



MUTUAL NONDISCLOSURE AGREEMENT

This AGREEMENT is made between:

X-FAB Semiconductor Foundries GmbH, Haarbergstraße 67, 99097 Erfurt, Germany,
on its own behalf and on behalf of its Affiliates as listed in Exhibit A

and

on its own behalf and on behalf of its Affiliates as listed in Exhibit A

(together or individually hereinafter referred to as "the party" or "the parties" as appropriate)

WHEREAS the parties shall, for their mutual benefit and in connection with their cooperation in the development and manufacture of integrated circuits and in the preparation of wafers, exchange and thereby disclose to each other confidential information, the parties seek to secure the confidentiality of such information by the terms of and in accordance with this Agreement.

IN CONSIDERATION of such exchange and cooperation IT IS HEREBY AGREED as follows:

1.0 Confidentiality

The parties agree to keep all disclosed confidential information strictly confidential. Without prejudice to the generality of the aforesaid, the obligation hereunder shall apply in particular to all information which is marked as being confidential and/or that information, of which within 10 days of its disclosure, notice in writing is given by the disclosing party that it shall be treated as confidential. Such information will ordinarily be disclosed to the other party in written form by way of software, draft documentation, drawings or technical specifications on data storage modules such as magnetic tapes or diskettes via data communication or by post. Data relating to individuals shall (in accordance with applicable Data Protection laws) also be treated as confidential as will all information relating to business secrets such as research and development matters and other business affairs of the other party, its associated companies or parties contracting with such party.

The confidentiality obligation shall not apply to information which

- the parties already hold, without owing any duty of confidentiality, at the time of disclosure
- is in the public domain
- the parties legitimately receive from third parties without being subject to any confidentiality obligations
- the parties develop or have developed independently of any such confidential information
- the disclosing party has disclaimed in writing any rights to confidentiality
- is provided after the termination of this Agreement

1.1 Securing Confidentiality

The parties shall use all reasonable endeavours to maintain confidentiality and in particular confidential information shall only be given or communicated to such employees who necessarily and properly require such information to perform their duties under their employment.

The parties shall keep all documentation and records which contain confidential information in a secure and safe place.

1.2. Acquisition of information from the business operations of the parties

The parties undertake to keep all internal business information of which they, their employees or representatives become aware during the performance of their duties at the other parties' place of business, strictly confidential and not to divulge the same to any third parties. This shall apply in particular to all internal information relating to technical, design, manufacture, operational or organisational matters.

1.3. Extension of the obligation of confidentiality to third parties

If a party intends to sub-contract to a third party and disclosure of confidential information to such third party is necessitated thereby, the party shall first obtain the written consent of the other party thereto. The disclosing party and the sub-contractor shall prior to such disclosure enter into a confidentiality agreement in a similar form as this Agreement.

1.4. Return of the confidential documentation

After termination of each contractually separate project, the parties shall upon request return, destroy or put in safe-keeping specified information.

1.5. United States Export Administration Regulations and Restrictions of the European Union

The parties acknowledge that certain information relating to development and manufacturing technology are subject to US Export Administration Regulations and restrictions of the European Union and the parties undertake to comply therewith. In addition, the parties shall treat such technology and the resultant products with at least the same care as they would in respect of confidential information hereunder and shall not divulge any details to ineligible third parties.

1.6. Patentable/Registrable Inventions

The duty of confidentiality also applies to information and documentation relating to an as yet unregistered or unpatented invention. Such documentation also constitutes confidential documentation and the party disclosing the same reserves all rights therein. In particular it is confirmed that no rights whatsoever are transferred or relinquished to the other party by the disclosure of such information.

1.7. General

In the event of any conflict between this Agreement and any other contractual terms between the parties, the terms of this Agreement shall prevail. No variation to the terms hereof shall be valid unless such variation is in writing and signed by a duly authorized representative of each party. The invalidity of any part of this Agreement shall not affect the validity of the rest of this Agreement. In the event of any part of this Agreement being declared invalid or void, the parties shall in good faith negotiate substitute wording which reflects as far and as near as possible the parties' initial intention.

1.8. Law and Jurisdiction

This Agreement is subject to the German substantive law without regard to its conflicts of laws provisions.

Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be finally settled by arbitration in accordance with the arbitration rules of the International Chamber of Commerce without recourse to the ordinary courts of law. The arbitration tribunal may also decide on the validity of this arbitration agreement.

The arbitration tribunal shall consist of one arbitrator. The place of the arbitration shall be Frankfurt/Main, Germany. The language of the arbitration shall be English.

1.9. Commencement and Duration of this Agreement

This Agreement shall commence on the later of the two dates of signature of the parties below being the date when both parties have duly executed this Agreement. Subject to the following this Agreement shall continue in force for an indefinite time. Either party may terminate this Agreement by giving to the other 90 days prior notice thereof in writing but the obligations hereunder shall not be affected and shall continue in full force and effect for a period of five (5) years in respect of information and documentation disclosed prior to its termination.

1.10. Rules Governing Signatures

By virtue of relevant powers of attorney, the signature of one party shall be valid as a signature for all of its Affiliates as listed in Exhibit A.

Company: X-FAB Semiconductor Foundries GmbH

Company:

Name:
(being duly authorized to execute this Agreement)

Name:
(being duly authorized to execute this Agreement)

Date

Signature

Date

Signature



Exhibit A

X-FAB Semiconductor Foundries GmbH, Haarbergstraße 67, 99097 Erfurt, Germany

X-FAB Sarawak Sdn. Bhd., 1 Silicon Drive, Sama Jaya Free Industrial Zone, 93350 Kuching, Sarawak, Malaysia

X-FAB Dresden GmbH & Co. KG, Grenzstraße 28, 01109 Dresden, Germany

X-FAB France SAS, 224, Boulevard John Kennedy, 91105 Corbeil-Essonnes, France

X-FAB Texas Inc., 2301 N. University Ave, Lubbock, Texas 79415, USA

X-FAB MEMS Foundry GmbH, Haarbergstraße 67, 99097 Erfurt, Germany

X-FAB MEMS Foundry Itzehoe GmbH, Fraunhoferstraße 1, 25524 Itzehoe, Germany

X-FAB Global Services GmbH, Haarbergstraße 67, 99097 Erfurt, Germany