING INTO THIS AGREEMENT ON THE UNDERSTANDING THAT THE PRICE FOR THE PRODUCTS TO BE PROVIDED HAS BEEN SET TO REFLECT THE FACT THAT BUYER AGREES NOT TO COPY OR REPLICATE PRODUCTS, TO USE PRODUCTS AS TOOLS OR MOLDS, OR TO PERMIT SUCH ACTIONS BY ANY THIRD PARTY, AND IF NOT SO ACKNOWLEDGED AND AGREED, THE PRICES FOR THE PRODUCTS WOULD HAVE BEEN SUBSTANTIALLY HIGHER.

**WARRANTY; DISCLAIMER OF WARRANTY.** Except as otherwise expressly stated in Newport's quote or order acknowledgment, Newport warrants that, for the period of time set forth hereinbelow with respect to each Product or component type (the "Warranty Period"), the Products sold hereunder will be free from defects in material and workmanship, and will conform to the applicable specifications, under normal use and service when correctly installed and maintained. Lasers and components thereof are warranted for the number of months or measure of usage specified in Newport's quote or order acknowledgment for each laser or component thereof or, if not specified in Newport's quote or order acknowledgment, twelve (12) months from the date of shipment (except for the flashlamp components of lasers, the optical and crystal components of pulsed lasers, service parts, and stand-alone semiconductor diode lasers, which are warranted for ninety (90) days). Gratings, optical filters and replicated mirrors (whether sold as separate Products or constituting components of other Products) are warranted for a period of ninety (90) days from the date of shipment. CO<sub>2</sub> optics are warranted for thirty (30) days from the date of first use by Buyer (but not to exceed twelve (12) months from the date of shipment), unless first use cannot be proven by Buyer by tangible evidence, in which case such optics are warranted for thirty (30) days from Buyer's receipt of the Products. All other Products are warranted for a period of twelve (12) months from the date of shipment. Newport shall repair or replace, at Newport's sole option, any defective or nonconforming Product or part thereof which is returned at Buyer's expense to Newport's facility, provided, that Buyer notifies Newport in writing promptly after discovery of the defect or nonconformity and within the Warranty Period. Products may only be returned by Buyer when accompanied by a return material authorization number ("RMA#") issued by Newport's Return Department, with freight prepaid by Buyer. Newport shall not be responsible for any damage occurring in transit or obligated to accept Products returned for warranty repair without a RMA#. Buyer bears all risk of loss or damage to the Products until delivery at Newport's designated facility. Newport shall pay for shipment back to Buyer for Products repaired under warranty. Repairs made or Products or components replaced under warranty are warranted for the remaining unexpired duration of the original Warranty Period for such Products or components. For Products returned for repair that are not covered under warranty, Newport's standard repair charges shall be applicable in addition to all shipping expenses. Unless otherwise stated in Newport's repair quote, any such out-of-warranty repairs are warranted for ninety (90) days from date of shipment of the repaired Product. The foregoing warranty does not apply to Products which are (a) repaired, modified or altered by any party other than Newport; (b) used in conjunction with equipment not provided or authorized by Newport; (c) subjected to unusual physical, thermal, electrical or optical stress, improper installation, misuse, abuse, tampering, accident, contamination, or negligence in use, storage, transportation or handling (including any failure to maintain appropriate environmental conditions as specified by Newport for a particular Product); or (d) considered a consumable item or an item requiring repair or replacement due to normal wear and tear. The foregoing warranty will also not apply if the "Warranty Void If Broken" seal located on any Product has been removed, broken or otherwise tampered with. The foregoing warranty does not apply to any Customer Furnished Material (as defined below) incorporated into the Products. The foregoing warranty does not apply to any Products that are marketed and sold by Newport as a distributor for a third party manufacturer and under such third party manufacturer's name, except to the extent of any warranty that is expressly provided to Newport by such third party manufacturer and is assignable by Newport to its customers. On-site warranty repair is not covered under the foregoing warranty, unless otherwise stated in Newport's quotation. The foregoing warranty applies only so long as the Products remain in use in the country of purchase. To the extent the Products are removed from the country of purchase, the foregoing warranty may be voided at Newport's discretion. THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES. EXCEPT AS EXPRESSLY PROVIDED HEREIN, NEWPORT MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, REGARDING THE PRODUCTS, SOFTWARE OR SERVICES. NEWPORT EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR THE PRODUCTS, SOFTWARE OR SERVICES. THE OBLIGATIONS OF NEWPORT SET FORTH IN THIS PARAGRAPH SHALL BE NEWPORT'S SOLE LIABILITY, AND BUYER'S SOLE REMEDY, FOR BREACH OF THE FOREGOING WARRANTY. Representations and warranties made by any person including distributors, dealers and representatives of Newport which are inconsistent or in conflict with the terms of this warranty shall not be binding on Newport unless reduced to writing and approved by an expressly authorized officer of Newport.

**INDEMNITY.** Newport shall indemnify and hold harmless Buyer from any final award of damages in any suit or proceeding instituted against Buyer based upon a claim that a Product or the Software sold or licensed hereunder infringes any patent or copyright of a third party. Newport shall defend, at its expense, any such suit or proceeding provided that: (a) Buyer gives Newport prompt notice in writing of any such suit and permits Newport through counsel of its choice, to answer the charge of infringement and defend such suit; and (b) Buyer gives Newport all the needed information, assistance and authority, at Newport's expense to enable Newport to defend such suit. Newport shall not be responsible for payment of any amounts under any settlement made without its prior written consent. The foregoing indemnity shall not apply to the extent such alleged or actual infringement arises as a result of (i) the use or incorporation of such Product or Software with Buyer's specific product or application, or in combination with any other products, devices or parts, not specified in Newport's published product literature or otherwise approved in writing by Newport, (ii) modifications of such Product or Software made by Buyer or any party (other than Newport) which were not approved by Newport in writing, or (iii) Newport's compliance with any of Buyer's designs, specifications or instructions. In the event that a court of competent jurisdiction determines in a final, nonappealable order that the Product or the Software is infringing in a manner for which Newport is obligated to indemnify Buyer pursuant to this paragraph, Newport shall, at its option, either (1) procure for Buyer the right to continue using such infringing Product or Software; (2) replace the infringing Product or Software with a non-infringing item of like form, fit or function; (3) modify the Product or Software so that it no longer infringes; or (4) remove the Product or Software and refund the purchase price to Buyer. THIS PARAGRAPH STATES NEWPORT'S SOLE RESPONSIBILITY AND LIABILITY, AND THE BUYER'S SOLE REMEDY, FOR ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT OR COPYRIGHT BY ANY PRODUCT OR SOFTWARE DELIVERED HEREUNDER OR ANY PARTS THEREOF. THIS PARAGRAPH IS IN LIEU OF AND REPLACES ANY OTHER EXPRESS, IMPLIED OR STATUTORY WARRANTY AGAINST INFRINGEMENT. IN NO EVENT SHALL

NEWPORT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY SUCH INFRINGEMENT. Buyer shall indemnify and hold harmless Newport from and against any expense or loss resulting from any actual or alleged infringement of any patent or copyright arising as a result of (a) Newport's compliance with any of Buyer's designs, specifications or instructions, (b) the use or incorporation of such Product or Software with Buyer's specific product or application, or in combination with any other products, devices or parts not specified in Newport's specifications therefor, or (c) modifications of such Product or Software by Buyer or any party (other than Newport) which were not approved by Newport. Buyer shall defend, at its expense, any suit brought against Newport alleging any such infringement provided that Newport (i) gives Buyer prompt notice of any such suit and permits Buyer, through counsel of its choice, to defend such suit and (ii) gives Buyer all needed information, assistance and authority, at Buyer's expense, necessary for Buyer to defend any such suit.

**CUSTOMER FURNISHED MATERIAL.** In the event that Buyer, with Newport's prior approval, provides products, raw materials, fixtures or tools (collectively, the "Customer Furnished Material" or "CFM") to Newport for incorporation into, or use in the manufacture of, the Products, or in conjunction with the Services, Buyer shall retain title to, and shall continue to bear all risk of loss or damage to, such CFM. CFM IS PROVIDED BY BUYER AT BUYER'S RISK. IN NO EVENT SHALL NEWPORT BE LIABLE FOR ANY LOSS OR DAMAGE TO SUCH CFM RESULTING FROM ANY CAUSE WHILE IN NEWPORT'S POSSESSION. BUYER SHALL BE SOLELY RESPONSIBLE FOR INSURING THE CFM AGAINST ANY SUCH LOSS OR DAMAGE. CFM certification and quality are the responsibility of Buyer. All CFM is subject to inspection by Newport upon receipt, and Newport reserves the right to refuse the CFM and/or requote the order based upon such inspection. CFM is not guaranteed to yield Buyer's total order quantity. If material shortages occur due to yield, Buyer shall, at its option, either supply additional CFM to complete the order or close the order short. Any CFM not used by Newport will be returned to Buyer, at Buyer's risk and expense.

**LIMITATION OF LIABILITY.** NEWPORT SHALL NOT BE LIABLE FOR ANY COMMERCIAL LOSSES, LOSS OF REVENUES OR PROFITS, LOSS OF GOOD WILL, INCONVENIENCE, OR EXEMPLARY, SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES WHATSOEVER, OR CLAIMS OF THIRD PARTIES, REGARDLESS OF THE FORM OF ANY CLAIM, WHETHER IN CONTRACT OR TORT, WHETHER FROM BREACH OF THIS AGREEMENT, OR DEFECTIVE PRODUCTS, OR LOSS OF DATA OR FROM ANY OTHER USE, EVEN IF NEWPORT HAS BEEN ADVISED OR SHOULD BE AWARE OF THE POSSIBILITY OF SUCH DAMAGE. NEWPORT'S LIABILITY FOR LOSS OR DAMAGES SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE PARTICULAR PRODUCT.

**EXPORT.** Newport's sale and delivery of the Products and/or Software are subject to compliance with all applicable global export laws and regulations, including but not limited to the Wassenaar Arrangement and any regulations implemented thereunder, the U.S. Export Administration Regulations (EAR), and the U.S. International Traffic in Arms Regulations (ITAR) (collectively, "Export Regulations"), including any requirement for Newport to apply for an export license, which may result in a delay in delivery and/or additional costs or, if denied by the applicable government authority, may prevent the sale and delivery of the Products. The quoted lead time for delivery of the Products may be impacted by the length of time required to obtain an export license, if applicable. Newport will not have any liability to Buyer for any failure or delay in delivery resulting from Newport's compliance with licensing or other requirements under the applicable Export Regulations. Buyer acknowledges and agrees that if the Products, Software and/or associated technical data delivered by Newport hereunder are to be exported, re-exported or transferred, Buyer shall comply with all applicable Export Regulations. Without limiting the foregoing, Buyer acknowledges and agrees that, unless there is prior written authorization from the applicable government agency, Buyer will not: (1) use such Products for any of the end use activities restricted under Part 744 of the EAR or any equivalent end-use based restrictions (if such restrictions are applicable to the country of destination and/or end user); or (2) directly or indirectly sell, distribute, export, re-export or transfer any Products to any person, entity and/or country, in each case without first obtaining written authorization from the applicable government agency, if required. In cases of a routed export transaction, Buyer, acting as the Foreign Principal Party in Interest ("FPPI"), shall assume all export responsibilities, including but not limited to determining license requirements, obtaining licenses, and providing power of attorney to and overseeing any forwarder or agent acting on its behalf. Buyer shall ensure that its forwarder or agent complies with all applicable Export Regulations. Buyer agrees to defend, indemnify, and hold harmless Newport from and against any claim, loss, liability, expense, or damage (including liens or legal fees) incurred by Newport with respect to any export or re-export activities of Buyer and/or Buyer's forwarder or agent which are contrary to the provisions in this section.

**REMEDIES.** Newport shall have the right to terminate any order, or to delay the shipment thereof, by reason of (a) Buyer's bankruptcy or insolvency, or the pendency of any proceedings against Buyer under any statute for the relief of debtors; (b) Buyer's breach of these Terms and Conditions; (c) Newport's learning that the ultimate destination of the Products is other than that set forth in the Newport quote; or (d) failure of Buyer to meet any other reasonable requirements established by Newport or to provide timely responses to requests from Newport (including acts or omissions of Buyer which may delay production).

**GENERAL.** Newport's performance of its obligations will be excused or the timeframe for performance will be extended as is reasonably necessary under the circumstances, in the event that Newport is prevented from performing its obligations in whole or in part by riots, fire, flood, earthquake, explosion, epidemics, war, strike or labor disputes, embargo, civil or military authority, act of God, changes in law, regulation or governmental policy, acts or omissions of vendors or suppliers, transportation difficulties or delays, or other causes beyond its reasonable control. In such event, such performance shall take place as soon thereafter as is reasonably practicable. Failure of the Buyer to provide timely response to requests from the Newport may also result in delivery delays which shall be excused hereunder. If any provision of these Terms and Conditions is held to be invalid by a court of competent jurisdiction, then the remaining provisions shall remain, nevertheless, in full force and effect. The parties agree to renegotiate in good faith any term held invalid and to be bound by the mutually agreed substitute provision in order to give the most approximate effect intended by the parties. No waiver of any provision of these Terms and Conditions shall be valid or binding on any party unless agreed to in writing by the party to be charged. The failure of either party to enforce at any time any of the provisions of these Terms and Conditions, or the failure to require at any time performance by the other party of any of the provisions of these Terms and Conditions, shall in no way be construed to be a present or future waiver of such provisions, nor in any way affect the validity of either party to enforce each and every such provision thereafter. These Terms and Conditions shall be construed under and according to the laws of the State of California without regard to its conflict of law provisions. The parties agree that jurisdiction and venue for any actions relating to these Terms and Conditions will be in the state or federal courts located in the County of Orange, State of California. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in County of Orange, State of California, for the adjudication of any dispute hereunder or in connection herewith and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, or that such suit, action or proceeding is improper. In the event of any action, suit or proceeding relating to the subject matter hereof, the prevailing party shall be entitled, in addition to any other rights and remedies it may have, to recover its reasonable attorneys' fees and related costs from the non-prevailing party.