



ACADEMIC USE SOFTWARE LICENSE AND MAINTENANCE TERMS AND CONDITIONS

These Academic Use Software License and Maintenance Terms and Conditions (“**Terms**”) apply to Orders for Licensed Materials from Cadence Design Systems, Inc., a Delaware company, having a principal place of business at 2655 Seely Avenue, San Jose, California 95134-1937 or any other Cadence Affiliate as indicated in the Order (“**Cadence**”). For an Order entered into by a Cadence Affiliate, references to Cadence under this Agreement shall be deemed references to the Cadence Affiliate who entered into the Order. “**Customer**” refers to the institution listed in the “Sold To” section of the Order. All Orders are subject to Cadence’s acceptance, which acceptance is evidenced by Cadence’s execution of such Order and return of the fully executed Order to Customer. These Terms are subject to change at any time and at Cadence’s sole discretion, without the requirement of notice to Customer; however, Terms in effect on the date that an Order is executed by Customer (“**Order Date**”) shall remain the Terms in effect for that Order.

The Order is subject to the Terms set forth in Sections I and II below.

I. TERMS FOR TIME BASED LICENSING MODEL

1. LICENSED MATERIALS

1.1. Maximum Number of Licensed Materials: Customer’s Use of the Licensed Materials is limited to the quantity set forth in the applicable Order.

1.2. Availability of Licensed Materials: Within five (5) days after the later of: (i) the Order Start Date for each line item of Licensed Materials listed in the applicable Order; or (ii) execution of the applicable Order by Cadence, Cadence will provide the Licensed Materials to Customer. The Licensed Materials may be Used through the Term of Use ending on the Term End Date set forth opposite each such Licensed Materials line item in the applicable Order. Use of the Licensed Materials will be pursuant to these Terms and the terms of the applicable Order.

2. MAINTENANCE SERVICES

At Cadence’s option, Cadence may provide Maintenance Services during the Term of Use.

3. PAYMENT SCHEDULE

Customer shall remit payment for the Fees in accordance with the schedule set forth in the applicable Order. Customer understands and agrees that the obligation to make payments hereunder is not contingent upon a purchase order being issued by Customer.

II. TERMS AND CONDITIONS:

1. DEFINITIONS The following definitions apply herein:

1.1. “Acquired Cadence Software” means Software acquired by Cadence (or one of its Affiliates) after the commencement of the Term of Use in an Order as the result of an acquisition by Cadence (or one of its Affiliates) of either a third party, or the technology of a third party.

1.2. “Affiliate” means an entity that now or hereafter controls, is controlled by, or is under common control with, a specified entity, where “control” means beneficial ownership, directly or indirectly, of more than fifty percent (50%) of the outstanding shares or other ownership interest (representing the right to vote for the election of directors or other managing authority or the right to make the decisions for such entity, as applicable) of an entity. Such entity shall be deemed to be an Affiliate only so long as such control exists.

1.3. “Agreement” means these Terms together with each applicable Order. Each Order subject to these Terms constitutes a separate Agreement.

1.4. “Design Elements” means library elements, libraries, symbols, simulation or behavioral models, circuit and logic elements and any Updates thereto included with, and Used in conjunction with Software.

1.5. “Designated Equipment” means the equipment, located on Customer’s educational campus at the “Sold To” address indicated on the Order (unless another location is expressly approved in writing by Cadence in the applicable Order), that is either: (i) a server identified by serial number, or host I.D. on which the Licensed Materials are stored; or (ii) a computer or workstation, as identified by its serial number, host I.D. number or Ethernet address; to which the Licensed Materials are downloaded and Used only upon the issuance of a License Key. The Designated Equipment shall be of a manufacture, make and model, and have the configuration, capacity (i.e., memory/disk), operating software version level and pre-requisite and co-requisite applications, prescribed in the Documentation as necessary or desirable for the operation of the Software.

1.6. “Documentation” means the user manuals and other written materials that describe the Software, its operation and matters related to its Use, which Cadence generally makes available to its commercial licensees for use with the Software and any Updated, improved or modified version(s) of such materials, whether provided in published written material, on magnetic media or communicated by electronic means.

1.7. “Effective Date” means the date specified in the applicable Order representing the commencement of the Term of Use for the Licensed Materials.

1.8. “Fundamental Research” means basic or applied research in science and engineering, where the resulting research (excluding any Cadence confidential information) is published and shared broadly within the scientific community. Customer shall not disclose any Cadence confidential information in connection with creating, performing or publishing Fundamental Research.

1.9. “License Key” means a physical or electronic activation key provided to Customer that authorizes: (i) the Licensed Materials, including version number and quantity that is licensed to Customer; (ii) the Designated Equipment; and (iii) the codes that Customer must input to access the Licensed Materials on the Designated Equipment.

1.10. “Licensed Materials” means the specific group of Software, Design Elements and the associated Documentation licensed to Customer as described in the Order. Unless otherwise specified in the Order, Licensed Materials exclude New Technology, Upgrades and Acquired Cadence Software.

1.11. “Maintenance Service(s)” means the services which Cadence may make available to Customer related to the Licensed Materials as is more particularly described in Section 9 herein.

1.12. “New Technology” or “Upgrade” means any enhancement(s) or addition(s) to Software (other than an Update) which Cadence does not make available to its commercial customers as a part of the standard Maintenance Service offering, but rather is only provided subject to payment of a separate fee. Acquired Cadence Software, New Technology and Upgrades are not covered by, and will not be provided in consideration of the Fees already paid by Customer unless otherwise specified in an Order.

1.13. “Open Source Software” means any software or derivative work thereof that is subject to terms imposing on Customer: (i) a requirement that it is to be distributed or made available in source code; (ii) a requirement that any patents related to the software are either licensed to, or may not be asserted against, recipients of the software; or (iii) any license meeting the Open Source Definition (as promulgated by the Open Source Initiative) or the Free Software Definition (as promulgated by the Free Software Foundation, or any substantially similar license, including the GNU General Public License (GPL), Lesser/Library GPL (LGPL); the Mozilla Public License (MPL); the Apache License, the BSD license or the MIT license).

1.14. “Order” means a Product Quotation entered into and signed by authorized representatives of Cadence and Customer. Orders may state additional terms and conditions which apply to particular Licensed Materials. These Terms shall apply separately to each Order. Customer’s order forms may be used for invoicing or administrative purposes, but are subject to Section 6 herein, and are not considered part of the Order under this Agreement.

1.15. “Product Quotation” means a written quotation/quote from Cadence to Customer describing the Licensed Materials, quantity, charges and Term of Use and which may describe other information relevant to a specific transaction which Cadence is quoting to Customer.

1.16. “Software” means any applications programming code or executable computer program(s), and any Updates thereto.

1.17. “Term of Use” means that period of time Customer has Use of the Licensed Materials as specified in the applicable Order.

1.18. “Update” means a Software modification released by Cadence on a general, regularly scheduled basis as a standard Maintenance Service offering to its other commercial customers. Updates may include revisions to the Documentation. Updates do not include any Acquired Cadence Software, Upgrades or New Technology.

1.19. “Use” means copying all or any portion of Software, Design Elements and/or License Key into the Designated Equipment or transmitting it to the Designated Equipment for internally: (i) executing or processing instructions contained in the Software, (ii) using, executing or modifying any of the Design Elements, or (iii) loading data into or displaying, viewing or extracting output results from or otherwise operating any portion of the Software or Design Elements; solely for the purpose of Customer’s non-commercial, non-production (a) educational instruction of its registered full time undergraduate and graduate students and (b) Fundamental Research.

2. SCOPE AND BACKGROUND

2.1. Generally. This Agreement provides the terms and conditions for Customer to: (i) license a specific number of Licensed Materials; and (ii) if offered by Cadence, obtain Maintenance Services for the Licensed Materials pursuant to the provisions of this Agreement. Remote access and Use on a wide area network are prohibited unless expressly allowed under the applicable Order.

2.2. Authorized Cadence Resellers. For any Software acquired by Customer through an authorized Cadence reseller the following provisions of these Terms shall not apply: Section 4.1, Section 4.2, and Section 6. While Cadence shall remain the “licensor” for purposes of the grant of the licenses and other rights hereunder, and Customer shall remain the “licensee” for purposes of the obligations

contained herein, Customer shall contract directly with the authorized Cadence reseller for the purchase of License Keys and any Maintenance Services on Software provided by such authorized Cadence reseller.

3. LICENSE GRANT

3.1. Grant. Subject to Customer's timely payment of the Fees as set forth in Section 4 and compliance with this Agreement, Cadence, either directly or by and through one of its Affiliates, grants Customer, for the Term of Use as specified in the Order, a non-transferable, non-exclusive, license to: (i) Use the quantity of Licensed Materials identified in the applicable Order on the Designated Equipment as implemented by the number of License Keys issued for the Licensed Materials; and (ii) Use the Documentation as is reasonably necessary for Customer's licensed Use of the Licensed Materials. All rights not expressly granted to Customer pursuant to these Terms are reserved by Cadence.

3.2. Limitations. All rights, title and interest in the Licensed Materials shall remain the exclusive property of Cadence and/or its licensors. The Licensed Materials are the confidential and proprietary property of Cadence or third parties from whom Cadence has obtained the appropriate rights and Customer shall not disclose (including in connection with any Fundamental Research) the Licensed Materials to any third party except as expressly provided hereunder. Customer shall not Use or copy the Licensed Materials except as expressly permitted herein. Customer may only Use those Licensed Materials specified in the applicable Order. Customer shall not modify, disassemble, decompile or reverse translate or create derivative works from the Licensed Materials or otherwise attempt to derive the source code, or let any third party do so, except to the extent the foregoing are not permitted to be restricted under applicable law. No right or license is granted or implied under any of Cadence, or its licensors', patents, copyrights, trademarks, trade names, service marks or other intellectual property rights to Use the Licensed Materials or to authorize others to Use the Licensed Materials beyond the rights and restrictions set forth in these Terms. Customer shall not do any benchmarking of: (i) the Software or Design Elements or (ii) the output of any Software or Design Elements (which means any form of competitive analysis of the Licensed Materials versus competitive tool products), nor permit any third party to do so. Customer shall not remove or alter any of Cadence's or its licensors' restrictive or ownership legends appearing on or in the Licensed Materials and shall reproduce such legends on all copies permitted to be made. Customer grants Cadence the right and license to make, use, sell, reproduce, modify, sublicense, disclose, distribute and otherwise exploit error reports, corrections or suggestions provided by Customer concerning the Licensed Materials and any modifications based thereon.

3.3. Restrictions. Customer shall not let the Licensed Materials be accessed or Used by third parties or anyone other than Customer's students and its employee instructors and employee researchers whose duties require such access or Use. Prior to any Use, Customer shall ensure that all such students, employee instructors and employee researchers have been informed of the conditions, restrictions and limitations in these Terms with respect to the Licensed Materials, and Customer shall be responsible to Cadence for the actions or omissions of such users' as if they were the actions or omissions of Customer. Customer shall ensure that none of the designs and output generated through the Use of the Licensed Materials is licensed, sold, assigned or otherwise commercially exploited by Customer or any third party, or disclosed or transferred to any third party (except as expressly permitted in this Section 3.3), or used for any other purpose not expressly permitted by the definition of "Use". Notwithstanding the preceding sentence, Customer may disclose the designs and output generated through Use of the Licensed Materials under the following circumstances:

- a) Customer may disclose or transfer designs and output generated through Use of the Licensed Materials to Academic Foundry Services solely under confidentiality restrictions for the purpose of non-commercial prototype production. Such prototypes may be used solely for evaluation and measurement purposes and shall not otherwise be sold, assigned, transferred or commercially exploited. "**Academic Foundry Services**" means MOSIS Service at USC Information Sciences Institute, Europractice IC Service, CMP (Circuits Multi Projects/Multi-Project Circuits), Canadian Microelectronics Corporation, IC Design Education Center at the Korea Advanced Institute of Science and Technology and National Chip Implementation Center of Taiwan. Requests made to Cadence to permit access by other academic foundries may be granted on a case by case basis at Cadence's sole discretion.
- b) Customer may ship ICs/PCBs that incorporate the designs/output generated by the Licensed Materials to a non-commercial research institution for purposes of performing a non-commercial, Fundamental Research experiment; provided that (i) Customer shall not sell, license, assign or otherwise transfer such ICs/PCBs without entering into a separate agreement with Cadence regarding the designs/output incorporated into such ICs/PCBs, which agreement may be subject to payment of additional fees to Cadence, and (ii) Customer shall ensure that such ICs/PCBs shall be returned to Customer after the Fundamental Research experiment.

3.4. Open Source. The Licensed Materials may be provided with Open Source Software subject to separate terms identified in a text file or about box or in a file or files referenced thereby (and shall include any associated license agreement, notices and other related information therein), or may be accompanied by its own license agreement. Customer's Use of the Open Source Software will be subject to the terms and conditions of such other license agreement, and such Open Source Software is not considered part of the Licensed Materials subject to the terms and conditions of this Agreement. By using such Open Source Software, Customer shall be bound by all such license agreements, notices and information.

3.5. Evaluation Licenses. Cadence may also agree to provide Customer with an evaluation license for Licensed Materials under this Agreement. Such evaluation licenses shall be evidenced by a Product Quotation designating such Licensed Materials as provided for evaluation purposes only. The Term of Use for such evaluation licenses shall be thirty (30) days unless otherwise stated in the Product Quotation. In such event, Section 9 and Section 10 of these Terms shall not apply. Unless specifically granted in such Product Quotation, such evaluation licenses may not be accessed through WAN and may not be Used by subcontractors.

3.6. Virtual Machines. Customer may not Use the Licensed Materials in connection with any virtual machines unless a virtual machine license is expressly provided to Customer in the applicable Order. If the Order provides a virtual machine license to Customer, then:

- a) Customer shall ensure that any Use of virtual machines shall not result in the Use of Licensed Materials in excess of the number of License Keys issued to Customer;
- b) Prior to moving the License Key from one virtual machine to another virtual machine with a different Ethernet address, IP address, host name and/or domain name (which shall be a "Relocation" as defined in Section 8.2 below), Customer shall (i) complete and return Cadence's Request for Relocation and Certificate of Discontinued Use and (ii) obtain a new License Key;
- c) In the event of a Relocation without first obtaining a new License Key, Customer acknowledges and consents to the following: (i) certain information will be automatically transmitted back to Cadence for the purpose of tracking each virtual machine involved in such Relocation and (ii) the automatic shutdown of the Licensed Materials on virtual machines after seven (7) days of non-compliance (or such other period of time stated in the applicable License Key(s)). Information currently transmitted back to Cadence is Ethernet address, IP address, host name, and domain name.
- d) If Cadence determines that Customer is not in compliance with the Agreement, Cadence may terminate the rights grants under this Section 3.6.
- e) Customer shall not host Cadence license servers using virtual machine desktop or laptop products, including but not limited to VMware Fusion, VMware Workstation, VirtualBox and Parallels. Any such hosting of Cadence license servers using desktop or laptop products is expressly prohibited and will not be supported by Cadence.
- f) At any time, Cadence may audit Customer's use of the virtual machines, including but not limited to log files of the license servers, to ensure compliance with the terms and conditions of the Agreement.

3.7. Remote Access. Customer may not Use the Licensed Materials through remote access unless remote access is expressly permitted in the applicable Order. Only if the Order specifically permits remote access, then the following terms shall apply:

Authorized faculty and students of Customer teaching or enrolled in courses involving the Licensed Materials, who generally access and Use the Licensed Materials on the Designated Equipment at a Customer facility may access and Use the Licensed Materials at a university facility or home office. Any Licensed Materials accessed remotely under this Section 3.7 must be hosted on the Designated Equipment. Customer agrees to have in place sufficient security measures to protect the Licensed Materials in connection with such access and Use and agrees to hold Cadence harmless from and against any loss occasioned by any such remote access or Use of the Licensed Materials. Customer acknowledges and agrees that the Licensed Materials comprise products that are subject to Anti-Terrorism controls as administered by the U.S. Bureau of Industry and Security, and that Customer is responsible for complying with all export regulations with respect to the Licensed Materials.

4. FEES; TAXES

4.1. Fees and Payment. Customer shall pay Cadence the fees set forth in the applicable Order (the "Fees"). All payments shall be in U.S. Dollars, unless otherwise specified in the Order. Such Fees shall be remitted so that they are received by Cadence by the dates and in the amounts set forth in the Order and, except as expressly provided herein, are non-cancellable, non-refundable, and shall not be subject to any abatement, set-off, claim, counterclaim, adjustment, reduction, or defense for any reason. Without limiting any other rights or remedies of Cadence (including termination rights), past due amounts shall be subject to a charge of the lesser of: three percent (3%) per month of the unpaid balance or the maximum rate allowable by applicable law. In addition, Customer shall pay all reasonable out-of-pocket expenses incurred by Cadence, including counsel fees, in connection with collection thereof. For Customer renewals, if Customer's existing Term of Use expires before the renewal paperwork is completed and signed by both parties, and Cadence provides a temporary license file as an extension (which shall be at Cadence's sole discretion), Cadence will charge Customer an additional administrative fee of \$500 per temporary license file per 30-day increment.

4.2. Taxes. All Fees are net. Customer will pay or reimburse all taxes, duties and assessments, if any due, based on or measured by amounts payable to Cadence in any transaction between Customer and Cadence under this Agreement (excluding taxes based on Cadence's net income) together with any interest or penalties assessed thereon, or furnish Cadence with evidence acceptable to the taxing authority to sustain an exemption therefrom (collectively, "Taxes"). If any Fees are subject to withholding, then Customer shall pay such additional amounts to ensure that Cadence receives the full amount it would have received had payment not been subject to

such withholding. The parties shall cooperate to qualify for the benefits of any applicable treaty for the avoidance of double taxation and to provide to each other relevant documentation for same.

4.3. Records; Audit. Customer shall keep full, clear and accurate records to confirm its authorized Use of the Licensed Materials hereunder, including but not limited to ensuring that Customer has not exceeded the number of authorized copies of Licensed Materials and other obligations hereunder. Cadence shall have the right to audit (using Cadence employees or, at Cadence's option, an outside auditor subject to confidentiality restrictions) Customer's use of the Licensed Materials, including but not limited to reviewing such records of Use, to confirm Customer's compliance with its obligations hereunder. Customer shall promptly correct any deficiencies discovered by such audit including payment to Cadence of the amount of any shortfall in Fees uncovered by such audit plus interest at the rate set forth in Section 4.1 above. If the audit uncovers any shortfall in payment of more than five percent (5%) for any quarter, then Customer shall also promptly pay to Cadence the costs and expenses of such audit, including fees of auditors and other professionals incurred by Cadence in connection with such audit.

5. TERM AND TERMINATION

5.1. Term. These Terms shall remain in effect for the applicable Order, unless such Order is terminated as set forth below. The Term of Use for the Licensed Materials provided thereunder shall commence on the Effective Date for the Order and continue as set forth in the Order, unless the applicable Order is terminated as provided in Section 5.2 below.

5.2. Termination of an Order. Any Order hereunder may be terminated by Cadence: (i) if Customer fails to pay when due, all or any portion of any amounts payable under such Order, and such failure is not cured within ten (10) days after receipt of written notice; (ii) immediately if Customer becomes insolvent or makes an assignment for the benefit of creditors, or a trustee or receiver is appointed for Customer or for a substantial part of its assets, or bankruptcy, reorganization or insolvency proceedings shall be instituted by or against Customer; or (iii) if Customer breaches any other material provision of this Agreement and such failure is not cured within thirty (30) days after receipt of written notice if such breach is curable or immediately upon notice if such breach is not curable. In addition, without limiting any other rights or remedies of Cadence (including termination rights), in the event Customer fails to pay any Fees due under an Order, Cadence may accelerate all remaining Fees under such Order, together with any applicable Taxes, to become immediately due and payable by Customer to Cadence and withhold delivery of any License Key, Licensed Materials and Maintenance Services until Customer pays such past due amounts.

5.3. Effect of Termination. Expiration or termination of an Order shall simultaneously terminate all rights for Customer's licenses and Cadence's obligations with respect thereto. Within thirty (30) days after such expiration or termination, and without limiting any other rights or remedies of Cadence, Customer shall: (i) furnish Cadence written notice certifying that the original and all copies, including partial copies, of the Licensed Materials furnished by Cadence under this Agreement or made by Customer as permitted by this Agreement, have either been returned to Cadence or destroyed and no copies or portions thereof remain in the possession of Customer, its employees, students or agents; and (ii) make prompt payment in full to Cadence for all amounts then due plus the unpaid balance of the remaining Fees set forth in the Order, together with any applicable Taxes, which shall accelerate and become immediately due and payable by Customer to Cadence. In addition, each party's rights and remedies with respect to any breach by the other party shall survive. Sections 3.2, 3.3, 3.4, 3.5, 4, 5.3, 11, 12, and 13 shall survive expiration or termination of this Agreement.

6. ORDERING

6.1. If required by Customer, Customer may submit an order for Licensed Materials and Maintenance Services using Customer's standard purchase order forms solely for invoicing or administrative purposes. Such Customer purchase order forms shall: (i) conform to and cite this Agreement (including Product Quotation, Confirmation Sheet and these Terms); (ii) describe the Licensed Materials and/or Maintenance Services ordered (using Cadence's product numbers and nomenclature); (iii) identify the quantity, Fees, and ship and bill to addresses consistent with the Order; and (iv) include such other data as Cadence may reasonably require. This Agreement shall govern all Orders and any such Customer purchase orders, regardless of whether the Customer's purchase order was received by Cadence directly or through an authorized Cadence reseller. Any terms and conditions contained or incorporated by reference in purchase orders, acknowledgments, invoices, confirmations or other business forms of either party which add to or differ from the terms and conditions of this Agreement are rejected and shall be of no force or effect whatsoever, and either party's failure to object thereto shall not be deemed a waiver of such party's rights hereunder.

6.2. Cadence has the right to discontinue the sale of licenses of the Licensed Materials (and associated Maintenance Services) at any time. Unless otherwise stated in an applicable Order or in the terms for an applicable licensing model, discontinued Licensed Materials, or Licensed Materials for which Maintenance Services are no longer available, may no longer be added on during the Term of Use under an Order.

6.3. Customer shall appoint a professor or other employee (the "**Technical Liaison**") to serve as Customer's designated point of contact to Cadence, responsible for installing Licensed Materials on the Designated Equipment, attending Cadence's training courses and providing Cadence training to other university users, contacting Cadence's Hotline Support for any and all inquiries about the Licensed Materials from university users and acting as the sole liaison between Customer and Cadence on all matters concerning

Customer's Use of the Licensed Materials. Customer shall provide Cadence with the email address and phone number for the Technical Liaison.

7. SHIPMENT

Upon acceptance of an Order by Cadence or an authorized Cadence reseller, all Cadence Software is available for download by Customer from Cadence; provided, however, Customer shall only Use Cadence Software for which a License Key has been purchased from either Cadence or an authorized Cadence reseller. All Licensed Materials and License Keys shall be provided to Customer in electronic format only. Cadence agrees not to deliver to Customer and Customer agrees not to accept any Licensed Materials, excluding written or printed Documentation provided under this Agreement, including but not limited to CD ROM, tape or paper. In the event Cadence agrees to deliver any tangible media, Customer shall pay all shipping charges, including insurance. Risk of loss shall pass to Customer upon delivery to carrier.

8. COPIES AND TRANSFER

8.1. Copies. Customer may make a reasonable number of copies of Software for either of the following purposes only: (i) archival purposes; or (ii) for Use as a back-up when the Software is not operational. Customer may make a reasonable number of copies of Design Elements in connection with its authorized Use of such Design Elements. All legends, trademarks, trade names, copyright legends and other identifications must be copied when copying the Licensed Materials. Documentation may not be copied except for a reasonable number of printed copies from the Documentation provided by Cadence.

8.2. Relocation. The Licensed Materials may only be moved from the Designated Equipment with Cadence's prior written consent ("**Relocation**"). Customer will immediately return Cadence's Request for Relocation and Certificate of Discontinued Use when the Licensed Materials are moved. Customer shall completely remove the Licensed Materials from the previous Designated Equipment.

9. TECHNICAL SUPPORT

9.1. Generally. Cadence may, at its option, provide Customer with the support described in Section 9.2. Cadence may terminate, withhold or limit such support at any time in Cadence's sole discretion.

9.2. Maintenance Services. Only if elected by Cadence, Cadence may provide the following services:

9.2.1. Technical Support: Cadence will make technical assistance available to Customer through Cadence Customer Support between 9:00 a.m. and 5:00 p.m., local time (the "**Prime Shift**"), Monday through Friday excluding Cadence's holidays.

9.2.2. Issue Resolution Assistance: Cadence will acknowledge receipt of Customer's service request (a "**SR**") within four (4) Prime Shift hours. Customer's SR shall include a detailed description of the nature of the issue, the conditions under which it occurs and other relevant data sufficient to enable Cadence to reproduce a reported error in order to verify its existence and diagnose its cause. Upon completion of diagnosis Cadence will provide Customer appropriate assistance in accordance with Cadence's standard commercial practices, including furnishing Customer with an avoidance procedure, bypass, work-around, patch or hot-fix (i.e., a Customer specific release for a production stopping problem with no work-around) to correct or alleviate the condition reported.

9.2.3. Update(s): Cadence will provide Customer Update(s) for the Licensed Materials. Cadence will also provide instructions and/or Documentation that Cadence considers reasonably necessary to assist in a smooth transition for Use of an Update.

9.2.4. Communication: Cadence will provide Customer: (i) access to Cadence's online Customer support service; and (ii) such newsletters and other publications, as Cadence routinely provides or makes accessible to all Maintenance Service customers to furnish information on topics such as Software advisories, known problem and solution summaries, product release notes, application notes, product descriptions, removal of an item from a product line, training class descriptions and schedules, bulletins about user group activity and the like.

9.2.5. Versions Supported: Customer acknowledges that, subject to Cadence's End Sale/End Support Process, Cadence will maintain only the most current version of the Licensed Materials. Cadence shall also maintain the last prior version of the Licensed Materials until the earlier of six (6) months from the release of each new version release, or termination of the applicable Order.

9.3. Customer's Responsibilities. Customer shall:

9.3.1. Notification: Notify Cadence promptly through Cadence's electronic problem reporting software available online. If Customer does not receive Cadence's acknowledgment of its receipt of such report within four (4) Prime Shift hours, Customer shall promptly re-transmit such report.

9.3.2. Access: If requested by Cadence, allow Cadence access to the Designated Equipment and communication facilities during the Prime Shift and subject to Customer's security and safety procedures, and provide Cadence reasonable work space and other normal and customary facilities.

9.3.3. Assistance: Provide Cadence with reasonable assistance as requested if Maintenance Services are performed on site at Customer's facility and ensure that a Customer's employee is present.

9.3.4. Test Time: Provide sufficient support and test time on Customer's Designated Equipment to allow Cadence to duplicate an error and verify if it is due to Licensed Materials, and when corrections are complete, acknowledge that the error has been resolved.

9.3.5. Standard of Care: Provide the same standard of care for the Licensed Materials that Customer applies to its own products or data of like value to its business and return any defective Licensed Materials or attest in writing to the destruction of same as directed by Cadence.

9.3.6. Support: Promptly inform Cadence in writing if Customer develops interfaces to the Licensed Materials, and provide such information as Cadence determines necessary to properly maintain the Licensed Materials.

9.3.7. Data Necessary: Provide data sufficient to enable Cadence to replicate a reported error on its own computers at the Cadence Customer Response Center.

9.3.8. Excluded Services: Maintenance Services required in connection with or resulting from the following are excluded from this Agreement:

- (1) abuse, misuse, accident or neglect; or repairs, alterations, and/or modifications which are not permitted under this Agreement and which are performed by other than Cadence or its agents; or
- (2) the relocation of Licensed Materials from one (1) unit of Designated Equipment to another or from the Customer's location; or making changes due to Customer's decision to reconfigure the Licensed Materials or the system or network upon which it is installed; or
- (3) maintenance, malfunction, modification of the Designated Equipment or its operating system; or
- (4) Use of the Licensed Materials on a hardware platform other than the Designated Equipment; or use of other than the most current or last prior release of the Licensed Materials as specified in Section 9.2.5 above; or
- (5) Customer's failure to maintain configuration environment (i.e., memory/disk capacity, operating system revision level, prerequisite or co-requisite items, etc.) specified in the Documentation or to supply adequate backups.

9.4. Additional Services. If Cadence agrees to perform services requested by Customer which are not included as part of this Agreement, such services shall be billed to Customer at prices and terms to be agreed by the parties.

10. PROPRIETARY RIGHTS INDEMNITY

Cadence shall defend at its expense, or at its option reimburse Customer for reasonable costs of defense of, or settle any legal action brought against Customer to the extent based on a claim that the Licensed Materials as delivered by Cadence directly infringe a U.S., European Union or Japan patent issued as of the Effective Date or infringe any copyright or constitute a misappropriation of any trade secret of any third party. However, such defense and payments are subject to the condition that Customer gives Cadence prompt written notice of such claim, allows Cadence to direct the defense and settlement of the claim, and cooperates with Cadence as necessary for defense and settlement of the claim. Should any Licensed Materials, or the operation thereof, become or in Cadence's opinion be likely to become, the subject of such claim, Cadence may, at Cadence's option and expense, procure for Customer the right to continue using the Licensed Materials, replace or modify the Licensed Materials so that they become non-infringing, or terminate the license granted hereunder for such Licensed Materials and refund to Customer the Fees (less a reasonable charge for the period during which Customer has had availability of such Licensed Materials for Use and of the Maintenance Services). Cadence will have no liability for any infringement claim to the extent it: (i) is based on any modifications of Licensed Materials by any party other than by Cadence, with or without Cadence's authorization; or (ii) results from failure of Customer to Use the most recent Updated version of the Licensed Materials; or (iii) is based on the combination or Use of the Licensed Materials with any other software, program or device not provided by Cadence if such infringement would not have arisen but for such use or combination; or (iv) results from compliance by Cadence with designs, plans or specifications furnished by Customer; or (v) is based on any products, devices, software or applications designed or developed through Use of the Licensed Materials. **THE FOREGOING STATES CADENCE'S ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY FOR PROPRIETARY RIGHTS INFRINGEMENT.**

11. WARRANTY DISCLAIMER

Cadence does not warrant that Licensed Materials will meet Customer's requirements or that Use of the Licensed Materials will be uninterrupted or error free. **CADENCE, ITS LICENSORS AND ITS AUTHORIZED RESELLERS MAKE NO WARRANTIES TO CUSTOMER WITH RESPECT TO THE LICENSED MATERIALS OR ANY SERVICE, ADVICE, OR ASSISTANCE FURNISHED HEREUNDER, AND NO WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR ARISING FROM COURSE OF DEALING OR USAGE IN TRADE SHALL APPLY.**

12. LIMITATION OF LIABILITY

12.1. CADENCE AND ITS AUTHORIZED RESELLERS SHALL NOT BE LIABLE FOR COSTS OF SUBSTITUTES OR LOSS OF PROFITS, INTERRUPTION OF BUSINESS, OR ANY SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR

CONSEQUENTIAL DAMAGES, OF ANY KIND OR NATURE WHATSOEVER ARISING OUT OF OR RELATING TO THIS AGREEMENT, HOWEVER CAUSED, WHETHER BASED ON BREACH OF WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

12.2. CADENCE'S CUMULATIVE AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT (OR PERFORMANCE OR BREACH THEREOF) OR THE LICENSED MATERIALS (INCLUDING ALL COSTS, DAMAGES AND LIABILITIES INCURRED UNDER SECTION 10) SHALL BE LIMITED TO AND NOT EXCEED THE AMOUNT OF FEES ACTUALLY RECEIVED BY CADENCE FROM CUSTOMER FOR THE LICENSED MATERIALS WHICH ARE THE SUBJECT OF THE CLAIM UNDER THE APPLICABLE ORDER.

12.3. The above limitations shall apply (i) notwithstanding failure of essential purpose of any exclusive or limited remedy, and (ii) whether or not Cadence has been advised of the possibility of such damages. This Section 12 allocates the risks under this Agreement and Cadence's pricing reflects this allocation of risk and the above limitations.

13. GENERAL PROVISIONS

13.1. Governing Law and Dispute Resolution. This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding conflict of law rules and principles. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. This Agreement is prepared and executed and shall be interpreted in the English language only.

13.1.1. For Customers in the United States Only. Any dispute regarding this Agreement shall be subject to the exclusive jurisdiction of the state courts in and for Santa Clara County, California (or, if there is federal jurisdiction, the United States District Court for the Northern District of California), and the parties hereby irrevocably agree to submit to the personal and exclusive jurisdiction and venue of such courts.

13.1.2. For Customers Located Outside of the United States. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be determined by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be San Francisco, California, and the language of the arbitration shall be English. In addition to the authority conferred on the arbitrators by the above-designated rules, and without prejudice to any provisional measures that may be available from a court of competent jurisdiction, the arbitrators shall have the power to grant any provisional measure deemed appropriate, including, but not limited to, provisional injunctive relief. Any provisional measures ordered by the arbitrators may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such. The arbitrators shall be guided by the IBA Rules On the Taking of Evidence In International Arbitration when deciding issues addressed by those rules. No information concerning an arbitration, beyond the names of the parties and the relief requested, may be unilaterally disclosed to a third party by any party unless required by law. Any documentary or other evidence given by a party or witness in an arbitration shall be treated as confidential by any party whose access to such evidence arises exclusively as a result of its participation in the arbitration, and shall not be disclosed to any third party (other than a witness or expert), except as may be required by law. The arbitrators may award to the prevailing party, if any, as determined by the arbitrators, its costs and expenses, including attorneys' fees. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction.

13.2. Notices. All notices, demands or consents required or permitted hereunder shall be delivered in writing to the addresses set forth in the applicable Order, and, in the case of Cadence, to the attention of the General Counsel, or at such other address provided in writing for such purposes.

13.3. Severability. If any provision is determined to be invalid or unenforceable, it shall be adjusted rather than voided, if possible, to achieve the intent of the parties. All other provisions shall be deemed valid and enforceable to the maximum extent possible.

13.4. Force Majeure. Except for Customer's payment obligations, neither party shall be liable for any failure or delay in performing any obligation, if failure or delay is due to circumstances beyond its reasonable control.

13.5. Relationship. The relationship between the parties is that of independent contractors.

13.6. Assignment. Customer may not delegate, assign or transfer this Agreement or any of its rights and obligations under this Agreement, and any attempt to do so shall be void. Without limitation of the foregoing, an assignment, delegation or transfer shall include, but not be limited to a sale of all or substantially all the assets of Customer, a merger, a re-organization, share exchange, consolidation or change in control of fifty percent (50%) or more of the beneficial ownership of equity interest or voting power of Customer or any entity that directly or indirectly controls Customer (a "**Change in Control**"). No transfer, delegation or assignment (including, without limitation, an assignment by operation of law) of this Agreement may be made without the prior written consent of Cadence, which may be withheld in Cadence's sole discretion. As used in this Agreement, assignment shall not include, and no consent shall be required, (1) if Customer raises additional capital through sale of equity (either privately or through a public offering) or debt instruments, provided that the additional equity issued does not result in a Change in Control, (2) if Customer changes its state of incorporation, or (3) if Customer reorganizes its corporate structure without a change in its equity structure; provided, however, that

any reorganization that would result in the rights hereunder being transferred or the Licensed Materials being Used by an entity that is not controlled by Customer shall require Cadence's prior written consent. Cadence may delegate its obligations to its Affiliates or contractors, provided that Cadence remains liable for its obligations hereunder.

13.7. Export Laws and Regulations. Neither party shall export directly or indirectly, any technical data acquired from the other pursuant to this Agreement or any product utilizing any such data to any country for which the U.S., EU, or Japanese government or any agency thereof at the time of export requires an export license or other governmental approval without first obtaining such license or approval. The disclosing party shall not disclose any information that is subject to export control under any of the following regimes without the prior written consent of the receiving party in each instance: The ITAR, the Wassenaar Arrangement Lists of Dual Use Goods and Technologies and Munitions Lists, the Japanese Ministerial Ordinance Stipulating Goods and Technology, or the U.S. EAR for control reasons other than anti-terrorism (AT). Customer shall execute and deliver to Cadence such "Letters of Assurance" as may be reasonably requested by Cadence. Customer shall be strictly responsible for ensuring that Customer, its employees and any third parties who access the Licensed Materials on its behalf fully comply with the requirements of this Section 13.7 and provisions of ITAR and EAR, and Customer shall indemnify Cadence against any loss related to any failure to conform to these requirements.

13.8. Entire Agreement. This Agreement is the complete and exclusive agreement between the parties relating to the subject matter hereof and supersede all other communications between the parties relating thereto. This Agreement supersedes all pre-printed terms and conditions contained in any Customer purchase order or other business form submitted hereafter by either party and any inconsistent non-pre-printed terms. Only a written instrument duly executed by both parties may modify this Agreement.

13.9. Waiver. Failure by either party to enforce at any time any provision of this Agreement, or to exercise any election of options provided herein shall not constitute a waiver of such provision or option, nor affect the validity of this Agreement or any part thereof, or the right of the waiving party to thereafter enforce each and every such provision.

13.10. Construction. Each party has had the opportunity to review this Agreement with legal counsel, and there shall be no presumption that ambiguities shall be construed or interpreted against the drafter. The words "include" and "including" and variations shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation".

13.11. Injunctive Relief. Customer acknowledges that breach may cause irreparable harm to Cadence for which money damages would be inadequate, and Cadence shall be entitled to obtain timely injunctive relief without the necessity of posting bonds, in addition to any and all remedies available at law.

13.12. U.S. Government Contracting. The Licensed Materials shall not be provided to any third party, including the U.S. Government, without prior written authorization by Cadence. The Licensed Materials are "commercial computer software" as defined in Federal Acquisition Regulation ("FAR") 2.101. If the Licensed Materials are licensed by (or if Customer is authorized by Cadence to license on behalf of) (i) a civilian agency, the U.S. Government licenses the Licensed Materials subject to this Cadence commercial license agreement as specified in 48 C.F.R. 12.212 (Computer Software) and 12.211 (Technical Data) of the FAR and its successors; or (ii) an agency within the Department of Defense ("DOD"), the U.S. Government licenses Cadence Licensed Materials subject to this Cadence commercial license agreement as specified in 48 C.F.R. 227.7202-3 of the DOD FAR Supplement ("DFARS") and its successors. The terms of this Agreement supersede and are in lieu of any FAR, DFARS, or supplemental regulations to the FAR.

13.13. Customer shall maintain a publicly-accessible webpage detailing how the Licensed Materials are used by Customer. Customer shall ensure that Cadence has reviewed and approved all content related to Licensed Materials on the webpage. If requested by Cadence, Customer shall remove any Cadence-related content as requested by Cadence. This webpage shall be linked from the licensing department's top level page and shall follow the guidelines available at http://www.cadence.com/support/university/Documents/university_guidelines.pdf. Cadence may terminate the licenses granted under the Order if Customer fails to post and maintain this webpage in accordance with this Section 13.13.

Appendix 1

Country Specific Terms and Conditions

If the country specified in Customer's address in the "Sold To" section (or, for People's Republic of China only, in the "Ship To" section) of the applicable Order is one of the countries specified below, then the following terms set forth below for that country replace or modify the referenced terms in Section II (Terms and Conditions) for the applicable Order as indicated below. All terms in Section II that are not changed by these amendments remain unchanged and in effect.

CANADA

If Customer's address in either the "Sold To" section or in the "Ship To" section of the applicable Order is in Canada, then the following shall replace or delete (in their entirety) the Sections referenced:

Section 13.7 **Export Laws and Regulations.** Neither party shall export directly or indirectly, any technical data acquired from the other pursuant to this Agreement or any product utilizing any such data to any country for which the U.S., EU, Canada, or Japanese government or any agency thereof at the time of export requires an export license or other governmental approval without first obtaining such license or approval. The disclosing party shall not disclose any information that is subject to export control under any of the following regimes without the prior written consent of the receiving party in each instance: The ITAR, the Wassenaar Arrangement Lists of Dual Use Goods and Technologies and Munitions Lists, the Japanese Ministerial Ordinance Stipulating Goods and Technology, or the U.S. EAR for control reasons other than anti-terrorism (AT). Customer shall execute and deliver to Cadence such "Letters of Assurance" as may be reasonably requested by Cadence. Customer shall be strictly responsible for ensuring that Customer, its employees and any third parties who access the Licensed Materials on its behalf fully comply with the requirements of this Section 13.7 and provisions of ITAR and EAR, and Customer shall indemnify Cadence against any loss related to any failure to conform to these requirements.

PEOPLE'S REPUBLIC OF CHINA

If Customer's address in either the "Sold To" section or in the "Ship To" section of the applicable Order is the People's Republic of China (which for purposes of these Terms does not include Taiwan), then the following shall replace or delete (in their entirety) the Sections referenced:

Section 3.2 **Limitations.** All rights, title and interest in the Licensed Materials shall remain the exclusive property of Cadence and/or its licensors. The Licensed Materials are the confidential and proprietary property of Cadence or third parties from whom Cadence has obtained the appropriate rights and Customer shall not disclose (including in connection with any Fundamental Research) the Licensed Materials to any third party except as expressly provided hereunder. Customer shall not Use or copy the Licensed Materials except as expressly permitted herein. Customer may only Use those Licensed Materials specified in the applicable Product Quotation. Customer shall not delete, modify, or alter (or permit any third party to delete, modify or alter) any technical measures incorporated in the Licensed Materials or otherwise adopted by Cadence to protect its copyright in the Licensed Materials ("**Technical Measures**") and shall not take any action (or permit any third party to take any action) intended to avoid or breach such Technical Measures, including but not limited to modifying, disassembling, decompiling, reverse translating or otherwise attempting to derive source code, related to such Technical Measures, except to the extent the foregoing are not permitted to be restricted under applicable law. No right or license is granted or implied under any of Cadence, or its licensors', patents, copyrights, trademarks, trade names, service marks or other intellectual property rights to Use the Licensed Materials or to authorize others to Use the Licensed Materials beyond the rights and restrictions set forth in these Terms. By way of example and not limitation, Customer shall not do any benchmarking of: (i) the Software or Design Elements or (ii) the output of any Software or Design Elements (which means any form of competitive analysis of the Licensed Materials versus competitive tool products), nor permit any third party to do so. Customer shall not remove or alter any of Cadence's or its licensors' restrictive or ownership legends appearing on or in the Licensed Materials and shall reproduce such legends on all copies permitted to be made. Customer grants Cadence the right and license to make, use, sell, reproduce, modify, sublicense, disclose, distribute and otherwise exploit error reports, corrections or suggestions provided by Customer concerning the Licensed Materials and any modifications based thereon.

Section 6.1 To place an order for Licensed Materials and Maintenance Services, Customer shall complete and return Cadence's standard purchase order form. Cadence's acceptance of the order may be evidenced by Cadence's signature on the Customer-signed purchase order form or by Cadence's delivery of the requested Licensed Materials. Customer's own purchase order forms may only be used for Customer's internal invoicing or administrative purposes, and any terms and conditions contained or incorporated by reference in such other purchase orders, acknowledgments, invoices, confirmations or other business forms of which add to or differ from the terms and conditions of this Agreement are rejected and shall be of no force or effect whatsoever, and either party's failure to object thereto shall not be deemed a waiver of such party's rights hereunder.

Section 7 **Shipment.** Upon execution of this Agreement and acceptance of an order by Cadence or an authorized Cadence reseller, all Cadence Software is available for download by Customer from Cadence, provided however Customer shall only Use Cadence Software for which a License Key has been purchased from either Cadence or an authorized Cadence reseller. Unless otherwise requested in writing by Customer as set forth herein, all Licensed Materials and License Keys shall be provided to Customer in electronic format only. Cadence agrees not to deliver to Customer and Customer agrees not to accept any Licensed Materials, excluding written or printed Documentation provided under this Agreement, including but not limited to CD ROM, tape or paper. In the event Customer requests the delivery of any tangible media, such request must be in writing and received at least ninety (90) days prior to the delivery of the Licensed Materials. Delivery of any tangible media requested by Customer hereunder shall be made EX Works point of shipment. Customer shall pay all shipping charges, including insurance. Risk of loss shall pass to Customer upon delivery to carrier.

Section 10 **Proprietary Rights Indemnity.** Cadence warrants to Customer that it has the lawful right to license the Licensed Materials to Customer in the People's Republic of China ("PRC") in accordance with this Agreement. Cadence shall defend at its expense, or at its option reimburse Customer for reasonable costs of defense of, or settle any legal action brought against Customer to the extent based on a claim that the Licensed Materials as delivered by Cadence directly infringe a U.S., European Union or Japan patent issued as of the Effective Date or infringe or make unauthorized use of the PRC intellectual property rights of any third party. However, such defense and payments are subject to the condition that Customer gives Cadence prompt written notice of such claim, allows Cadence to direct the defense and settlement of the claim, and cooperates with Cadence as necessary for defense and settlement of the claim. Should any Licensed Materials, or the operation thereof, become or in Cadence's opinion be likely to become, the subject of such claim, Cadence may, at Cadence's option and expense, procure for Customer the right to continue using the Licensed Materials, replace or modify the Licensed Materials so that they become non-infringing, or terminate the license granted hereunder for such Licensed Materials and refund to Customer the Fees (less a reasonable charge for the period during which Customer has had availability of such Licensed Materials for Use and of the Maintenance Services). Cadence will have no liability for any infringement claim to the extent it: (i) is based on any modifications of Licensed Materials by any party other than by Cadence, with or without Cadence's authorization; or (ii) results from failure of Customer to Use the most recent Updated version of the Licensed Materials; or (iii) is based on the combination or Use of the Licensed Materials with any other software, program or device not provided by Cadence if such infringement would not have arisen but for such use or combination; or (iv) results from compliance by Cadence with designs, plans or specifications furnished by Customer; or (v) is based on any products, devices, software or applications designed or developed through Use of the Licensed Materials. **THE FOREGOING STATES CADENCE'S ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY FOR PROPRIETARY RIGHTS INFRINGEMENT AND IN RESPECT OF THE WARRANTY SET FORTH IN THIS SECTION 10.**

Section 13.1 **Governing Law and Dispute Resolution.** Any dispute, controversy or claim arising out of or relating to this Agreement, including the validity, invalidity, breach or termination thereof, shall be settled by arbitration in Hong Kong under the Hong Kong International Arbitration Centre Administered Arbitration Rules (the "Rules") in force when the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be three unless otherwise subsequently agreed in writing by the parties. The arbitration proceedings shall be conducted in English. Nothing in this Section 13.1 shall restrict the right of a party to apply to a court of competent jurisdiction for injunctive relief at any time.

Sections 13.1.1 and 13.1.2 shall be deleted.

Section 13.14 **Import.** Customer covenants to Cadence that, as importer of the Licensed Materials, it shall diligently prosecute any and all filings and registrations of this Agreement and each Product Quotation with such

governmental authorities as may be required under applicable law (including but not limited to registration under the Technology Import and Export Regulations with the Ministry of Commerce of the PRC). Customer shall promptly notify Cadence in writing of any documentation, information or assistance reasonably required by Customer from Cadence to complete such filings and registrations. Customer further covenants to Cadence that such filings and registrations shall be made as soon as practicable after (and in any event within ninety (90) days following) the relevant Effective Date (or such shorter period as may be required by law).

FRANCE

If Customer's address in the "Sold To" section of the applicable Order is France, then the following shall replace (in their entirety) or add as new the Sections referenced:

Section 13.1 Governing Law and Dispute Resolution. This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding conflict of law rules and principles. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. Notwithstanding the foregoing, in the event that a court of competent jurisdiction finally determines that the laws of France apply, then this Agreement shall be deemed to be so amended. This Agreement is prepared and executed and shall be interpreted in the English language only. LE CLIENT RECONNAIT AVOIR COMPRIS LE CONTENU DE CE CONTRAT QUI EST REDIGE EN LANGUE ANGLAISE.

Section 13.1.2 For Customers Located Outside of the United States. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be determined by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be San Francisco, California (or Paris, France if a court of competent jurisdiction finally determines that the laws of France apply) and the language of the arbitration shall be English. In addition to the authority conferred on the arbitrators by the above-designated rules, and without prejudice to any provisional measures that may be available from a court of competent jurisdiction, the arbitrators shall have the power to grant any provisional measure deemed appropriate, including, but not limited to, provisional injunctive relief. Any provisional measures ordered by the arbitrators may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such. The arbitrators shall be guided by the IBA Rules On the Taking of Evidence In International Arbitration when deciding issues addressed by those rules. No information concerning an arbitration, beyond the names of the parties and the relief requested, may be unilaterally disclosed to a third party by any party unless required by law. Any documentary or other evidence given by a party or witness in an arbitration shall be treated as confidential by any party whose access to such evidence arises exclusively as a result of its participation in the arbitration, and shall not be disclosed to any third party (other than a witness or expert), except as may be required by law. The arbitrators may award to the prevailing party, if any, as determined by the arbitrators, its costs and expenses, including attorneys' fees. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction.

Section 13.14 Electronic Contracting. The parties agree that any Orders entered into under these Terms may be concluded by any means (including by facsimile or other electronic means). The parties agree that the provisions of Articles 10 and 11 of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, as amended and implemented in national applicable law ("**Directive on electronic commerce**") shall not apply to any Agreement concluded under these Terms.

GERMANY

If Customer's address in the "Sold To" section of the applicable Order is Germany, then the following shall replace (in their entirety) or add as new the Sections referenced:

Section 5.2 Termination of an Order. Any Order hereunder may be terminated by Cadence: (i) if Customer fails to pay when due all or any portion of any amounts payable under such Order, and such failure is not cured within ten (10) days after receipt of written notice; (ii) immediately if Customer becomes insolvent or makes an assignment for the benefit of creditors, or a trustee or receiver is appointed for Customer or for a substantial part of its assets, or bankruptcy, reorganization or insolvency proceedings shall be instituted by or against Customer; or (iii) if Customer breaches any other material provision of this Agreement and such failure is

not cured within thirty (30) days after receipt of written notice. In addition, in the event Customer fails to pay any Fees due under an Order, Cadence may delay delivery of any License Key until Customer pays such past due amounts.

Section 5.3 **Effect of Termination.** Expiration or termination of an Order or Forfeiture shall simultaneously terminate all rights for licenses and Cadence's obligations with respect thereto. Within thirty (30) days after such expiration or termination, Customer shall: (i) furnish Cadence written notice certifying that the original and all copies, including partial copies, of the Licensed Materials furnished by Cadence under this Agreement or made by Customer as permitted by this Agreement, have either been returned to Cadence or destroyed and no copies or portions thereof remain in the possession of Customer, its employees, students or agents; and (ii) make prompt payment in full to Cadence for all amounts then due plus the present value (discounted at the lesser of: (a) the then current one year U.S. Treasury Bill Rate, and (b) the one year U.S. Treasury Bill Rate as of the Effective Date) of the unpaid balance of the Fees as set forth in the Order, together with any applicable Taxes. Sections 3.2, 3.3, 3.4, 3.8, 4, 5.3, 10, 11, 12, and 13 shall survive expiration or termination of this Agreement

Section 11 **Disclaimer of Warranties.** Cadence warrants that for twelve (12) months after the Effective Date of an Order that the Software provided under that Order shall be free of substantial deviations from the Documentation. Cadence does not warrant that Licensed Materials will meet Customer's requirements or that Use of the Licensed Materials will be uninterrupted or error free. **CADENCE, ITS LICENSORS AND ITS AUTHORIZED RESELLERS MAKE NO WARRANTIES TO CUSTOMER WITH RESPECT TO THE LICENSED MATERIALS OR ANY SERVICE, ADVICE, OR ASSISTANCE FURNISHED HEREUNDER, AND NO WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR ARISING FROM COURSE OF DEALING OR USAGE IN TRADE SHALL APPLY.**

Section 12.2 Subject to the provisions in Section 12.2.1, Cadence's statutory liability for damages shall be limited as follows: Cadence shall be liable only up to the amount of damages as typically foreseeable at the time of entering into the contract in respect of damages caused by a slightly negligent breach of a material contractual obligation; Cadence shall not be liable for damages caused by a slightly negligent breach of a non-material contractual obligation.

12.2.1 The aforesaid limitation of liability shall not apply to any mandatory statutory liability, liability for assuming a specific guarantee or liability for willfully or negligently caused personal injuries.

12.2.2 Customer shall take all reasonable measures to mitigate damages, including in particular, to make back-up copies on a regular basis.

12.2.3 CADENCE'S CUMULATIVE AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT (OR PERFORMANCE OR BREACH THEREOF) OR THE LICENSED MATERIALS (INCLUDING ALL COSTS, DAMAGES AND LIABILITIES INCURRED UNDER SECTION 10) SHALL BE LIMITED TO AND NOT EXCEED THE AMOUNT OF FEES ACTUALLY RECEIVED BY CADENCE FROM CUSTOMER FOR THE LICENSED MATERIALS WHICH ARE THE SUBJECT OF THE CLAIM UNDER THE APPLICABLE ORDER.

Section 13.1 **Governing Law and Dispute Resolution.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding conflict of law rules and principles. Notwithstanding the foregoing, in the event that a court of competent jurisdiction finally determines that the laws of Germany apply, then this Agreement shall be deemed to be so amended. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. This Agreement is prepared and executed and shall be interpreted in the English language only.

Section 13.1.2 **For Customers Located Outside of the United States.** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be determined by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be San Francisco, California (or Munich, Germany if a court of competent jurisdiction finally determines that the laws of Germany apply), and the language of the arbitration shall be English. In addition to the authority conferred on the arbitrators by the above-designated rules, and without prejudice to any provisional measures that may be available from a court of competent jurisdiction, the arbitrators shall have the power to grant any provisional measure deemed appropriate,

including, but not limited to, provisional injunctive relief. Any provisional measures ordered by the arbitrators may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such. The arbitrators shall be guided by the IBA Rules On the Taking of Evidence In International Arbitration when deciding issues addressed by those rules. No information concerning an arbitration, beyond the names of the parties and the relief requested, may be unilaterally disclosed to a third party by any party unless required by law. Any documentary or other evidence given by a party or witness in an arbitration shall be treated as confidential by any party whose access to such evidence arises exclusively as a result of its participation in the arbitration, and shall not be disclosed to any third party (other than a witness or expert), except as may be required by law. The arbitrators may award to the prevailing party, if any, as determined by the arbitrators, its costs and expenses, including attorneys' fees. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction.

Section 13.14 Electronic Contracting. The parties agree that any Orders entered into under these Terms may be concluded by any means (including by facsimile or other electronic means). The parties agree that the provisions of Articles 10 and 11 of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, as amended and implemented in national applicable law ("**Directive on electronic commerce**") shall not apply to any Agreement concluded under these Terms.

INDIA

If Customer's address in the "Sold To" section of the applicable Order is India, then the following shall replace (in their entirety) the Section referenced:

Section 3.3 Restrictions. Customer shall not let the Licensed Materials be accessed or Used by third parties or anyone other than Customer's students and its employee instructors and employee researchers whose duties require such access or Use. Customer shall ensure that such access and Use by such students, employee instructors and employee researchers is limited solely to the Use permitted by the license granted to Customer hereunder and is limited solely to Customer's facility, and Customer must first require such students, employee instructors and employee researchers to sign written agreements obligating them to observe the same restrictions concerning the Licensed Materials as are contained in this Agreement. Customer shall be responsible to Cadence for any failure of a student, instructor or researcher to strictly comply with the terms and conditions of these Terms. Customer shall ensure that none of the designs and output generated through the Use of the Licensed Materials is licensed, sold, assigned or otherwise commercially exploited by Customer or any third party, or disclosed or transferred to any third party (except as expressly permitted in this Section 3.3), or used for any other purpose not expressly permitted by the definition of "Use". Notwithstanding the preceding sentence, Customer may disclose the designs and output generated through Use of the Licensed Materials under the following circumstances:

a) Customer may disclose or transfer designs and output generated through Use of the Licensed Materials to Academic Foundry Services solely under confidentiality restrictions for the purpose of non-commercial prototype production. Such prototypes may be used solely for evaluation and measurement purposes and shall not be otherwise sold, assigned, transferred or commercially exploited. "Academic Foundry Services" means MOSIS Service at USC Information Sciences Institute, Europractice IC Service, CMP (Circuits Multi Projects/Multi-Project Circuits), Canadian Microelectronics Corporation, IC Design Education Center at the Korea Advanced Institute of Science and Technology and National Chip Implementation Center of Taiwan. Requests made to Cadence to permit access by other academic foundries may be granted on a case by case basis at Cadence's sole discretion.

b) Customer may ship ICs/PCBs that incorporate the designs/output generated by the Licensed Materials to a non-commercial research institution for purposes of performing a non-commercial, Fundamental Research experiment; provided that (i) Customer shall not sell, license, assign or otherwise transfer such ICs/PCBs without entering into a separate agreement with Cadence regarding the designs/output incorporated into such ICs/PCBs, which agreement may be subject to payment of additional fees to Cadence, and (ii) Customer shall ensure that such ICs/PCBs shall be returned to Customer after the Fundamental Research experiment.

Section 3.8 For Software licensed on a 99-year basis, the following additional terms apply:

3.8.1 Maintenance Services will be provided for the initial year unless the applicable Order provides otherwise.

3.8.2 99-year Licenses must be Used only on a local area network within fifty (50) miles of the Designated Equipment.

3.8.3 For the avoidance of doubt, the parties agree that for a 99-year License, the rights of Use are granted subject to the condition that the Customer automatically forfeits all such rights if Customer breaches the Agreement due to failure to pay or other material breach (hereinafter “**Forfeiture**”) and to that end any declaration of “termination” pursuant to Section 5 shall be deemed to be an assessment by Cadence that Customer has forfeited its rights under such 99-year License.

Section 7

Shipment. Upon acceptance of an Order by Cadence or an authorized Cadence reseller, all Cadence Software is available for download by Customer from Cadence or will be physically shipped to Customer; provided, however Customer shall only Use Cadence Software for which a License Key has been purchased from either Cadence or an authorized Cadence reseller. Delivery of any Licensed Materials on tangible media shall be made FOB point of shipment (per Incoterms in effect on the Order Date). Customer shall pay all shipping charges, including insurance. Risk of loss shall pass to Customer upon delivery to carrier. Fees for any physically delivered Licensed Materials shall be paid in advance of shipment.

ISRAEL

If Customer’s address in the “Sold To” section of the applicable Order is Israel, then the following shall replace (in their entirety) the Sections referenced:

Section 10

Proprietary Rights Indemnity. Cadence shall defend at its expense, or at its option reimburse Customer for reasonable costs of defense of, or settle any legal action brought against Customer to the extent based on a claim that the Licensed Materials as delivered by Cadence directly infringe a U.S., European Union, Japan, or Israel patent issued as of the Effective Date or infringe any copyright or constitute a misappropriation of any trade secret of any third party. However, such defense and payments are subject to the condition that Customer gives Cadence prompt written notice of such claim, allows Cadence to direct the defense and settlement of the claim, and cooperates with Cadence as necessary for defense and settlement of the claim. Should any Licensed Materials, or the operation thereof, become or in Cadence’s opinion be likely to become, the subject of such claim, Cadence may, at Cadence’s option and expense, procure for Customer the right to continue using the Licensed Materials, replace or modify the Licensed Materials so that they become non-infringing, or terminate the license granted hereunder for such Licensed Materials and refund to Customer the Fees (less a reasonable charge for the period during which Customer has had availability of such Licensed Materials for Use and of the Maintenance Services). Cadence will have no liability for any infringement claim to the extent it: (i) is based on any modifications of Licensed Materials by any party other than by Cadence, with or without Cadence’s authorization; or (ii) results from failure of Customer to Use the most recent Updated version of the Licensed Materials; or (iii) is based on the combination or Use of the Licensed Materials with any other software, program or device not provided by Cadence if such infringement would not have arisen but for such use or combination; or (iv) results from compliance by Cadence with designs, plans or specifications furnished by Customer; or (v) is based on any products, devices, software or applications designed or developed through Use of the Licensed Materials. **THE FOREGOING STATES CADENCE’S ENTIRE LIABILITY AND CUSTOMER’S EXCLUSIVE REMEDY FOR PROPRIETARY RIGHTS INFRINGEMENT.**

Section 13.1

Governing Law and Dispute Resolution. This Agreement shall be governed by and construed in accordance with the laws of the state of California, excluding conflict of law rules and principles. Notwithstanding the foregoing, in the event that a court of competent jurisdiction finally determines that the laws of Israel apply, then this Agreement shall be deemed to be so amended. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. This Agreement is prepared and executed and shall be interpreted in the English language only

Section 13.1.2

For Customers Located Outside of the United States. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be determined by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be San Francisco, California (or Tel Aviv, Israel if a court of competent jurisdiction finally determines that the laws of Israel apply) and the language of the arbitration shall be English. In addition to the authority conferred on the arbitrators by the above-designated

rules, and without prejudice to any provisional measures that may be available from a court of competent jurisdiction, the arbitrators shall have the power to grant any provisional measure deemed appropriate, including, but not limited to, provisional injunctive relief. Any provisional measures ordered by the arbitrators may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such. The arbitrators shall be guided by the IBA Rules On the Taking of Evidence In International Arbitration when deciding issues addressed by those rules. No information concerning an arbitration, beyond the names of the parties and the relief requested, may be unilaterally disclosed to a third party by any party unless required by law. Any documentary or other evidence given by a party or witness in an arbitration shall be treated as confidential by any party whose access to such evidence arises exclusively as a result of its participation in the arbitration, and shall not be disclosed to any third party (other than a witness or expert), except as may be required by law. The arbitrators may award to the prevailing party, if any, as determined by the arbitrators, its costs and expenses, including attorneys' fees. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction.

Section 13.7 **Export Laws and Regulations.** Neither party shall export, directly or indirectly, any technical data acquired from the other pursuant to this Agreement or any product utilizing any such data to any country for which the U.S., EU, Japanese, or Israeli government or any agency thereof at the time of export requires an export license or other governmental approval without first obtaining such license or approval. The disclosing party shall not disclose any information that is subject to export control under any of the following regimes without the prior written consent of the receiving party in each instance: The ITAR, the Wassenaar Arrangement Lists of Dual Use Goods and Technologies and Munitions Lists, the Japanese Ministerial Ordinance Stipulating Goods and Technology, or the U.S. EAR for control reasons other than anti-terrorism (AT). Customer shall execute and deliver to Cadence such "Letters of Assurance" as may be reasonably requested by Cadence. Customer shall be strictly responsible for ensuring that Customer, its employees and any third parties who access the Licensed Materials on its behalf fully comply with the requirements of this Section 13.7 and provisions of ITAR and EAR, and Customer shall indemnify Cadence against any loss related to any failure to conform to these requirements.

ITALY

If Customer's address in the "Sold To" section of the applicable Order is Italy, then the following shall replace (in their entirety) or add as new the Sections referenced:

Section 13.1 **Governing Law and Dispute Resolution.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding conflict of law rules and principles. Notwithstanding the foregoing, in the event that a court of competent jurisdiction finally determines that the laws of Italy apply, then this Agreement shall be deemed to be so amended. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. This Agreement is prepared and executed and shall be interpreted in the English language only.

Section 13.1.2 **For Customers Located Outside of the United States.** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be determined by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be San Francisco, California (or Milan, Italy if a court of competent jurisdiction finally determines that the laws of Italy apply), and the language of the arbitration shall be English. In addition to the authority conferred on the arbitrators by the above-designated rules, and without prejudice to any provisional measures that may be available from a court of competent jurisdiction, the arbitrators shall have the power to grant any provisional measure deemed appropriate, including, but not limited to, provisional injunctive relief. Any provisional measures ordered by the arbitrators may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such. The arbitrators shall be guided by the IBA Rules On the Taking of Evidence In International Arbitration when deciding issues addressed by those rules. No information concerning an arbitration, beyond the names of the parties and the relief requested, may be unilaterally disclosed to a third party by any party unless required by law. Any documentary or other evidence given by a party or witness in an arbitration shall be treated as confidential by any party whose access to such evidence arises exclusively as a result of its participation in the arbitration, and shall not be disclosed to any third party (other than a witness or expert), except as may be required by law. The arbitrators may award to the prevailing party, if

any, as determined by the arbitrators, its costs and expenses, including attorneys' fees. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction.

Section 13.14 **Electronic Contracting.** The parties agree that any Orders entered into under these Terms may be concluded by any means (including by facsimile or other electronic means). The parties agree that the provisions of Articles 10 and 11 of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, as amended and implemented in national applicable law ("**Directive on electronic commerce**") shall not apply to any Agreement concluded under these Terms.

JAPAN

If Customer's address in the "Sold To" section of the applicable Order is Japan, then the following shall replace (in their entirety) the Sections referenced:

Section 3.1 **Grant.** Subject to Customer's timely payment of the Fees as set forth in Section 4 and compliance with this Agreement, Cadence, either directly or by and through one of its Affiliates, grants Customer, for the Term of Use as specified in the Order, a non-transferable, non-exclusive, license to: (i) Use the quantity of Licensed Materials identified in the applicable Product Quotation on the Designated Equipment as implemented by the number of License Keys issued for the Licensed Materials; and (ii) Use the Documentation as is reasonably necessary for Customer's licensed Use of the Licensed Materials. All rights not expressly granted to Customer pursuant to these Terms are reserved by Cadence. Customer understands and agrees that, by operation of License Key, the Licensed Material will automatically become inoperable upon expiration of the Term of Use for the Licensed Materials.

Section 4.2 **Taxes.** All Fees are net. Customer will pay or reimburse all taxes, duties and assessments, if any due, based on or measured by amounts payable to Cadence in any transaction between Customer and Cadence under this Agreement (excluding taxes based on Cadence's net income) together with any interest or penalties assessed thereon, or furnish Cadence with evidence acceptable to the taxing authority to sustain an exemption therefrom (collectively, "**Taxes**"). The parties shall cooperate to qualify for the benefits of any applicable treaty for the avoidance of double taxation and to provide to each other relevant document for same.

NETHERLANDS

If Customer's address in the "Sold To" section of the applicable Order is the Netherlands, then the following shall replace (in their entirety) or add as new the Sections referenced:

Section 13.1 **Governing Law and Dispute Resolution.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding conflict of law rules and principles. Notwithstanding the foregoing, in the event that a court of competent jurisdiction finally determines that the laws of the Netherlands apply, then this Agreement shall be deemed to be so amended. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. This Agreement is prepared and executed and shall be interpreted in the English language only.

Section 13.1.2 **For Customers Located Outside of the United States.** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be determined by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be San Francisco, California (or The Hague, Holland if a court of competent jurisdiction finally determines that the laws of the Netherlands apply) and the language of the arbitration shall be English. In addition to the authority conferred on the arbitrators by the above-designated rules, and without prejudice to any provisional measures that may be available from a court of competent jurisdiction, the arbitrators shall have the power to grant any provisional measure deemed appropriate, including, but not limited to, provisional injunctive relief. Any provisional measures ordered by the arbitrators may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such. The arbitrators shall be guided by the IBA Rules On the Taking of Evidence In International Arbitration when deciding issues addressed by those rules. No information concerning an arbitration, beyond the names of the parties and the relief requested, may be unilaterally disclosed to a third party by any party unless required by law. Any documentary or other evidence given by a party or witness in an arbitration shall be treated as confidential by any party whose access to such evidence arises exclusively as a result of its participation in the arbitration, and shall not be disclosed to any third party (other than a witness or expert), except as may be required by law. The arbitrators

may award to the prevailing party, if any, as determined by the arbitrators, its costs and expenses, including attorneys' fees. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction.

Section 13.14 Electronic Contracting. The parties agree that any Orders entered into under these Terms may be concluded by any means (including by facsimile or other electronic means). The parties agree that the provisions of Articles 10 and 11 of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, as amended and implemented in national applicable law ("**Directive on electronic commerce**") shall not apply to any Agreement concluded under these Terms.

SWEDEN

If Customer's address in the "Sold To" section of the applicable Order is Sweden, then the following shall replace (in their entirety) or add as new the Sections referenced:

Section 11 Warranty Disclaimer. Cadence does not warrant that Licensed Materials will meet Customer's requirements or that Use of the Licensed Materials will be uninterrupted or error free. **CADENCE, ITS LICENSORS AND ITS AUTHORIZED RESELLERS MAKE NO WARRANTIES TO CUSTOMER WITH RESPECT TO THE LICENSED MATERIALS OR ANY SERVICE, ADVICE, OR ASSISTANCE FURNISHED HEREUNDER, AND NO WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR ARISING FROM COURSE OF DEALING OR USAGE IN TRADE SHALL APPLY. THE PARTIES FURTHER AGREE THAT ANY RIGHTS AND REMEDIES THAT THE CUSTOMER MAY HAVE AND OR OBLIGATIONS THAT CADENCE MAY HAVE ACCORDING TO LAW OR OTHERWISE (INCLUDING BUT NOT LIMITED TO PURSUANT TO THE SWEDISH SALE OF GOODS ACT) WITH RESPECT TO ERRORS AND DEFECTS IN THE LICENSED MATERIALS OR ANY SERVICE, ADVICE OR ASSISTANCE FURNISHED HEREUNDER SHALL HEREBY BE DISCLAIMED.**

Section 13.1 Governing Law and Dispute Resolution. This Agreement shall be governed by and construed in accordance with the laws of the State of California excluding conflict of law rules and principles. Notwithstanding the foregoing, in the event that a court of competent jurisdiction finally determines that the laws of Sweden apply, then this Agreement shall be deemed to be so amended. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. This Agreement is prepared and executed and shall be interpreted in the English language only.

Section 13.1.2 For Customers Located Outside of the United States. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be determined by arbitration administered by the International Centre for Dispute Resolution in accordance with its International Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be San Francisco, California (or Stockholm, Sweden if a court of competent jurisdiction finally determines that the laws of Sweden apply) and the language of the arbitration shall be English. In addition to the authority conferred on the arbitrators by the above-designated rules, and without prejudice to any provisional measures that may be available from a court of competent jurisdiction, the arbitrators shall have the power to grant any provisional measure deemed appropriate, including, but not limited to, provisional injunctive relief. Any provisional measures ordered by the arbitrators may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such. The arbitrators shall be guided by the IBA Rules On the Taking of Evidence In International Arbitration when deciding issues addressed by those rules. No information concerning an arbitration, beyond the names of the parties and the relief requested, may be unilaterally disclosed to a third party by any party unless required by law. Any documentary or other evidence given by a party or witness in an arbitration shall be treated as confidential by any party whose access to such evidence arises exclusively as a result of its participation in the arbitration, and shall not be disclosed to any third party (other than a witness or expert), except as may be required by law. The arbitrators may award to the prevailing party, if any, as determined by the arbitrators, its costs and expenses, including attorneys' fees. Judgment upon any award rendered by the arbitrators may be entered in any court of competent jurisdiction.

Section 13.14 **Electronic Contracting.** The parties agree that any Orders entered into under these Terms may be concluded by any means (including by facsimile or other electronic means). The parties agree that the provisions of Articles 10 and 11 of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, as amended and implemented in national applicable law (“**Directive on electronic commerce**”) shall not apply to any Agreement concluded under these Terms.

UNITED KINGDOM AND THE REPUBLIC OF IRELAND

If Customer’s address in the “Sold To” section of the applicable Order is the United Kingdom or the Republic of Ireland, then the following shall replace (in their entirety) or add as new the Sections referenced:

Section 11 **Warranty Disclaimer.** Cadence does not warrant that Licensed Materials will meet Customer’s requirements or that Use of the Licensed Materials will be uninterrupted or error free. **CADENCE, ITS LICENSORS AND ITS AUTHORIZED RESELLERS MAKE NO WARRANTIES TO CUSTOMER WITH RESPECT TO THE LICENSED MATERIALS OR ANY SERVICE, ADVICE, OR ASSISTANCE FURNISHED HEREUNDER, AND NO WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR ARISING FROM COURSE OF DEALING OR USAGE IN TRADE SHALL APPLY.**

Section 12.3 The above limitations shall apply (i) notwithstanding failure of essential purpose of any exclusive or limited remedy, and (ii) whether or not Cadence has been advised of the possibility of such damages. This Section 12 allocates the risks under this Agreement and Cadence’s pricing reflects this allocation of risk and the above limitations. Nothing in this Agreement shall operate so as to exclude or limit the liability of either party to the other for death or personal injury arising out of negligence, or for any other liability which cannot be excluded or limited by law.

Section 13.1 **Governing Law and Dispute Resolution.** This Agreement shall be governed by and construed in accordance with the laws of England and Wales, excluding conflict of law rules and principles. The United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded and shall not apply. This Agreement is prepared and executed and shall be interpreted in the English language only.

Section 13.5 **Relationship.** The relationship between the parties is that of independent contractors. A person who is not a party to this Agreement may not enforce any of its provisions or otherwise benefit from this Agreement, except for any person to whom the benefit of this Agreement is assigned or transferred by Cadence.

Section 13.14 **Electronic Contracting.** The parties agree that any Orders entered into under these Terms may be concluded by any means (including by facsimile or other electronic means). The parties agree that the provisions of Articles 10 and 11 of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, as amended and implemented in national applicable law (“**Directive on electronic commerce**”) shall not apply to any Agreement concluded under these Terms.

UNITED STATES OF AMERICA

If Customer’s address in the “Sold To” section of the applicable Order is in the United States of America, then the following shall replace (in their entirety) or add as new the Sections referenced:

Section 3.8 Customer may not be, and no Use is permitted by, (i) a National Laboratory, National Center or National Facility operated by an academic institution for the U.S government or any non-U.S. government, or (ii) a wholly federally-funded research center or scientific facility (other than a U.S. degree-granting military school).

Section 6.1 To place an order, Customer shall complete and return Cadence’s Order form. Cadence’s acceptance of the order may be evidenced by Cadence’s signature on the Customer-signed Order form or by Cadence’s delivery of the requested Licensed Materials. Customer’s own purchase order forms may only be used for Customer’s internal invoicing or administrative purposes, and any terms and conditions contained or incorporated by reference in such other purchase orders, acknowledgments, invoices, confirmations or other business forms

of which add to or differ from the terms and conditions of this Agreement are rejected and shall be of no force or effect whatsoever, and either party's failure to object thereto shall not be deemed a waiver of such party's rights hereunder. Under no circumstances shall the quantity of Licensed Materials under an Order exceed 300 licenses per product.