

**1. APPLICABILITY; DEFINITIONS.** Subject to the terms and conditions of this Microchip Terms and Conditions of Sale, the applicable Acknowledgment, and applicable invoice (which may be overleaf), which are incorporated into this Microchip Terms and Conditions of Sale (collectively “Agreement”), Microchip Technology Inc. or Microchip Technology Ireland Limited, as applicable, or a Microchip subsidiary identified as the seller in the Acknowledgment (“Microchip”), offers for sale to you (“Customer”) the goods and services, and licenses of any software, specified in Microchip’s Order Acknowledgment (“Acknowledgment”) or otherwise delivered to Customer (“Goods,” or with regard to fee-based services, “Services,” or with regard to software or firmware delivered separately or as part of a Good, “Software”). “Order” means Customer’s written, electronic, or verbal purchase order for Goods, Services, or Software. Microchip’s acceptance of the Order is conditioned on Customer’s assent to the Agreement. Customer’s receipt of Goods, Services, or Software constitutes Customer’s assent. Unless Customer and Microchip have a current, mutually executed agreement for the purchase of Goods, Services, or Software from Microchip, only the Agreement applies to the Order and all other Customer’s terms and conditions, whether as part of an Order or otherwise, are rejected and do not form a part of the Agreement. Microchip’s delay or failure to object to any terms or conditions received from Customer, including the original Order, will not be a waiver of any Agreement term. The parties agree as follows.

**2. PRICE.**

- A. “Currency-Converter Site” means [www.oanda.com](http://www.oanda.com) (or its successor URL), or if that website is no longer publishing daily closing exchange rates, then another exchange-rate converter site that Microchip elects to use for currency-conversion purposes. “Monthly Average Prevailing Exchange Rate” means the average of the closing exchange rate (as published on the Currency-Converter Site) of the calendar month immediately before Microchip’s planned receipt date (“PRD”) or other Microchip-scheduled delivery date appearing on the then-current Acknowledgement if “PRD” is not shown (either date, the “Delivery Date”).
- B. The prices of Goods, Services, and Software are as stated in the Acknowledgement or invoice, subject to any adjustment pursuant to the terms of the Agreement.
- C. With respect to Goods, Services, or Software whose Delivery Date is at least 90 days after the applicable Microchip quote’s date, if their price is stated in a currency other than U.S. Dollars (“Non-USD Price”), the price will be subject to adjustment for currency fluctuations. In that case, Microchip may review the Non-USD Price before the applicable Delivery Date to determine whether the Monthly Average Prevailing Exchange Rate has fluctuated at least +/- 5% from the closing exchange rate published on the Currency-Converter Site on the date of the applicable Microchip quote. Microchip may adjust the Non-USD Price based on its determination of the extent of the currency fluctuation. In addition, prices of Goods, Services, and Software are subject to any changed quantity of Goods (see Section 7). In either case, Customer must pay the adjusted price.
- D. If the list price of Goods, Services, or Software changes between the date the Order is submitted and the Delivery Date, the price on the Delivery Date will apply. In the event of a price increase, Customer may request to cancel its order within 5 days of the notice date of the price increase, and Microchip, at its sole option, may

accept the cancellation, or reject the cancellation and sell Goods, Services, or Software at the original quoted price.

E. Taxes, duties, and other government assessments are Customer’s responsibility and will be added to the invoice price of Goods, Services, or Software. Customer may not offset any amounts owed by Microchip against any amount Customer owes under the Agreement.

**3. PAYMENT.** All Orders or shipments are subject to credit approval by Microchip. Full payment is due promptly on receipt of the shipment, whether total or partial, unless credit terms are extended to Customer by an authorized representative of Microchip or cash in advance, C.O.D., or other terms are indicated on an invoice. Microchip may charge interest at 3% above the current prime rate as published in the Wall Street Journal per month on any overdue amounts up to the maximum permitted by law, withdraw credit, impose other payment terms or late charges, cease further shipments, or impose any combination of these actions if Customer fails to timely pay any amount owed to Microchip. Payment is due regardless of performance or outcome of testing, but payment will not affect Customer’s right to perform testing under Section 6. Time is of the essence regarding Customer’s payment obligations.

**4. TITLE, RISK, AND DELIVERY.**

**A. Title and Risk of Loss Transfers.** For purposes of the Agreement, “Delivering Entity” means Microchip, its contractor, or agent. Title, and Risk of Loss or Damage (“ROL”), of Goods shall pass from Microchip to Customer as follows:

- 1. Domestic Shipments. Title and ROL pass from Microchip to Customer when Delivering Entity places Goods for Customer’s disposal at that shipping point.
- 2. International Shipments. Title and ROL pass from Microchip to Customer upon: (i) the Goods’ entry into the “high seas” (as described in the 1982 United Nations Convention of the Law of the Sea) if the main carriage is ocean shipment, (ii) the Goods’ entry into international airspace if the main carriage is air shipment, or (iii) the Goods’ crossing of an international border if the main carriage is land or any other transportation mode, and for the avoidance of doubt, an international border is not considered crossed until all customs procedures have been completed.

**B. Delivery of Goods.**

- 1. Terms of Delivery. Unless otherwise specified on the Acknowledgment, delivery is EXW the Delivering Entity’s facility shipping point (Incoterms 2020).
- 2. Delivery Schedule. All delivery times (including delivery dates of any downloadable Software) or shipment dates are approximate and may be changed by Microchip. Microchip will give Customer as much notice as is reasonably possible of a change. Microchip will not be liable for any loss or damage Customer may suffer due to any changed or missed delivery times or shipment dates.

**C. Transportation.** Transfer of title and ROL and delivery of Goods are determined irrespective of whether Microchip, Delivering Entity, or Customer arranges for, or bears the cost of, transportation of the Goods.

**D. Insurance.** Upon delivery of the Goods, unless otherwise specified on the Acknowledgment, Customer is responsible for insuring the Goods and paying such insurance cost.

**E. Software.** For downloadable Software, delivery occurs (and is completed) when Microchip provides the Customer with access codes or other instructions that permit the Customer to take immediate possession. Where applicable, Customer will (i) obtain licenses required to import the Software into the country or countries in which it intends to use or store the Software or other countries considered to be an importing country under applicable law (collectively, "Territory"), (ii) clear Software through local customs promptly upon their arrival at the Territory, and (iii) pay customs duties and other charges assessed on such importation in the Territory.

**5. TRADE CONTROL.** Customer will comply with all applicable trade control laws and regulations and will indemnify Microchip for all damages, including reasonable attorney's fees, resulting from Customer's failure to do so. Customer's obligation to comply with applicable trade control laws and regulations is on-going and subject to change as those laws and regulations are amended. Examples of changes to trade laws and regulations that may affect Goods, Software, and related technology include prohibitions of "military end use" in China, Russia, and Venezuela, 85 Fed. Reg. 23459 and 85 Fed. Reg. 34306, and elimination of EAR License Exception CIV, 85 Fed. Reg. 23470. If applicable, Customer will provide Microchip with information on the ultimate end-use and ultimate end-user of Microchip products and technology in satisfaction of Microchip's obligations to comply with applicable trade control laws and regulations.

**6. INSPECTION AND ACCEPTANCE.** Goods are deemed accepted by Customer unless Customer provides Microchip written notice to the contrary specifying the non-conformance within 21 days of Customer's receipt of Goods. Microchip may examine Goods Customer claims are nonconforming on Customer's premises. Microchip may impose charges to reimburse it for its costs if it finds Customer's claim is unsupported or for rescreening conforming Goods. No Goods may be returned to Microchip unless Customer has first received and complied with Microchip's return material authorization number and instructions ("RMA"), which will not be unreasonably withheld.

**7. QUANTITIES.** Microchip will use reasonable efforts to deliver the quantities specified in the Acknowledgement, but Microchip will be in compliance if the actual quantities shipped are within +/- 5% (+/- 10% for die in wafer form and for "Chip on Board" product) of the specified quantities. The extended price in all cases will be the unit price multiplied by the quantity delivered (before taxes, duties, and other governmental assessments). If Microchip does not have sufficient supply of one or more Goods to meet the full requirements of all of its customers, Microchip may, at its sole discretion, reduce deliveries of such Goods on any basis it believes equitable, allowing for priorities to such classes of customers as it deems appropriate. Any shortage or delay in the delivery of any part of an Order for any reason does not entitle Customer to reject a delivery or cancel other deliveries, the Order, or any other Orders. Any reduction or shortage need not be made up, but a pro rata adjustment will be made to the invoice.

**8. MODIFICATION AND SUBSTITUTION.** Microchip reserves the right to modify its process, materials, or specifications for Goods and to substitute goods substantially equivalent to those ordered or manufactured to the modified specifications. It is Customer's responsibility to test all Goods to determine suitability for its needs.

**9. LIMITED PRODUCT AND SERVICES WARRANTY.**

**A. Goods Other Than Development Tools.** For all Goods other than development tools, Microchip warrants that Goods, excluding customized Software, are free from defects in material and workmanship, and conform to Microchip's published specifications in all material respects for one year from date of delivery, or 30 days for unpackaged semiconductors. Goods not conforming to this warranty and returned to Microchip within the applicable warranty period will be eligible for replacement, repair, or credit as follows. To obtain a remedy for nonconforming Goods, the following conditions must be met: (1) Customer must notify Microchip in writing promptly on discovery of the deficiency with reasonable detail within the warranty period; (2) Customer must return Goods to Microchip promptly upon receipt of an RMA, at Customer's risk and expense; and (3) Microchip confirms the claimed deficiency is present and not attributable to a Disqualifying Event (as defined below). If all of these conditions are met, Microchip, at its sole option, will either replace or repair the deficient Goods or credit Customer's account for the amount Customer paid Microchip for them and reimburse Customer's reasonable shipping costs for return of the Goods. The warranty period for any repaired or replacement Goods will be the balance of the warranty period for the original Goods remaining from the date Microchip received notice of the warranty claim from Customer, but in no event will such warranty period for the repaired or replacement Goods be less than 30 days from the date of delivery of the repaired or replacement Goods to Customer. Testing and other quality control techniques are used to the extent Microchip deems necessary. Microchip does not necessarily test all parameters of Goods.

**B. Development Tools.** For Goods that are development tools, Microchip warrants that they are free from defects in material and workmanship and that, when properly installed and used, will execute their programmed instructions for one year (90 days for Goods Microchip normally sells for USD \$500 or less, excluding promotional pricing) from the date of delivery. Upon confirmation by Microchip that the claimed deficiency is present and not attributable to a Disqualifying Event or software supplied or performed by anyone other than Microchip, interfacing, or improper settings, Microchip will, at its sole option, repair or replace a development tool that proves to be defective within the warranty period. If a defective development tool is no longer in production and deemed irreparable, Microchip will, at its sole option, replace it with a substantially equivalent product (Customer will be responsible for shipping and handling charges) or provide information on available third party development tools. For warranty service, the development tool must be returned to Microchip at Customer's sole expense.

**MICROCHIP DOES NOT WARRANT THAT THE OPERATION OF A DEVELOPMENT TOOL OR SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE.**

**C. Services.** With respect to any Services that are invoiced to and paid by Customer, Microchip warrants for a period of 30 days from the date Services are first rendered that such Services were performed in a good and workmanlike manner, and does not warrant or promise that any particular problem will be resolved satisfactorily or that any specific result will be obtained.

**D. Exclusions.** The foregoing warranties, and Microchip's failure analysis service, do not apply: (1) in cases where Goods have suffered misuse, abuse, neglect, alteration, accident, mishandling,

repair, operation outside the associated environmental specifications, improper installation, improper testing, or the like after shipment (collectively a “Disqualifying Event”); (2) the nonconformity resulted from Customer’s design, specifications, or instructions for such Goods or improper system design; (3) where Goods are designated as experimental or to be used for development purposes; (4) to goods not manufactured by Microchip or a related company; (5) to Goods for which claims are being made by anyone other than Customer; (6) to Goods used, sold, or distributed by Customer despite failing its tests; (7) to any goods, product, or equipment within which Goods are contained or integrated; (8) to any product obtained from an unauthorized third party; (9) to any compatibility or interoperability issues involving goods, products, software, or supplies not sold by Microchip; (10) to any samples, which are provided “AS IS” and **WITH ALL FAULTS**; and (11) if Customer has not fully and promptly paid for the Goods subject to the claim. Warranty claims may only be made by the Customer and are not assignable to third parties. Final determination of warranty eligibility will be made by Microchip.

**E. Microchip Assistance.** Microchip may provide Customer technical, applications, or design advice (including reference designs), quality characterization, reliability data, software assistance, or other services. Customer agrees that providing these services does not expand or otherwise alter Microchip’s warranties as set forth above and no additional obligations or liabilities arise from Microchip providing such services or items.

**F. Exclusive Warranties/Remedies. THESE WARRANTIES ARE IN LIEU OF AND EXCLUDE (TO THE FULLEST EXTENT PERMITTED BY LAW) ALL OTHER WARRANTIES, CONDITIONS, STIPULATIONS, STATEMENTS, TERMS, OR UNDERTAKINGS OF ANY KIND, EXPRESS OR IMPLIED, WRITTEN OR ORAL, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO THEIR CONDITION, QUALITY, PERFORMANCE, MERCHANTABILITY, OR FITNESS FOR PURPOSE, AND ALL WARRANTIES ARISING FROM ANY COURSE OF DEALING OR USAGE OF TRADE. UPON THE EXPIRATION OF THE APPLICABLE WARRANTY PERIOD, ALL WARRANTY LIABILITY TERMINATES. CUSTOMER HAS RELIED ON ITS SKILL, JUDGMENT, AND NEEDS TO SELECT AND TEST GOODS. THIS SECTION 9 CONSTITUTES CUSTOMER’S SOLE AND EXCLUSIVE REMEDIES FOR BREACH OF THESE WARRANTIES. MICROCHIP WILL HAVE A REASONABLE TIME TO PROVIDE A REMEDY. THESE WARRANTIES CANNOT BE EXPANDED EXCEPT IN A WRITING EXECUTED BY AN AUTHORIZED REPRESENTATIVE OF MICROCHIP. VERBAL REPRESENTATIONS AND TECHNICAL ASSISTANCE WILL NOT EXPAND THESE WARRANTIES. IF CUSTOMER IS A CONSUMER, THE ABOVE WILL NOT ACT TO EXCLUDE YOUR STATUTORY RIGHTS.**

**10. PATENT AND COPYRIGHT INFRINGEMENT.**

**A. Defense and Indemnity.** Subject to the exclusions and conditions below, Microchip will defend any suit or proceeding brought against Customer to the extent it is based upon a claim that Goods manufactured and supplied by Microchip to Customer directly infringe a valid United States or European Union member country patent or copyright (“Claim”). Notwithstanding the foregoing, Microchip will have no liability or obligation under this Section 10 regardless of the theory of the Claim where the Claim arises out of or is connected with: (a) Microchip’s compliance with Customer’s designs or specifications; (b) Customer’s use of the Goods in combination with any other product, process, or system, (c)

modification of the Goods after Microchip delivered them, (d) use of the Goods in a manner for which they were not designed, or (e) Microchip’s compliance with standards issued by any public or private standards body, and the alleged infringement would not have occurred but for such standard. If a suit or claim is brought against Microchip alleging that Goods violate a patent, copyright, database right, trademark, or other intellectual property right and any of the events (a) – (d) in the preceding paragraph occur, Customer will defend that suit or claim and indemnify Microchip and keep Microchip indemnified for, from, and against all damages and costs awarded against Microchip, including reasonable attorneys’ fees and costs.

**B. Conditions.** As conditions to receiving any benefit under this Section 10, Customer must: (a) provide prompt written notice of a Claim, including copies of all materials, communications, notices, and other information relating to the Claim, to Microchip; (b) give Microchip all information, assistance (for which Microchip will bear the reasonable expense), and authority Microchip deems necessary, to defend or settle the Claim; (c) not make any admission, compromise, representation with respect to the merits or defense of the Claim, or accept or settle any Claim; and (d) give Microchip exclusive control of the defense of the Claim, including the right to select counsel and to settle the Claim without Customer’s consent. If these conditions are complied with, and subject to the limitation of liability (Section 13) in the Agreement, Microchip will bear the cost of the defense and will pay all final damages and costs awarded against Customer, excluding Customer’s attorneys’ fees or costs.

**C. Remedies.** If Customer is enjoined from using the Goods subject to a Claim, Microchip will, in its sole discretion: (a) procure for Customer the right to continue using the Goods; (b) replace the Goods with non-infringing Goods; (c) modify the Goods to make them non-infringing; or (d) refund Customer’s purchase price less depreciation subject to Microchip’s internal accounting policies, upon Customer’s return of the Goods to Microchip.

**SECTION 10 STATES CUSTOMER’S SOLE AND EXCLUSIVE REMEDY AND MICROCHIP’S SOLE AND EXCLUSIVE LIABILITY FOR INTELLECTUAL PROPERTY INFRINGEMENT.**

**11. FORCE MAJEURE.** Microchip will not be liable for delays or failures to perform an obligation under the Agreement attributable to an unforeseen circumstance or a cause beyond Microchip’s reasonable control (“Force Majeure Event”). During the Force Majeure Event, Microchip may suspend, modify, or cancel the delivery of Goods, Services, or Software.

**12. CANCELLATIONS.**

**A. Customer Default.** If Customer fails to perform any obligation, Microchip may cancel or suspend further deliveries or terminate the Order and Agreement without affecting any contractual, legal, or equitable rights or remedies that Microchip may have. Without limiting its remedies, Microchip will be entitled to cancellation charges for finished Goods and work in process, which it commenced to reasonably meet the delivery schedule, as well as to quantity price adjustments reflecting volume pricing quoted for quantities ordered but cancelled due to Customer’s default, and all costs, direct and indirect, incurred or committed, plus prorated anticipated profits. Continued shipment of Goods after Customer’s default will not constitute a waiver of Microchip’s rights or remedies.

**B. Customer Cancellation.** Customer may not cancel the Order, Agreement, or any part of them without Microchip’s prior written consent, which will be granted if Customer pays Microchip the amounts as follows: (1) If the Goods are patterned (i.e., custom encoded) or other custom product (a) and cannot be easily re-encoded for another customer, then Customer must pay 100% of the purchase price of all finished Goods allocated to the Order and a pro rata portion of the purchase price of all work in process, which cannot be easily diverted to other orders, plus the cost of any materials committed for completion of the Order, but in no event will the amount Customer is obligated to pay exceed the purchase price of the Goods, Services, and Software had they been completed and delivered according to the Acknowledgment; or (b) and can be encoded with some potential loss of value, then Customer must pay 100% of the loss in value, Microchip’s cost for reprogramming, plus a 25% restocking charge. (2) If the Goods are unpatterned or other standard product, Customer must pay Microchip a percentage of the purchase price of the Goods, Services, and Software based upon the length of notice of cancellation given before the scheduled delivery, as follows: up to 45 days’ notice - 100% of the purchase price; 46-60 days’ notice - 75% of the purchase price; 61-90 days’ notice - 50% of the purchase price; more than 90 days’ notice - 25% of the purchase price.

**C. Microchip Cancellation.** In addition to changes to Order quantities pursuant to Section 7, Microchip may cancel all or any part of the Order or the Agreement at its discretion 30 days or more prior to the scheduled delivery date for unpatterned or other standard Goods and 60 days or more for patterned or other custom Goods.

**13. LIMITATION OF LIABILITY.**

**A. In General.** IN NO EVENT, WILL MICROCHIP BE LIABLE, WHETHER IN CONTRACT, WARRANTY, MISREPRESENTATION (BUT NOT FRAUDULENT MISREPRESENTATION), TORT (INCLUDING NEGLIGENCE OR BREACH OF STATUTORY DUTY), STRICT LIABILITY, INDEMNITY, CONTRIBUTION OR OTHERWISE, FOR ANY INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL LOSS, DAMAGE, COST OR EXPENSE OF ANY KIND WHATSOEVER, HOWSOEVER CAUSED, OR ANY LOSS OF PRODUCTION, COST OF PROCUREMENT OF SUBSTITUTE GOODS, LOSS OF CAPITAL, LOSS OF SOFTWARE, LOSS OF DATA, DELAY, ECONOMIC LOSS, LOSS OF PROFIT, LOSS OF REVENUES, CONTRACTS, BUSINESS, COST OF REWORK, LOSS OF GOODWILL OR ANTICIPATED SAVINGS, WASTED EXPENSES, OR WASTED MANAGEMENT TIME, EVEN IF MICROCHIP HAS BEEN ADVISED OF THEIR POSSIBILITY OR THEY ARE FORESEEABLE.

**B. Aggregate Limit of Liability.** SUBJECT TO SECTION 13(C), MICROCHIP’S TOTAL AGGREGATE LIABILITY IN CONTRACT, WARRANTY, REPRESENTATION, TORT (INCLUDING NEGLIGENCE OR BREACH OF STATUTORY DUTY), STRICT LIABILITY, INDEMNITY, CONTRIBUTION, OR OTHERWISE, WILL NOT EXCEED THE PRICE OF THE GOODS, SERVICES, OR SOFTWARE THAT GIVE RISE TO THE CLAIM.

**C. Death and Personal Injury.** NOTHING IN THE AGREEMENT EXCLUDES OR LIMITS THE LIABILITY OF EITHER PARTY FOR DEATH OR PERSONAL INJURY ARISING FROM NEGLIGENCE OR ANY OTHER LIABILITY NOT EXCLUDABLE BY LAW.

**D. Code.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, FOR SOFTWARE SUPPLIED PURSUANT TO CUSTOMER SPECIFICATIONS,

OR FURNISHED OR CREATED BY ANYONE OTHER THAN MICROCHIP, MICROCHIP WILL HAVE NO LIABILITY FOR ANY USE OF IT, ERRORS CONTAINED IN IT, INTEROPERABILITY, OR CLAIMS OF INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS DUE TO ITS PUBLICATION, DISTRIBUTION, SALE, OR USE. CUSTOMER WILL DEFEND ALL SUITS AND CLAIMS AND INDEMNIFY MICROCHIP AND KEEP MICROCHIP INDEMNIFIED FOR, FROM, AND AGAINST ALL RESULTING CLAIM, LOSS, DAMAGE, AWARD, AND COST (INCLUDING BUT NOT LIMITED TO REASONABLE LEGAL FEES) ARISING OUT OF THE CODE.

**E. Safety.** GOODS, SERVICES, AND SOFTWARE ARE NOT SPECIFICALLY MANUFACTURED OR DESIGNED FOR USE IN LIFE SUPPORT, SAFETY EQUIPMENT OR OTHER APPLICATIONS WHERE MALFUNCTION CAN RESULT IN PERSONAL INJURY OR DEATH. CUSTOMER’S USE OR SALE OF GOODS, SERVICES, OR SOFTWARE FOR SUCH APPLICATIONS IS AT ITS OWN RISK. CUSTOMER WILL DEFEND ALL SUITS AND CLAIMS AND INDEMNIFY MICROCHIP AND KEEP MICROCHIP INDEMNIFIED FOR, FROM, AND AGAINST ALL RESULTING CLAIM, LOSS, DAMAGE, AWARD, AND COST (INCLUDING BUT NOT LIMITED TO REASONABLE LEGAL FEES) ARISING OUT OF USE OF GOODS, SERVICES, OR SOFTWARE IN SUCH APPLICATIONS.

**F. Customer Responsibility.** Customer is solely responsible for any product or process using or incorporating the Goods, testing the Goods and determining the suitability for Customer’s purpose, and determining whether products or systems using the Goods infringe third party intellectual property rights, irrespective of whether Microchip has provided technical advice.

**G. Allocation of Risk.** The allocation of risk contained in this Agreement is reflected in the price of the Goods, Services, and Software and is reasonable in all the circumstances having regard to all relevant factors, including the parties’ bargaining positions.

**14. SOFTWARE.** Software is licensed and not sold by Microchip. Software is provided “AS IS.” Unless otherwise provided in a separate Microchip software license or otherwise authorized in writing by Microchip, Microchip grants to Customer the right to use Software solely for its intended use with Goods supplied by Microchip, and Customer may not: (a) modify, adapt, alter, translate, or create derivative works from the Software; (b) merge Software with any other software; (c) transfer Software to any third party, except in conjunction with the sale of an item that incorporates a Good containing the Software; (d) copy Software except as permitted by law; (e) use Software to use, configure, control, or interface with any integrated circuit other than the Goods supplied by Microchip for which the Software was provided; (f) reverse engineer, decompile, modify, or disassemble any of Software or allow others to do so except as permitted by law; or (g) cause any Software to become subject to any requirement that the Software be: (i) made available in source code form; (ii) licensed with permission to create derivative works; or (iii) redistributable at no charge. The license granted by Microchip immediately terminates if Customer breaches the Agreement. Customer may not remove copyright notices or other legends from the Software. The Software may contain certain software code and/or materials written or owned by third parties. Customer will comply with applicable third-party license terms or requirements.

**15. GENERAL.**

**A. Nondisclosure of Trade Secrets and Confidential Information;**

**No License.** Customer must maintain the secrecy of and not disclose, without Microchip's express written consent, all trade secrets, proprietary information, or confidential information (collectively, "Confidential Information"), which Customer receives from Microchip. Customer may not use Confidential Information for personal gain or for the benefit of a third party, nor may Confidential Information, Goods, Services, or Software be used directly or indirectly to compete with Microchip Technology Inc. or its subsidiaries. All intellectual property rights in the Goods, Services, and Software remain vested in Microchip or its licensors. No rights are transferred or licensed to Customer as a result of the sale of Goods or Services. Customer must not, nor permit others to, manufacture, reverse engineer, translate, decompile, create derivative or adaptive works based on the whole or any part of the Goods, disassemble, adapt, modify, duplicate, or otherwise copy or reproduce any of the Goods without obtaining Microchip's prior express written permission. If as a result of applicable law Customer is entitled to decompile the Goods in order to obtain information necessary to render the Goods interoperable or compatible with other goods or software ("Permitted Objective"), then Customer must first notify Microchip of Customer's requirements and give Microchip the opportunity to provide Customer with the information necessary to achieve the Permitted Objective without undertaking a prohibited action. If Microchip provides the necessary information to achieve the Permitted Objective, Customer must only use it to achieve the Permitted Objective and must not create goods, which are substantially similar to the Goods. Customer must not remove any product identification, copyright, trademark, or other proprietary notice attached to or provided with the Goods. Customer may not resell Goods without Microchip's prior written consent unless the Goods are sold in conjunction with the provision of value-added services by Customer or as embedded within Customer's application or products.

**B. Government Contracts.** U.S. procurement laws and regulations applicable to the performance of a U.S. Government contract (e.g., FAR, DFARS) ("U.S. Regs") will not apply to the sale of Goods, Services, or Software unless explicitly required by, and only to the extent necessary to accomplish the purpose of, such U.S. Reg. Unless otherwise agreed in writing, (a) no audit right, or financial, cost, or pricing data, or other proprietary data will be provided to a prime customer or higher-tier subcontractor, and (b) technical data and computer software is delivered only with commercial license, limited license, or restricted rights, as determined by Microchip.

**C. Assignment.** Microchip may assign, transfer, or subcontract its rights or obligations under the Agreement. Customer may not assign, transfer, or subcontract its rights or obligations, except to a successor in interest to all or substantially all the assets of Customer, without Microchip's prior written consent. However, a permitted assignment will not relieve Customer from its obligations. Except as indicated in this Section 15(C), the rights and obligations of the Agreement will inure to the benefit of the respective parties, their successors, and assigns.

**D. Notices.** Notices required or permitted by the Agreement must be in writing and signed by an authorized representative of the party providing notice, addressed to the receiving party as specified in writing, and sent by courier, certified mail, facsimile, personal delivery, or email. If notice is sent by facsimile, in-person delivery,

or email, notice will be deemed received and effective upon the earlier of actual receipt or one business day after delivery. If notice is sent via other delivery methods, notice will be deemed received and effective upon the earlier of actual receipt or five business days after delivery.

**E. Entire Agreement.** The Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior written or verbal communications, representations, agreements, understandings, proposals, negotiations, and promises. Neither party will be liable to the other or have any remedy against the other for any untrue statement on which the other has relied, except that nothing in the Agreement will exclude or limit the liability of either party for fraud or fraudulent misrepresentation.

**F. Modification and Waiver.** Except as expressly set forth in the Agreement, no modification or waiver of the Agreement is effective unless it is in writing and signed by an authorized representative of the party charged with having given the waiver, or both parties in the event of a modification. No failure or delay by Microchip to assert any rights or remedies will be construed as a waiver or a continuing waiver of its rights and remedies, nor will a failure or delay to assert a breach be deemed to waive that or any other breach.

**G. Survival.** If a part of the Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, that part will be severed from the Agreement, which will continue to be valid and enforceable to the fullest extent permitted by law. Sections 9 - 15 will survive any cancellation or termination of the Order or Agreement.

**H. Dispute Resolution.** Except for any dispute arising out of or related to intellectual property, Confidential Information, debt actions, specific performance, or injunctive relief—for which a party may seek immediate relief in an appropriate court as stated below—before any litigation can be initiated, the dispute must be submitted to nonbinding mediation before a mediator with at least 10 years' experience as a solicitor or barrister representing semiconductor manufacturing clients. Mediation will take place in a location mutually acceptable to both parties. Each party is responsible for its own costs and expenses (including legal fees, if applicable) for the mediation. The parties will share the cost of the mediator equally. If the mediation is not convened within 60 days of either party's written request, or concluded within 120 days of date of that request (or such other period(s) as the parties may agree), then either party may initiate litigation in accordance with Section 15(J) below.

**I. Ethical Behavior.** The parties will not offer or pay any bribe or any improper benefit, direct or indirect, to any individual, public servant, or corporation and will act in conformity with the United States Foreign Corrupt Practices Act ("FCPA") or such other similar laws in any relevant jurisdiction. Without limiting the generality of Customer's obligation to comply with the FCPA, with respect to foreign (non-U.S.) business, Customer will not take any act in furtherance of directly or indirectly (through a third party or otherwise) paying, promising to pay, gifting, promising to give, or authorizing the giving of anything of value to any foreign official, foreign political party (or one of its officials), or candidate for foreign political office, for the purpose of securing any improper advantage in order to assist in obtaining or retaining business for or

with, or directing business to, any person by: influencing any act or decision in that entity's official capacity; inducing a foreign official to, or omit to do, any act in violation of the official's lawful duty; inducing that entity to use its influence with a foreign government or instrumentality of a foreign government to affect or influence any act or decision of the government or instrumentality. Customer will immediately inform Microchip if it has, or believes it may have, failed to comply with, this provision.

**J. Governing Law and Venue.** The Agreement will be construed and enforced according to the laws of the State of Arizona, excluding its conflicts-of-law principles, all implementations of the Uniform Commercial Code, and all conventions relating to the international sale of goods. Courts in the State of Arizona have exclusive jurisdiction over all disputes arising out of the Agreement, except that Microchip may seek injunctive relief or specific performance, together with any ancillary reliefs, in any place of breach or anticipated infringement of intellectual property rights or wrongful disclosure of its Confidential Information, and nothing in this Section 15(J) shall preclude Microchip from directly enforcing debt collection claims in any jurisdiction. The parties waive the right to trial by jury. In addition to all other rights and remedies, the prevailing party in any litigation proceeding will be entitled to reimbursement from the other party for its expenses incurred in the proceeding, including reasonable legal fees.