1. Acknowledgement of Order

1.1 Supplier shall either reject or confirm in writing (“Acknowledgement of Order”) a purchase order of Infineon Technologies Innovates G.K. ("Infineon") at its head office in Tokyo, 7-3-7, Nihonbashi, Chuo-ku, Tokyo 103-8501, Japan or at Infineon's delivery address specified in the Incoterm of the purchase order, within five (5) working days upon receipt of such purchase order. If Infineon receives from Supplier neither a confirmation nor a rejection within the time period set forth above, the purchase order shall be deemed confirmed by Supplier ("Deemed Acknowledgement of Order"). Infineon shall be entitled to cancel the purchase order within five (5) working days upon receipt of Supplier's confirmation or Deemed Acknowledgement of Order within said time period. The purchase order together with the Acknowledgement of Order or Deemed Acknowledgement of Order shall constitute a final agreement by both parties to be bound by the terms and conditions specified in this Agreement. Infineon shall reference any purchased ingredients, components, materials, equipment or the like. Supplier shall indemnify and reimburse Infineon for all audit costs and all damages caused by Supplier in connection with the inspection of the delivered products; or (ii) require implementation of additional measures at Supplier's expense. Infineon will not refund Supplier or Supplier's service provider for any costs were incurred more than the permitted number of days prior to the delivery dates as indicated in the Incoterm of the purchase order. Supplier shall supply the goods according to the Incoterm DDP.

2. Time of Performance; Late Performance

2.2 All sublicenses granted pursuant to Section 2.1 shall be transferred to Infineon free of charge upon approval by Infineon.

3. Warranty

3.1 Supplier is responsible for the performance of all duties and obligations, and the standard of quality, performance, materials, equipment or the like, to be performed. In the customs invoice, the services and goods shall be described in detail, including the place of performance. In case of delivery or performance of any services of any nature ("Deliverables") or the making of payments shall not imply the grant of any license or other rights of Supplier.

6. Invoices

6.1 Invoices shall indicate the purchase order reference and the numbers of every single item. Invoices shall not be payable until this information is complete. Copies of invoices shall be marked as such.

7. Payment

7.1 Unless agreed otherwise, payment shall be effected within sixty (60) days net from receipt of invoice.

8. Inspection of Deliverables

8.1 Upon receipt of the Deliverables Infineon shall undue delay inspect all incoming Deliverables and check whether they correspond to the quantity and type ordered and whether there are any externally visible transport damage or other externally visible defects. In case the Incoterm is agreed that oblige Infineon to bear the total or part of the freight costs, shipment shall be effected in the cheapest manner unless otherwise specified by Infineon. Extra costs incurred for the shipment or provision of material tests, test certificates, quality related or other documents, the term of payment shall only start with receipt of all such documents by Infineon. In case of any delivery or performance before agreed due date, Infineon shall not have to pay any liquidated damages, but Supplier shall start with the agreed delivery or performance date or from receipt of the duly issued invoice, whichever date is later. Delivery shall also be deemed complete when Infineon sends written notice to Supplier of having completed the relevant performance. In such a case, Infineon will inform Supplier about all requirements of electronic invoicing.

9. Liability for the infringement of Intellectual Property Rights

9.1 Supplier guarantees that no intellectual property rights conflict with the use of the Deliverables provided in the Agreement.

10. Subcontracting to Third Parties

10.1 Subcontracting to third parties is not permissible without Infineon's prior written consent. In case of subcontracting without Infineon's prior written consent, Infineon shall be entitled to withdraw from all or part of the Agreement and to claim damages.
the purchase order within such time as specified on the face of the purchase order or, if none is stated, 30 (thirty) days, and if the parties agree to another time frame without the prior written consent of Infineon. If a party shall fail to meet any such stipulated time frame, the other party shall be entitled to cancel the contract or require the delivery of the goods in time or to seek damages and remove the goods from the place of delivery at the expense of the other party.

15.3 Infineon's ability to terminate the purchase order for cause shall be immediate and without prior written notice, in the event of any of the following by Supplier:

1) a breach of any agreement, representation or warranty made to Infineon;
2) material default or breach of any material term set forth in the purchase order or any document attached thereto and the purchase order or any other document attached thereto and the purchase order or any other document attached thereto;
3) any proceeding in bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, liquidation, dissolution, or consolidation, or any similar proceeding, of Supplier or of any of its subsidiaries, or of any other person or entity with which Supplier is identified;
4) any petition by or against Supplier for the appointment of a receiver, trustee, assignee or any other representative of or over the assets of Supplier or of any of its subsidiaries, or of any other person or entity with which Supplier is identified, for the purpose of winding up, reorganization, or liquidation of Supplier or of any of its subsidiaries, or of any other person or entity with which Supplier is identified;
5) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
6) civil or criminal proceedings in any court having jurisdiction over Supplier and arising out of or in connection with any contractual, tort, or statutory violation by Supplier;
7) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
8) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
9) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
10) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
11) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
12) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
13) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
14) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
15) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
16) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
17) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
18) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted;
19) any proceeding in bankruptcy, reorganization, or arrangement for the appointment of a receiver or trustee to take possession of Supplier's assets or any other proceeding in any court in which liquidation of Supplier is either requested or instituted.

16. Compliance with Laws; Corporate Social Responsibility; Environmental Protection, Safety and Health (ESH); Audit

16.1 Supplier shall comply with all laws, rules and regulations applicable (including in the country of origin, country of receipt, country of shipment, and in the Infineon-identified country of destination, if provided) to the manufacture, sale and supply of the Deliverables or otherwise in performance of the Agreement, including without limitation laws, rules, and regulations regarding standards, safety and health, and protection of the environment. In addition, Supplier shall ensure that third parties according to Section 11 comply with these laws, rules, and regulations.

16.2 Furthermore,Supplier shall comply with the applicable current version of the Supplier Code of Conduct of Infineon available through the following link: www.infineon.com/procurement. Infineon will notify Supplier in written or electronic form (e.g. through a web tool) of any updated version of the Supplier Code of Conduct. Such updated version shall be deemed to have been agreed by Supplier unless Supplier sends the objection to such update (including an explanation of such objection) in written or electronic form to Infineon within 15 (fifteen) working days upon receipt. Supplier shall respect the principles of the UN Global Compact.

16.3 Supplier shall comply with the applicable ESH requirements and requirements regarding the employment of foreign personnel during the performance and fulfillment of the Agreement and at its cost be responsible for providing and securing any relevant permits or licenses required by applicable law.

16.4 In case that the Deliverables are classified as hazardous according to the latest version of the CLP regulation (EC) 1272/2008, Supplier shall be obliged to put the applicable labelling in place. Prior to the first delivery, Supplier shall provide Infineon with a Material Safety Data Sheet (MSDS) according to the latest version of the REACH regulation (EC) 1907/2006. In case of an update of the MSDS that highlights the changes shall be provided to the relevant procurement department of Infineon by Supplier. On request, Supplier shall provide Infineon with any additional information necessary to guarantee adequate ESH measures. Radioactive substances shall be declared in advance. Supplier shall comply with any legal requirements related to dangerous goods including the European Dangerous Goods Transport Regulations (ADR). In this respect, Supplier shall pay attention to the fact that labeling according to ADR can deviate from the hazardous substances labeling according to the latest version of the CLP regulation (EC) 1272/2008 and that the respective labels for dangerous goods are in place.

16.5 Infineon and/or any third party authorized by Infineon shall be entitled to conduct audits at Supplier's premises and production sites in order to verify Supplier's compliance with the requirements according to this Section 16.

16.6 In addition to Section 15.5 Supplier shall support any review, audit or investigation duly requested by the European Commission, European Court of Auditors and/or the European Anti-Fraud Office.

17. Declaration of Conformity (CE) and Radiation Safety

In case that the point of destination is located in a country within the European Union, Supplier shall ensure and warrants that the Deliverables, if they consist of or comprise units, machines or equipment (or parts thereof) pursuant to the applicable laws and regulations, comply with the relevant CE requirements and are, if required, CE certified. Supplier shall provide a corresponding declaration of conformity to Infineon. In case that any laws or regulations regarding radiation safety requirements apply to the Deliverables, Supplier shall provide Infineon with the whole set of information necessary to obtain the respective radiation safety permits immediately after conclusion of the Agreement.

18. Indemnity

18.1 Supplier shall indemnify Infineon against any and all losses, damages, costs, claims, demands, expenses and liabilities whatsoever which Infineon may incur whether directly or as a result of:

i) personal injury or death of any person or in respect of any loss or destruction or damage to property attributable to any defect in the Deliverables or services or Supplier's performance of its supply obligations; and/or
ii) any action, claim or demand of any third party by reason of any breach of Supplier of the Agreement or of any terms or obligations of any applicable law or regulation or contractual provision on the part of Supplier relevant to the purchase order or to the goods; and/or
iii) any breach by Supplier of applicable laws in the performance of the purchase order. In case any performance of the purchase order is required within Infineon's premises, Supplier shall not use or hire anyone in contravention of any applicable laws and regulations in force and shall comply with all safety and security directives of Infineon at all times.

19. Withholding Tax

Withholding tax, where applicable under the prevailing tax laws shall be deducted from the purchase price to Supplier of the tax due to Supplier. The tax withheld shall be paid to the tax authorities by Infineon on Supplier's behalf and the relevant tax authorities by Infineon shall be returned by Infineon to Supplier in due course.

19.1 Supplier must support any claim for non-withdrawal of withholding tax with required documentation attached to the invoice. Infineon is obliged to withhold the full amount of withholding tax where required missing or inaccurate, in the opinion of Infineon.

20. Applicable Law, Venue


20.2 The exclusive place of jurisdiction for all legal disputes arising out of or in connection with the Agreement shall be in the Tokyo District Court, Japan. However, nothing in the Agreement shall preclude either Party from seeking interim measures of protection in any court of competent jurisdiction.