

Standard Terms of Sale of IDS Microchip AG, Waechlenstrasse 5, CH-8832 Wollerau, Switzerland (hereinafter referred to as "IDS")

1 General

The terms contained herein apply to all deliveries made and services rendered by IDS. Any changes in or amendments to these terms shall only become effective after having been officially agreed to in writing by IDS.

2 Acceptance

All quotations made by IDS are binding within their binding period. All orders placed with IDS or any of its branch offices shall only become effective upon written confirmation by IDS, which results in a delivery contract to which the Standard Terms of Sale of IDS shall apply. Such delivery contract explicitly precludes the application of any terms of purchase contained in order forms or other correspondence of Buyer.

3 Prices

The prices quoted in the confirmation of order are generally understood to be in EURO. In case of quotations and confirmation of orders in foreign currency, the prices shall be bound to the respective foreign currency only as long as the exchange rate of same in relation to the EURO has not changed by more than $\pm 5\%$ between the date of confirmation of order and the date of delivery. IDS reserves the right, in case of variations by more than $\pm 5\%$, to fix a new price according to the change in the exchange rate for the deliveries outstanding at the moment of such change. Prices do not include applicable taxes or duties. Buyer is solely responsible for paying all applicable taxes and duties. IDS will add sales taxes to the sales price where required by applicable law, and Buyer will pay such taxes unless Buyer provides IDS with a duly executed sales tax exemption certificate. If Buyer is required by law to withhold any amount of tax from its payment to IDS, Buyer shall promptly pay such amount to the appropriate tax authority and take all reasonable steps to minimize such withholding tax.

4 Conditions of Delivery

IDS reserves the right to effect part shipments. All prices are understood to be ex works fabrication facilities. Title and liability for loss or damage shall pass to Buyer upon IDS' delivery to Buyer's

designated carrier. Any subsequent loss or damage shall not relieve Buyer from its obligations. Buyer shall reimburse IDS for insurance and transportation costs on international shipments and shall be responsible for all import duties, taxes and any other expenses incurred or licenses or clearances required. For all products specially developed for Buyer, IDS reserves the right to ship a quantity, which is within $\pm 10\%$ of the total quantity ordered. Buyer shall be charged for the actual quantity delivered.

5 Terms of Payment

Invoices shall have to be paid net within 30 days, as of date of invoice. The non-compliance with the terms of payment or any circumstances reducing Buyer's creditworthiness, which become known to IDS only after entering into the contract may entail the immediate falling due of all payments outstanding and entitle IDS, with a reasonable respite, to withdraw from the contract. Payments overdue shall be charged subsequently with past-due interest of 1.25 % per month, as of the first day of their falling overdue.

6 Time of Delivery, Change of Order

The times of delivery indicated in the confirmation of order are not binding. There shall be no unilateral right of rescission for a confirmed order. Any claims for damages caused by delayed delivery, short delivery, or non-delivery are excluded. Unforeseeable events incurred through no fault of IDS or extraordinary events at IDS or its subcontractors or other impediments impossible for IDS to foresee shall entitle IDS to defer the date of delivery for a period equal to the time lost by reason of such event or impediment. In any case Buyer shall be obliged to purchase all products already finished or begun in consequence of the order placed. Notwithstanding IDS may enforce subsequent charges or claims for damages caused by reduced purchase quantity.

7 Cancellations and Rescheduling

No cancellation or rescheduling of product by Buyer within thirty (30) days of IDS' estimated shipping date for such product will be accepted. Any cancellation or rescheduling of product by Buyer more than thirty (30) days before IDS' estimated shipping date for such product may result in a charge to Buyer. Such charge, if any, shall be reasonably determined by IDS based on factors as reasonably determined by IDS.

8 Reservation of Proprietary Rights

Until complete payment of all invoices the products shall remain the property of IDS. Buyer does not acquire any proprietary rights by incorporating the

products into other devices. Any processing of the products delivered by IDS is done on behalf of IDS. If Buyer incorporates the products into outside goods, IDS shall become co-owner of the new goods created, and this according to the proportion of the values of its products to those of the outside products jointly used. Until revoked, Buyer shall be entitled to resell, under reservation of the proprietary rights, the goods delivered or products created by their processing within the framework of his regular business activity. Until complete payment of the purchase price Buyer shall cede all claims due to him as a result of such resale, to the amount of the value of the products delivered, to IDS. Until revoked, Buyer shall be entitled and obliged to collect the claims ceded. IDS shall be entitled to secure the property under reservation if Buyer does not comply with his contractual obligations, in particular if he handles the property under reservation in an improper manner or comes in default with payment of purchase price. Execution of restitution and securing shall not be deemed a rescission of the contract and shall not revoke Buyer's obligations, in particular payment of purchase price.

9 Patent Rights and Copyrights

Buyer shall hold IDS harmless against any expense or loss resulting from the infringement of patent rights or copyrights and arising from compliance with Buyer's designs, specifications, or instructions. By selling a product to Buyer, IDS shall in no case convey any patent right to Buyer. IDS agrees to hold Buyer harmless if any claims resulting from the infringement of a patent right or copyright applicable in Switzerland are being asserted against Buyer and if Buyer has notified IDS promptly in writing of such assertion. IDS reserves the right to choose appropriate means of defence, including settlements out of court. Should it not be possible for Buyer to use the products under reasonable circumstances, IDS' liability shall be limited to either changing or replacing the product so that it constitutes no infringement of patent rights or, at its discretion, taking back products not yet incorporated and refunding the purchase price. IDS shall not be liable for any claims founded on an infringement of patent rights arising from a use of the product contrary to the terms of the contract.

10 Software

For software programmes, pertaining documents, and all subsequent additions Buyer shall have a nonexclusive and non-transferable right of use with the products for which such software programmes have been delivered. All other rights shall remain

with IDS or the programme author respectively. Buyer has to guarantee that these programmes, documents, and subsequent additions are not accessible to third parties or third countries without IDS' express consent.

11 Trade Acceptance

The products delivered have to be taken over by Buyer, even if they have insignificant defects. Buyer shall carry out the acceptance test within 30 days, as of date of delivery. Should the take-over be delayed by reason of circumstances outside IDS' responsibility, the written communication of readiness for dispatch by IDS to Buyer shall be considered the date of delivery. In default of any written communication of inability to take delivery by Buyer within the time for taking delivery, the products shall be deemed accepted. The criteria for acceptance or refusal shall be, in case of products specially developed for Buyer, the specifications or test conditions jointly agreed upon or, in case of standard products, the data sheets issued by IDS effective at the moment of placing of order.

12 Warranty

IDS warrants that the products will be free from defects in material and workmanship under normal use in conformity with the terms of the contract. IDS' obligations under this warranty shall be discharged, at its option, by repairing, replacing, or giving credit for defective products. Buyer has to grant IDS a reasonable period for removing the defects; if Buyer refuses to grant such period, IDS shall be released from warranty. The period of warranty is 12 months, as of the acceptance of the products by Buyer (see clause 10). For IDS Distributors this period is from the date of shipment from distributor to their clients. Buyer has to give IDS notice of defects, in writing and stating sufficient reasons, immediately but within 30 days as of delivery of products at the latest. Any defects that could not be detected within that period in spite of careful examination must be communicated to IDS, in writing and stating sufficient reasons, immediately after becoming known. In default of such immediate communication, any warranty shall be excluded. The warranty shall be ruled out if the products are handled, after their acceptance, in an improper manner or not in conformity with the instructions recommended by IDS. Returns shall only be accepted after previous consent by IDS. In case of warranty claim IDS shall defray the transportation cost. A case of warranty shall not prolong the initial period of warranty of 12 months. In case of unjustified complaints Buyer shall reimburse IDS for all expenses arising from such complaints. Any claims of Buyer beyond the obligations under this warranty are excluded.

13 Other Matters

Place of performance and place of jurisdiction for all claims under a delivery contract according to clause 2 shall be Wollerau, even if any deliveries have been affected by any branch office or warehouse of IDS. The laws of Wollerau, Switzerland shall exclusively govern all delivery contracts. Buyer can pass on his rights and obligations arising under such delivery contracts only upon IDS' written consent. The products delivered may be subject to the export control regulations of Switzerland and the European Union. Their re-export may require the approval by the competent authorities.

Buyer shall be liable for the observance of the export control regulations up to the end user, if applicable, and explicitly agrees to hold IDS fully harmless. Should any clauses of these Standard Terms of Sale be or become inoperative, the other clauses shall not be affected thereby. This contract constitutes the entire agreement between the parties relating to the sale of the products and supersedes all previous communications, representations, or agreements, either oral or written, with respect to the subject matter hereof. No prior representations or statements relating to the sale of the products made by any IDS representative, which are not stated herein, shall be binding on IDS.