1. Acknowledgement of Order
Supplier shall confirm, in writing ("Acknowledgement of Order") a purchase order of Infineon Technologies Shared Service Center Unipessoal Lda., Tecná – Parque de Ciência e Tecnologia da Maia, Rua Eng. Frederico Unino, 2600, 4470-605 Maia, Portugal ("Infineon") within two (2) working days. If Supplier fails to confirm receipt of such purchase order, within two (2) working days of its receipt, Infineon reserves the right to cancel the purchase order. If Supplier 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 ("By Supplier Acknowledged 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 within the time period set forth above. If Supplier were to do so, Infineon shall be entitled to declare the purchase order as withdrawn and to cancel the purchase order. If Acknowledgement of Order or Deemed Acknowledgment of Order shall constitute a final agreement by both parties to the terms and conditions set forth or referenced herein and on attachments hereto ("Agreement").

1.2 If the Acknowledgement of Order differs from the purchase order, it shall be binding on Infineon only if the extension thereof is at least in part attributable to the Infineon provided item. If any general conditions of Supplier shall be binding on Infineon only as far as they are consistent with Infineon's conditions as finally accepted by Infineon in writing. The acceptance of services or supplies of any nature ("Deliverables") or the making of payments shall not imply acceptance of any conditions.

1.3 Infineon shall be entitled to issuers supplied by Supplier within three (3) weeks from their receipt, unless Supplier specifies a longer time period for its order.

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.

i) Unless agreed otherwise in the purchase order, Supplier bears the risk that the Service meets all the requirements set forth in the purchase order and requires acceptance by Infineon.
ii) Should the purchase order explicitly specify that Infineon bears the risk of meeting the requirements of the Service and the remuneration is based on the provision of the agreed resources, the parties may specify Service levels in the purchase order with all associated delivery schedules being based on reasonable estimation of Supplier.

2.2 Supplier, its employees and any subcontractors as per Section 2.4, is an independent contractor. Nothing contained in the Agreement or in any purchase order shall be deemed to constitute a partnership, joint venture or any other form of joint enterprise between Supplier and Infineon and employee or agent or of a partnership. Further, Supplier is not authorized to and shall not at any time attempt to act, or act on behalf of Infineon to bind in any manner whatsoever to any obligation whatsoever.

2.3 The Service shall be performed a workmanlike and professional manner by Supplier having a reasonable standard of skill and care and in accordance with the quality and the applicable professional standards currently recognized by such profession. Supplier shall provide services and supplies of any nature ("Deliverables") for all known types of use. If and to the extent the Results make use of preexisting intellectual property rights, Supplier shall provide at its own cost and be responsible for securing any labour permits or licenses required by applicable law for performing the Service.

3. Duties of Infineon
3.1 Upon Supplier's request, Infineon will provide Supplier with the information necessary to render the Services.

3.2 Apart from the provision of information as described in Section 3.1, any items not explicitly specified to be purchased are as an Infineon provided item shall be regarded as an item to be provided by Supplier. Therefore, Infineon will provide items such as test data, documentation, computer software, hardware or software facilities only if and to the extent explicitly specified in the purchase order.

3.3 Any item identified in the purchase order as an Infineon provided item shall be deemed to be 'as is' without any warranty and Supplier shall not rely on it. However, a reasonable estimation of Supplier's resources shall be provided to Supplier.

3.4 Supplier will provide Infineon with the information necessary to perform the Service. Should Supplier require additional information, Supplier shall provide Infineon with such information.

3.5 Suppler shall at Infineon's request and at any time:
   i) report to Infineon the computing resources used;
   ii) give Infineon the opportunity to inspect all organizational and technical security measures concerning personal data, should the purchase order relate to such data;
   iii) can be proved to have been rightfully received by Supplier from a third party without confidentiality obligation.
   iv) Supplier guarantees that the Services and/or any Result (including the right to sublicense) with respect to such intellectual property rights as part of and/or in connection with the Results.

4. Rights to the Results

4.1 Infineon shall have the right to act as principal in any transactions related to the Services. Except for any obligations otherwise agreed to, Supplier shall have the right to act in its own name and to enter into contracts and concessions in its own name for the performance of Services.

5.2 Supplier acknowledges that time is of the essence and, therefore, for each Service Supplier shall nominate in writing a representative who is well experienced in the field of the Services.

6. Dates, Timelines and Liquidated Damages

5.1 Supplier shall perform all Services in accordance with the dates and time limits set forth in the purchase order. Supplier shall inform Infineon without delay in writing if Supplier anticipates or expects to be unable to meet any date or time limit.

5.2 Supplier acknowledges that time is of the essence and, therefore,:
   i) Supplier shall ensure that the Services are performed within the time limits specified in the purchase order.
   ii) Supplier is under no circumstances entitled to charge Supplier without additional charge such additional resources as necessary to come in line again with the agreed dates and timelines;
   iii) the following liquidated damages for each failure of Supplier to meet a date or timeline shall apply, unless otherwise agreed in the purchase order: Except for delays caused by Infineon, Supplier shall be liable for liquidated damages in the amount of 1 % (one percent) of the value of the associated purchase order for each week of the delay of any date or timeline. Total liquidated damages shall not exceed a maximum amount of 10 % (ten percent) of the value of the associated purchase order. Supplier shall have the right to prove that no damage or less damage is caused by the delay.

7. Rights to the Results

6.1 Rights to the Results (in full form of their creation) achieved in the course of and/or in connection with Supplier's Services including all intellectual property rights (including copyrights) ("Results") shall become the sole property of Infineon at the moment the Results are created. Supplier transfers and assigns to Infineon all right, title and interest in and to the Results, if to the extent the Results are protected by copyright and for legal reasons Infineon cannot become the owner of such copyright, Supplier grants to Infineon and Infineon accepts a worldwide, exclusive, transferable, unrestricted and timely unlimited right of use (including the right to sublicense) for all known types of use. If and to the extent the Results make use of preexisting intellectual property rights (including copyrights) of Supplier, its subcontractors and/or any other third party participating in performing the Services as per Section 2.4, Supplier grants to Infineon and Infineon accepts a worldwide, non-exclusive, transferable, timely unlimited right of use (including the right to sublicense) with respect to such intellectual property rights as part of and/or in connection with the Results.

6.2 Results shall be delivered by Supplier upon request of Infineon or on completion or termination of Service.

7. Confidentiality, Site-Security, Data Protection and IT-Security

7.1 All information provided by Infineon to Supplier as well as data and information information contained in it shall be handled confidentially unless stated otherwise in the purchase order. If and to the extent Infineon transfers to Supplier any Confidential Information ("Confidential Information") shall be treated by Supplier as confidential and shall not be disclosed by Supplier to a third party or published without the prior written consent of Infineon. Supplier shall limit the Confidential Information to those of its employees who have a reasonable need to know that Confidential Information for the performance of the Service and the results obtainable by Supplier shall be granted to Supplier, if Supplier's delay is attributable to the Infineon provided item. A breach or violation of Supplier's obligations as per this Section 7.1 shall give rise to a termination or completion of the Services. However, if and to the extent Supplier can prove that the Confidential Information which has become available to the public through no breach by Supplier of this item;

7.2 is rightfully in Supplier's possession without confidentiality obligation prior to receipt from Infineon as proved by Supplier's written records;

7.3 is received by Supplier from a third party or is in the public domain.

7.4 Where applicable law requires Infineon to certify security of Infineon data (with personal and natural) and the Infineon IT-processes, Supplier shall apply the same standards as Infineon. Supplier has controls and safeguards in place designed to achieve the applicable requirements.

7.5 Supplier shall impose obligations according to this section upon its employees and upon those subcontractors or third parties who are involved in the performance of the Services as per Section 3.5.

8. Indemnification for Infringement of Proprietary Rights

8.1 Supplier guarantees that the Services and/or any Result (including its application by Infineon) do not infringe any third party intellectual property rights (including copyrights).

9. Remuneration, Invoicing and Payment Terms

9.1 The type of pricing is specified in the purchase order. In case of fixed price, freight, time and expense will be specified in the purchase order.

9.2 For Services, which are remunerated on time and expense basis, only such working hours shall be compensated for as is documented on Supplier's monthly activity sheets or via other documentation as may be specified in a purchase order, and countersigned by Infineon's project manager or his authorized representative. Overtime shall be compensated for at a rate of (eight) hours per week day) requires prior written permission of Infineon. Specific charges, e.g. for extra work on Sundays and public holidays shall be compensated for at a rate of one hundred and fifty (150) percent of the normal hour rate, a 150 % (one hundred and fifty percent) of the normal hour rate. Supplier shall have the right to determine whether any payment prior to any acceptance of Infineon, such payment shall be regarded as advance payment and subject to refund, in case Infineon refuses acceptance. Supplier shall have no right to receive any advance payment, unless Infineon's invoices or supplier's statements are marked as advance payment. Supplier's invoices or supplier's statements with advance payment clearly indicated shall only be accepted when applicable.

10. Export Control and Customs

10.1 Supplier shall inform Infineon on request, if and to the extent that the Services or any Result will result in the use of export documentation and data together with the goods or services. This includes, e.g., without limitation, identification of equipment and/or software, description of services, measures and methods as well as customs declaration, information, such as Incoterms, clear product descriptions, harmonized system codes, country of origin, and itemized values, on each invoice, especially in case of consigned declaration information, such as Incoterms, clear product descriptions, harmonized system codes, country of origin, and itemized values, on each invoice, especially in case of consigned declaration information, such as Incoterms, clear product descriptions, harmonized system codes, country of origin, and itemized values, on each invoice, especially in case of consigned declaration information, such as Incoterms, clear product descriptions, harmonized system codes, country of origin, and itemized values, on each invoice, especially in case of consigned declaration information, such as Incoterms, clear product descriptions, harmonized system codes, country of origin, and itemized values, on each invoice.
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 (EOR) 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'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 import and export 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 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 update 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


13.2 The exclusive place of jurisdiction for all legal disputes arising out of or in connection with the Agreement shall be in the district court of Porto (Tribunal da comarca do Porto), Portugal. 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 heretofore 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 magazine 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 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.

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 heretofore.