1. **ACCEPTANCE.** The terms and conditions herein become the exclusive and binding agreement between Cypress Semiconductor Corporation ("Seller") and the buyer ("Buyer") covering the purchase of the products ordered herein when these terms and conditions are accepted by acknowledgment and/or commencement of performance by Seller. Additional or different terms proposed by Buyer including those in Buyer's purchase order, other correspondence or any other order will not apply unless accepted in writing by Seller's authorized representative. No change, modification or revision of this document shall be effective unless an authorized representative of Buyer signs Seller's written changes. Seller's failure to specifically object to any communication from Buyer that contains additional terms and conditions shall not be deemed a waiver of the terms and conditions stated herein.

2. **PRICES.** Prices are shown on the face of this document or on the applicable invoice. If Buyer does not purchase the entire quantity upon which these prices were based, Buyer agrees to pay the specified higher price for the quantity actually purchased. Prices do not include customs duties or any sales, use, excise, ad valorem, VAT or other taxes, as required under international, local, or county laws, unless alternative terms were prenegotiated and agreed in writing. When Seller has the legal obligation to collect such taxes, the appropriate amount shall be invoiced to and paid by Buyer unless Buyer provides Seller with a valid tax exemption certificate from the appropriate taxing authority.

3. **TERMS OF PAYMENT.** Payment terms are net thirty (30) days from date of invoice. All payments shall be made in U.S. dollars unless otherwise agreed in writing by an authorized representative of Seller. Seller may change these credit terms if Buyer's financial condition changes. In the event that Buyer fails to pay on the due date, Seller shall be entitled to interest at one and one half percent (1-1/2%) per month on the unpaid balance. Each shipment made under Buyer's purchase order will be considered a separate and independent transaction. Seller reserves a purchase money security interest in any product delivered herein for the maximum time permitted by law or until all of Seller's claims have been paid.

4. **TITLE AND DELIVERY.**

   (a) Buyer acknowledges and agrees that the delivery dates are estimates only and may be changed. Seller will use commercially reasonable efforts to deliver in accordance with the delivery dates; however, Seller will not be liable for failure to deliver as estimated. Unless otherwise agreed to in writing by an authorized representative of Seller, all shipments are FOB point of shipment for U.S. destinations and Ex Works for non-U.S. destinations. Title to goods and risk of loss and damage shall pass to Buyer at and upon delivery, except as otherwise herein stated. Buyer shall pay all transportation costs. Unless otherwise agreed, Seller will select the carrier. Seller may modify the specifications or manufacturing process provided the modifications do not adversely affect the form, fit or function of the products.

   (b) In the event that Seller's ability to supply products becomes constrained, for any reason whatsoever, Seller may reduce quantities, delay shipments, or allocate products among its customers in its sole discretion and, as a result, Seller may sell and deliver to Buyer fewer products than specified in Buyer's purchase order or agreement or Seller's confirmation or agreement, as the case may be. Buyer may not cancel, push-out, or reschedule any purchase order placed with Seller.

   (c) Any claims in respect to the purchase ordered delivered products, including visible defects, quantity shortages or incorrect product shipments, must be made within ten (10) days of delivery. Failure to notify Seller in writing of any visible defects in the products or of quantity shortages or incorrect shipments within such period shall be deemed unqualified waiver of any rights to return products on the basis of visible defects, shortages or incorrect shipments. Due to the variability of transit times from worldwide production facilities, Seller reserves the right to ship product one to seven days in advance of Buyer's requests.

5. INTELLECTUAL PROPERTY.

(a) Seller, at its expense, will have sole control of the defense of suit or proceeding made or brought against Buyer by a third party alleging that Seller's product infringes such third party's patent, trade secret, copyright or other intellectual property right (each, a "Claim"). Seller shall pay damages and costs therein in a final award against Buyer but shall not be responsible for any compromise or settlement made without Seller's written consent. Seller's obligation under this section shall be subject to Buyer providing Seller with prompt written notice of any Claim, full and complete cooperation and assistance with Seller in the defense and settlement of the Claim, and granting Seller sole control over the defense or settlement of the Claim.

(b) In the event a court of competent jurisdiction makes a determination that any of Seller's product infringes, or if Seller determines that its product likely infringes, Seller, at its option and expense, shall: (i) modify the infringing portion of the product so as to make it noninfringing; (ii) replace the infringing product with a non-infringing product having substantially similar functionality; (iii) obtain the right to continue using the infringing product; or (iv) refund to Seller the purchase price of the product prorated over a five-year period from the delivery date.

(c) Seller's obligations under this section shall not apply to the extent of any Claim or infringement resulting from: (i) Buyer's continued use of the infringing product after receipt of notice from Seller of a claim or after receipt of the remedy required of Seller under this section; (ii) modifications to the product by any party other than Seller; (iii) modifications to a product made pursuant to Buyer's express instructions; (iv) combination of the product with other products, processes or materials not provided by Seller; or (v) Buyer's use of the product other than in accordance with the terms stated herein.

(d) THIS SECTION STATES SELLER'S TOTAL RESPONSIBILITY AND LIABILITY AND BUYER'S SOLE REMEDY, FOR ANY ACTUAL OR ALLEGED INFRINGMENT OF ANY PATENT, TRADEMARK, OR COPYRIGHT BY ANY PRODUCTS OR SERVICES DELIVERED HEREUNDER, OR ANY PART THEREOF. THIS SECTION IS IN LIEU OF AND REPLACES ANY OTHER EXPRESSED, IMPLIED OR STATUTORY WARRANTY AGAINST INFRINGMENT. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR OTHER DAMAGES RESULTING FROM ANY SUCH INFRINGEMENT.

(e) Buyer shall, at its own expense, indemnify and hold Seller harmless from and against any liabilities, costs, damages, or losses resulting from any alleged infringement of any patent, trademark, copyrights, or other intellectual property right arising as a result of Seller's compliance with any of Buyer's designs, specifications, or instructions and shall defend at its own expense, including attorneys' fees, any suit brought against Seller alleging any such infringement, including infringement arising out of the use of such products as part of or in combination with another device or from Seller's compliance with instructions from Buyer provided that Seller: (i) gives Buyer notice of any such allegation or suit and permits Buyer, through counsel of its choice, to defend such allegation or suit; and (ii) gives Buyer all reasonably needed information, assistance and authority, at Buyer's expense, necessary for Buyer to defend any such allegation or suit, and further provided that Seller shall have the right to participate in any such suit, at its own expense, using counsel of its choice and that Buyer may not enter into any settlement that would impose any obligation on Seller without first obtaining Seller's written consent.

6. LIMITED WARRANTY.

(a) Semiconductor Products. Seller warrants that the semiconductor products to be delivered hereunder if properly used and serviced, will conform to Seller's published specifications and will be free from defects in material and workmanship for one (1) year following the date of shipment.

(b) Systems or Board Level. Seller warrants that the systems or board level products to be delivered hereunder if properly used and serviced, will perform to Seller's published specifications and will be free from defects in material and workmanship for ninety (90) days following the date of shipment.

(c) Software Products. All software products are provided "AS IS" unless otherwise specified under a separate written agreement between the parties pursuant to Section 14 below.

7. EXCLUSIONS OF WARRANTIES. THE WARRANTIES CONTAINED IN THIS AGREEMENT ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, OR ANY IMPLIED WARRANTY ARISING BY STATUTE OR OTHERWISE IN LAW OR FROM A COURSE OF DEALING OR USAGE OF TRADE. Additionally, the warranties contained in this agreement shall extend to Buyer only and not to Buyer's customers. If any product furnished by Seller fails to conform to the above warranty, Seller's sole and exclusive liability shall be, at Seller's option, to replace or credit Buyer's account with an amount equal to the price paid for any such product returned by Buyer during the warranty period, provided that: (i) Buyer promptly notifies Seller in writing that such product failed to conform and furnishes a detailed explanation of any alleged deficiency; (ii) such product is returned to Seller's plant at Buyer's risk and expense, (iii) Seller is satisfied that claimed deficiencies actually exist and were not caused by accident, misuse, neglect, alteration, improper installation, repair or improper testing. If such product fails to conform, Seller will reimburse Buyer for the transportation charges. Seller shall have a reasonable time to make repairs, to replace products or to credit Buyer's account. This warranty does not cover, and Seller expressly excludes from this warranty, non-production versions, such as beta and demonstration versions, engineering samples, test and development systems containing the products and any version for which Seller has not published a data sheet. If any product covered by this agreement is designated for "developmental" or "experimental" use or for reference designs, no warranty whatsoever shall be applicable thereto and Buyer shall indemnify Seller for any and all claims or liability asserted against Seller in connection with such "developmental," "experimental" use or reference designs products.

8. DISCLAIMER. Products are not designed, intended, or authorized for use in components of systems designed or intended for the operation of weapons, weapons systems, nuclear installations, life-support computers, equipment or other medical systems (including resuscitation equipment and surgical implants), pollution control or hazardous substances management ("Unintended Uses"). Seller is not liable, in whole or in part, and Buyer shall release Seller from any claim or damage arising from all Unintended Uses of product, unless Buyer notifies Seller in writing and an authorized representative of Seller expressly consents in writing to such for Unintended Uses of products. Buyer shall indemnify and hold Seller harmless against all claims, costs, damages, expenses, and reasonable attorneys' fees arising out of any claim of personal injury or death arising from any Unintended Uses of product sold by Seller.

9. CANCELLATION.

(a) Default. If Buyer defaults, Seller may decline to make further shipments and/or may terminate Buyer's order without affecting Seller's rights and remedies including, but not limited to, any right to cancellation charges and quantity price adjustments. If Seller continues to make shipments after Buyer's default, Seller's actions shall not constitute a waiver nor affect Seller's legal remedies.

(b) Cancellation of Standard Products. Upon written notice to Seller, Buyer may cancel any order for standard products scheduled for shipment beyond thirty (30) days after Seller receives Buyer's cancellation notice.

(c) Cancellation of Personalized Products. If Buyer cancels orders for semiconductor products containing markings, packaging or other specifications unique to Buyer, Buyer shall pay the following cancellation charges:

Percentage of Purchase Price to be Paid Upon Cancellation	Number of Days Before Scheduled Delivery that Written Cancellation Notice is Received
100	0 – 60
75	61 – 90
50	91 – 120
20	121 – 180

(d) Cancellation of Custom Products. If Buyer cancels orders for semiconductor products containing die built from masks or fab flows or non-erasable programming that are unique to Buyer, Buyer shall pay a 100 percent (100%) cancellation charge for written cancellation notices received up to 120 days before the scheduled delivery date.

10. BREACH. Any one of the following acts by Buyer shall constitute a material breach of Buyer's obligations hereunder: (i) Buyer fails to make payment for any products or services in full when due; (ii) Buyer fails to accept conforming products or services supplied hereunder; or (iii) filing of a voluntary or involuntary petition in bankruptcy against Buyer, the institution of any proceeding in insolvency or bankruptcy (including reorganization) against Buyer, or an assignment for the benefit of creditors of Buyer. In the event of Buyer's material breach, Seller may (in addition to any other rights or remedies provided herein or at law or in equity), by written notice to Buyer, terminate its obligations or any part thereof, without any liability to Seller. Buyer shall pay all costs, including reasonable attorneys' fees, incurred by Seller in any action brought by Seller to collect payments owing or otherwise enforce its rights.

11. DISCONTINUATION OF PRODUCT. Seller reserves the right to discontinue manufacturing, sale or supply of products at any time. If, however, at any time during the term of an agreement under which Seller sells and Buyer purchases products on a regular basis, such regularly sold and purchased products are to be permanently discontinued ("Discontinued Product"), Seller shall use its commercially reasonable efforts to give Buyer prior written notice of such discontinuance and shall use commercially reasonable efforts to accept last-time-buy orders for such Discontinued Product all in accordance with Seller's product discontinuation process. Last-time-buys may not be cancelled, rescheduled, returned or replaced.

12. DATA SHEETS/CONTROL SPECIFICATIONS. Seller's data sheets are controlled specifications applicable to product at the time of delivery. Seller reserves the right to revise published data sheets and/or make changes to any product at any time. Seller assumes no responsibility for the use of any circuits or other products described in published data sheets, and conveys no license under any patent. Applications for any integrated circuits or other products

contained in any publication are for illustration purposes only, and Seller makes no representation or warranty that such applications will be suitable for the use specified, except as described in the data sheet(s).

13. **SOFTWARE LICENSE.** Software products furnished hereunder remain the exclusive property of Seller. By accepting Seller's software license agreement, Buyer will obtain no greater copying and use rights than are available under copyright laws. Buyer will not use, print, copy, modify, translate, alter or display software products in whole or in part except as expressly provided for in the software license agreement. Buyer will not sell, assign or transfer rights in such software products except as permitted under the software license agreement. Further, Buyer will not reverse-compile, de-compile or reverse-engineer any software products, and any attempt to do so shall be a breach of the software license agreement. Seller will not deliver software without such software license agreement.

14. **ASSIGNMENT.** Neither party shall assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, neither party will require the other party's consent to assign this Agreement in its entirety (but not less than in its entirety) to any of its Affiliates or to any party who acquires substantially all of the assets of the assigning party to which this Agreement relates. Affiliate means an entity controlled by, controlling, or under common control, of the applicable party. Any purported assignment in violation of this clause shall be void.

15. **LIMITATION OF LIABILITY.** IN NO EVENT SHALL SELLER BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES WHATSOEVER, WITHOUT REGARD TO CAUSE OR THEORY OF LIABILITY (INCLUDING, WITHOUT LIMITATION, DAMAGES INCURRED BY THE OTHER PARTY OR SUCH THIRD PARTY FOR LOSS OF BUSINESS PROFITS OR REVENUE, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION OR OTHER PECUNIARY LOSS) ARISING OUT OF THIS ORDER, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Except as otherwise stated herein, Seller's liability for breach of any provision whether referred to under TITLE AND DELIVERY, INTELLECTUAL PROPERTY, OR LIMITED WARRANTY above or otherwise shall not exceed the purchase price of the products herein giving rise to the liability, less the purchase price of the products delivered and accepted by Buyer herein. Buyer may not bring an action in connection with the delivery of products herein unless such action is commenced within one (1) year after the cause of action has accrued.

16. **FORCE MAJEURE**. Neither party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations results from any cause beyond its reasonable control and without its fault or negligence, including, without limitation, acts of God, acts of civil or military authority, embargoes, strikes, work stoppages, war, riots, fires, explosions, delays by suppliers, shortages of parts or materials, power failures, or communication line interruptions. Upon any delay described in this section, the time for performance by the party affected by a Force Majeure event shall be extended for a period equal to the time lost by reason of the delay.

17. **CONTROLLING LAW.** This Agreement shall be governed by and construed under the laws of the State of California, without regard to conflict of law principles or the UN convention on contracts for the international sale of goods. The parties consent to personal and exclusive jurisdiction of and venue in, the state and federal courts within Santa Clara County, California. The terms and conditions stated herein and all other documents originated and signed by Seller which are consistent with the terms and conditions stated herein related to the delivery of products, constitute the exclusive and complete agreement between the parties concerning the delivery of product herein.

18. **EXPORT COMPLIANCE.** If products of Seller furnished under these terms and conditions are subject to U.S. Export Administration Regulations, Buyer agrees not to export, directly or indirectly, any of the products furnished hereunder to any country for which the U.S. Government requires an export license, re-export authorization or other approval without first obtaining such license, authorization or approval.