

SALES ORDER TERMS AND CONDITIONS

Located on Microsemi's website at <http://www.microsemi.com/en/legal/terms-and-conditions> Terms & Conditions

1. GENERAL. (a) These Terms and Conditions constitute an integral part of any offer made by Seller to sell goods to Buyer and shall govern the sale of the goods. Any additional or different terms or conditions proposed by Buyer in any purchase order or otherwise are hereby rejected. Buyer's acceptance of all of the terms and conditions herein is an express condition to the formation of any contract of sale between Buyer and Seller. (b) No order by Buyer, regardless of whether a deposit has been accepted, shall be binding upon Seller until a credit review has been completed and the order has been accepted by an authorized representative of Seller at its corporate headquarters in Aliso Viejo California, regardless of Seller's point of manufacture or point of shipment. (c) If a contract is not earlier formed by mutual agreement in writing signed by an officer of Microsemi Corporation based at its corporate headquarters in Aliso Viejo CA., acceptance of any goods shall be deemed acceptance of the terms and conditions stated herein.

2. PRICES. (a) Unless otherwise stated in writing signed by an officer of Microsemi based at its corporate headquarters in Aliso Viejo, CA, all prices quoted by Seller are based on U.S. dollars, Ex Works basis (Buyer shall be liable to pay Sellers' charges for transport, packaging and insurance), and are effective for thirty (30) days from the date of quotation. (b) Transportation shall be by common carrier, at Buyer's risk and expense, with the charges therefore added to the quoted prices. (c) Should Buyer postpone the delivery date, Seller shall have the right to adjust the price of the undelivered goods to Seller's price at the time of shipment. (d) Unless otherwise agreed to in writing signed by an officer of Seller based out of Seller's corporate headquarters in Aliso Viejo, CA, Seller reserves the right to adjust its prices for any goods scheduled for shipment more than sixty (60) days after Seller's acceptance of Buyer's order. (e) All of Seller's published prices or quoted prices are subject to change without notice.

3. TAXES. Any sales, use or manufacturer's tax which may be imposed upon the sale or use of goods, or any property tax levied after readiness to ship, or any excise tax, license or similar fee required under this transaction, shall be in addition to the quoted prices and shall be paid by Buyer. If Buyer is exempt from any taxes, Buyer shall furnish to Seller an appropriate tax exemption certificate, in a form acceptable to the taxing authority or authorities having jurisdiction over such tax matters.

4. DOMESTIC TERMS OF PAYMENT. (a) Unless otherwise agreed to in writing signed by an officer of Microsemi based out of its corporate headquarters in Aliso Viejo CA., the payment terms on orders for shipments made to the continental United States are "net thirty" (30) days from the date of invoice. All charges are payable in U.S. dollars. (b) A service charge of 1 1/2 percent per month, not to exceed the

maximum rate allowed by law, may be charged on any portion of Buyer's outstanding balance that is not paid within thirty (30) days after invoice date.

5. TERMS OF SHIPMENT. All shipments are made Ex Works, Factory, according to Incoterms 2010 as issued by the International Chamber of Commerce. Shipments are made in a commercially reasonable manner as determined by the Seller. Title and risk of loss or damage shall pass to Buyer at the Ex Works named site. Partial and/or installment shipments are authorized and shall be paid for when due. Shipment schedules are approximate and Seller will use commercially reasonable efforts to complete shipment as indicated. Sub-assemblies for the Equipment may be shipped from different Ex Works named sites and integrated during installation.

6. PURCHASE PRICE SECURITY INTEREST. (a) It is agreed by Buyer and Seller that, as to the goods which are the subject of any contract of sale and all accessions thereto and proceeds thereof, a purchase money security interest shall attach with Seller as secured party, and with respect to goods which are resold in any form by Buyer, Seller shall be the assignee of any security interest which Buyer retains or obtains in such goods until Buyer has made payment in full therefor in accordance with the terms hereof. (b) Buyer shall be in default (i) if it fails to make any payment as provided for herein; (ii) if bankruptcy, receivership or insolvency proceedings are instituted by or against Buyer; or (iii) if Buyer makes any assignment for the benefit of creditors. (c) Upon Buyer's default, Seller shall have all the rights and remedies of a secured creditor as well as those of a seller of goods, under the Uniform Commercial Code and any other applicable law, including but not limited to, the RIGHT TO TAKE POSSESSION of the goods. (d) Seller may remedy any default and may waive any default without waiving the default remedied or without waiving any prior or subsequent default. (e) Buyer agrees to cooperate fully and assist Seller in perfecting and/or continuing Seller's security interest and to execute such documents and accomplish such filings and/or recordings thereof as Seller may deem necessary for the protection of Seller's interest in the goods. (f) The making of any contract of sale by Buyer and Seller shall be consummated by their signing thereof and this security interest shall be deemed in full force and effect.

7. TERMINATION AND CANCELLATION. (a) Buyer may not terminate a Purchase Order or any part thereof without the signed consent of Seller, which may be granted by Seller, at its sole discretion, if sixty (60) days' advance written notice was provided for Standard Products and ninety (90) days' advance written notice for Custom Products. In any such event Buyer shall be liable for termination charges, which shall include a price adjustment based on the quantity of goods actually delivered, and all costs, direct or indirect, incurred or committed for any sales contract together with anticipated profits. (b) Unless otherwise agreed upon in a writing signed by an officer of Seller based out of Seller's corporate headquarters in Aliso Viejo, CA., Seller may cancel all quantities not shipped to Buyer within twelve (12)

months of Purchase Order date. In the event that Seller does not ship all quantities because of any action or requisite inaction on the part of Buyer and elects to cancel any quantity not so shipped, Buyer shall be liable for termination charges as provided herein. (c) If in Seller's sole and absolute discretion, Buyer's financial condition does not justify the terms of payment specified herein, Seller may, without any liability to Seller, cancel any sales contract or require Buyer to immediately pay for all goods which have been delivered and pay in advance for all goods to be delivered.

8. NON-WAIVER OF DEFAULT. In the event of any default by Buyer, Seller may decline to make further shipments. If Seller elects to continue to make shipments, Seller's action shall not constitute a waiver of any default by Buyer or in any way affect Seller's legal remedies for any such default.

9. U.S. GOVERNMENT CONTRACTS. If the goods to be furnished under any sales contract between the Buyer and the Seller are to be used in the performance of a U.S. Government contract or subcontract, any U.S. Government procurement regulations shall not be incorporated herein by reference (except as may be specified in a separate document signed by an officer of Seller based in Seller's corporate offices in Aliso Viejo, California). Unless otherwise specifically agreed upon in writing, certified cost or pricing data will not be provided and CAS, Defective Pricing, and Audit requirements will not apply for goods purchased hereunder.

10. CONTINGENCIES. Seller is not liable, either wholly or in part, for nonperformance or a delay in performance due to force majeure or contingencies or causes beyond the reasonable control of Seller, including but not limited to, shortage of labor, fuel, raw material or machinery or technical or yield failure. Seller may, in its sole and absolute discretion, allocate production and deliveries in the event of shortage or goods.

11. WARRANTY. The warranties set forth in this paragraph are given in lieu of and expressly disclaim any and all other warranties, express, implied or statutory, including but not limited to, any implied warranties of merchantability or fitness for a particular purpose, non-infringement and of any other warranty obligation on the part of Seller, except as expressly set forth immediately below. Seller warrants the goods against faulty workmanship or the use of defective materials; that such goods will conform to Seller's published specifications or other mutually agreed upon written specifications for a period set forth herein below; and that at the time of delivery, Seller has title to the goods free and clear of any and all liens and encumbrances. These warranties are the only warranties made by Seller and can be amended only by a written instrument signed by an officer of Seller. Seller's warranties shall irrevocably expire immediately after the following periods from date of shipment:

All Unassembled Semiconductor Devices (Die or Wafer Form) - thirty (30) days;
Assembled Semiconductor Devices and Electronic Components - one (1) year.

Seller provides no warranty for (a) Software (The term "Software" as used in these terms and conditions means computer programs in machine readable code, provided on magnetic tape, disk, semiconductor device or other storage media and includes all documentation used to describe, maintain and use such programs as well as any improvements, revisions, updates and enhancements provided at the option of Seller from time to time) or Software development systems which are supplied free of charge to facilitate Buyer's use of associated Products, (b) prototypes of Products, (c) evaluation boards for Products or (d) Products subject to development or experimental work, all of which being supplied "AS IS, WITH ALL DEFECTS".

Continued use or possession of the goods after expiration of the applicable warranty period stated above shall be conclusive evidence that the warranty is fulfilled to the full satisfaction of Buyer. Any mechanical alteration of the goods or/including any additional testing or screening shall void any warranty obligation, implied or statutory unless such screening was approved by Seller. Seller's warranties as hereinabove set forth shall not be enlarged, diminished or affected by, and no obligation or liability shall arise or grow out of, Seller's rendering of technical advice or service in connection with Buyer's order of the goods furnished hereunder.

12. PATENT INDEMNITY. (a) Buyer shall indemnify, defend and hold harmless against any expense and loss resulting from: (i) any claim of actual or alleged infringement or contributory infringement of any U.S or Canadian patent, copyright mask work, or other industrial or intellectual property rights of any other person granted or used at the time arising from compliance by Seller with Buyer's designs, specifications or instructions; (ii) any claim of actual or alleged infringement which relates to the use or sale of any of the Products or the provision of any of the Services in a manner or for a purpose not specified by Seller or to any modification of the products or services unauthorized by Seller or to the use or sale of any product, equipment, device, machine process which includes any of the Products so supplied; (iii) or any infringement occurring after Buyer has received notice of such claim or other communication alleging the infringement unless Seller has given written permission for such continuing infringement.

(b)The sale or supply of Products and Services by Seller shall neither convey nor grant, except as otherwise provided above, any right, title, interest or license, by implication, estoppel, or otherwise, under any patent, copyright, mask work, or other industrial or intellectual property rights covering combinations of the Products with other products, equipment, devices or machines or processes in which any of the Products may be used.

(c) Due to the complexity of manufacturing techniques for electronic components and of the intellectual property rights pertaining thereto, Seller is not able to declare that its products do not infringe the intellectual property rights of third parties. In the event that a third party makes a claim alleging that

products delivered to Buyer infringe such third party's intellectual property rights, Seller may at its option (but shall not be obligated to) defend the claim or seek a compromise.;

If any Product becomes the subject of an unfavorable judgment, Seller, shall at its option, may take out a license from the above mentioned third party or shall modify the products in such a way as to avoid infringement. If such a solution shall be impracticable for economic and/or technical reasons, Seller may demand, and in any event shall accept, the return of the product supplied and shall reimburse the Buyer up to a maximum equal to the amount paid by the Buyer for the products deemed to infringe and so returned. If the infringement by either parties' product is alleged prior to completion of delivery of the goods under the contract of sale, Seller may decline to make further shipments without being in breach of the contract of sale.

The above provisions constitute the entire undertaking of Seller towards Buyer in the event of any intellectual property right claim of a third party with regard to products supplied by Seller.

13. DISCLAIMER OF LIABILITY. (a) In no event shall Seller be liable for any loss of use, revenue, profit, or for any direct, indirect, special or consequential damages arising out of, connected with, or resulting from the sale and use of goods. (b) If an unauthorized return is initiated by the customer, Seller will not be liable for any freight or handling charges incurred.

14. SELLER'S DISCLAIMER FOR LIFE SUPPORT APPLICATIONS. Except as otherwise specifically agreed with Buyer in a writing signed by an officer of Seller based at its corporate headquarters in Aliso Viejo, CA, Seller's goods are not designed, intended, or authorized for use as components in systems intended for surgical implant into the body, in other applications intended to support or sustain life, or for any other application in which the failure of the Seller's product could create a situation where personal injury or death may occur. (collectively "Life Support Applications")

15. BUYER'S INDEMNITY FOR LIFE SUPPORT APPLICATIONS Buyer agrees to indemnify and hold Seller, and its officers, employees, subsidiaries, affiliates, agents, sales representatives and distributors harmless against all claims, costs, damages and expenses, and attorneys' fees and costs arising, directly or indirectly, out of any claims of personal injury, death or otherwise associated with the use of the goods in Life Support Applications, even if such claim includes allegations that Seller was negligent regarding the design or manufacture of the goods.

16. DESIGNS AND TRADE SECRETS. Any drawings, data, designs, software programs or other technical information supplied by Seller to Buyer in connection with the sale of goods shall remain Seller's property and be held in confidence by Buyer. Such information shall not be reproduced or disclosed to others without Seller's prior written consent in each particular instance.

17. ASSIGNMENT. Buyer shall not assign this Agreement, any contract of sale, any purchase order, any interest therein or any rights thereunder without the prior written consent of Seller.

18. MODIFICATION. This Agreement may not be changed, modified or amended, except in writing signed by authorized representatives of the parties.

19. EXPORT. These commodities may be subject to U.S. Government export controls. Diversion contrary to U.S. Law is prohibited; export may require validated export licenses.

20. REMEDIES. If Seller breaches its warranties as contained herein, Seller's sole and exclusive maximum liability shall be (at Seller's option) to repair, replace, or credit Buyer's account for any such goods which are returned by Buyer during the applicable warranty period set forth above, provided that **(i)** Seller is promptly notified in writing upon discovery by Buyer that such goods failed to conform to the contract of sale with a detailed explanation of any alleged deficiencies, **(ii)** such goods are returned to Seller, Ex Works. Seller's plant from which goods were shipped, and **(iii)** Seller's examination of such goods shall disclose that such alleged deficiencies actually exist and were not caused by accident, misuse, neglect, alteration, improper installation, improper testing or unauthorized repair. If such goods fail to conform to the applicable warranty, Seller shall reimburse Buyer for transportation charges paid by Buyer for such goods. If Seller elects to repair or replace such goods, Seller shall have a reasonable time to make such repairs or replace such goods, and such repair, replacement or credit shall constitute fulfillment of all liability of Seller to Buyer whether based in contract, tort, indemnity, statutory provision or otherwise.

21. ALTERNATE DISPUTE RESOLUTION (ADR). **(a)** Any dispute between the Parties arising from or related to the subject matter of this Agreement will first be discussed by the high-ranking executives of each company, each of whom shall be fully authorized to settle the dispute. If such dispute cannot be resolved by such high-ranking executives, then the dispute shall be mediated before an impartial, neutral Mediator mutually agreed to by the Parties within twenty (20) days following failure to resolve the dispute. Any Mediation fee shall be divided equally between the Parties. If any Party commences Arbitration without first attempting to resolve the matter through Mediation, then in the discretion of the Mediator, that Party shall not be entitled to recover attorneys' fees, even if they would otherwise have been available to that Party. **(b)** Any disputes arising hereunder, which the parties cannot resolve in good faith within three (3) months of the date of written request for Mediation, shall be submitted to a mutually acceptable impartial and neutral arbitrator of the Judicial Arbitration and Mediation Services (JAMS) for Arbitration in accordance with its rules and procedures. **(c)** Each party shall be responsible for all costs associated with the preparation and representation by attorneys, or any other persons retained thereby, to assist in connection with any such Arbitration. However, all costs charged by the mutually agreed upon Arbitration entity shall be equally shared by the parties. **(d)** The party seeking Mediation and/or Arbitration as

provided herein agrees that the venue for any such Mediation and Arbitration shall be selected by the other party and that such venue must be in Los Angeles, California, New York, New York, or Chicago, Illinois; ; whereby the applicable law and provisions of the Evidence Code of the State selected thereby shall be applicable and shall govern the validity, construction and performance of this Agreement.

22. APPLICABLE LAW AND VENUE. Except as provided in Section 22 above, if legal action is commenced by either party, the validity, construction and performance of this Agreement, and the legal relations between the parties shall be governed by the State of California, and the venue for such legal action shall be Orange County, California. Seller may commence any action to collect moneys due on account of goods purchased by Buyer hereunder in any court having competent jurisdiction of the subject matter in dispute without resorting first to any alternative dispute resolution.

23. RIGHT TO SEEK INJUNCTIVE RELIEF. Nothing in this Agreement will be deemed to prevent either Party from seeking injunctive relief or any other provisional remedy in an appropriate case in any court of competent jurisdiction of the subject matter in dispute as necessary to protect either Party's trade name, proprietary information, trade secrets, trademarks, know-how, or any other intellectual property rights;

24. LIMITATION OF LIABILITY. Except for intentional wrongdoing, fraud or criminal conduct, the obligations of the parties under any sales contract with Seller shall not constitute the personal obligations of their shareholders, or of their directors, officers, employees, consultants, agents or invitees, and each party shall look only to the assets of the other party for the satisfaction of any liability with respect to any such sales contract, and shall not seek recourse against the shareholders of the other party, or against the directors, officers, employees, consultants, agents, or invitees of the other party, or against their personal assets for such satisfaction.