

**Texas Instruments Semiconductor  
Manufacturing (Chengdu) Co., Ltd.  
And  
Texas Instruments Semiconductor  
Technologies (Shanghai) Co., Ltd.  
Terms and Conditions of Purchase**

**General Provisions**

BY ACCEPTING THIS PURCHASE ORDER, AND/OR PERFORMING HEREUNDER SELLER AGREES TO COMPLY FULLY WITH THE TERMS AND CONDITIONS OF PURCHASE SET FORTH IN THIS DOCUMENT. ACCEPTANCE OF THIS PURCHASE ORDER IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER AND NONE OF SELLER'S TERMS AND CONDITIONS SHALL APPLY UNDER ANY CIRCUMSTANCES. ACCEPTANCE BY TEXAS INSTRUMENTS SEMICONDUCTOR MANUFACTURING (CHENGDU) CO., LTD AND TEXAS INSTRUMENTS SEMICONDUCTOR TECHNOLOGIES (SHANGHAI) CO., LTD (HEREINAFTER CALLED "TI"), OF THE GOODS, SERVICES OR WORK DELIVERED UNDER THIS PURCHASE ORDER SHALL NOT CONSTITUTE AGREEMENT TO SELLER'S TERMS OR CONDITIONS. SELLER MAY NOT SHIP UNDER RESERVATION.

**1. Modifications**

Changes, modifications, waivers, additions or amendments to the terms and conditions of this Purchase Order shall be binding on TI only if such changes, modifications, waivers, additions or amendments are in writing and signed by a duly authorized TI representative.

**2. Applicable Law**

The validity, interpretation and performance of these terms and conditions and any purchase made hereunder shall be governed by the laws of the state of Texas, without reference to conflict of law principles. Where not modified by the terms herein, the provisions of Texas' enactment of Article 2 of the Uniform Commercial Code shall apply to this transaction. The United Nations Convention on Contracts for the International Sale of Goods (the Vienna Convention) is deemed waived and shall not apply. In the event of any dispute arising hereunder, the parties hereby submit to the jurisdiction of the state and federal courts located in Dallas County, Texas.

**3. Compliance with Law**

Seller agrees that at all times it will comply with all applicable federal, state, municipal and local laws, orders and regulations. Not only will Seller comply with applicable law, TI expects Seller to promote awareness, understanding, and compliance with the law among Seller's supplier base. If requested by TI, Seller agrees to timely certify compliance with such laws in such forms as TI reasonably may request.

**4. Ethical Conduct**

Seller agrees to provide the products and perform the services hereunder with the highest ethical standards. TI expects Seller to select suppliers and partners who engage in ethical practices and to refrain from any activity that results or may result in a conflict of interest, embarrass TI, or harm TI's reputation. Seller will: (i) maintain transparency and accuracy in corporate record keeping and (ii) act lawfully and with integrity in handling competitive data, proprietary information and other intellectual property. Seller will not engage in corrupt practices, including public or private bribery or kickbacks.

**5. Supply Chain Responsibility**

Seller agrees to comply with applicable TI Supply Chain Responsibility requirements as established in our Supplier Environmental and Social Responsibility Policy and Supplier Code of Conduct. Both are updated periodically and located at <http://wpl.ext.ti.com>. If requested, Seller agrees to complete an annual self-assessment questionnaire with regards to their supply chain responsibility practices and comply with requested audits as required for verification.

**6. Antidiscrimination and Humane Treatment of Workers**

- (a) Seller will employ workers on the basis of their ability to do the job and not on the basis of their personal characteristics or beliefs.
- (b) Seller will assure that products (including parts) will not be produced, manufactured, mined, or assembled with the use of forced, prison, or indentured labor, including debt bondage, or with the use of illegal child labor in violation of International Labor Conventions for minimum age (ILO-C138) and child labor (ILO-C182). Seller will not require

workers to remain in employment for any period of time against their will. If Seller provides housing or eating facilities, it will assure the facilities are operated and maintained in a safe and sanitary manner.

- (c) Seller will operate safe, healthy and fair working environments, including managing operations so that overtime does not create inhumane working conditions. Seller will pay workers at least the minimum legal wage. Seller will assure that workers are free to join, or refrain from joining, associations of their own choosing, unless otherwise prohibited by law. Texas Instruments is an equal opportunity employer and federal contractor or subcontractor. Therefore, to the extent applicable, Seller agrees that it shall abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Seller also agrees that, as applicable, it will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

## **7. Information Protection:**

- (a) Neither party hereto shall, without the prior written consent of the other party (which shall not be unreasonably withheld or delayed), publicly announce or otherwise disclose (except to the U.S. Government, when the Purchase Order references a U.S. Government contract or subcontract number), the existence or the terms of this Purchase Order, or release any publicity regarding this Purchase Order. Unless expressly agreed upon in writing by TI, nothing in this Purchase Order shall be construed as granting, conveying or conferring any rights to Seller, either express or implied, (a) in any TI intellectual property or rights; (b) to use TI's trademarks, trade names, name or logo on any marketing literature, websites, presentations, press releases or any other media form or in connection with any product, service or promotion; or (c) to use TI as a reference account. This provision shall survive expiration, termination or cancellation of this Purchase Order.
- (b) Any knowledge or information that Seller may disclose to TI shall not be deemed to be confidential information and shall be acquired by TI free from any restrictions as to use or disclosure thereof, unless TI shall have agreed to accept confidential information from Seller pursuant to a duly executed nondisclosure agreement defining TI's obligations with respect to such information
- (c) Seller agrees that if it collects, processes and/or uses any information relating to an identified or identifiable natural person ("Personal Data"), it will do so in compliance with all applicable data protection or privacy laws and regulations, and that it will implement, maintain, and continuously control and update, technical, organizational and physical security measures to protect Personal Data as required thereunder, in particular against accidental, unauthorized or unlawful (i) destruction or loss, (ii) alteration and (iii) disclosure or access. Seller will keep all Personal Data confidential and will not, without TI's prior written consent, use Personal Data for purposes other than performing services under this Purchase Order. Seller will not transfer Personal Data to any third party without TI's prior written approval.

## **8. General Indemnity**

- (a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, SELLER SHALL AND DOES AGREE TO INDEMNIFY, DEFEND, PROTECT AND SAVE TI, ITS OFFICERS, DIRECTORS, EMPLOYEES, SERVANTS, AGENTS, AFFILIATES, SUBCONTRACTORS, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "INDEMNIFIED PERSONS"), HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, CAUSES OF ACTION, SUITS, DEMANDS, LOSSES, JUDGMENTS, INCIDENTAL, CONSEQUENTIAL, DIRECT AND INDIRECT DAMAGES, PENALTIES, FINES, LIABILITIES, COSTS AND EXPENSES, (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES, CONSULTANTS' FEES, COURT COSTS AND EXPENSES) ("CLAIMS"), ARISING OUT OF OR RELATED IN ANY WAY TO: (i) THE WORK PERFORMED HEREUNDER; (ii) ANY ACT, OMISSION, NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT, STRICT LIABILITY IN TORT, OR BREACH OF ANY WARRANTY, EXPRESS OR IMPLIED, OF SELLER, ITS CONTRACTORS, SUBCONTRACTORS, SERVANTS, OR AGENTS, OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY ANY OF THEM, OR ANYONE THEY CONTROL OR EXERCISE CONTROL OVER; (iii) FAILURE OF SELLER, ITS EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, SERVANTS, OR AGENTS TO COMPLY WITH APPLICABLE LAWS AND REGULATIONS ON OR AFTER THE EFFECTIVE DATE OF THIS PURCHASE ORDER; OR (iv) BREACH BY SELLER, ITS EMPLOYEES, AGENTS, CONTRACTORS OR SUBCONTRACTORS OF THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER (COLLECTIVELY, THE "LIABILITIES"). SUCH LIABILITIES INCLUDE, BUT ARE NOT LIMITED TO, INJURIES TO, SICKNESS OR DEATH OF ANY PERSON (INCLUDING SELLER'S OR ANY SUBCONTRACTOR'S EMPLOYEES), CLAIMS BASED ON STRICT LIABILITY AND CLAIMS FOR PROPERTY LOSS OR DAMAGE TO REAL AND/OR TANGIBLE PERSONAL PROPERTY. THE OBLIGATIONS OF SELLER UNDER THIS INDEMNIFICATION PROVISION SHALL APPLY TO ALL CLAIMS AND ALL LIABILITIES EVEN IF SUCH CLAIMS OR LIABILITIES ARE CAUSED OR CONTRIBUTED TO BY THE NEGLIGENCE OR STRICT LIABILITY OF ANY INDEMNIFIED PERSON. THE INDEMNIFICATION PROVISIONS IN THIS SECTION SHALL NOT BE LIMITED BY A LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR SELLER UNDER WORKER'S COMPENSATION ACTS,

DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFIT ACTS. NOTWITHSTANDING ANYTHING TO THE CONTRARY, THIS PROVISION SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS PURCHASE ORDER. NOTWITHSTANDING THE FOREGOING PROVISIONS IN SECTION 8(a), IF TEXAS INSURANCE CODE SECTION 151.001 ET SEQ. APPLIES TO THIS PURCHASE ORDER, WITH RESPECT TO EACH INDEMNIFIED PERSON INDIVIDUALLY, SELLER SHALL NOT BE REQUIRED TO INDEMNIFY, DEFEND, OR HOLD HARMLESS SUCH INDEMNIFIED PERSON IF AND ONLY TO THE EXTENT THAT SUCH CLAIMS ARE DETERMINED BY A FINAL JUDGMENT OF A COURT OF COMPETENT JURISDICTION, SUSTAINED ON APPEAL (IF ANY SUCH APPEAL IS MADE), TO HAVE BEEN CAUSED BY THE NEGLIGENCE OR FAULT, OR BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD OR RULE, OR BREACH OF THIS AGREEMENT BY SUCH INDEMNIFIED PERSON, ITS AGENTS, EMPLOYEES, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF SUCH INDEMNIFIED PERSON.

- (b) PROCESS FOR DETERMINING DEFENSE COSTS PENDING DETERMINATION OF PARTIES' RELATIVE RESPONSIBILITY: NOTWITHSTANDING THE FOREGOING PARAGRAPH, IF IT IS ALLEGED THAT SUCH CLAIMS ARE CAUSED BY THE NEGLIGENCE OR FAULT, OR BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD OR RULE, OR BREACH OF THIS AGREEMENT BY AN INDEMNIFIED PERSON, ITS AGENTS, EMPLOYEES, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF SUCH INDEMNIFIED PERSON, SELLER AGREES TO SPLIT COSTS OF DEFENSE WITH SUCH INDEMNIFIED PERSON EQUALLY UNTIL THERE IS A DETERMINATION BY A FINAL JUDGMENT OF A COURT OF COMPETENT JURISDICTION, SUSTAINED ON APPEAL (IF ANY SUCH APPEAL IS MADE), AT WHICH TIME A TRUE-UP WILL BE PERFORMED TO DETERMINE THE DEFENSE COSTS OWED BY SELLER.

## 9. Insurance

Seller shall obtain and maintain in force insurance coverage in amounts acceptable to TI, including, but not limited to, Commercial General Liability (CGL) insurance, Automobile Liability insurance, Worker's Compensation insurance as required by the state in which Seller does business and Employer's Liability insurance.

## 10. Inspection and Verification of Goods and Services

- (a) Seller agrees to permit TI and TI's customer (or Government representatives if this Purchase Order references a U.S. Government contract or subcontract number) to verify the quality of goods and services being provided under this Purchase Order at any production stage in Seller's facility. Verification may consist of a physical assessment or surveillance of Seller's facilities and quality programs and/or a source inspection. Deficiencies identified during such verification shall be corrected by Seller in the most expeditious manner possible and may be validated by TI. Seller shall provide all reasonable facilities and assistance for the safety and convenience of personnel engaged in such verification. Seller shall include in each subcontract Seller makes hereunder appropriate provisions to the same effect. Any inspection performed by TI or TI's customer as set forth herein shall not constitute acceptance of the goods and services and shall not waive TI's right to return material to Seller that exhibits or develops defects.
- (b) Unless otherwise provided in Purchase Orders issued by TI, Seller shall ensure that the manufacturing processes used meet the technical requirements of the drawings, specifications, engineering changes and added requirements applicable to the Purchase Order. Seller shall maintain an inspecting system sufficient to verify that it is meeting the technical requirements. Further, at TI's request, Seller shall provide objective evidence that such inspecting system has been implemented and is in operation.
- (c) Seller shall comply with the Texas Instruments General Quality Guidelines for Suppliers, which is updated periodically and is located at <http://wpl.ext.ti.com>.

## 11. Acceptance and Warranty

- (a) Goods. Unless otherwise specified herein, acceptance of material by TI will not occur until after arrival at the TI facility specified in this Purchase Order and after reasonable inspection by TI. Any goods rejected by TI may be returned to Seller at Seller's expense for full credit of the purchase price. Inspection may be performed at TI's option on a statistical sampling basis. The entire lot may be rejected based on defects revealed by such sampling. At TI's option, the rejected lot will be either returned to Seller for replacement or credit or 100% screened by TI with the cost of such screening paid by Seller. The inspection performed at TI on receipt of goods is a conditional acceptance, and shall not waive the TI's right to return material to Seller that exhibits or develops defects during or after installation or testing of the end product.

Seller warrants that all goods supplied by Seller under this Purchase Order conform to the requirements, specifications, drawings, samples or other descriptions furnished by TI or referenced in this Purchase Order and that they are of good material and workmanship and free from all defects in manufacture or design, and are of merchantable quality and fit for their intended purpose. Such warranties by Seller shall run to the benefit of TI and its customers. TI's approval of designs furnished by Seller shall not relieve Seller of its obligation under this warranty. Seller's warranty shall be effective for a period of time as set forth on the face of this Purchase Order, or if such time is not set forth on the face of this Purchase Order, the warranty shall be effective for three (3) years after the date of TI's acceptance of goods, or for such longer period specified by Seller. Seller agrees that shipment of goods against

this Purchase Order constitutes certification that all goods included in this shipment conform in all respects to the applicable requirements, specifications, drawings, samples or other descriptions furnished by TI or referenced in this Purchase Order. Seller will make process control data, inspection and test reports covering the goods and their parts available for review and examination by TI or its authorized representatives to verify conformance to such applicable specifications and drawings. A certificate of conformance must accompany individual shipments when so specified on applicable specifications or drawings, or in this Purchase Order.

Seller shall, at Seller's expense and at TI's option, promptly repair, replace or refund to TI amounts paid for any goods that do not conform to this warranty. All costs associated with returning non-conforming goods shall be borne by Seller. Non-conforming goods shall be returned freight collect to Seller. Seller shall send replacement material freight prepaid and Seller shall also bear the cost of premium transportation when TI indicates that obtaining such replacement material places critical time or delivery schedule constraints on TI. If non-conforming goods from Seller have been incorporated in products sold by TI, or if such non-conformances otherwise cause harm to TI's direct or indirect customers, then Seller shall reimburse TI for all reasonable expenses and for all penalties incurred by TI in connection with any recall or other return of such goods (or items incorporating them).

- (b) Services. Seller warrants and represents to TI that any services to be provided under this Purchase Order will be provided in accordance with sound professional practices and using a standard of skill and care that is no less than that ordinarily exercised by experienced and competent contractors performing services of a similar nature to the services to be provided under this Purchase Order. Further, Seller warrants that the services will be proper and sufficient for the purposes contemplated by this Purchase Order.

## **12. TI Property**

Unless otherwise specified herein, Seller conveys to TI full and clear ownership and title to all goods, special drawings, dies, patterns, tooling, intellectual property or other items paid for by TI and Seller further represents and warrants that it has the right to do so. Seller shall provide such items in good condition. Any items provided to Seller by TI shall remain the property of TI unless otherwise specified. Seller shall preserve such items provided by or conveyed to TI in good condition, reasonable wear and tear excepted, and shall return them when the work on the Purchase Order has been completed or terminated, or at any other time as requested by TI. No special drawing, die, pattern, tool or other item supplied by TI or made by Seller for the use of or delivery to TI, or for use by Seller in supplying TI, shall be used by Seller for any purpose other than supplying TI, without Seller first obtaining TI's written consent, provided, however, that if the U.S. Government has rights in such items under a prime contract with TI, noninterfering use of the items for direct sales to the Government is authorized if written notice is provided to TI prior to such use. If material, equipment, special drawings, dies, patterns, or other items are furnished by TI for performance of this Purchase Order, all risk of loss thereof or damage thereto shall be upon Seller from the time of shipment to Seller until redelivery to and receipt by TI.

## **13. Rights in Work Product**

- (a) In the course of its performance under this Purchase Order, Seller may conceive or reduce to practice inventions, discoveries, improvements, concepts, in tangible or intangible form, written materials, documentation, databases, designs, discs, tapes, programs, software, architectures, files and other material (collectively "Work Product"). Any and all rights in intellectual property, including without limitation, copyrights (including mask work rights), patents, design rights, database rights, rights in know-how, trade secrets and other confidential information and other similar rights worldwide, whether registered or not and including any applications for the foregoing (collectively "Intellectual Property") in and to the Work Product shall be the exclusive property of TI from the date of inception. All Work Product shall be deemed "work-for-hire" as defined under United States copyright law and shall be the exclusive property of TI from the date of inception. If the Work Product does not qualify as a "work-for-hire", then in any event all Intellectual Property rights in and to the Work Product, including the copyright, will be deemed automatically transferred to TI from its inception. Seller agrees to assign and hereby assigns to TI Intellectual Property rights in and to all Work Product and waives any moral rights in favor of TI. TI shall have the exclusive worldwide right to use, edit, translate, publish, transfer or sell the Work Product prepared by Seller in any manner that TI deems fit without further payment to Seller. The Work Product shall be deemed to be TI confidential information and shall not be disclosed to other than TI or used by Seller or others without TI's prior written consent.
- (b) Notwithstanding the above, Seller and its licensors retain all ownership rights in any and all pre-existing Intellectual Property whether in tangible or intangible form, and developed, acquired or prepared by Seller prior to the issuance of this Purchase Order (collectively "Pre-Existing Rights"). To the extent that Seller's Pre-Existing Rights are embedded in or are an integral part of any goods and/or Work Product provided to TI under this Purchase Order, Seller grants to TI and its subsidiaries and affiliates, a perpetual, royalty-free, irrevocable, worldwide, nonexclusive, transferable license (with the right to sub-license) to make, have made, use, reproduce, modify, distribute and display such Pre-Existing Rights without accounting. Seller shall notify TI in advance of any Pre-Existing Rights to be embedded in or made an integral part of any goods and/or Work Product provided to TI hereunder.
- (c) Seller represents and warrants that it has, or will have, prior to commencement of work under this Purchase Order by any employee or third party performing work on behalf of Seller, valid and sufficient arrangements or agreements with such employee or third party such that all rights in and to any and all Intellectual Property made by such employee or third party vests in Seller.

#### **14. Patents and Copyrights**

- (a) Seller agrees to defend, indemnify and to save TI, its officers, agents, employees, and vendees (mediate and immediate) harmless, at Seller's expense, from and against any and all Claims (as defined in Section 8(a)), either at law or in equity, that the purchase, use, or sale of goods and/or Work Product required by this Purchase Order violates any license agreement or constitutes an infringement or misappropriation of any Intellectual Property, trademark, service mark or other intellectual property right of any third party. Seller shall not be obligated to defend or be liable for costs and losses to the extent the claim of infringement or alleged infringement is solely due to and would not have occurred but for (a) Seller's compliance with designs for such goods originally furnished by TI to Seller or (b) a modification by TI of Seller's goods that was not authorized by Seller.
- (b) Without prejudice to the immediately preceding section, if any goods or Work Product to be provided by Seller to TI under this Purchase Order is, or in TI's opinion is likely to become, the subject of a claim of infringement and/or misappropriation of any Intellectual Property, trademark or service mark right of a third party, Seller shall, at its sole expense, procure the right for TI to continue using the goods or Work Product. In the event Seller cannot procure such rights, Seller shall, at its option, either modify the goods or Work Product to make it non-infringing and/or to avoid a claim of misappropriation, but still be functionally equivalent, or replace the goods or Work Product with functionally equivalent goods or Work Product that is non-infringing and/or avoids a claim of misappropriation.

#### **15. Anti-counterfeit Assurance**

Seller agrees that if the transaction contemplated by this Purchase Order requires Seller to procure one or more components or materials, including but not limited to semiconductors, integrated or discrete circuits, or any chemical or metal (whether pure, compounded or alloyed) Seller shall procure such components or materials solely from either the original manufacturer of the component or material, or that manufacturer's authorized distributors. Seller must review and maintain all documents necessary to show chain of custody of a component or material to its original manufacturer. Furthermore, if Seller utilizes a third-party to provide a component or material for Seller's use in completing the work contemplated in this Purchase Order, Seller must require that third party to comply with the requirements of this paragraph. Failure to comply with the terms of this paragraph is a material breach of this Purchase Order.

#### **16. Changes**

- (a) Periodically, TI may change any of the drawings, specifications or instructions for work covered by this Purchase Order. In such event, Seller shall make every attempt to comply with such reasonable change notices. If such changes result in a decrease or increase in Seller's cost or in the time for performance, Seller will notify TI in writing of its request for an adjustment in the price or time of delivery within five (5) business days after its receipt of the change notice. The parties will negotiate in good faith regarding any adjustments in the price and time for performance to be made. Any such adjustments must be agreed by authorized representatives of the parties in writing.
- (b) Seller shall not make any changes in manufacturing, materials, testing, configuration or otherwise that alter the form, fit or function of the goods sold to TI, nor shall it make any changes to any specifications or requirements, unless it has first obtained TI's prior, written consent.

#### **17. Termination**

- (a) TI may terminate this Purchase Order at any time upon written notice due to Seller's failure to comply with the terms of this Purchase Order, including failure to comply with the ethical conduct standards described in Section 4.
- (b) TI may terminate the work to be performed hereunder in whole or in part at any time without cause by written notice to Seller. Such notice shall state the extent and effective date of such termination and, upon the receipt of such notice, Seller will comply with the directions pertaining to work stoppage hereunder and the placement of further orders or subcontracts hereunder. Within three (3) months after TI's termination notice, the parties shall negotiate in good faith with regard to the amount of reimbursement, if any, to be paid to Seller for work performed prior to TI's notice of termination and/or the amount of prepayments to be refunded by Seller to TI for work not performed. Seller shall mitigate its claim to the maximum extent possible, and in no event shall Seller's claim exceed the lesser of the fair market value or actual costs of the raw material and "work-in-progress" material that Seller cannot divert to other uses or the authorized work performed prior to TI's notice of termination. No claim shall be asserted against TI nor shall TI have any liability for loss of expected profits, or for any consequential or incidental damages, due to termination. Termination under this provision shall not be deemed a breach of contract. The provisions of this paragraph shall not limit or affect TI's right to terminate this Purchase Order for cause and shall not apply to a termination for cause.

#### **18. Liability Limitations**

IN NO EVENT SHALL TI BE LIABLE TO SELLER FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS PURCHASE ORDER, EVEN IF TI HAS BEEN ADVISED OF THE POSSIBILITY



OF SUCH DAMAGES. In no event shall TI's liability to Seller for any breach of any provision of this Purchase Order exceed the purchase price for goods or services delivered and accepted hereunder.

## 19. Prices

- (a) Except as provided by Section 16 above (Changes), TI may delay payment for any shipment at any increase in price above that indicated on this Purchase Order until the pricing discrepancy is resolved, at which time the payment terms set forth below shall apply. If Seller issues a general price decrease for any equipment and/or materials similar to the items described on this Purchase Order, a comparable price reduction shall automatically apply to the items described in this Purchase Order.
- (b) No extra charges of any kind, including charges for boxing or cartage, will be allowed unless specifically agreed to by a duly authorized TI representative in writing. Pricing by weight, where applicable, covers net weight of material, unless otherwise agreed.

## 20. Payment Terms

The following payment terms are applicable to this Purchase Order:

- (a) **NET INVOICES**  
Net invoices will be paid 30 days after the invoice date unless otherwise stated on the Purchase Order or agreed to in writing by both parties.
- (b) **DISCOUNTED INVOICES**  
The acceptance of discount offers will be at TI's discretion and any discounted terms will be negotiated by the parties.
- (c) All schedules of payments stated above are based upon receipt by TI of goods or services or shipment based upon the Incoterms indicated on the face of this Purchase Order.
- (d) Invoices shall include a valid Purchase Order number corresponding to the applicable Purchase Order. Unless otherwise directed by TI in writing, Seller will issue only one invoice per payment, per Purchase Order. All invoices for goods must be submitted within sixty (60) days of goods being received by TI and for services within sixty (60) days of completion of such services.

## 21. Taxes

- (a) To receive payments from TI, Seller must provide TI with valid United States tax documentation declaring status of the beneficial owner of any income generated by the payment. Seller must submit the appropriate US tax declaration status form(s) for payees who are a US resident, corporation or otherwise beneficially owned by a US entity and for payees who are non-US residents, corporations or otherwise beneficially owned by a non-US or foreign entity. Instructions for submission of these forms may be accessed at: <http://wpl.ext.ti.com/sim/supplierinformation.htm>.
- (b) Except for purchases of capital equipment or unless otherwise noted, it is hereby certified that the goods described in this Purchase Order are exempt from sales and use tax, for the reason that such goods are purchased for resale or will become an ingredient or component part of, or be incorporated into, or used or consumed in, a manufactured product produced for ultimate resale. If the goods described in this Purchase Order are purchased tax exempt and subsequent use makes the goods taxable, TI will assess and pay tax to the appropriate state.
- (c) Seller is responsible for all income taxes imposed by any taxing authority or government entity resulting from the provisions under this Purchase Order. Each payment to be made by TI under this Purchase Order shall be subject to any deduction, withholding or set-off of tax as may be required under applicable laws.

## 22. Time of Delivery

- (a) Seller acknowledges that time is of the essence of this contract. Seller will provide prompt notice to TI of any delays in delivery. Failure to meet agreed upon delivery dates shall be considered a breach of contract and, in addition to any other rights available to it under this Purchase Order or at law or in equity, TI may cancel this Purchase Order without penalty if TI specified delivery dates will not be met. Seller agrees to reimburse to TI any penalty and damages imposed upon or incurred by TI to its customers or others by virtue of delays caused by Seller's failure to deliver goods or work on such delivery dates. Late shipments may be rejected by TI and returned to Seller.
- (b) Unless otherwise agreed in writing, Seller shall not make commitments for material or production in excess of the amount or in advance of the time necessary to meet TI's delivery schedule. It is Seller's responsibility to comply with this schedule, but not to anticipate TI's requirements. Goods shipped to TI in advance of schedule may be returned to Seller at Seller's expense. TI may reschedule the delivery of any unshipped product for later delivery within ninety (90) days of the originally scheduled delivery date.

## 23. Contingencies

- (a) Force Majeure. If, despite Seller's best efforts, Seller is prevented from delivering, or if TI is prevented from receiving the goods referred to in this Purchase Order as a result of governmental actions or regulations, except as hereinafter provided, or of fires, strikes, accidents, and other unforeseeable causes beyond the control of the party affected by the contingency, the obligation to receive or deliver shall be suspended for no longer than a reasonable time during which such causes continue to exist. Seller must (a) give TI immediate, detailed notice of the initial situation as soon as possible, (b) deliver ongoing detailed status reports to TI regarding its efforts to fully remedy the situation and (c) deploy all available reasonable resources to mitigate adverse impacts of the delay. Should the condition persist for more than forty-five (45) days, TI may, at its option, cancel this Purchase Order without liability or have Seller resume delivery upon removal of the intervening condition.
- (b) Seller is not excused by this Section from any of its obligations due to any reasonably foreseeable or preventable situation (including, but not limited to, late or insufficient deliveries by other suppliers, personnel turnover, labor disputes or strikes involving Seller's own personnel, third party equipment or software changes).
- (c) Seller must maintain an appropriate plan to ensure business continuity in the event of a business interruption event (e.g., an ISO 22301-compliant continuity plan), and Seller must make a detailed outline of the contents of that plan available to TI for review upon request. Additionally, within 24 hours after an incident that triggers Seller's continuity plan, and also within 24 hours of TI's request thereafter, Seller must communicate to TI the impact of the event on Seller's products and operations and what steps Seller is taking (and plans to take) to remediate that impact. In the event of any event that triggers that continuity plan, Seller must exercise the relevant actions in the plan in order to maintain continuity of supply to TI.

## 24. Over-Shipments

Seller is instructed to ship only the quantity(ies) specified in this Purchase Order. Any deviation caused by conditions of loading, shipping, packing, or allowances in manufacturing processes, however, may be accepted by TI according to the over-shipment allowance indicated on the face of this Purchase Order. If no allowance is shown, it shall be 0% (zero percent). TI reserves the right to return any over-shipment in excess of the allowance at Seller's expense.

## 25. Packing and Shipping Instructions

- (a) Unless otherwise instructed by TI on the face of this in the Purchase Order, Seller agrees to insure that shipments are properly packed and described in accordance with TI specifications and /or applicable carrier regulations. Shipments will be made in accordance with TI's Supplier Packing and Labeling Manual, Shipping instructions and Global Routing Guide which is updated periodically and is located at <http://wpl.ext.ti.com>. TI may assist Seller by providing freight classifications or classifying material. Seller will not insure or declare value on shipments, unless TI specifies otherwise. When shipping via small parcel, Seller will ship freight collect. Seller shall consolidate shipments daily on one bill of lading per mode to avoid premium freight costs, unless instructed otherwise by TI. In case of any shipment that does not correspond to normal past practice between TI and Seller, or to standard practice in the industry, (e.g., requires special handling equipment or air ride suspension, or air shipment over weight break threshold, over 120 inches long or wide or over 56 cubic feet, etc.) Seller agrees to notify TI's appropriate transportation department and Global Routing Center as listed on this Purchase Order, 72 hours prior to shipment for special shipping instructions. All truck shipments must be classified by Seller using the current "National Motor Freight Classification Tariff". Each box, crate or carton will show TI's full street address (not just post office box numbers) and Purchase Order and item numbers regardless of how shipped. On small parcel shipments, a packing list shall accompany each container and shall describe the contents of that container. On other shipments, Seller will provide a packing list to accompany each shipment, referencing the appropriate Purchase Order and item number. The bill of lading also will reference the Purchase Order and item number in the appropriate Customer Reference field whether transmitted on paper or electronically. Seller is responsible for packing any shipment correctly based on the carrier/mode utilized. Charges for packing and crating shall be deemed part of the purchase price, and no additional charges will be made therefor unless specifically requested by TI on the Purchase Order. Seller agrees to ship via the carrier specified by TI and TI's Global Routing Center. Failure to ship via TI specified carrier will subject Seller to misroute debit and charge back of freight cost.
- (b) All premium freight cost incurred by TI or Seller beyond that specified by TI shall be borne by Seller. Seller is responsible for all shipments that are damaged in transit due to improper packaging, improper judgment or any other act or omission of Seller, shipper or carrier. On all FCA origin shipments Seller will ship freight collect.

## 26. Export Compliance

- (a) Seller acknowledges that all products, services, proprietary technical data and information, or any other items provided to Seller by TI or otherwise obtained by Seller from TI pursuant to this Purchase Order may be subject to U.S. Government export control laws and regulations and the export and import regulations of other countries. Seller agrees that, unless prior authorization is obtained from the U.S. Department of Commerce, Bureau of Industry and Security, the Treasury Department's Office of Foreign Assets Controls ("OFAC") under any of its applicable regulations, or any other U.S. Government agency, neither Seller nor its subsidiaries shall export, re-export, transfer,

or release, directly or indirectly, any items, including any products, equipment, software, technology, technical data or technical information (written or otherwise), provided to Seller by TI, any direct product of the technology or software provided to Seller by TI, or the TI deliverable, to any destination or country to which the export, re-export transfer or release of any such items provided to Seller by TI, the direct product of TI technology or software, or the TI deliverable would be prohibited by the U.S. Department of Commerce, Bureau of Industry and Security, Export Administration Regulations (EAR) or any other applicable export control laws or regulations. Without limiting the generality of the foregoing, Seller shall control the disclosure of and access to technical data, technical information and any other items provided to Seller by TI in accordance with applicable U.S. export controls laws and regulations, including but not limited to the EAR.

- (b) If, pursuant to this Purchase Order, Seller provides any item provided to Seller by TI or the direct product of any technology or software provided to Seller by TI or any TI deliverable to any third party who is permitted by TI to receive such TI items, the direct products of TI technology or software or the TI deliverables, such as Seller's permitted subcontractors, Seller shall give notice of the need to comply with such laws and regulations to any person, firm, or entity that it has reason to believe is obtaining any item, including any item provided to Seller by TI, the direct product of any technology or software provided to Seller by TI or any TI deliverable, from Seller with the intention of exportation or re-exportation of such item. Seller will be responsible for obtaining any export, re-export licenses or any other government authorizations required for the export or re-export of any item provided to Seller by TI, the direct product of any technology or software provided to Seller by TI or any TI deliverable made by Seller. Seller further agrees that it will not export, re-export, or transfer to the United States on TI's behalf any goods, services or technology from any embargoed/sanctioned country or from any denied person that will be imported into the United States, directly or indirectly, without a required license from OFAC.
- (c) Seller will not prepare and execute any import or export documentation or make any certification or representation on behalf of TI relating to the importation, exportation or re-exportation of any item received by Seller from TI, the direct product of any technology or software received by Seller from TI, or any TI deliverable except as specifically authorized by TI employees designated in writing by TI for such purposes. Each party shall secure, at its own expense, such licenses and export and import documents as are necessary for each respective party to fulfill its obligations under this Purchase Order. If government approvals cannot be obtained, TI may terminate, cancel or otherwise be excused from performing any obligations it may have under this Purchase Order.
- (d) These clauses shall survive termination or cancellation of this Purchase Order.

## **27. Record Keeping and Audits**

- (a) Seller shall identify, create and safely retain full and detailed accounts and exercise all such controls as may be necessary or helpful for proper financial management, documentation and compliance under this Purchase Order. Seller's records, books, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda and other data related to this Purchase Order ("Records") shall be preserved for a period of three (3) years after final payment or for such longer period as may be required by law.
- (b) TI shall have the right to audit all of Seller's Records (in whatever form they may be kept, whether written, electronic or other) and Seller's operations related to this Purchase Order. Seller agrees to provide TI's internal and external auditors with access to Seller's offices and/or manufacturing locations and relevant records and physical items during normal business hours, for purposes of auditing Seller's compliance with the terms of this Purchase Order. TI shall provide Supplier with twenty-four (24) hours prior written notice of its intention to audit Supplier. TI's right to audit under this section shall also include subcontractors (which subcontractors must be approved by TI as provided below). Seller shall ensure that its agreements with its subcontractors include TI's audit rights.

## **28. Supply Chain Security**

Seller agrees that it will comply with applicable TI supply chain security requirements in providing goods or performing services for TI and that it will provide supply chain security information to TI as requested, including information about Seller's status with regard to the US Customs Trade Partnership Against Terrorism (C-TPAT) initiative, including provision of Seller's C-TPAT account number where applicable where applicable. If requested by TI, Seller will ship goods using only TI-authorized transportation providers.

## **29. Assignment and Subcontracting**

Seller shall not assign or transfer its performance obligations without TI's prior written consent, and any attempted assignment or transfer without such consent shall be void. Seller shall not subcontract any portion of the work to be performed by Seller under this Purchase Order without the prior written consent of a duly authorized TI representative

## **30. Seller Ownership Change**

Seller will notify TI immediately in writing in the event Seller is acquired by or merges with any other company or a majority or controlling interest in Seller is obtained by another company.



### 31. Ozone Depleting Substances

Except where TI has given written approval to Seller in advance of shipment, Seller hereby agrees that it has not used or introduced a Class I ozone depleting substance (ODS) or introduced a Class II ODS (as such terms are defined in 40 CFR 82.104), into any product being supplied to or imported by TI under this Purchase Order. Where a duly authorized TI representative has so agreed to accept product containing or manufactured using an ODS, Seller will label the product with a warning or will otherwise effectively warn TI of such use in accordance with 40 CFR 82, Subpart E. Should Seller choose to warn TI through a mechanism other than a warning label or other warning accompanying the shipment, a copy of such warning shall be sent to TI, in advance of shipment. Breach of this provision will entitle TI to all remedies available for breach of this Purchase Order, including without limitation, the right to reject the product and/or terminate the agreement.

### 32. TI Controlled Chemicals and Materials

Seller shall comply with the TI Controlled Chemicals and Materials Specification, Number 6453792, which is updated periodically and is located at <http://wpl.ext.ti.com>.

### 33. Conflict Minerals

Seller will promptly provide information to TI, in the format reasonably requested by TI, to assist TI in meeting its obligations or responding to third-party requests relating conflict minerals, such as gold, tungsten, tin, and tantalum and their derivatives, ("Conflict Minerals") as such minerals are defined pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and its implementing regulations as amended periodically or other rules of a similar nature (collectively, the "Conflict Minerals Rules"). The foregoing includes but is not limited to providing TI with information relating to Seller's process for determining the source of any Conflict Minerals supplied to TI or used in Seller's products supplied to TI.

Seller further agrees to comply, to the extent applicable to Seller, with the Conflict Minerals Rules and with the then-current TI Conflict Minerals Policy located at <http://wpl.ext.ti.com>. Seller will adopt policies and establish systems to procure conflict minerals from sources that have been third-party verified as conflict free.

### 34. Reservation of Rights

TI expressly reserves all rights and remedies that are available to it at law or equity, including but not limited to rights and remedies set forth in the Uniform Commercial Code.

### 35. Waiver

Any failure of TI to enforce any of the provisions of this Purchase Order at any time, or for any period of time, shall not constitute a waiver of such provisions nor of TI's right to enforce each and every provision.

### 36. Attachments

Any attachments referenced on the front side of this Purchase Order shall be deemed for all purposes to be an integral part of this Purchase Order. In the event of an irreconcilable conflict between such referenced attachments and the terms stated therein, the terms of such attachments shall control.

### 37. Government Contract Provisions

If this Purchase Order references a U.S. Government contract or subcontract number, the following clauses of the Federal Acquisition Regulation (FAR) in effect in the prime contract referenced on the front of this Purchase Order are incorporated by reference and will prevail in the event of any inconsistency with the foregoing terms and conditions. Cost Accounting Standards (CAS) requirements are those in effect on the date of subcontract award or final agreement on price, whichever is earlier. It is understood that the term "contracting officer" or "Government" shall mean TI and "contractor" shall mean Seller when applicable. Any reference to a "disputes" clause in any FAR clause incorporated in this Purchase Order is deleted. Any FAR clause, which by its terms is required to be included in a subcontract, is hereby incorporated in this Purchase Order when applicable. Seller shall be entitled to the full benefit of whatever authorization and consent clause is contained in the prime contract referenced on the front of this Purchase Order.

Gratuities	52.203-3	Special Tooling	52.245-
Covenant Against Contingent Fees	52.203-5	Special Test Equipment	52.245-
Restrictions on Subcontractor Sales to the	52.203-6	Contractor Inspection Requirements	52.246-
Anti-Kickback Procedures	52.203-7	Inspection of Supplier – Fixed Contract	52.246-
Certification and Disclosure Regarding Payments		Inspection of Supplies - Cost Reimbursement	52.246-
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to Influence Certain Federal Transactions	52.203-11	Limitation of Liability	52.246-23
Limitation on Payments to Influence		Limitation of Liability – High Value Items	52.246-24
Certain Federal Transactions	52.203-12	Limitation of Liability - Services	52.246-25
Security Requirements	52.204-2	Preference for U.S. Flag Air Carriers	52.247-63
Material Requirements	52.211-5	Preference for Privately Owned U.S. Flag	
Audit and Records - Sealed Bidding	52.214-26	Vessels	52.247-64

Subcontractor Cost or Pricing Data - Modifications - Sealed Bidding	52.214-28	Value Engineering	52.248-1
Audit and Records - Negotiation	52.215-2	Termination for Convenience of Government – Fixed Price	52.249-1 or 2
Price Reduction for Defective Cost or Pricing Data	52.215-11	Termination (Cost Reimbursement)	52.249-6
Subcontractor Cost or Pricing Data	52.215-12	Default (Fixed-Price Research and Development)	52.249-9
Subcontractor Cost or Pricing Data - Modifications	52.215-13		
Integrity of Unit Prices	52.215-14	DOD SUPPLEMENT	
Utilization of Small Business Concerns	52.219-8	Prohibition on Persons Convicted of Fraud or Other Defense-Contractor-related Felonies	252.203-
Labor Surplus Subcontracting	52.220-4	Intent to Furnish Precious Metals as Government - Furnished Material	252.208-
Notice to Government of Labor Disputes	52.222-1	Subcontracting with Firms Owned or Controlled By Government of a Terrorist Country	252.209-
Contracts Work Hours and Safety Standards Acts - Overtime Compensation	52.222-4	Restriction on Employment of Personnel	252.222-
Walsh-Healy Public Contracts Act	52.222-20	Safety Precautions for Ammunition and Explosives	252.223-
Prohibition of Segregated Facilities	52.222-21	Safeguarding Sensitive, Conventional Arms, Ammunitions and Explosives	252.223-
Equal Opportunity	52.222-26	Duty Free Entry - Qualifying	252.225-
Affirmative Action for Workers with Disabilities	52.222-36	Country End Products and Supplies	252.225-
Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era and Eligible Veterans	52.222-37	Preference for Domestic Specialty Metals	252.225-
Service Contract Act of 1965, as Amended	52.222-41	Rights in technical data and non-commercial items	252.227-
Hazardous Material Identification and Material Safety Data	52.223-3		

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Notice of Radioactive Materials	52.223-7		252.227-
Buy American Act - Supplies	52.225-1		252.227-
Buy American Act Certificate	52.225-2	Restrictive Marking of Technical Data	252.227-
Duty Free Entry	52.225-8	Validation of asserted restrictions – computer	252.227-
Restrictions on Certain Foreign Purchases	52.225-13	Deferred delivery of technical data or computer	252.227-
Authorization and Consent	52.227-1	Deferred ordering of technical data or computer	252.227-
Notice and Assistance Regarding Patent and Copyright Infringement	52.227-2	Technical data or computer software previously to the government	252.227-
Royalty Information	52.227-6	Technical data withholding of payment	252.227-
Reporting of Royalties (Foreign)	52.227-8	Rights in technical data and computer software	252.227-
Patent Rights Retention	52.227-11	Rights in shop drawings	252.227-
	52.227-12	Validation of restrictive markings on technical data	252.227-
Patent Rights - Acquisition by the Government	52.227-13	Transportation of supplies by sea	252.227-
Patent Application	52.227-40	Notification of transportation of supplies by sea	252.227-
Workers Compensation Insurance	52.228-3	Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles	252.228-
Insurance - Work on a Government Installation	52.228-5	Frequency Authorization	252.235-
Cost and Accounting Standards	52.230-2	Modification of Proposals Price Breakdown	252.236-
Administration of Cost and Accounting Standards	52.230-6	Transportation of supplies by sea	252.247-
Default (Fixed-Price Supply and Services)	52.240-8	Notification of transportation of supplies by sea	252.247-
Stop Work Order	52.242-15		
Changes	52.243-4		
Government Property	52.245-2		

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