

The following sets forth the terms and conditions of sale of products and services of K&S as of the date set forth above. These terms and conditions shall prevail notwithstanding any variance with any terms and conditions of any purchase order or any document submitted by the Purchaser. Any terms and conditions contained in any purchase order or any document submitted by the Purchaser which are inconsistent with these terms and conditions are hereby rejected. The Purchaser has had sufficient opportunity to review these terms and conditions of sale and to obtain independent legal advice with respect to the effect of these terms and conditions of sale and its obligations set out herein. The Purchaser hereby acknowledges that it is fully aware of and understands its rights, obligations and liabilities herein, and it is independently accepting these terms and conditions of sale after fair negotiations between the parties. In addition, K&S has highlighted to the Purchaser's attention the provisions set out in bold under paragraphs 11 and 13.

For the purpose of these terms and conditions of sale, the relevant contracting K&S entity shall be the entity that issues the K&S quotation, even though the quotation was provided to Purchaser by the personnel of another K&S entity.

1. **ORDER ACCEPTANCE.** No order for K&S products or services shall be binding upon K&S until accepted in writing by an authorized K&S representative via the issue of an Order Acknowledgement ("Order Acceptance"). Purchaser shall be deemed to have agreed to all terms and conditions of sale provided herein and to any special terms and conditions contained in a quotation and acknowledgement or other writing signed by an authorized K&S representative by acceptance of the K&S products and services.

2. **CANCELLATION.** Purchaser shall advise K&S of cancellation (whether wholly or in part) in writing. Upon receipt of Purchaser's written notification of cancellation, K&S will arrange to stop all work on the products and/or services cancelled as promptly as reasonably possible. In recognition of the difficulty of determining K&S' loss as a result of any such cancellation, Purchaser shall pay to K&S, as liquidated damages for loss of profits, a cancellation charge of a percentage of the contract price for the products and/or services cancelled, in accordance with the following cancellation schedule:

<u>Days Notice Prior to Scheduled Shipment</u>	<u>Std. Cancellation Charge</u>
More than 60 days	40% of contract price
31 to 60 days	80% of contract price
0 to 30 days	100% of contract price

Notwithstanding the above cancellation schedule, cancellation charges for special or custom designed products are 100% of all costs at the time of cancellation.

Purchaser agrees to reimburse K&S, in addition to the liquidated damages described above, the full cost of all labor, supplies and materials, engineering work, services, and all commitments made by K&S with respect to the relevant products and services up to the time of K&S' receipt of notice to cancel.

3. **QUOTATIONS AND PRICING.** The prices stated in the price quotation attached to these terms and conditions of sale shall be firm for 60 days from the date of the quotation and are thereafter subject to change until K&S issues an Order Acknowledgement. Prices shown in published price lists or other literature are not offers to sell and are subject to confirmation by specific quotations. The K&S quotation is not assignable by Purchaser without the prior written consent of K&S.

4. MACHINE BUY-OFF REQUIREMENTS.

(a) Preliminary Buy-Off

All K&S manufactured machines and their options are thoroughly tested during manufacture to ensure that published specifications

are met. At any time prior to the shipment of an order, Purchaser may, at its option and costs and expenses, review K&S quality control data and inspect the machine(s) at the relevant K&S facility, in accordance with K&S' standard procedures. Additional tests (which are not part of K&S' standard procedures but which have been agreed prior to Order Acceptance and set out in an Application Request Form) may incur additional charges which are to be borne by Purchaser. Purchaser shall inspect the machine(s) and notify K&S immediately of any defects in writing. Where a failure to notify defects results in increased costs to K&S, K&S shall charge Purchaser, and Purchaser shall pay, the amount of such costs promptly.

(b) Final Buy-Off

Final Buy-Off shall be conducted at an agreed Purchaser's site. Purchaser shall cooperate with K&S to install and inspect the machine(s) as soon as possible and in any case, within a reasonable period from the time the machine(s) arrive at Purchaser's site. Purchaser shall notify K&S immediately of any defects in writing. Final Buy-Off shall be deemed completed: (i) from the time Purchaser uses the machine(s) for production purposes; (ii) if the machine(s) has/have been on-site for one (1) month but K&S is unable to access the machine(s) due to the Purchaser; (iii) if the machine(s) has/have been on-site for one (1) month but Purchaser unreasonably delays or fails to cooperate with K&S in installation and inspection; or (iv) if Purchaser declines installation and inspection for any reason.

5. **PAYMENT.** All invoices to customers shall be payable in full within thirty (30) days of the date of the invoice, unless otherwise specified in the attached quotation. All payments not made when due shall be subject to late charges of 2% per month; provided, however, that the rate of the late charge shall not exceed the highest applicable rate allowed by the Governing Law (as defined in paragraph 18(b)). Unless otherwise agreed by K&S in writing, International payment terms are by Confirmed Irrevocable Letter of Credit, confirmed and payable through a bank approved by K&S.

6. SHIPPING AND RISK OF LOSS.

(a) Delivery The availability of K&S products on the shipping dock of the K&S factory (ex-works) for loading by the Purchaser's designated carrier shall constitute delivery to the Purchaser and accordingly, all risk of loss or damage in-transit shall pass to Purchaser at that time. Purchaser is responsible for all transportation, delivery, and insurance costs incurred in connection with the delivery of the products to the designated site.

(b) Packaging All equipment is boxed and packaged to protect the products from damage using standard freight transportation. Any extra costs of special packaging requirements will be borne by Purchaser.

(c) Delivery Schedule The delivery schedule committed under the Order Acceptance shall be computed from the date of Order Acceptance, provided that Purchaser provides K&S with full instructions, samples, and such other information or items as K&S may need in order to proceed with the design, manufacture, and test of the products ordered. In the event that Purchaser fails to supply K&S instructions or information in a timely manner, K&S shall have the right to postpone delivery in any reasonable manner.

(d) Claims for Defects All claims for defects in delivery of products or services shall be deemed waived unless presented in writing within 10 days after delivery. Purchaser's receipt of products and/or services shall constitute a waiver of any claim for delay.

(e) Returns No product shall be returned without authorization and shipping instructions first being obtained from K&S. All freight forwarding, transportation or any other shipping costs and custom clearance charges shall be paid by the Purchaser.

7. SITE PREPARATION. Purchaser shall be responsible for, and shall bear the expense of, preparing the site where the products will be located. In preparing the site, Purchaser shall, without limitation: (i) ensure that the site meets environmental and other criteria required by K&S and communicated to Purchaser prior to delivery; (ii) ensure that the site is suitable and safe for K&S to install machines; and (iii) make available utilities necessary for the production, operation, or maintenance of the products and/or performance of the related services.

8. TAXES AND OTHER CHARGES. Purchaser shall pay any manufacture tax, retailer's occupation tax, use tax, sales tax, excise tax, duty, custom inspection or testing fee, or other tax, fee or charge of any nature whatsoever, (other than taxes based on K&S' net income) imposed by any governmental authority, on or measured by any transaction between K&S and Purchaser. In the event K&S is required to pay any tax, fee, or charge, Purchaser shall reimburse K&S therefor; or, in lieu of such payment, shall provide K&S at the time the order is submitted with the exemption certificate or other documentation acceptable to the authority imposing the tax, fee or charge. Purchase orders must state the existence and amount of any tax, fee, or charge if K&S must collect such tax, fee or charge from Purchaser and pay it to the authority.

9. SOFTWARE LICENSE. K&S grants to the Purchaser a non-exclusive right and license to use any software provided as part of the products sold solely for purposes of operating that portion of the products constituting equipment at the designated site and only in connection with Purchaser's business. Title to the software shall remain with K&S at all times prior to and following the payment of the purchase price. Purchaser shall execute a financing statement or any documents required by K&S to protect its interest in the software. Purchaser acknowledges that such software is governed and protected by a copyright obtained in the name of K&S or a third party, and Purchaser promises to observe all copyright laws applicable to the software. Purchaser shall not directly or indirectly sell, reverse engineer, decompile, disassemble, modify, copy or transfer all or part of the software provided by K&S without K&S' prior written consent. Purchaser shall treat all software provided by K&S as confidential proprietary information subject to the provisions of paragraph 10 of these terms and conditions of sale.

In the event that any products sold or otherwise provided to Purchaser include third party software (including but not limited to embedded software, open source software, etc.) not owned by K&S, Purchaser's use of such third party software shall be governed by the terms and conditions of any license or sublicense agreement required by the owner of such third party software and if none, then the provisions in this paragraph 9 applies, except that K&S shall have no obligations (including but not limited to indemnification and warranty obligations) with respect to such third party software.

This paragraph 9 may be supplemented by a separate K&S software license agreement (hereinafter the "K&S SLA") which may be implemented in any of a number of ways, for example: a separate agreement signed by the parties; a click through agreement; amongst others. The terms of the K&S SLA are intended to supplement the terms and conditions recited herein. To the extent that the terms of the K&S SLA conflict with those recited herein, the terms of the K&S SLA shall control.

10. CONFIDENTIALITY. Purchaser acknowledges that the product and its software provided to it by K&S is K&S' proprietary information and is valuable and not otherwise obtainable from other sources and shall not be copied without K&S' written permission. Purchaser agrees to exercise due diligence to protect and preserve in confidence the product and its software and other confidential information provided by K&S, including but not limited to instruction and operating manuals. Purchaser shall not disclose or publish such information or use the information for any purpose other than Purchaser's operation of equipment in connection with its business, as contemplated herein. Purchaser shall not directly or indirectly sell, reverse engineer, disassemble, modify, copy or transfer all or part of any product provided by K&S without K&S' prior written consent. In addition, Purchaser shall conform to all requirements relating to confidentiality which are set forth in K&S's Operating Manual, which provisions are incorporated herein by reference.

11. WARRANTY.

K&S products are, on the date of delivery and prior to delivery, the absolute property of K&S. Upon delivery, Purchaser will acquire valid and unencumbered title to K&S products.

(a) Product Warranty (other than software).

(ai) *Machine in the original configuration as stated in the original invoice per the standard technical and performance specification:*

K&S warrants these products manufactured by it (*machine in the original configuration as stated in the original invoice per the standard technical and performance specification*) to be free from defects in material and workmanship for a period of one (1) year commencing thirty (30) days from the date of shipment, save that:

- (1) there is no warranty on consumables/expendable tools (including but not limited to Pick Tool Rubber Collet, Dispense Needles, Die Ejector Needles); and
- (2) warranty for all parts and toolings (including but not limited to Die Ejector Tool, Dispense Shuttle Chuck, Preheat Shuttle Chuck and Bond Shuttle Chuck) to be free from defects in material and workmanship is ninety (90) days, commencing thirty (30) days from the date of shipment.

This warranty coverage shall apply solely to (i) the machine in the original configuration as stated in the original invoice, and (ii) per the standard technical and performance specification with any exceptions agreed to between K&S and Purchaser.

(aii) *Parts:*

K&S warrants parts to be free from defects in material for a period of ninety (90) days commencing thirty (30) days from the date of shipment.

(aiii) *Consumables/expendable tools:*

There is no warranty for consumables/expendable tools (including but not limited to Pick Tool Rubber Collet, Dispense Needles).

(aiv) *Services:*

- (1) K&S warrants field services to be free from defects in workmanship for a period of ninety (90) days commencing from the invoice date.
- (2) K&S warrants repair services on parts or toolings to be free from defects in workmanship for a period of ninety (90) days commencing from invoice date.
- (3) There is no warranty for preventive maintenance services or any training that is conducted by K&S.

K&S' sole and exclusive obligation and liability under these warranty provisions titled "Product Warranty (other than software)" shall be to repair, or at its sole option exchange defective products or the relevant part or component, but only if: (i) Purchaser reports the defect to K&S in writing and provides a description of the defective product and complete information about the manner of its discovery within ten (10) days of its discovery; (ii) K&S has the opportunity to investigate the reported defect and determines that the defect arises from faulty material, parts or workmanship supplied by K&S; and (iii) if deemed appropriate by K&S, Purchaser returns the affected product, component or part to a location designated by K&S.

(b) *Software Warranty:*

K&S warrants that the software it provides to Purchaser will be free from manufacturing defects that would, when properly installed in a system, prevent that system from meeting the specification supplied by K&S. The warranty period for machine product software shall be the same as the warranty for the K&S equipment with which the software is supplied, and is limited to the original software and to revisions solely applicable to the original software version supplied with the machine product and noted in the original invoice.

K&S' sole and exclusive obligation and liability under this "Software Warranty" shall be to correct any defect or error, at its option, by either replacing the original software or making available any necessary or corrective programs or alternate operating instructions, but only if: (i) Purchaser reports the defect to K&S in writing and provides a description of the software error and complete information about the manner of its discovery within ten (10) days; (ii) K&S has the opportunity to investigate the reported defect to determine if the defect rises from a malfunction in program logic, or from clerical program preparation and installation or does not execute when properly installed; and (iii) Purchaser returns the affected software to a location designated by K&S if deemed necessary.

This software warranty shall not apply to defects resulting from modification not performed by K&S or to software or interfacing supplied by a third party.

(c) *Warranty Limitations.* Any repairs, replacements, modifications or corrections made pursuant to the foregoing warranties shall be made, at K&S' option, either at the machine site or at a qualified K&S service location.

Any repairs, replacements, modifications or corrections on site shall be made during Monday through Friday (excluding holidays), from 8:30 a.m. to 5:30 p.m. local time. Requests to K&S Field Service for on site warranty repairs shall be carried out on a reasonable effort basis, or in accordance with specific Terms and Conditions established in a Purchaser-specific Service Contract between K&S and the Purchaser.

If the repair, replacement, modification or correction is made at a qualified K&S service location, freight for the return of the equipment or software to K&S and the subsequent return to Purchaser shall be paid by the Purchaser including forwarding, transportation, insurance and other shipping costs and customs clearance charges. No product shall be returned to K&S without authorization and shipping instructions from K&S.

Where production figures have been stated or implied, such figures have been understood by Purchaser to be estimates based on field and applications data available to K&S at the time. K&S does not guarantee or warrant such production figures are applicable to all devices and/or conditions.

These warranties shall not apply to (i) products repaired or altered or manufactured or assembled by anyone other than those authorized by K&S, whether or not with the use of K&S or third party parts, (ii) products subjected to negligence, accidents or damage by circumstances beyond K&S' control, or (iii) products subjected to improper operation or maintenance (i.e. operation or maintenance not in accordance with K&S' Operation, scheduled Maintenance, Installation Manuals and/or Instructions) or for use other than the original purpose for which the product was designed to be used.

K&S reserves the right to make changes to the design of any products sold to Purchaser at any time without incurring any obligation to install the new design on products previously purchased or shipped.

K&S shall not be responsible for the correctness, accuracy or consistency of any information provided by others, including information provided by Purchaser.

The warranties set forth herein shall be void if: (A) Purchaser violated its duties under the Software License or Confidentiality paragraphs of these terms and conditions of sale; or (B) Purchaser directly or indirectly sells, leases or transfers the products to a third party without K&S' prior written consent.

THE WARRANTIES SET FORTH ABOVE ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES OF SATISFACTORY QUALITY OR WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE.

This warranty policy applies only to K&S products purchased directly from K&S or from an authorized K&S distributor.

K&S provided service is the exclusive remedy of Purchaser for product defects or any other claim of liability in connection with the purchase or use of K&S products.

12. **REMEDIES.** In addition to K&S' remedies as stated in paragraph 2 above, and in addition to other available remedies, K&S shall have the following remedies:

In the event Purchaser fails to make any payment when due, K&S shall be entitled to: (i) offset the overdue amount against any other funds of Purchaser in K&S' custody; (ii) where any delay in payment is overdue for more than five (5) days, terminate K&S' obligations under these terms and conditions of sale and treat this agreement as if cancelled by Purchaser, in which case Purchaser shall be liable for any amount payable pursuant to paragraph 2 above; (iii) delay manufacture or delivery of all or part of the products and/or delay performance of the related services sold to Purchaser under this or any other sale or lease agreement between Purchaser and K&S; and/or (iv) recover or require Purchaser to return forthwith, at Purchaser's expense (including proper insurance with respect thereto), all products and other materials which K&S provided to Purchaser and with respect to which Purchaser failed to make timely payment.

If K&S at any time and in its sole discretion determines that Purchaser's financial condition or conduct jeopardizes K&S' right to payment, K&S may require payment in advance of shipping all or part of the products or performing related services pursuant to these terms and conditions of sale.

K&S shall have the right to obtain an injunction against unauthorized copying or use of K&S software or designated confidential information in violation of paragraphs 9 or 10 above. K&S reserves the right to assign any overdue amount to a third party collection agency. Purchaser will be responsible for all collection expenses.

K&S may terminate these terms and conditions of sale by written notice and with immediate effect if Purchaser becomes insolvent or is unable to pay its debts or fails or admits its inability generally to pay its debts as they become due, institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy law or insolvency law or other similar law affecting creditor's rights.

13. **LIMITATION OF LIABILITY.** In addition to the limitations of K&S' liability set forth in paragraph 11 above, the following limitations are also applicable:

(a) **Patent Infringement.** K&S warrants that K&S equipment does not infringe any apparatus claims of any U.S. Patent, and further, K&S agrees to defend any patent infringement suits based on any such patent claim brought against Purchaser if such a suit is based on an assertion that Purchaser's use of the equipment furnished by K&S infringes any such claim of a U.S. Patent, provided that (1) Purchaser timely notifies K&S within 10 days after Purchaser becomes aware of any possible charge of infringement, and (2) Purchaser gives K&S the authority to defend and settle, as well as information and assistance needed for the defense of a suit or the threats of a suit. K&S may, at its option and expense (i) procure for Purchaser the right to continue using the accused equipment (ii) modify the equipment to render it non-infringing equipment, or (iii) take back the accused equipment and refund the purchase price

(less depreciation) and the Purchaser's transportation and installation cost of the equipment.

The foregoing states the entire liability for patent infringement and K&S shall have no obligation to defend any infringement suit if: (1) Purchaser's alleged infringing use of the K&S equipment is based upon contributory infringement or results from the use of K&S' equipment in connection with a product or equipment supplied or designed by others, or (2) Purchaser's infringing use arises from Purchaser's specific use of the K&S equipment or a use not intended by K&S, or if the alleged infringement arises from designs or materials furnished by Purchaser, or at Purchaser's direction, to K&S.

(b) **General Limitations of Liability.** Notwithstanding any other provision herein, K&S shall not in any event have obligations or liabilities to the Purchaser or any other party for loss of profits, loss of use, loss of production, loss of information, increased cost of operation, delays in operation, cessation of operation, cost of capital, or incidental, special or consequential damages, or similar damages, whether based on contract, tort (including negligence), strict liability, or any other theory or form of action, even if K&S has been advised of the possibility thereof, arising out of or in connection with the manufacture, sale, delivery, use, repair or performance of the K&S products or software, or any K&S services, or any failure or delay in connection with any of the foregoing or for breach of any warranty set forth herein.

Without limiting the generality of the preceding sentence, K&S shall not be liable to the Purchaser for personal injury or property damages, except for bodily injury, death or tangible property damage caused by the negligence of K&S or any of K&S' employees.

K&S expressly disclaims any liability for products or product parts (such as semiconductor packages) that are processed (e.g., packaged, bonded, etc.) using K&S equipment. Purchaser holds all responsibility for such products or product parts, including the responsibility to confirm the functionality and quality of such products or product parts.

Notwithstanding any other provision herein, in no event shall the aggregate liability of K&S to the Purchaser arising under or in connection herewith, whether based on contract, tort (including negligence), strict liability, or any other theory or form of action, exceed the aggregate payment of the original invoice amount of all product and software purchased pursuant to such invoice.

The provisions of this section shall survive any termination of these terms and conditions of sale, and shall apply to any purchase, transfer or use (if consented by K&S) of any product or service by any entity or person.

14. **FORCE MAJEURE.** K&S shall not be held responsible or liable for any loss or damage resulting from a delay in the delivery of the products or any failure to perform its obligations to Purchaser if the causes of such delay or failure are attributable to Acts of God, governmental authority, or Purchaser, or due to strikes, embargoes, supply shortages or other causes beyond the reasonable control of K&S. In the event any delay occurs because of these causes, the date of delivery shall be extended by at least the period of time attributable to the delay. In the event the effects of these causes last beyond thirty (30) days, K&S shall have the right to terminate its obligations under these terms and conditions of sale.

15. **INDEMNIFICATION.** Purchaser shall defend, indemnify and hold K&S harmless from any and all liability, claims, losses, damages, costs and expenses (including reasonable attorney's fees and costs) arising from Purchaser's breach of these terms and conditions of sale, including Purchaser's duties as described in paragraphs 9 and 10 above. Purchaser shall also defend, indemnify, and hold K&S harmless from liability in contract, tort or for copyright, trademark, patent or other intellectual property infringement for any products furnished and manufactured by K&S in accordance with designs proposed by Purchaser, or for Purchaser's specific use of the products furnished by K&S.

16. **EXPORTS.** (a) General Principles. Products manufactured by K&S may be subject to export control by any relevant government authority or controlling agency and, possibly, may not be exported without application and issuance of appropriate approvals, licenses or authorizations from the relevant government authority or controlling agency (collectively, the "Export Authorizations") and except in accordance with laws, regulations, orders, rules, policies and sanctions of any relevant country, government authority or controlling agency (collectively, "Export and Import Controls").

With respects to every K&S product and without prejudice to the generality of the above, Purchaser agrees to comply with all applicable United States laws and regulations (including but not limited to International Traffic in Arms Regulations ("ITAR"), the Export Administration Regulations ("EAR"), U.S. customs regulations, and any requirements of the U.S. Department of State, U.S. Department of Commerce or U.S. Department of the Treasury) and the export and/or import laws and regulations of the country(ies) in which the product would be located (whether because of procurement, production, or otherwise).

(b) Condition Precedent to Sale and Delivery of K&S products under an Order subject to these terms and conditions of sale. Both parties agree and acknowledge that:

- (i) it is a condition precedent to every sale and delivery of any product under any order that the parties obtain the Export Authorizations (and comply with the conditions therein);
- (ii) Purchaser shall bear all costs and expenses arising out of any application, grant and renewal of the Export Authorizations and shall cooperate with K&S in any such application, grant and renewal, including but not limited to, timely providing information and assistance and submitting documents (such as an End Use Statement);
- (iii) if without Purchaser's fault, the authorities or agencies decide not to grant or renew the Export Authorizations or if such Export Authorizations were revoked prior to shipment, the order shall terminate automatically without liability on the part of either party and K&S shall refund any advance payments made by Purchaser towards the payment of the purchase price;
- (iv) if due to Purchaser's fault, the parties fail to obtain the Export Authorizations within a reasonable period or if such Export Authorizations were not renewed within a reasonable period or were revoked prior to shipment, the order shall terminate automatically without liability on K&S' part, K&S shall be entitled to retain any advance payments made by Purchaser towards the payment of the purchase price, and further, Purchaser shall be liable for cancellation charges and costs in accordance with paragraph 2 above (except that instead of the date of receipt of notice to cancel, the relevant date shall be the date on which

the authorities or agencies decide not to grant or renew the Export Authorizations or to revoke the Export Authorizations, or a date that K&S decides in its sole discretion to be a reasonable period after the parties first applied for the granting or renewal of Export Authorizations); and

(v) if there is any delay in the receipt of Export Authorizations, the delivery schedule or date shall be adjusted accordingly.

(c) End Use. Purchaser shall not directly or indirectly sell, lease or transfer the products or any technical data or any part thereof to a party (that was not named in the original contract of sale as the end user) or to a location (that is not the country of ultimate destination specified in Purchaser's order and K&S' invoice). The products sold and delivered under an order subject to these terms and conditions are meant for Purchaser's end use at the specified country of ultimate destination.

Notwithstanding the above, if after delivery, Purchaser elects to sell, lease or transfer the products or any part thereof, Purchaser shall be responsible for obtaining all appropriate Export Authorizations and import licenses or authorizations and comply with all Export and Import Controls.

Purchaser acknowledges and agrees that:

- (i) diversion contrary to U.S. law is strictly prohibited;
- (ii) it will not, directly or indirectly, sell, transfer, deliver, export, re-export or divert any K&S products or disclose any technical data, without U.S. Government permission, to the following list of countries (which list is not exclusive and may be amended from time to time): Cuba, Iran, Iraq, Libya, North Korea, Republic of Serbia, Sudan and Syria; and
- (iii) it will not sell to any parties who are: (1) listed on any U.S. Government restricted party lists; these lists include but are not limited to the U.S. Department of Commerce, Bureau of Industry and Security ("BIS") Denied Parties List, Entity List, and Unverified List; the U.S. Department of the Treasury, Office of Foreign Assets Control, Specially Designated Nationals and Blocked Persons List; and the U.S. Department of State, Directorate of Defense Trade Controls, List of Statutorily Debarred Parties and the Nonproliferation Sanctions List; or (2) involved directly or indirectly in the design, development, production, use, or proliferation of missiles, sensitive nuclear, or chemical biological weapons and related technologies without proper authorization from the U.S. Government (BIS) and as specified in the U.S. EAR.
- (d) Breach. Purchaser shall defend, indemnify and hold K&S harmless from any and all liability, claims, losses, damages, costs and expenses (including reasonable attorney's fees and costs) arising from Purchaser's breach of any provision in this paragraph on "Exports".

17. **EMPLOYEES.** Each of K&S and Purchaser acknowledges that their respective employees, personnel and representatives (collectively, "Personnel") may be present at the site of the other party, and each of K&S and Purchaser agrees that they shall be fully responsible for their Personnel, including but not limited to the payment of salary, allowances, expenses and taxes, and any injury or damage that such Personnel may sustain. If a party suffers a claim from the Personnel of the other party, the latter shall indemnify, defend, and hold the former harmless from any and all

liability, claims, losses, damages, costs and expenses (including reasonable attorney's fees and costs) arising from such claim.

18. **MISCELLANEOUS.** (a) Assignment. These terms and conditions of sale shall inure to the benefit of and shall be binding upon the heirs, successors, and assigns of the parties hereto. Purchaser shall not assign its duties and obligations hereunder without K&S' prior written consent.

(b) Controlling Law and Dispute Resolution. For the purposes of this provision, if the relevant contracting K&S entity is: (i) Kulicke & Soffa Industries, Inc., the Governing Law shall be the laws of the Commonwealth of Pennsylvania, USA, the Venue shall be Pennsylvania, USA, the Arbitration Rules shall be the International Arbitration Rules of the American Arbitration Association, International Centre for Dispute Resolution, and the Seat shall be Pennsylvania, USA; and (ii) a direct or indirect subsidiary or affiliate of Kulicke & Soffa Industries, Inc., including but not limited to Kulicke & Soffa Pte Ltd., Kulicke and Soffa (Japan) Ltd., Kulicke & Soffa Asiapac Inc., Kulicke & Soffa Orthodyne GmbH, Kulicke & Soffa (Suzhou) Limited and Kulicke & Soffa (Malaysia) Sdn. Bhd., the Governing Law shall be the laws of Singapore, the Venue shall be Singapore, the Arbitration Rules shall be the Arbitration Rules of the Singapore International Arbitration Centre, and the Seat shall be Singapore.

These terms and conditions of sale, and any non-contractual obligations arising out of or in connection with these terms and conditions, shall be governed by, construed under, and enforced in accordance with the Governing Law, without reference to its conflicts of laws rules and excluding the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980). If the parties are unable to resolve a dispute (including but not limited to the existence of these terms and conditions of sale, its validity or termination) or claim amicably, such dispute or claim shall be submitted to and finally be resolved in the Venue by arbitration in accordance with the Arbitration Rules for the time being in force. All arbitration proceedings shall be in the English language. The governing law of this arbitration agreement shall be the Governing Law, without reference to its conflicts of laws rules. The seat of arbitration shall be the Seat. The arbitration award shall be final, binding and conclusive on K&S and Purchaser and be enforceable in any court of competent jurisdiction and the parties waive

irrevocably their right to any form of appeal, review or recourse to any court or other judicial authority. The parties, their employees, officers, directors, counsel, consultants, and expert witnesses, shall maintain as confidential the fact of the arbitration proceeding, the arbitral award, documents exchanged or produced during the arbitration proceeding, and other documents prepared for the arbitration.

(c) Waiver. No waiver by K&S of its rights recited herein, including any breach of the terms and conditions hereof by Purchaser shall be effective unless made in writing. Failure of K&S to object to provisions contained in any purchase order or other communication from Purchaser (including but not limited to penalty clauses) shall not be construed as acceptance of those provisions or as a waiver of these terms and conditions of sale.

(d) Severability. The provisions of these terms and conditions of sale will, where possible, be interpreted and enforced so as to sustain their legality and enforceability and enforced to the fullest extent permitted under applicable law. If any provision hereof is adjudicated by an arbitral tribunal to be invalid or unenforceable, such provision will be deemed amended to the extent necessary to render such provision valid and enforceable and as close to the parties' intent as is permissible. Such adjudication shall not affect or impair the validity of the remaining provisions.

(e) Integration and Merger. These terms and conditions of sale, as well as the attached price quotation, the latest published terms and conditions of sale in effect at the time of acceptance of an order, and any special conditions of sale contained in a writing signed by an authorized K&S representative, are the complete and exclusive statement of the terms of the Agreement between Purchaser and K&S. All prior proposals, negotiations and representations, if any, pertaining to this transaction are merged into these terms and conditions of sale. If there is any inconsistency between such prior proposals, negotiations and representations with these terms and conditions of sale, these terms and conditions of sale shall prevail. Except as stated herein, no other terms, conditions, agreements or understandings, in any way modifying or adding to these terms and conditions of sale whether contained in Purchaser's work order or form of acceptance or elsewhere, shall be binding on K&S unless made in writing and signed by an authorized K&S representative.