

# Terms and Conditions for Sale of Goods

This Terms and Conditions for Sale of Hardware Goods with Software (this "T&C") shall exclusively apply to all forecasts or purchase orders ("PO(s)", each of which is a "PO" as defined hereinafter) issued to Delta Electronics, Inc., its subsidiaries or Affiliate(s) (collectively referred to as "DELTA") and deliveries of all hardware and software provided by DELTA. This T&C forms a part of the contract made between DELTA and its customers and customer's Affiliate(s) (collectively "the Customer") with respect to the sale of hardware goods with software, reflecting all of the Customer's rights and DELTA's obligations and responsibilities for each PO. This T&C may be updated by DELTA from time to time without further notification to Customer. This T&C applies and supersedes all other terms and conditions, even if the Customer's terms and conditions may be contrary to this T&C when DELTA delivers Products to the Customer. The Customer agrees that use of pre-printed forms, such as POs or acknowledgements, is for convenience only and all terms and conditions stated thereon, except as specifically set forth in this T&C, are void and of no effect. The Customer's performance, acceptance of or payment for any Products from DELTA, will constitute the Customer's acceptance of this T&C.

## 1. Definition

<u>Affiliate(s)</u>: means any corporation or other entity that directly or indirectly controls, is controlled by, or is under the common control with, Delta Electronics, Inc. hereto, where "control" means the direct or indirect ownership of more than 50% of the outstanding shares or other voting rights of the subject entity to elect directors (or, in the case of an entity that is not a corporation, interests entitling the holder to vote in the election of the corresponding managing authority).

**Defect(s):** means any Product (1) is defect in material or workmanship (under normal usage, provided that DELTA's operation and maintenance instructions are followed by Customer), and (2) does not comply with the specification based on which the Product is designed or manufactured. Normal wear and tear shall not be considered as a Defect.

<u>Product(s)</u>: means any goods and relevant services which are the subject matter of business transactions between Customer and DELTA and may contain hardware, software and/ or firmware.

Purchase Order(s) ("PO(s)"): means a document for ordering Products with name, unit price and quantity of the Product and other relevant information which is placed by the Customer and accepted by DELTA. The POs may be made on paper, in an electronic form, through an electronic data interchange system or by any other generally acceptable forms.

<u>Software:</u> means any collection of data, systems, digital media or computer instructions that may be stored in media or embodied in the storage of the hardware, such as programs, firmware, and/or development toolkit and Third Party Software, whether in the form of executable code, human readable or machine readable object form, including but not limited to its updates, modifications, revisions, add-ons, extensions, patches, fixes or design data made by DELTA and/or incorporated in the Products supplied by DELTA.

<u>Third Party Software:</u> means any Software, including but not limited to open source software, developed by any entity or organization other than DELTA, which is embedded into the Product supplied by DELTA.

## 2. Forecast

- 2.1 Customer may at its discretion issue forecasts to DELTA reflecting its demands on Products. The forecasted volume within the period required for the manufacture and delivery of Products ("Lead Time") shall be binding and fix and constitute Customer's purchase commitment ("Binding Forecast"). In case Lead Time is not defined by the parties, the Lead Time is considered twelve (12) weeks.
- 2.2 Customer shall indemnify and hold harmless DELTA for any losses and damages resulting from or arising out of Customer's failure to place POs pursuant to Binding Forecast including without limitation idle parts and components whether being key parts, with long lead time or otherwise, work-in-process units, semi-finished Products, Product inventory, Products in-transit, and DELTA's liabilities to its vendors. Any parts, work-in-process units, semi-finished Products and Products at DELTA's premise indemnified or to be indemnified by Customer shall be picked up by Customer at or before the time DELTA may reasonably designate, otherwise DELTA shall be entitled to scrap, continue storing or deliver to Customer at Customer's costs.

#### 3. Prices

- 3.1 Unless otherwise stated or referred to in writing by DELTA, all prices quoted by DELTA are <u>EXW</u> of relevant Delta facility under the INCOTERMS 2020 rules or its latest version and shall exclude <u>transportation, insurance, taxes, customs fees,</u> duties and other similar related charges incidental to the sale of the Products. If, by reason of any act of any governmental orders, the cost to DELTA performing its obligations hereunder is increased, such increase shall be added to the quoted price.
- 3.2 The price, quantity, quality and specification of Products stated in the PO shall be consistent with those set forth in DELTA's quotations, or DELTA may elect to reject such PO. If there are changes to the import, tax and duty regulations and exchange rates for the Products covered in this T&C prior to or on the date of delivery, DELTA shall invoice any extra cost that may have incurred, taking into account increases in cost, including without limitation, the cost of any Products or material carriage, labor or overheads, the increase or imposition of other charges, duties or levies.
- 3.3 Without the prior written consent of DELTA, the Customer may not assign or transfer any of its rights or obligations under this T&C to any third party.
- 3.4 If Customer's payment is overdue, DELTA is entitled to claim interests for late payment in accordance with the local laws and regulations where any of the DELTA entities involved in the transactions reside.
- 3.5 DELTA reserves the right to charge for the preparation of drawings or sketches prepared either for the submission or any execution of POs. All such drawings or sketches remain the property of DELTA.

#### 4. Delivery

- 4.1 Delivery methods are based on the prevailing market conditions at the time DELTA accepts Customer's PO.
- 4.2 Actual delivery dates may be approximate to the expected delivery date stated in the PO, unless otherwise agreed in writing.
- 4.3 Acceptance of the Products shall constitute a waiver of all claims arising from any delay in delivery.
- 4.4 Delivery of partial quantity for goods ordered in the same PO is permissible
- 4.5 DELTA may extend delivery schedules or, at its option, cancel the Customer's PO in full or in part without incurring liability



in the event that the Customer breaches this T&C.

- 4.6 Unless otherwise stated in writing by DELTA, the Customer is obligated to inspect the Products upon delivery and shall notify DELTA of any Defect found within <u>seven (7)</u> calendar days after the receipt of the Products. If the Customer fails to notify DELTA within the prescribed period, the Customer shall be deemed to have accepted such Products. Any costs and expenses related to the inspection and acceptance of the Products shall be borne by the Customer.
- 4.7 After DELTA's notification of readiness for shipment, if shipment or supply is deferred at the request of the Customer or delayed for reasons attributable to the Customer, DELTA may charge storage costs to the Customer. The Customer agrees to pay such storage costs to DELTA within thirty (30) calendar days upon the receipt of notice from DELTA.
- 4.8 If Customer refuses or fails to take delivery of the Products supplied in accordance with this T&C, DELTA shall be entitled to immediate payment in full for the Products so supplied. DELTA shall be entitled to store at the risk of the Customer any of the Products, which the Customer refuses or fails to take delivery of, and the Customer shall, in addition to the purchase price, pay all consequential costs of such storage and any additional cost or carriage.

## 5. Title and Risk

#### (A) Risk:

- 5.1 Unless otherwise agreed in writing by both parties, risk of loss or damage to the Products shall pass to the Customer in accordance with the provisions of the INCOTERMS 2020 rules specified by DELTA.
- 5.2 If no provision of the INCOTERMS 2020 rules is specified by DELTA, risk of loss for shipments shall pass to the Customer at the time the Products are first delivered onto a commercial transportation carrier for shipment.
- 5.3 The Customer shall pay or promptly reimburse DELTA for all demurrage, detention charges, delivery re-routing or rescheduling of any Product. DELTA reserves the right to deliver a Letter of Indemnity or other documents in lieu of a Bill of Lading.

## (B) Retention of Title:

- 5.4 If the transaction is undertaken by DELTA's legal entity outside the European Union, the performance of the retention of title is subject to the local laws and regulations where DELTA's undertaking entity resides.
- 5.5 If the transaction is undertaken by DELTA's legal entity in the European Union:
  - 5.5.1 DELTA shall retain title to all Products delivered to the Customer until the purchase price for the Products (including interests and costs) has been paid in full.
    - 5.5.2 The Customer shall only be allowed to sell the Products subject to DELTA's retention of title within normal and proper business transactions. The Customer is not entitled to pledge the Products subject to DELTA's retention of title, grant chattel mortgages on them or make other dispositions endangering DELTA's title to such products. The Customer hereby assigns its receivables arising from the resale of the products to DELTA, and DELTA hereby accepts such assignment. Should the Customer sell the Products subject to DELTA's retention of title after processing or transformation or joining or mixing of such Products with other goods or together with other goods, this assignment of receivables shall only be agreed to for an amount equivalent to the price agreed to between DELTA and the Customer plus a safety margin of 10 % of this price. The Customer is granted the revocable authorization to collect in trust the claims assigned to DELTA in its own name. DELTA may revoke such authorization and the right to resell the products if the Customer is in default of the performance of material obligations such as making payment to DELTA.
    - 5.5.3 Any processing or transformation of the Products subject to DELTA's retention of title by the Customer shall always be performed for DELTA. If the Products subject to DELTA's retention of title are processed with other goods, DELTA shall acquire joint ownership of the new goods in the ratio of the value of the Products subject to DELTA's retention of title to the other processed goods at the time of processing. The new goods created by way of processing shall be subject to the same provisions as applicable to the Products subject to DELTA's retention of title.
    - 5.5.4 Should the Products subject to DELTA's retention of title be joined or mixed with other goods, DELTA shall acquire joint ownership of the new goods in the ratio of the value of the Products subject to DELTA's retention of title to the other goods at the date of joining or mixing. Should the joining or mixing of the goods occur in such manner that the Customer's goods are to be viewed as the main goods, it shall be deemed to be agreed that the Customer assigns proportionate joint ownership to DELTA. The Customer shall hold the joint ownership created in such manner in custody for DELTA.
    - 5.5.5The Customer shall exercise reasonable care with regard to the Products subject to DELTA's retention of title by maintaining insurance against fire, theft, explosion and water damage, and shall ensure the Products subject to DELTA's retention of title are sufficiently defined and identifiable.
    - 5.5.6 If a third party alleges to have rights with regard to the Products subject to DELTA's retention of title and wishes to exercise its rights or create any encumbrance on the Products in question, the Customer must inform DELTA within twenty four (24) hours after becoming aware of the situation. In such event, DELTA is entitled to temporarily or permanently remove the Products or have them removed from the Customer, repossess the Products and/or store them or have them stored elsewhere.
    - 5.5.7 Should the Customer be in default of material obligations such as payment to DELTA, and should DELTA rescind the contract, DELTA may, notwithstanding any other rights, request surrender of the Products subject to DELTA's retention of title and may make use of them otherwise for the purpose of satisfying its matured claims against the Customer. In such case, the Customer shall grant DELTA or DELTA's agents immediate access to the Products subject to DELTA's retention of title and surrender the same.
    - 5.5.8 All costs relating to DELTA's exercise of the right above, including the costs of transportation and storage, will be borne by the Customer.

## 6. Termination or Change

- 6.1 The Customer may not terminate, suspend performance, reschedule or cancel delivery or issue a "hold" order in whole or in part, without DELTA's prior written consent or without terms that will compensate DELTA for any loss or damage resulting from such an action.
- 6.2 The Customer's liability for failing to comply with this section shall include, but is not limited to, the price of the Product delivered or held for disposition, the price of services already performed and the work in progress, incurred costs, reasonable allocation of general and administrative expenses, and DELTA's loss of profits.



- 6.3 The Products will be insured against theft, breakage, damage in transit, fire and water damage, and other insurable risks at the request and cost of the Customer.
- 6.4 DELTA may, at any time and without notice to the Customer, change the Products in any way that does not adversely affect the form, fit or function of the Products in any material respect. If the Customer at any time requests changes the scope of a PO or any relevant parts of the Products, including, but not limited to, such matters as inspection, testing or quality control, DELTA may terminate such PO and/or this T&C with respect to the items affected by such change(s) or reasonably change the time for performance and/or price of Products to take into account the changes.

## 7. Terms of Payment

- 7.1 Unless otherwise agreed in writing, the Customer shall pay the price of the Products within the payment period stated in DELTA's quotation. Payment shall also be made even if unimportant parts are missing, which do not prevent the Products from being used (short shipments, etc.). Any banking charges associated with the Customer's payment shall be borne by the Customer.
- 7.2 Each shipment of the Products under each PO shall be considered a separate and independent transaction and payments thereunder shall be made accordingly.
- 7.3 If the Customer fails to make a payment when due:
  - 7.3.1 DELTA may (1) suspend or withhold further shipments of the Products under the same or other POs until all outstanding amounts are paid; (2) require advance cash payments on further shipments; (3) cancel the Contract or the applicable shipment for delivery; (4) require the Customer to return to DELTA or its designee any Bill of Lading or other document issued or to be issued in favor of the Customer; (5) take any other action DELTA deems appropriate in its sole discretion; or (6) pursue any remedies available at law or as provided in the Contract.
  - 7.3.2 The Customer shall reimburse DELTA for DELTA's costs of collection, including legal fees and disbursements, and shall pay <u>1.3%</u> of all past-due balances per month.
- 7.4 If DELTA believes reasonable doubt exists as to the Customer's financial solvency, or if the Customer is past due in payment of any amount owed to DELTA, DELTA shall have the right, without prejudice to any other remedies, to suspend performance, decline to ship, or stop any Product in transit until DELTA receives payment of all amounts owed to DELTA or receives adequate assurance of such payment.
- 7.5 All Customer's trading accounts are subject to prior approval by DELTA's credit department in accordance to DELTA's credit policies and practices in effect from time to time. DELTA may unilaterally revise the amount of credit or terms of payment at any time for any reason. The Customer acknowledges that both the amounts invoiced by DELTA and the shipments in progress are included in the Customer's credit limit with DELTA. If at any time the Customer exceeds its credit limit, the Customer shall, within seven (7) business days, make payment sufficient to recover its outstanding credit to maintain its credit limit and shall continue to pay DELTA's invoices on or before their due date. The Customer is not entitled to offset or reduce any payments due to DELTA with amounts due to Customer unless otherwise agreed to in writing by DELTA.

#### 8. Compliance with Laws and Export Control

- 8.1 The Customer shall be responsible for obtaining all licenses and permits to export or import the Products and shall comply with all applicable laws and other requirements, including but not limited to, those regarding labeling, safety and usage, handling and disposal of hazardous materials, import and export of materials, and with all other applicable laws and regulations.
- 8.2 Customer hereby acknowledges that the Products supplied by DELTA under this T&C may be subject to any export control laws and regulations and DELTA shall not be obligated to fulfill any obligations under this T&C if any applicable export regulations prohibit DELTA from doing so. Customer shall comply with all such export control laws and regulations, and shall not sell, supply, export, re-export, transfer or divert any of the Products in a manner contrary to, or in violation of, any of those export control laws and regulations. Without limiting the generality of this Section 8.2, Customer agrees that it will not sell, supply, export, re-export, transfer or divert any of the Products directly or indirectly to: (1) any country or region subject to European and/or a United States Government export embargo, or any person or entity located in any such country; (2) any person or entity listed on any United States Government's and/or European's list of prohibited and restricted parties; or (3) any other person or entity for use, directly or indirectly, in any activities related to the proliferation of nuclear, chemical or biological weapons, or any ballistic missiles, rockets or military unmanned aerial vehicles. To the extent that any export license, permit or other government authorization is required under any of those export control laws and regulations in order for DELTA to supply the Products to Customer, DELTA shall have no obligation, and shall be excused from performance, under this T&C, in the event that a suitable export license, permit or other government that a suitable export license, permit or other government.
- 8.3 Any Product export classification made by DELTA shall be for Customer's reference only and shall not be construed as DELTA's representation or warranty regarding the correctness of export classification for such Product. This Section shall survive termination of this T&C.

#### 9. Force Majeure

- 9.1 DELTA shall not be liable for any failure to deliver or any delay in the performance of this T&C or for any loss or damages suffered by the Customer if such failure or delay is directly or indirectly caused by, or in any manner arises from events and causes beyond DELTA's reasonable control, including but not limited to accidents, acts of God, acts and omissions of any governmental authority, export restrictions wars, terrorism, explosions, strikes or other labor disputes, fires and natural calamities (including floods, earthquakes, storms and epidemics and pandemics), changes in the law, and delays in obtaining (or the inability to obtain) labor, materials or services through DELTA's usual sources at normal prices, riots, embargoes, fuel shortages, power shortages, materials or supply shortages, delay or default of common carriers, transportation delays, or without limiting the foregoing, any other cause or causes, whether or not similar in nature to any of these specified herein or which are beyond DELTA's reasonable control.
- 9.2 DELTA shall have the additional right, in the event of the occurrence of any contingency above, to cancel any PO or any part thereof without resulting in any liability, or to extend the date of delivery for a period of time equal to the time actually lapsed by the reason stated above. Furthermore, in the event that DELTA, for any reason, is not able to produce sufficient quantity of Products to satisfy all outstanding POs, DELTA retains the right and sole discretion to allocate the quantity of



Products amongst its customers.

## 10. Product Failure

- 10.1 Unless otherwise stated or referred to in writing, DELTA warrants that to DELTA's best knowledge, the Products sold and manufactured by DELTA (1) conform to DELTA's specifications; and (2) are free from Defects during the Warranty Period (defined below).
- 10.2 Unless otherwise stated or referred to in writing, the warranty in clause 10.1 shall be for a period of twelve (12) months from Customer's receipt of the Products ("Warranty Period".)
- 10.3 EXCEPT AS EXPRESSLY STATED IN THIS SECTION 10, ALL OTHER REPRESENTATIONS, WARRANTIES, TERMS & CONDITIONS, ORAL OR WRITTEN, EXPRESS OR IMPLIED OR STATUTORY, ARISING FROM THE COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, QUALITY OF INFORMATION, OR OTHERWISE (INCLUDING IMPLIED WARRANTIES, TERMS OR CONDITIONS OF MERCHANTABILITY, SATISFACTORY QUALITY, AND FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INTERFERENCE, OR NON-INFRINGEMENT) ARE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EXCLUDED BY THIS T&C, AND EACH PARTY ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE DELTA, OR ANY OTHER PERSON ON DELTA'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 9 OF THIS T&C.
- 10.4 If a Product fails to comply with the Specifications due to the Defects as defined in Section 1, DELTA's sole obligation is, at its option, to promptly repair or replace the affected unit of Product and re-deliver it to the Customer. For avoidance of doubt, DELTA does not have the obligation to recover customer's data or software programs therein.
- 10.5 The Customer shall notify DELTA in reasonable detail of any claim arising in relation to the Products.
- 10.6 Notwithstanding the foregoing, the Customer shall not be entitled to any remedy if (1) the price of the Products has not been paid in full or (2) Product Defects are resulted from the manufacture, packaging or delivery in accordance with the Customer's instructions or from a design or specification supplied by the Customer or from the Customer's failure to disclose relevant and pertinent information to DELTA; (3) Product Defects are resulted from the Customer's alteration, disassembly, modifications or repair without DELTA's prior written authorization; (4) cause of actions arise from Products that are used or connected with a third party product or software not expressly designated by DELTA's documentation and specifications for the Product or operated in a way other than the intended purpose or ordinary use for which Products were designed; (5) Defects existed in a Third Party Software contained in the Products.
- 10.7 This warranty is non-transferable, non-assignable and is applicable only to DELTA's direct Customer. This warranty shall not be extended, altered or modified except by written instrument executed by DELTA.
- 10.8 Any warranty claims made by the Customer under this section shall be made within Warranty Period.
- 10.9 The warranty shall only apply to the current release version of the Products and/or most updated version of Software incorporated into the Product at the time of its incorporation by DELTA.

#### **11. CONFIDENTIAL INFORMATION**

- 11.1 Unless otherwise stated in a separate Non-Disclosure Agreement executed by the parties, Customer acknowledges that all information and materials that come into Customer's possession or knowledge in connection with past and future purchases of Products from DELTA and which has been marked, identified, accepted as confidential or proprietary by the circumstances of its disclosure are confidential information ("Confidential Information").
- 11.2 Customer agrees to hold all Confidential Information in confidence, to disclose Confidential Information only to those of its employees having a need to know, and not to disclose Confidential Information to any other party. Customer agrees that it will not use any of DELTA's Confidential Information without DELTA's consent, and to the fullest extent permissible under applicable law, will not modify, reverse engineer, reverse-compile, reverse assemble, synthesize or in any way use any of DELTA Confidential Information for any purposes other than the intended purpose at the time of DELTA's disclosure.
- 11.3 Customer agrees that its obligations with respect to the Confidential Information under Section 11.2 shall survive indefinitely.

#### 12. Indemnification

- 12.1 When Products are solely designed and made by DELTA, DELTA will defend the Customer in any claim against the Customer where it is asserted that a third party's valid and enforceable intellectual property rights in the country of delivery has been directly infringed by the Products ("Claim"). DELTA will indemnify the Customer against the final judgment entered by a court of competent jurisdiction or for any settlements arising out of a Claim, provided that Customer (1) promptly notifies DELTA in writing of the Claim within thirty (30) calendar days after receiving such claims; (2) cooperates with DELTA in defense of the Claim by granting DELTA full and exclusive control of the defense or settlement; and (3) does not enter into any settlement or compromise with its customer or such third party without DELTA's prior written consent.
- 12.2 If any Product is finally determined by a court of competent jurisdiction to directly infringe a third party's valid and enforceable intellectual property rights in the country of delivery, DELTA may, at its discretion, (1) procure for the Customer the right to continue using the Product; or (2) replace the Product with one that is non-infringing or modify a Product so that it becomes non-infringing. If DELTA determines that none of those alternatives are commercially feasible, the Customer shall return the Products and DELTA shall refund the Customer remaining net book value of the Product calculated according to generally accepted accounting principles and applicable financial regulations where DELTA undertaking entity resides.
- 12.3 Notwithstanding the above, DELTA has no obligation to defend or hold Customer harmless with respect to any Claim brought by a third party against the Customer, for all losses and expenses arising out of any alleged infringement of a third party's intellectual property rights when (1) DELTA has complied with designs, specifications, instructions provided by the Customer, a third party on the Customer's behalf, or industry standards (for examples, IEEE, LTE, etc.); (2) modification of a Product has been made by the Customer or a third party, or by Delta under the instruction of the Customer; (3) the Claim arises from Customer's combination, use of the Product with non-DELTA products, software or business processes; (4) the Claim arises from hardware, software, components designated by the Customer; or (5) the Claim arises from the use of Third Party Software. In the event of (3) and (4) above, Customer shall defend and indemnify DELTA for any and all damages DELTA incurs.
- 12.4 This section constitutes DELTA's entire obligation and the Customer's sole remedy regarding any third party claims for



#### intellectual property infringement

## **13. LIMITATION OF LIABILITY**

- 13.1 Exclusion of Certain Damages. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL DELTA BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUE, LOST DATA, LOSS OF USE, LOST BUSINESS OPPORTUNITIES OR OTHER ECONOMIC ADVANTAGE, LOSS OF GOODWILL, THE COSTS OF PROCURING SUBSTITUTE PRODUCTS) OR FOR ANY DAMAGES ARISING FROM THE USE OF PRODUCTS FOR THE OPERATION OF NUCLEAR FACILITIES, AIRCRAFT NAVIGATION OR COMMUNICATION SYSTEMS, AIR TRAFFIC CONTROL, MEDICAL, LIFE SAVING, LIFE SUPPORT, TRANSPORTATION SYSTEMS, WEAPONS SYSTEMS OR FOR ANY OTHER MISSION CRITICAL APPLICATION, WHETHER SUCH LIABILITY ARISES FROM ANY CLAIM BASED UPON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR OTHERWISE, WHETHER OR NOT DELTA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES.
- 13.2 <u>Total Liability</u>. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, DELTA'S TOTAL LIABILITY TO CUSTOMER UNDER THIS T&C FOR ALL CAUSES OF ACTION AND UNDER ALL THEORIES OF LIABILITY, WILL BE LIMITED TO THE PAYMENTS DELTA ACTUALLY RECEIVED FROM CUSTOMER IN THE PRECEDING <u>SIX (6)</u> MONTHS FOR THE PARTICULAR PRODUCTS GIVING RISE TO SUCH LIABILITY.
- 13.3 <u>Basis of Bargain</u>. The parties expressly acknowledge and agree that DELTA has set its prices and entered into this contractual relationship in reliance upon the limitations of liability specified herein, which allocate the risk between DELTA and Customer and form a material basis of the bargain between the parties.

## 14. Ownership and Use of Intellectual Property

- 14.1 Any intellectual property generated or developed in the course of performance hereof, and any revision, addition, derivative work and improvement of the said intellectual property regardless when or who it is conceived or made at or by, shall vest in DELTA. Customer is granted under the aforesaid intellectual property rights a non-exclusive, revocable and non-sublicensable license to use, resell, offer for resale and export the Products. The parties acknowledge that unless otherwise explicitly provided hereof, there is no other license granted under this T&C.
- 14.2 Certain Third Party Software may be embedded in the Product, and subject to the licenses of the third parties. Such Third Party Software is provided "As Is" and shall be governed by this T&C to the extent the licenses of the third parties do not prevail. DELTA provides no warranty nor guarantee on such Third Party Software. In addition, Customer is obligated to obtain the license to use the Third Party Software if it intends to use such Third Party Software as embedded in the Product.
- 14.3 To the extent that the Product contains Software DELTA owns (i.e., excluding any Third Party Software), DELTA hereby grants to the Customer a non-exclusive and non-sublicensable license to use the Software together with the Product as an inherent part of the Product as well as any related documentation in the territory which is permitted by the export control laws or regulations of USA, EU, Taiwan, China, Thailand and India.
- 14.4 To the extent that the Product contains Software owned by DELTA (i.e., excluding any Third Party Software), that is an inherent part of the Product, such Software shall not be separated from such Product and transferred to a third party. The license granted in Section 14.3 for the use of the Software will only be transferred when the Product it embedded is transferred to a third party.
- 14.5 The Customer agrees to treat the Software and related documentation as confidential and agrees not to copy, reproduce, sub-license, or otherwise disclose the Software and related documentation to third parties.
- 14.6 The Customer agrees not to disassemble, decompile, reverse engineering, create derivative works toward Software.
- 14.7 DELTA may terminate the Software license if Customer fails to comply with any of the terms of this T&C, without limiting DELTA's other rights or remedies. Upon any termination, Customer will return to DELTA, the licenses, Software, all copies of other material and documentation supplied to Customer by DELTA, or, at DELTA's direction, destroy all copies of the Software and make no further use of it, provided that Customer shall produce a written certificate to DELTA confirming the fulfillment of such destruction.
- 14.8 In the event that Customer provides Delta with software for any purpose, Customer shall, (1) comply with DELTA's software instruction(s) or guideline(s); (2) prior to the delivery of such software, notify Delta in writing if any portion of the software contains any open source software (OSS). The notification will include for the OSS: (a) the portion of software in which it is included; (b) the name and version; (c) the license type and version; (d) the modification(s) Customer has made; (e) the location to download the original version and any modification (if applicable); and (f) any associated licensing terms, including limitations and payment requirements. Customer will be solely responsible for any licenses and rights necessary for and any responsibility caused from such OSS.

#### 15. Governing Law and Venue

- 15.1 This T&C shall be governed, construed, interpreted and enforced in accordance with the laws of Taiwan, Republic of China, without regard to any rules governing choice of laws. The 1980 United Nation Convention on Contracts for the International Sale of Goods does not apply to this T&C.
- 15.2 Any dispute, suit or action arising out of or relating to this T&C or the sales of Products supplied by DELTA, whether based in contract, tort or otherwise, shall be exclusively submitted to the courts having personal jurisdiction over the DELTA entity conducting the transaction at issue with Customer.