GENERAL TERMS AND CONDITIONS OF SALE (Version 2.0)

Renesas Electronics (Shanghai) Co., Ltd.

1. Definitions

1.1 **"Buyer"** means the person who buys or agrees to buy the Products from Renesas or who accepts Renesas' written quotation for the sale of the Products or whose written order for the Products is accepted by Renesas.

1.2 **"Contract"** means the written contract or agreement for the purchase and sale of the Products between the Buyer and Renesas.

1.3 **"Incoterms"** means Incoterms 2010 published by the International Chamber of Commerce.

1.4 **"Insolvency Event"** means the Buyer being in liquidation or provisional liquidation or under administration, being unable to pay its debts or otherwise insolvent, dying or ceasing to be of full legal capacity or otherwise becoming incapable of managing its own affairs for any reason, ceasing to carry on business, taking any step that could result in the Buyer becoming an insolvent under administration, entering into a compromise or an arrangement with, or assigning its business for the benefit of, any of its members or creditors, or any analogous event.

1.5 **"Products"** means the goods which the Buyer buys or agrees to buy from Renesas.

1.6 **"Renesas"** means Renesas Electronics (Shanghai) Co., Ltd.

1.7 **"Terms"** means the general terms and conditions of sale set out in this document and includes any other terms and conditions which supplement, amend or substitute the Terms agreed in writing between the Buyer and Renesas, except for the written terms as expressly agreed by the Parties not to be bound by the Terms.

2. Terms Applicable

2.1 Renesas' quotation or offer is in all cases subject to confirmation and is non-binding. Renesas expressly and automatically rejects, without any need to respond to Buyer, any and all clauses contained in any Buyer's request for quotation, purchase order issued by Buyer, Buyer's terms and conditions of purchase, and anything posted on the Buyer's website that are in addition to or inconsistent with these Terms, Renesas' quotation, the applicable product data sheet, or DLA Standard Microcircuit Drawing, including without limitation, manufacturing, testing, quality, labeling, and date code requirements. The inclusion of Buyer's unique part number on Buyer's request for

quotation or purchase order does not constitute Renesas' acceptance of such clauses associated with said part number, all of which are rejected unless individually agreed to in a signed writing by Renesas. Unless otherwise requested by Renesas in writing for the formation of the Contract, Renesas shall sell and the Buyer shall purchase the Products in accordance with Renesas' written quotation or offer (only if accepted by the Buyer), or the Buyer's written order (only if accepted by the Renesas), subject in either case to the Terms, which shall prevail over any other terms subject to which any such offer is accepted or purported to be accepted, or any such order is made or purported to be made, by the Buyer, except the written terms as expressly agreed by the Parties not to be bound by the Terms.

2.2 Drawings, illustrations, weights or other performance data contained in catalogues, pricelists or other promotional material of Renesas do not constitute any guaranteed features or quality specifications unless expressly indicated as such.

3. Orders and Specifications

3.1 The quantity, quality, description and specification of the Products shall be as set out in Renesas' written quotation or offer (only if accepted by the Buyer) or the Buyer's written order (only if accepted by Renesas). The Buyer shall be responsible for ensuring the accuracy of the terms of any offer provided by Renesas or order submitted to Renesas.

3.2 Minimum order and shippable quantities are defined by product specific minimum line quantities (MLQ's) as listed in Renesas' current Cost and Resale or OEM Price List. The MLQ's are multiples of the standard pack. Exceptions to the MLQ requirement must be specifically negotiated between the Buyer and Renesas. Orders for less than MLQ will be automatically increased to meet minimum requirements. If not in standard pack increment, orders will be increased or decreased to standard pack quantities in accordance with previous Renesas /Buyer agreements.

3.3 Renesas reserves the right at any time before delivery to change the ordered quantity of the Products which are required to conform with any applicable statutory or regulatory requirements or due to shortage of stocks or raw materials or production complexity.

4. Price

4.1 The price of the Products shall be Renesas' quoted price or, where no price has been quoted (or a quoted price is no longer valid and no other provisions of the quoted price between the Parties), the price listed in Renesas' published price list on the date of acceptance of the order.

4.2 Unless otherwise expressly agreed by Parties, the price does not include packing fees, transportation charges, insurance premiums, spare parts and wearing parts costs, applicable VAT and any charges, costs, tax or duties (**"Charges"**) not covered by the relevant Incoterms and such Charges shall be borne by the Buyer, if any.

4.3 The Buyer irrevocably waives any of its rights in withholding any payment under any invoice or other amounts due to Renesas by reason of any set-off or counterclaim or for any reason whatsoever.

4.4 Renesas reserves the right to change or withdraw prices at any time for its Products without advance notice. Backlog and the Buyer's inventory may be re-valued and adjusted as needed. If the price of fuel, precious metals, raw materials, or other production costs increases significantly, Renesas shall have the right to adjust the Product price directly or by the addition of a surcharge for all Products not yet shipped.

If the Buyer fails within 12 months of the order receipt date to accept delivery of the quantity of Products upon which the billing price was based, the purchase price will be determined by the quantity actually released and shipped and the Buyer will be billed for any price difference.

5. Payment

5.1 In the absence of any contracts to the contrary, prices of the Products or any amount to be paid to Renesas shall be paid by the Buyer without any deduction and delay. The time of payment shall be of the essence and the overdue payment constitutes a fundamental breach.

5.2 All Renesas invoices shall be due for payment without deduction within 30 days from the date of invoice.

5.3 Renesas shall be entitled to recover and the Buyer shall make the full payment when due, notwithstanding the delivery may not have taken place or the Buyer alleges any defect in the quality or specification of the Products.

5.4 If the Buyer fails to make any payment on the due dates then, without limiting any other right or remedy available to Renesas, Renesas may:

（a）appropriate any payment made by the Buyer to such of the Products (or such other Products supplied under any other Contract) as Renesas may think fit; and

（b）claim damages for breach of contract from the Buyer on the outstanding amount ,which shall be calculated at 1% of the outstanding amount for each one day from the date of overdue payment until the payment in full is received by Renesas,

and may also be deducted from other payments in accordance with sub-paragraph (a) of this Clause.

5.5 If Renesas becomes aware of any risk of the Buyer's inability to perform the contract after execution of the contract, Renesas shall be entitled to fulfil outstanding deliveries only in return for payment in advance or provision of security. If advance payments or provision of security have not been provided even after expiry of reasonable period of grace, Renesas may withdraw from individual contracts either wholly or in part. Renesas shall remain entitled to assert any further rights.

6. Delivery and Inspection

6.1 The terms of shipment and delivery for the Products are EX Works (EXW) Renesas' shipping point, per Incoterms 2010. Renesas will deliver the Products in accordance with a contract, and the Buyer shall fully cooperate with Renesas on the delivery.

6.2 Delivery dates communicated or acknowledged by Renesas are approximate only based on anticipated production yields, process times, and other manufacturing and market variables, and Renesas shall not be liable for, nor shall Renesas be in breach of its obligations to the Buyer, because of any delivery made within a reasonable time before or after the stated delivery date. Time for delivery shall not be of the essence under the contract, the reasonable early or late delivery above shall not constitute a breach of the contract.

6.3 Where the Products are to be delivered by partial deliveries, each delivery shall constitute a separate contract and any failure by Renesas to deliver any one or more of the deliveries or any claim by the Buyer in respect of any one or more deliveries shall not affect Renesas' rights in respect of the Products already delivered or remain to be delivered.

6.4 Subject to Clause 6.2, if Renesas fails to deliver the Products (in whole or in part) for any reason other than Force Majeure Event, and Renesas is accordingly liable to the Buyer, Renesas' liability shall be limited to the excess (if any) of the cost to the Buyer (in the cheapest available market) of similar goods to replace those not delivered, under no circumstances shall Renesas' liability exceed the invoiced price of the undelivered Products.

6.5 If the Buyer fails to accept the delivery of the Products or fails to give Renesas adequate delivery instructions at the time stated for delivery then, without limiting any other right or remedy available to Renesas, Renesas may:

（a）store the Products until actual delivery and charge the Buyer for the reasonable storage costs (including insurance); or

（b）sell the Products at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) claim the Buyer for any shortfall below the price under the Contract.

6.6 The Buyer shall immediately, upon receipt of the Products, inspect the Products. If the Buyer considers that the Products are not in conformity with the quality or quantity agreed by the Parties, the Buyer shall give Renesas a written notice within 14 days after receipt of the Products. In this case, Renesas is entitled to require the Buyer to send the samples of the Products to Renesas for inspection; otherwise the Products shall be deemed to have been accepted without reservation by the Buyer.

7. **Risk and Retention of Title**

7.1 Risk of damage to or loss of the Products shall pass to the Buyer upon delivery of the Products as defined in EX Works (EXW) at Renesas' shipping point, per Incoterms 2010. Liability for loss or damage to the Products shall pass to the Buyer upon Renesas' tender of delivery of the products to the Buyer at Renesas' shipping point, and any loss or damage during shipment or thereafter shall not relieve Buyer from any obligations hereunder.

7.2 Notwithstanding the foregoing delivery and the passing of risk in the Products, or, any other provision of the Terms, the ownership of the Products shall not be transferred to the Buyer until Renesas receives full amount in cash or full payment of the Products made by the Buyer. Unless agreed in writing, Renesas will retain title to and possession of any models, drawings, composites, patterns, dies, molds, masks, working plates, schematics, bread boards, jigs, fixtures and tools made for or obtained from sources other than the Buyer for the furnishing of the Products.

7.3 Before the ownership of the Products is being transferred to the Buyer, the Buyer shall hold the Products as Renesas' agent and fiduciary; the Products shall be separate from those goods of the Buyer and third parties and shall be properly stored, protected and insured and identified as Renesas' property. The Buyer may resell or use the Products in the ordinary course of its business, provided that the Buyer shall, prior to reselling the Products, obtain written consent of Renesas and pay the resale price directly to Renesas. In addition, the Buyer shall not use the Products in any place other than the Buyer's premises without the prior written consent of Renesas.

7.4 Before the ownership of the Products is being transferred to the Buyer, Renesas may at any time require the Buyer to return the Products to Renesas and, if the Buyer fails to do so forthwith, Renesas is entitled to enter into any premises of the Buyer or any third party where the Products are stored and repossess the Products. In the event that the value of the Products is reduced due to the Buyer's use, the reduction in value will be the loss of Renesas and shall be compensated by the Buyer.

7.5 The Buyer shall not be entitled to pledge or in any way allow any mortgage to attach to the Products for its debt where the ownership of such Products belongs to Renesas.

8. Liability

8.1 Renesas shall not be liable to the Buyer for loss of profits or for any indirect, special or consequential loss or damages, costs, expenses or other claims for compensation whatsoever (whether caused by the negligence of Renesas, its employees or agents or otherwise) as a result of or in connection with the supply of the Products (including any delay or failure in supplying the Products) or their use or resale by the Buyer, and the entire liability of Renesas under or in connection with the Contract shall in any event not exceed the invoiced price of the Products, except as expressly agreed otherwise.

8.2 Under any circumstances and notwithstanding anything to the contrary in the Terms or contract, Renesas' total aggregate liability for any losses in any given year shall not exceed 20% of the total amount paid to Renesas by the Buyer in the last year, nor exceed the total payment received by Renesas in respect of the relevant Products from the Buyer in the last year.

8.3 Renesas shall not be liable for any loss whatsoever caused by any delay in performing or any failure to perform any of the Renesas' obligations if the delay or failure is due to any of the Force Majeure Events or the Buyer's breach of Contract.

9 **Warranties**

9.1 Renesas warrants to the Buyer that the Products will be free from defects in material and workmanship; will conform to Renesas' specifications; and will be free from liens and encumbrances, for a period of one (1) year from the date of delivery, or in the case of development systems, boards and development software, for a period of ninety (90) days from the shipment date, provided that all of the following conditions have been satisfied:

(a) Renesas is promptly notified upon discovery of any defect (but in no event later than ten (10) days following the end of the warranty period) of any warranty claim;
(b) The Buyer returns the Products to Renesas by Renesas' designated carrier, within seven (7) days after the Buyer has received an RMA number from Renesas. Renesas will accept Products for warranty claim verification only when returned by the Buyer in a condition that allows for suitable testing by Renesas. Products must be segregated by Product type when more than one type of Product is returned. If Renesas determines that any returned products are not covered by Renesas' warranty, Renesas will invoice Buyer, and Buyer will pay, the shipping costs for such products both to Renesas and back to Buyer; and

(c) Renesas determines that any claimed defects in the Products were not caused by it being a preproduction or developmental product, misuse, static discharge, abuse, vandalism, neglect, improper handling, installation or shipment, unauthorized repair, purchase from an unauthorized source, alteration or accident or damage due to the elements or similar causes not within the control of Renesas or its authorized supplier.

Any returned products electrically or mechanically destroyed by Buyer or third parties will not be covered by this warranty, and will not be returned to Buyer, but will be scrapped by Renesas. Any modification of products by Buyer, unless specifically authorized in writing in advance by Renesas, shall invalidate the above warranty.

Notwithstanding anything herein to the contrary, Renesas shall have no liability for any defects in any Products sold in die and/or wafer form without connection to a lead frame ("Unpackaged Products"), or for failure of the Unpackaged Products to meet the technical specifications in the finished product data sheet. Further, the warranty of this clause shall not apply to any Unpackaged Products sold hereunder. Additionally, Renesas makes no warranty of any kind and accepts no liability for evaluation boards, which are supplied "as-is", without any testing to national or international safety requirements.

9.2 In addition to the warranty terms above, the following additional terms will apply to Development Tools (DTs) covered by a purchase order;

NO WARRANTY OBLIGATION WILL ARISE FOR DTs UNLESS AND UNTIL BUYER REGISTERS THE DT BY COMPLETING AND MAILING THE REGISTRATION CARD TO RENESAS WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE. Within thirty (30) days after the discovery of defects, Buyer will contact Renesas' local office nearest Buyer's address. Renesas' engineer will be the sole judge as to whether the DT is defective in either material or workmanship. If the DT is found to be defective, Renesas' engineer will contact Renesas' Customer Service Dept., which will then provide Buyer with instructions for returning the defective DTs. Buyer will provide sufficient information about any alleged defects to allow Renesas to determine the existence and cause of said defects. If the DT is defective and repairable but not covered by this warranty, Renesas may offer to repair said DT at Buyer's expense. This warranty does not apply (a) if the DT was not purchased from Renesas or its authorized distributor; (b) if Buyer fails to register the DT or file a warranty claim within the period and in the manner specified above; (c) if the DT was not used as specified in the applicable manuals and other operating instructions; (d) to any defects caused by equipment or other devices connected to the DT; or (e) to consumable parts and components.

9.3 The liability of Renesas hereunder is solely and exclusively limited to replacement,

repair or credit of the purchase price at Renesas' option for any Product which is returned by Buyer during the warranty period set forth in Clause 9.1 herein and which is found by Renesas to be subject to adjustment under this warranty.

9.4 THIS WARRANTY IS EXTENDED TO BUYER ONLY AND IS NOT TRANSFERABLE TO SUBSEQUENT PURCHASERS OR USERS OF THE PRODUCTS. RENESAS HEREBY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY AGAINST INFRINGEMENT AND ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, USAGE OF TRADE, OR OTHERWISE, WITH RESPECT TO MATERIALS OR SERVICES PROVIDED UNDER THESE TERMS OR TO THE PRODUCT, MATERIAL OR DOCUMENTATION OR ANY USE THEREOF BY BUYER. THIS SECTION 9 STATES BUYER'S SOLE AND EXCLUSIVE REMEDY FOR A BREACH OF WARRANTY. RENESAS EXPRESSLY DISCLAIMS ALL WARRANTIES FOR ANY SERVICES PERFORMED BY OR ON BEHALF OF RENESAS NO SALESPERSON, REPRESENTATIVE OR AGENT OF RENESAS IS AUTHORIZED TO GIVE ANY GUARANTY OR WARRANTY OR MAKE ANY REPRESENTATION CONTRARY TO THOSE CONTAINED IN THESE TERMS.

10 **Breach and Termination**

10.1 Without prejudice to any rights or remedies Renesas may have under the Terms and/or a contract or at law, Renesas may suspend further deliveries of the Products and/or, terminate the contract (in whole or in part), without any liability whatsoever, effective immediately upon written notice to the Buyer, if:

（a）the Buyer fails to make payment for any Products to Renesas when due under the Contract or any other contracts with Renesas;

（b）the Buyer fails to accept the qualified Products delivered by Renesas under the Contract or any other contracts with Renesas;

（c）the Buyer ceases, or threatens to cease, to carry on business;

（d）any of the Insolvency Events happen; or

（e）the Buyer violates or breaches any of the provisions of the Terms and/or any other contracts with Renesas.

10.2 Upon occurrence of any of the events referred to under (a) through (e) of Clause 10.1 above, all payments to be made by the Buyer under the contract shall become

immediately due and payable.

10.3 The terms and conditions including but not limited to Clauses 8 and 13.1 hereof which by their nature are intended to survive the cancellation, termination or expiry of the contract

11 **Export Compliance**

11.1 The Buyer shall be responsible for complying with any legislation or regulations governing the importation of the Products into the country of destination and for the payment of any duties on them. By accepting Renesas' offer, entering into any Contract and/or accepting any Products, the Buyer agrees that it will not deal with the Products and/or documentation related thereto in violation of any applicable export or import control laws and regulations.

12 **Force Majeure**

12.1 Neither Party shall be liable for delay or non-performance of its obligations hereunder(except for the obligation not be affected by Force Majeure Event, such as payment obligation etc.) if such delay or non-performance is caused by the event which is unforeseeable, beyond the control of the Party affected, , including, without limitation, acts of God, strikes, war, rebellion, accidents, equipment failures or machine breakdowns, blockade, shortage of raw materials or energy, building damage, fire, explosion, government act or industrial practices.

12.2 The Party affected shall promptly notify the other Party and make reasonable efforts to minimize the effects of Force Majeure with reasonable dispatch, where the party fails to do so, it shall be liable for the enlarged losses, and shall, upon the end of such events, notify the other Party immediately and continue to perform its obligations under the Contract, unless the other Party expressly requires not to perform the obligation.

12.3 If the Force Majeure Event lasts for more than ninety (90) consecutive days, either Party may terminate the Contract.

13 **Cancellation by the Buyer**

13.1 Cancellations of orders by the Buyer require the express prior consent of Renesas which is only granted in exceptional circumstances.

13.2 If Renesas exceptionally agrees to any cancellation desired by the Buyer, the Buyer shall pay cancellation fees and related charges in connection therewith

14 **General**

14.1 Renesas products are classified according to the following two quality grades: "Standard" and "High Quality." The recommended applications for each of Renesas products depend on the product's quality grade, as indicated herein. Recommended applications for "Standard" products include, but are not limited to: Computers; office equipment; communications equipment; test and measurement equipment; audio and visual equipment; home electronic appliances; machine tools; personal electronic equipment; and industrial robots. Recommended applications for "High Quality" products include, but are not limited to: Transportation equipment (automobiles, trains, ships, etc.); traffic control systems; anti-disaster systems; anti-crime systems; and safety equipment. Buyer must thoroughly check the quality grade of each product before using it in a particular application. Buyer agrees it is solely responsible for reviewing, testing and evaluating whether Renesas product(s) are suitable for use in Buyer's applications, systems, design, goods or products. Renesas products are neither intended nor authorized for use in safety-critical applications or systems where failure of the product could reasonably be expected to result in bodily injury or death (artificial life support devices or systems, FDA Class 3 medical devices, certain aircraft applications, surgical implantations etc.), or may cause severe property damages. You must check the quality grade of each Renesas product before using it in a particular application. Your use of any of Renesas products for any applications for which the products are not intended are at your own sole risk. Renesas shall not be in any way liable for any damages or losses incurred by you or third parties arising from the use of any Renesas product for which the product is not intended by Renesas or in any safety-critical application, and Buyer agrees to defend, indemnify and hold Renesas harmless from any and all damages, claims, suits or expenses resulting from such use. Renesas' products are not certified by the Federal Aviation Administration or the International Civil Aviation Organization. Products meeting ISO/TS16949 or ITAF 16949 requirements will be specifically designated as such, and Renesas disclaims all liability arising from the use of undesignated products in automotive applications.

14.2 The Buyer acknowledges that all technical, commercial and financial data disclosed to the Buyer by Renesas and/or its affiliates is the confidential information of Renesas and/or its affiliates. The Buyer shall not disclose any such confidential information to any third party and shall not use any such confidential information for any purpose other than as agreed by the Parties and in conformity with the purchase transaction contemplated herein.

14.3 A notice required or permitted to be given by either Party to the other under the Contract or the Terms shall be in writing addressed to the last known address of that other Party.

14.4 The Buyer shall not assign any of its rights or obligations under any Contract without the prior written consent of Renesas.

14.5 No waiver by Renesas of any breach of the contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.

14.6 If any provision of the contract is held by a court or other competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of the contract and the remainder of the provision in question shall not be affected.

14.7 The Buyer acknowledges that it has read the Terms carefully and has sought legal advice of its own counsel because the Terms constitute legally binding documents between the Parties, and that the Terms shall not constitute any form of standard terms.

14.8 In respect of legal relationships between Renesas and the Buyer, the laws of the People's Republic of China ("China") shall apply with the exception of its conflict of law principles. The application of the United Nations Convention on Contracts for the Internal Sales of Goods (CISG) shall be expressly excluded. Any dispute, controversy or claim arising from or in connection with any contracts or the Terms shall be submitted to Shanghai International Economic and Trade Arbitration Commission("SHIAC") for arbitration. The arbitration award is final and binding upon the Parties.

14.9 In case of any conflict or inconsistency between English and Chinese versions of the General Terms and Conditions of Sale, the Chinese version shall prevail for all purposes.

(November 2018)