General Conditions for Procurement of Goods

1. Acknowledgement of Order

1.1 Supplier shall either reject or confirm in writing (“Acknowledgement of Order”) a purchase order of Infineon Technologies AG, Am Campus 1-3, 85579 Neuburg, Germany (“Infineon”) within one (1) working day from the receipt of such purchase order. If Supplier fails from Supplier neither a confirmation nor a rejection within the time period set forth above, the purchase order shall be treated as accepted by Supplier. Any acknowledgment of the order or Deemed Acknowledgement of Order). Infineon shall be entitled to cancel the purchase order within five (5) working days upon receipt of the purchase order by Supplier if Supplier fails to confirm or reject the purchase order. Infineon has the right to cancel the purchase order if the anticipated order is not confirmed by Supplier. Infineon has the right to cancel the Deemed Acknowledgement of Order. Infineon shall be entitled to cancel the purchase order within five (5) working days upon receipt of the purchase order by Supplier if Supplier fails to confirm or reject the purchase order. Infineon has the right to cancel the purchase order if the anticipated order is not confirmed by Supplier. Infineon has the right to cancel the Deemed Acknowledgement of Order. If Infineon in writing, any general conditions of Supplier shall be binding on Infineon only insofar as they are consistent with the order or the terms of the contract or have been accepted by Infineon by way of written acknowledgment. Supplier shall indemnify and reimburse Infineon for all audit costs and all damages caused by Supplier’s intellectual property rights to such Deliverables by using equivalent provisions for the sublicense as Infineon uses to protect its own intellectual property. Supplier shall indemnify and reimburse Infineon for all audit costs and all damages caused by Supplier’s intellectual property rights to such Deliverables by using equivalent provisions for the sublicense as Infineon uses to protect its own intellectual property. If Supplier has agreed, Supplier shall accept any non-conformities of Deliverables or the making of payments shall not imply acceptance of such Deliverables.

2. Licenses

2.1 Infineon’s Deliverables consist of and/or comprise software, documentation and/or specifications, Supplier grants to Infineon and its affiliated companies pursuant to § 15 AGB a non-exclusive, non-transferable and non-assignable rights to use and reproduce such (modified or unmodified) Deliverables; (i) to modify (including the creation of derivative works) such Deliverables for software provided the software was delivered in source code; (ii) to use and reproduce such (modified or unmodified) Deliverables; (iii) to distribute (including lease) and/or make available to the public such (modified or unmodified) Deliverables, provided the intended use of such Deliverables is the use integrated in an in connection with Infineon hardware; (iv) to have the rights granted under Sections 2.1 (i) to (iii) exercised by persons providing service, assistance, maintenance and training of Infineon’s Deliverables and/or Infineon hardware to persons licensed under Section 2.1; and (v) to sublicense the rights granted under Sections 2.1 (i) to (iv) to their respective affiliates, distributors and/or service providers which have provided the software or services on which these Deliverables are based (where necessary) without a separate fee and without infringing the copyright of Infineon. Supplier’s rights under this Section shall not include the right to sublicense the rights granted under Sections 2.1 (i) to (iv) to its own sub-suppliers. All sublicenses granted pursuant to Section 2.1 shall be on the same terms and conditions as the sublicense of Infineon’s intellectual property rights to such Deliverables by using equivalent provisions for the sublicense as Infineon uses to protect its own intellectual property.

3. Time of Performance; Late Performance

3.1 In the event of delivery of defective or non-timeless supplies or of Supplementary Performance pursuant to Section 9.2, the relevant point in time shall be the date of receipt at the point of destination of the defective or non-timeless Supplies or the date of completion of the Supplementary Performance, whichever point in time shall be the date of acceptance by Infineon. 3.2 Supplier shall not be entitled to deliver or perform the Deliverables before the agreed delivery or performance date, unless Infineon expressly agreed to such delivery or performance in writing. 3.3 If a delay in the Deliverables or a Supplementary Performance pursuant to Section 9.2 is expected to occur, Supplier shall immediately inform Infineon and ask Infineon to make a decision on the matter. 3.4 If Supplier fails to meet the agreed delivery or performance date for reasons for which Supplier is not responsible, Supplier shall notify Infineon of the anticipated delay and the reasons expected to occur, Supplier shall immediately inform Infineon and ask Infineon to make a decision on the matter. 3.5 If Supplier is a merchant, Infineon shall only be in arrears if it does not make payment upon receipt of a reminder of Supplier which is issued after the payment becomes due. 3.6 Claims under the above warranty provisions shall lapse 1 (one) year from the time Supplier is notified of a defect, however, in no event before the expiration of the warranty period as set forth in Section 9.1. 3.7 The foregoing shall not limit any further or other rights or claims of Infineon provided by applicable law.

4. Delivery; Transfer of Risk; Shipment; Place of Performance

4.1 Any condition of the buyer that does not pertain to the purchase order according to Incoterms (“Incoterms”) unless agreed otherwise.

5. Control; Customs

5.1 Supplier shall inform Infineon before or upon delivery about export control classification numbers applicable to all goods and services supplied by Supplier, and provide necessary documentation and data related to classified or unclassified services. This includes, e.g., without limitation, identification of applicable export control classification numbers as well as customer declaration information, such as Incoterms, clear product descriptions, harmonized system codes, identification of origin of goods, values, or similar information, in case of case items, equipment or the like. Supplier shall further comply with agreed Incoterms, and also in particular, Incoterms related to commodities subject to preferential preferential or free trade agreements, where applicable. Supplier shall further provide information, such as Incoterms to Infineon, in order to determine the mode of shipment. Any extra costs incurred for expediting shipment to meet any obligation under Incoterms shall be at the expense of Supplier. Supplier shall be responsible for ensuring that all goods and services provided to Infineon are not controlled under any export control regulations, laws or any applicable regulations.

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 made available.

7. Payment

7.1 Unless agreed otherwise, payment shall be effected within 21 (twenty-one) days less 3 (% three percent) discount from invoice date or within 30 (thirty) days net from receipt of a written invoice, whichever is later. 7.2 The term of payment shall start with the date the Deliverables have been fully effected and a duly issued invoice has been submitted. Only if and to the extent Supplier is entitled to demands for payments against receivables or withholding payments of a reasonable amount due to a defect in Deliverables, the term of payment shall start with the complete removal of the defect. 7.3 Payment of Deliverables is construed as an implied admission that the Deliverables comply with contractual terms. 7.4 If Supplier is a merchant, Supplier shall only be in arrears if it does not make payment upon receipt of a reminder of Supplier which is issued after the payment becomes due. 7.5 Once Infineon is in arrears, Supplier shall be entitled to demand interest on arrears of 5% (five percent). Any further claims or rights of Supplier due to delay of payment shall be excluded.

8. Inspection of incoming Deliverables

8.1 Upon receipt of the Deliverables, Infineon shall undertake delay inspect all incoming Deliverables and check whether they correspond to the quantity and type ordered and whether they do not contain any externally visible transport damage or other externally visible defects. 8.2 If Infineon discovers a defect during the above mentioned inspections it shall notify Supplier thereof. 9% shall also be within 30 (thirty) days from receipt of the invoice. 8.3 Notifications of defects may be lodged within 1 (one) month after delivery or performance of the supplies or, where the defects are first noticed during working or processing or first use, the defects shall be notified to Supplier within 2 (two) months after such first notice. 8.4 Infineon shall not be under any commitment to Supplier to make any more inspections and notifications than those specified above.

9. Warranty

9.1 The warranty period shall be 3 (three) years, unless the relevant laws and regulations provide for a longer warranty period. The warranty period shall commence with the start of the risk transfer. 9.2 For defects that are detected prior to or upon the transfer of risk or during the warranty period, Supplier shall be held to make good any defects free of charge. Supplier shall also be entitled to provide new Deliverables of free defects of “Supplementary Performance”.

10. Liability for the infringement of Intellectual Property Rights

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

11. Subcontracting to Third Parties

11.1 Subcontracting to third parties shall not be 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.

12. Material provided by Infineon

12.1 Material provided by Infineon to Supplier shall remain the property of Infineon and shall be clearly marked and stored separately at no cost for Infineon. The material shall only be used for Infineon’s purchase orders. Supplier shall compensate Infineon for depreciation in value or loss. This shall also apply to material provided for and on Supplier's account for a specific order under the Agreement.

13. Tools, Patterns, Samples, Secrecy, etc.

13.1 Tools, patterns, samples, models, sections, drawings, standards, forms, documents and gauges, etc. provided by Infineon to Supplier, as well as items made together with or for Infineon (the "Supplies") shall be the sole property of Infineon. Supplier is not entitled to disclose information to third parties received from Infineon, unless such information is of a general nature or was otherwise lawfully in his possession. Where Infineon has agreed to be bound by any confidentiality obligations shall be imposed on such third parties in writing by Supplier.
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 labor 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 currently applicable 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 applicable version of the Supplier Code of Conduct. Such update 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 its 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 any changes, an updated 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 appropriate 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 Requirements (ADR). In this respect, Supplier shall pay attention to the fact that labelling according to ADR can deviate from the hazardous substances labelling 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 16.5 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 applicable 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 to 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. Applicable Law, Venue

18.1 The Agreement shall be governed by and construed in accordance with the law in force in Germany without reference to its conflict of law provisions. The application of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 shall be excluded.

18.2 The exclusive place of jurisdiction for all legal disputes arising out of or in connection with the Agreement shall be Munich (Landgericht München I), Germany. However, nothing in the Agreement shall preclude either Party from seeking interim measures of protection in any court of competent jurisdiction.

19. Miscellaneous

19.1 Supplier may not assign the Agreement, transfer its obligations or assign its rights hereunder without the prior written consent of Infineon.

19.2 Supplier understands that Infineon relies on the uninterrupted availability of the Deliverables. Therefore, Supplier may only exercise any right of retention, if and to the extent:

i) its counterclaims are not disputed by Infineon or are finally awarded by a court of competent jurisdiction, and

ii) Supplier has notified such retention in writing at least 10 (ten) days in advance.

Additionally, Supplier may exercise any rights or remedies it may have in connection with or as a result of any dispute with Infineon only in relation to such Deliverables which gives cause to any such dispute.

19.3 None of the rights and remedies granted to Infineon under the Agreement shall be exclusive and prevent Infineon from rights and remedies granted under the Agreement or governing law.

19.4 Supplier shall not make any public announcement, press release, industry trade magazines announcement, or other form of communication to the press regarding the collaboration between Infineon and Supplier without Infineon's prior written consent.

19.5 The provisions of the Agreement may not be modified, amended, nor waived, except by a written instrument duly executed by the parties. The requirement of written form itself can only be waived by mutual written agreement.

19.6 The effectiveness of the Agreement shall not be impaired if any provision of the Agreement should be completely or partially invalid or unenforceable. In this case, the parties shall agree on a provision that meets the economical intention of the invalid or unenforceable provision.

19.7 The Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous communications, discussions, understandings, agreements and negotiations between the parties with respect to such subject matter hereof.