Section 1: Acknowledgement of Order

1.1 Supplier shall either accept or reject the offer in writing ("Acknowledgement of Order") a purchase order of Infineon Technologies Semiconductor GmbH, Pittlatterstraße 47, 62259 Langen, Germany ("Infineon") within five (5) working days upon receipt of such purchase order. If Infineon receives from Supplier an Acknowledgment of Order that differs from the purchase order, Infineon shall notify Supplier, and Supplier shall correct any discrepancy between the acknowledgment of order and the purchase order within five (5) working days from their receipt. If Supplier fails to correct the purchase order within the time period set forth above, the purchase order shall be deemed to be confirmed by Supplier ("Deemed Acknowledgement of Order of Supplier"). If Infineon does not receive from Supplier the purchase order (or the acknowledgment of order) within the five (5) working days upon receipt of the purchase order by Supplier if Supplier fails to confirm or reject the purchase order within said time period. The purchase order together with the Acknowledgement of Order is hereby referred to as "Purchase Order". "Supplier" shall mean the party that has entered into the purchase order or into an agreement by both parties to be bound by and comply with all terms and conditions set forth or referred hereto and the attached attachments hereon ("Agreement").

1.2 If the Acknowledgment of Order differs from the purchase order, it shall be binding on Infineon only if and to the extent he has accepted such Acknowledgment of Order in writing. Any general conditions of Supplier shall be binding on Infineon only insofar as they are consistent with the applicable Service, unless otherwise specified in the purchase order. Should Supplier require additional information, Supplier shall be granted to Infineon, if Supplier’s delay is attributable to the Infineon provided item. Supplier guarantees that the Services and/or any Result (including its application by Infineon) shall be performed timely and in accordance with the purchase order. Supplier shall respect Infineon’s Security and IT-Security policies. Supplier shall be responsible for the performance of the Services. Should Supplier require additional information, Supplier shall be provided by Supplier. Therefore, Infineon will provide Infineon in written or electronic form to Infineon within 15 (fifteen) working days upon request of Infineon.

1.3 Infineon is entitled to accept offers issued by Supplier within 3 (three) weeks from their receipt, or to reject them.

2. Scope and Nature of Service

2.1 The Service to be provided, its nature and its requirements to be met shall be described in the purchase order.

3. Duties of Infineon

3.1 Upon Supplier’s request, Infineon will provide Supplier with the necessary information to render the Services.
entitled to deliver such products, unless Infineon expressly agreed to such deliveries in advance.

10.4 In case the Services require the shipment of goods, the shipping-address is different to the billing address and the goods are subject to export authorization when being exported out of the relevant country, Supplier shall inform Infineon upon delivery accordingly and provide all relevant shipping data, as in such case Infineon shall act as Exporter of Records (EOIR) according to the applicable customs and export control laws.

10.5 Unless the Incoterm DDP is agreed, Infineon is responsible for the performance of the import customs clearance. In such case, Infineon will not refund Supplier or Supplier's service provider any customs duties or service fees when importing or exporting goods. In case the Incoterm DDP is agreed, Supplier is responsible for the export and import customs clearance and shall bear all related costs.

10.6 In case the purchase order refers to the delivery of goods and services, the customs invoice of Supplier shall show the value of goods separately from the value of the services performed or to be performed. In the customs invoice, the services and goods shall be described in detail, including the place of performance.

In case Supplier cannot show the value of goods and services separately in the customs invoice, Supplier shall supply the goods according to the Incoterm DDP.

11. Compliance with Laws; Corporate Social Responsibility; Audit

11.1 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 Services to be performed under 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 2.4 comply with these laws, rules, and regulations.

11.2 Supplier shall ensure that
i) Supplier timely pays statutory minimum wages;
ii) Supplier does not use any subcontractor that does not timely pay statutory minimum wages;
iii) Neither Supplier nor its subcontractor uses a temporary employment agency that does not timely pay statutory minimum wages;
iv) Neither Supplier nor its subcontractor is excluded from public procurement procedures. Upon Infineon's request Supplier has to provide documentation in this regard. In case of a breach of any of the above mentioned obligations Infineon is – notwithstanding any other rights – entitled to request Supplier to fulfill the above mentioned obligations within a reasonable time period determined by Infineon and upon unsuccessful expiration of such deadline terminate the Agreement.

11.3 Furthermore, Supplier shall comply with the currently applicable version of the Supplier Code of Conduct of Infineon available on Infineon's website 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.

11.4 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 11.

11.5 In addition to Section 11.4 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.

12. Termination of Agreement

12.1 Infineon may, in its sole discretion, terminate each contract at any time in whole or in part upon at least 5 (five) days prior notice to Supplier, even if the purchase order specifies a certain term.

12.2 Infineon shall remunerate only those efforts of Supplier that were made until the termination becomes effective.

13. Venue, Applicable Law

13.1 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.

13.2 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.

14. Miscellaneous

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

14.2 Supplier understands that Infineon relies on the uninterrupted availability of the Service and the immediate delivery of Results, reports or information. 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 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 individual Service, which gives cause to any such dispute.

14.3 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.

14.4 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.

14.5 The provisions of the Agreement may be modified, amended, nor waived, except by a written amendment duly executed by the parties. The requirement of written form itself can only be waived by mutual written agreement.

14.6 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.

14.7 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.