



TERMS AND CONDITIONS OF SUPPLY FOR ISRAEL

Note: Individual contract terms may supersede terms shown below

1. Definitions: "Order" - Synopsys's Purchase Order to which these terms and conditions apply; "Synopsys" – defined as Synopsys SNPS Israel Limited, Herzelia Business Park 4 Maskit Street, Building C (2nd Floor) P.O. Box 12323, Herzelia 46733 Israel. Registration number 512370123 "Seller" - the company, firm or other legal entity to whom the Order is addressed; "Goods" - materials, articles or items or any of them, described in the Order, or any instalment thereof and where appropriate, Services ancillary to the supply of Goods, "Goods" shall, insofar as the context so permits or requires, shall include such Services and all knowledge, systems, processes and information resulting from the provision of Services; "Services" - specified tasks supplied by Seller and shall include all knowledge, systems, processes and information resulting from the provision of Services.

2. Packing and shipment: Unless otherwise specified, Seller will pack all Goods in a manner which is in accordance with good commercial practice but in any case acceptable to common carriers for shipment at the lowest rate, CPT (Incoterms 2000) for the Goods and adequate to ensure safe arrival thereof. Seller will mark all containers with necessary lifting, handling, and shipping information and with Order numbers, date of shipment, and the names of the consignee and consignor. An itemized packing list must accompany each shipment. No particular or complete delivery will be made prior to the due date shown unless Synopsys has given prior consent.

3. Delays: Time is of the essence. If any event delays or threatens to delay the timely performance of the Order, Seller will immediately notify Synopsys of such event and furnish all relevant details. Receipt by Synopsys of such notice will not constitute a waiver of the due dates hereunder.

4. Risk of loss or damage: Notwithstanding any prior inspection and irrespective of the destination named therein, Seller will bear all risk of loss, damage or destruction to the ordered Goods until final acceptance of the Goods by Synopsys at destination. Seller will bear the same risk with respect to any Goods rejected by Synopsys. Synopsys however, will be responsible for any loss occasioned by the gross negligence of its employees acting within the scope of employment.

5. Overshipments: Overshipments will be held at Seller's risk and expense. Return shipping charges at Seller's expense.

6. Inspection and acceptance: Notwithstanding any prior payments, all Goods/Services will be subject to final inspection and acceptance at Synopsys plant within a reasonable time after delivery. In case any item is defective in material or workmanship, or otherwise not in conformity with the requirements of the Order, Synopsys will have the right to reject it, to require its correction or to accept it with an adjustment in price. Any item that has been rejected or required to be corrected must be replaced or corrected by Synopsys. Seller fails to promptly replace or correct any defective item, then Synopsys (i) may, by contract or otherwise, replace or correct such item and charge to Seller the cost occasioned thereby, (ii) may cancel the Order for default without notice and in accordance with item 10 below, or (iii) may require an appropriate reduction in price.

7. Change orders: (a) Synopsys may at any time suspend performance hereunder, increase or decrease the ordered quantities, change the due date or make changes in any one or more of the following: (i) applicable drawings, designs or specifications: (ii) method of shipment or packing, and or (iii) place of delivery or performance of Services (iv) scope of Services. (b) if the changes causes an increase in the cost or the time required by Seller for performance of the Order and Seller so notifies Synopsys, than an equitable adjustment will be made in the order price or delivery schedule or both, and the Order will be valid unless asserted within twenty (20) days from the date of receipt by Seller of the notification of change: provided, however, that such period may be extended upon the written approval of Synopsys (c) Nothing is this clause is intended to excuse Seller from proceeding with the Order as changed or amended.

8. Order process: Written acceptance or commencement of any Services by Seller shall constitute acceptance of the Order and its terms and conditions. Any additional or different terms proposed by Seller are null and void unless otherwise agreed in writing.

9. Invoices: Seller will submit invoices in duplicate showing Order number, service identification; size; quantity of Goods/Services; unit prices; each applicable tax; extended totals and any other information specified elsewhere herein. A Bill of Lading or express receipt must accompany each invoice. Payment of invoice will not constitute acceptance of Goods/Services and will be subject to adjustment for errors, shortages. No interest shall be charged or be payable on any sums overdue for payment by Synopsys. No increase in price may be made without the prior written consent of Synopsys. The price shall be inclusive of all applicable sales and other taxes for all Goods/Services ordered and no additional charges in respect of carriage, delivery, insurance, installation or commissioning of the Goods shall be

made unless otherwise agreed. Synopsys shall have the right to withhold payment for any consignment or number of consignments of Goods pending resolution of any dispute relating to the quantity, quality, fitness for purpose, durability or for any other reason connected with the performance of Seller's obligations. Synopsys shall pay all non-disputed invoices 45 days from receipt of invoice.

10. Warranty: (a) Seller warrants that all Goods/Services delivered (i) will be free from defects in workmanship, material, and manufacture, (ii) will comply with the Order, including any drawing or specifications incorporated herein or samples furnished by Seller, and (iii) where design is Seller's responsibility, will be free from defects in design. Seller further warrants that all Goods purchased will be of merchantable quality and will be fit in the purposes intended by Synopsys. The foregoing warranty constitutes a condition precedent to the Order and is in addition to any other warranty or remedy, express or implied, and will survive delivery, inspection, acceptance or payment by Synopsys. All warranties run to the benefit of Synopsys and its customers. (b) Synopsys approval of Seller's materials or designs will not relieve Seller of any warranty. (c) If any Goods/Services delivered or performed does not meet the warranties specified herein or otherwise applicable, Synopsys may, at its options, (i) require Seller to correct any defective or nonconforming Goods by repair or replacement at no cost to Synopsys, or (ii) return such defective or nonconforming Goods to Seller at Seller's expense and recover from Seller the order price thereof, or (iii) itself correct the defective or nonconforming Goods and charge Seller with the cost of such correction.

11. Patent license: Seller, as part consideration for the Order and without further cost to Synopsys, hereby grants to Synopsys (and, to the extent requested by Synopsys, to a third party, an irrevocable, non-exclusive, royalty-free license to use, sell, manufacture, and cause to be manufactured products embodying any invention or discovery, made conceived or reduced to practice in connection with the performance of the Order.

12. Non-disclosure of confidential matter: Seller will not quote for sale to others. Without Synopsys's written authorization, any Goods/Services purchased under Synopsys's specifications or drawings. All specifications, drawings, samples, and other data furnished by Synopsys will be treated by Seller as confidential information, will remain Synopsys's prop", and will be returned to Synopsys on request.

13. Indemnity: (a) Seller will indemnify Synopsys against any and all liability and expense resulting from (i) any alleged defects in Goods/Services, including latent defects, allegedly improper construction and design, or from failure of Goods/Services to comply with any drawing and/or specification; and (ii) any loss, damage, and liability (including costs and expenses) for actual or alleged infringement of any patent or other intellectual property right arising out of the possession, use or sale of the Goods, its agents or customers provided that Synopsys will notify Seller of any suit, claim or demand involving such infringement and permit Seller to defend or settle the same. (ii) furnish Synopsys with acceptable and noninfringing Goods. (c) Seller warrants that there is no liability for royalties, liens or other encumbrance on the Goods supplied and agrees to indemnify Synopsys against such liability (d) The above indemnification is in addition to all other rights or indemnification of Synopsys against Seller.

14. Insurance: Seller shall at its own expense effect and maintain for the duration of the Contract such insurances as are required by any applicable law and as appropriate in respect of its obligations under the Contract. Such insurances shall include third party liability insurance with an indemnity limit of not less than €2,500,000 for each and every claim or such larger amount as may reasonably be considered by Synopsys to be adequate. If Seller cannot provide evidence of such insurance to Synopsys on request, Synopsys may arrange such insurance and recover the cost from Seller. Seller shall notify Synopsys as soon as it is aware of any event occurring in relation to the Contract which may give rise to an obligation to indemnify Synopsys under the Contract, or to a claim under any insurance required by the Contract. This Condition shall not be deemed to limit in any way Seller's liability under the Contract.

15. Termination for default: (a) Synopsys may, by written notice, cancel the Order in whole or in part if in Synopsys's reasonable opinion, Seller has failed: (i) to make delivery of the items or to perform the Services within the specified time herein, or any extension thereof by written order or amendment: or (ii) to replace or correct defective items in accordance with the provision of 10(c) above: or (iii) to make progress under the Order as to endanger performance in accordance with its terms, (b) In the event of cancellation under 15(a) above, Synopsys may procure, upon such terms and in such manner as it deems appropriate, Goods/Services similar or substantially similar to those cancelled. Seller will be liable to Synopsys for any excess costs occasioned thereby. (c) If all or a portion of the Order is cancelled for Seller's default, Synopsys may require Seller to transfer title and

deliver to Synopsys, in the manner and to the extent directed by Synopsys: (i) all completed items not yet delivered and (ii.) any partially completed items and materials that Seller has produced or acquired for the performance of the terminated portion. Seller, will upon direction of Synopsys, protect and preserve the property listed in this paragraph that is in the possession of Seller. Payment for completed items delivered to and accepted by Synopsys under this paragraph will be in an amount (not to exceed the contract price) agreed upon by Seller and Synopsys; however, Seller's obligation to carry out Synopsys's direction as to delivery, protection, and to preservation of the property will not be contingent upon prior agreement as to such amount. (d) Nothing in this clause will relieve Seller from proceeding with any uncancelled portion of the Order.

16. Termination for convenience: (a) At any time Synopsys may terminate for convenience an Order, in whole or in part, by written notice. (b) Upon such termination, to the extent and at the times specified by Synopsys, Seller will (i) stop all work under the Order (ii) place no further orders for materials to complete the work (iii) assign to Synopsys all Sellers' interests under terminated subcontract and orders (iv) settle all claims thereunder, after obtaining Synopsys's approval (v) protect all property, in which Synopsys has or may acquire an interest and (iv) transfer title and make delivery to Synopsys of all articles, materials and work in process held or acquired by Seller in connection with the terminated portion of the Order. Seller will proceed promptly to comply with Synopsys's instructions respecting each of the foregoing without waiting settlement or payment of any sums outstanding at termination. (c) The parties may agree a reasonable amount to be paid Seller for such termination. Failing agreement, Synopsys will pay Seller: (i) the contract price for all items completed or Services rendered in accordance with the Order and not previously paid for, (ii) the actual costs incurred by Seller properly attributable to the terminated portion of the Order under recognized commercial accounting practices, plus a fair and reasonable profit on such costs. If it appears Seller would have sustained a loss on the order, no profit will be allowed, and an adjustment will be made reducing the amount of the settlement to reflect the indicated rate of loss. (iii) the reasonable costs incurred by Seller in making settlement hereunder and in protecting property in which Synopsys has or may acquire an interest. (d) Payments made under 16(c)(i) and (ii) above may not exceed the aggregate price specified in the Order less payments, otherwise made or to be made. Any amounts payable for property lost, damaged, stolen or destroyed prior to delivery to Synopsys will be excluded from amounts otherwise payable to Seller under this item. The remedies stated herein are in addition to all other remedies at law or in equity.

17. General: Waiver: The failure of Synopsys to enforce at any time the provisions of the Order, to exercise any election or option provided herein will not in any way be construed to be a waiver of such provisions. *Assignment and Subcontracting:* No right or obligation under the Order (including the right to receive monies due) may be assigned or sub-let by Seller without the prior written consent of Synopsys, and save that Seller may subcontract in the normal course of trade, any purported assignment without such consent will be void. Synopsys may assign the Order at any time if such assignment is considered necessary by Synopsys in connection with a sale of Synopsys's assets or a transfer of its obligation. Seller shall not, without Synopsys's written consent, assign, transfer or subcontract the whole or any part of the Contract. Any consent, if given, shall not affect Seller's obligations or liabilities under the Contract. *Applicable law:* The Order will be governed by the laws of the state of incorporation of the Synopsys subsidiary issuing this Order without reference to the rules, practice and procedure of the law of that state relating to conflict of laws. *Notices:* Notices required under the order to be in writing shall be delivered by hand, pre-paid post or facsimile transmission to the recipient and shall be deemed to be received if given by hand on delivery, if sent by pre-paid post 48 hours after posting or on earlier proof of delivery, and if sent by facsimile upon receipt of a confirmation that the relevant pages of the facsimile have been transmitted to the recipient's facsimile machine. *Force Majeure:* Synopsys shall not be liable for any loss accruing to the accruing to Seller by virtue of its non acceptance of Goods supplied and in particular but without prejudice to the generality of the foregoing, Synopsys shall not be so liable where such non-acceptance results an Act of God, war, revolution, civil unrest, blockade, strike, lockout, riot, storm, earthquake, flood or any other cause whatsoever outside Synopsys's reasonable control. *Survival of Clauses:* Termination or completion of the Order shall not affect the enforceability of any warranty or indemnity of Synopsys hereunder nor the duty of non-disclosure of Seller nor any other provision of the Order capable of surviving termination or completion. *Compliance with Laws and Regulations:* Seller, Goods and, where applicable, Services shall comply with (a) the requirements of all applicable legislation, regulations or by-laws of any relevant jurisdiction; and (b) any Site regulations of Synopsys or a Customer notified to Seller.

