



# Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

TEKMOS, INCORPORATED  
STANDARD TERMS AND CONDITIONS OF SALE  
For Semiconductor Products

## 1. OFFER AND ACCEPTANCE

Unless otherwise agreed in a separate written agreement signed by Tekmos and Buyer, Tekmos offers to sell products ("Products") and/or provide services ("Services") solely on these terms and conditions (these "Terms") and any acceptance is expressly limited to these Terms. If Buyer has ordered Products or Services from Tekmos and such order is deemed to be an offer by Buyer, Tekmos' acceptance of such offer is expressly conditional on Buyer's assent to these Terms. Any additional, different, or conflicting Terms proposed by Buyer in any offer, acceptance, or confirmation (including any Buyer purchase order or specifications) are requests for material alterations of these Terms, are hereby rejected, and will not be binding in any way on Tekmos. Buyer is hereby notified of Tekmos' objection to all such additional, different, or conflicting terms and conditions. Acceptance of or payment for any Products or Services by Buyer will constitute Buyer's assent to and acceptance of these Terms.

## 2. PRICES

The prices for Products and Services covered by these Terms are those in Tekmos' quote to Buyer or, if there is no such quote, on Tekmos' applicable price list; provided, however, that if Tekmos bases such prices on the purchase of a particular quantity of Products within a specified period and Buyer fails to purchase such quantity during the specified period, Tekmos (in addition to any other remedies available at law) may collect from Buyer the difference between the price Buyer paid for the Products purchased and the price that Tekmos would otherwise charge for the quantity of such Products actually purchased. If the price of related production costs increases significantly, Tekmos may impose a reasonable surcharge for all affected Products and Services. Unless the parties otherwise agree in writing, the prices for the Products and Services do not include any taxes or customs duties. Buyer will pay, in addition to the prices stated, the amount of any present or future taxes and customs duties applicable to



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

the sale of Products or performance of Services, or, if appropriate, supply Tekmos with an effective tax exemption certificate for each jurisdiction in which taxes otherwise would be due.

### 3. TERMS OF PAYMENT

- (a) Subject to Tekmos' credit approval and unless Tekmos otherwise specifies, all payments are due and payable in full thirty (30) days from the date of invoice. Tekmos requires the disclosure and evaluation of Buyer's financials to extend credit to Buyer hereunder. Tekmos, at its sole discretion, may change or withdraw Buyer's credit. All amounts past due will incur a late payment charge at the rate of 1.5% per month or the highest rate permitted by law, whichever is less. Buyer will make payments at the address specified in Tekmos' invoice. If Products or Services covered by these Terms are not delivered or performed at one time, Buyer will pay for the quantity of Products delivered or Services performed. Each shipment will be considered a separate and independent transaction.
- (b) Tekmos' shipments, deliveries, and performance of work at all times will be subject to Tekmos' approval of Buyer's credit. As part of this credit approval, Tekmos may decline to make any shipments or deliveries or perform any work, and/or impose such other terms or conditions or security arrangements as Tekmos, in its sole discretion, deems appropriate.
- (c) Tekmos reserves and Buyer hereby grants and will grant to Tekmos a first priority security interest (which will be considered a fixed charge) and mortgage in any Products sold for the period commencing on the date the Products are duly delivered by Tekmos to Buyer until the date that payment of the invoiced amount has been made in full. Buyer will not, without Tekmos' prior written consent, relocate, sell, lease, or create additional liens other than the security interest and mortgage described herein over the products until it has paid the invoiced amount in full. If Buyer defaults under any obligation hereunder, Tekmos may pursue all remedies of a secured creditor provided under the UCC or other applicable law; furthermore, Buyer agrees to make Products available so that Tekmos can repossess the Products without a breach of the peace and otherwise foreclose the mortgage, as applicable under relevant law. Tekmos may file such financing statements and amendments thereto as Tekmos deems necessary to protect its interest in the Products and to effectuate the purposes of this subsection (c). If Buyer defaults under any obligation, Buyer will make Products available so that Tekmos can repossess them without a breach of the peace. Tekmos may file a copy of the invoice with appropriate authorities at any



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

time as a financing statement. Upon Tekmos' request, Buyer will execute any documents to perfect Tekmos' security interest in any Products.

#### 4. TITLE AND DELIVERY

- (a) Unless otherwise provided in Tekmos' quote to Buyer, all shipments by Tekmos are FCA Tekmos' facility, or, if applicable, Tekmos' contractor's facility (Free Carrier as defined in Incoterms 2000). Title and risk of loss or damage to Products (excluding Licensed Software (defined in Section 6 below)) will pass to Buyer upon delivery to the carrier at Tekmos' facility, or, if applicable, Tekmos' contractor's facility.
- (b) Tekmos' delivery and performance dates are estimates only. Tekmos will use commercially reasonable efforts to deliver in accordance with the delivery or performance dates, but may change those dates as it deems necessary or convenient. Tekmos may reduce quantities to be delivered or Services to be performed, delay shipments, or allocate among customers in Tekmos' sole discretion. Tekmos will not be liable for failure to deliver or perform by the estimated dates.
- (c) Tekmos may modify the Products, provided that such modified Products conform substantially to the applicable Tekmos Data Sheet or the specifications to which Tekmos and Buyer have agreed in writing.
- (d) Buyer may not cancel, push-out, or reschedule any purchase order placed with Tekmos, except with Tekmos' written consent. If a push-out is accepted, it may not exceed 90 days of the original date unless VP of Sales has approved otherwise. Only one push out (reschedule date) is allowed for only one line item per order.

#### 5. ACCEPTANCE AND WARRANTY

- (a) Any Product or Service Tekmos sells or provides will be deemed accepted by Buyer upon delivery, in the case of Products, or performance, in the case of Services (except as set forth in Section 14 below). Tekmos warrants to Buyer that Products delivered under these Terms (i) will comply substantially with either the applicable published Tekmos Data Sheet or the specifications mutually agreed upon between Tekmos and Buyer in a signed writing and (ii) will be free from defects in material and workmanship under proper use, service and conditions (a) for Products sold other than in die or wafer form, for a period of



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

one (1) year from the date of invoice, and (b) for Products sold in die or wafer form, for a period of thirty (30) days from the date of invoice. To the maximum extent permitted by and subject to applicable law, the foregoing warranty will not apply to any (i) Services performed under these Terms, (ii) Products delivered as samples, prototypes, and/or design verification units, or (iii) Licensed Software or Software Documentation (defined in Section 6 below) whether or not modified by Tekmos, all of which are provided or sold by Tekmos "AS IS," "WITH ALL FAULTS," and with no warranty whatsoever. In addition, to the maximum extent permitted by and subject to applicable law, Tekmos will have no liability for any failure of any Product to conform with the foregoing warranty if such failure is caused by accident, abuse, misuse, neglect, alteration, improper installation, repair, improper testing, use contrary to any specifications for such Product or instructions issued by Tekmos, or Tekmos' compliance with any designs, specifications or instructions provided by or for Buyer (each of the foregoing, a "Disqualifying Cause").

- (b) If, during the applicable warranty period, (i) Buyer notifies Tekmos promptly in writing upon discovery that a Product does not conform to this warranty, including a detailed description of such nonconformance, (ii) Buyer returns such Product to Tekmos, DDP Tekmos' facility (Delivered Duty Paid as defined in Incoterms 2000) accompanied by Tekmos' issued RMA number and (iii) Tekmos confirms to Tekmos' satisfaction that such Product does not conform to this warranty and that the failure of such Product to conform to this warranty is not caused by a Disqualifying Cause, Tekmos will, at its sole option, either repair, replace, or credit Buyer the purchase price of such Product. Buyer may not return any Products to Tekmos without a Tekmos issued RMA number. Prior to Buyer's return of Products pursuant to this Section 5, Buyer will afford Tekmos the opportunity to inspect such Products at Buyer's location. Replacement Products, parts, and repairs are warranted for the remainder of the original Product's warranty period.
- (c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE FOREGOING WARRANTY REMEDY CONSTITUTES TEK MOS' EXCLUSIVE LIABILITY AND OBLIGATION, AND BUYER'S EXCLUSIVE REMEDY FOR ANY BREACH OF ANY WARRANTY OR OTHER DEFECT OR NONCONFORMITY OF THE PRODUCTS COVERED BY THESE TERMS. THIS WARRANTY IS EXCLUSIVE, AND IN LIEU OF ALL OTHER WARRANTIES. TEK MOS MAKES NO OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, OR THAT MAY ARISE FROM ANY COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE IN THE TRADE. TEK MOS DOES



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

NOT EXTEND THE FOREGOING WARRANTY, AND BUYER MAY NOT TRANSFER IT, TO BUYER'S CUSTOMERS OR OTHER THIRD PARTIES.

- (d) OTHER THAN AS PROVIDED WITH RESPECT TO TEK MOS' EXPRESS WARRANTY OBLIGATIONS IN THESE TERMS, TEK MOS IS NOT LIABLE FOR ANY COSTS ASSOCIATED WITH THE REMOVAL, REPLACEMENT OR REPAIR OF ANY PRODUCT, INCLUDING LABOR, INSTALLATION, OR OTHER COSTS INCURRED BY BUYER.

### 6. SOFTWARE

Unless otherwise agreed in another agreement between Tekmos and Buyer, the following terms and conditions will apply to software and firmware that Tekmos provides to Buyer, including, without limitation, any software or firmware customized by Tekmos for Buyer ("Licensed Software"), and to documentation for such Licensed Software that is provided by Tekmos ("Software Documentation"):

- (a) Tekmos or Tekmos' licensor retains full rights, title, and ownership including all patents, copyrights, trade secrets, trade names, trademarks, and other intellectual property rights in and to the Licensed Software and Software Documentation;
- (b) With respect to any Licensed Software (including without limitation, software contained in a development kit), subject to these Terms, Tekmos grants to Buyer a non-exclusive, nontransferable, non-sublicensable, limited license to (i) use internally such Licensed Software solely in connection with an Tekmos Product, (ii) distribute any Licensed Software that is embedded into Tekmos Product ("Licensed Firmware") (in machine code only) solely as programmed into such Tekmos Product, and (iii) use internally any Software Documentation for such Licensed Software solely in connection with the foregoing;
- (c) Subject to mandatory applicable law, Buyer will not (i) engage in (and will take all reasonable steps to prevent), unauthorized use and disclosure of, including without limitation any effort to reverse engineer, disassemble, de-compile, or otherwise attempt to derive the source code of, any Licensed Software or any portion thereof, (ii) copy, reproduce, modify, create derivative works of, sell, distribute, disclose or otherwise exploit any Licensed Software or any portion thereof, except as expressly set forth in this Section 6, (iii) otherwise make any Licensed Firmware available for execution on, or other use with, any



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

semiconductor products except the Products with which such Licensed Firmware was provided by Tekmos, or (iv) program into any Products any Licensed Firmware updates or upgrades (whether Buyer obtained them from Tekmos or otherwise), except as expressly permitted in another agreement between Buyer and Tekmos; and

- (d) Buyer will not remove or destroy any trademark, copyright markings, legends or notices placed upon or contained within the Licensed Software or Software Documentation.
- (e) For avoidance of doubt, (i) the term "Product," as used in these Terms, includes Licensed Software and Software Documentation, but does not include any software or firmware provided to Tekmos by or for Buyer ("Buyer Code"), and (ii) the term "Service," as used in these Terms, includes any programming of Buyer Code into any Products by Tekmos.

### 7. INTELLECTUAL PROPERTY

- (a) If Buyer complies with these Terms, Tekmos will, at its own expense, defend or settle any suit that a third party institutes against Buyer to the extent based on a claim that the Product in the form provided by Tekmos to Buyer under these Terms, infringes such third party's US, Japanese, or EU member country patent(s) (excluding processes or methods claimed by such patent(s)), trademark(s), or copyright(s) ("Third Party IP Rights"), provided that (i) the claimed infringement is not based on an Excluded Claim (as defined in Section 7(c)), (ii) Buyer gives Tekmos immediate notice in writing of any such suit, (iii) Buyer gives Tekmos sole control over the defense and settlement of such suit through counsel of Tekmos' choice, and (iv) Buyer gives Tekmos all needed information, assistance and authority, at Tekmos' expense, to enable Tekmos to defend or settle such suit. Tekmos will pay any final judgment awarding damages when due to the extent such award is based upon a finding that the Product in the form provided by Tekmos to Buyer infringes such Third Party IP Rights, but will not be liable for any settlement made without its prior written consent or legal fees incurred by Buyer in connection with any such settlement.
- (b) In full satisfaction of all of its obligations under Section 7(a), Tekmos, at its sole discretion, may (i) replace or modify the allegedly infringing Products with non-infringing products that are functionally equivalent, (ii) obtain a release of claims against Buyer or covering Products sold to Buyer, (iii) obtain a license for Buyer to continue to use or sell the allegedly infringing Products, or (iv) accept the



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

return of allegedly infringing Products and refund the amount paid by the Buyer for such returned Products.

- (c) Notwithstanding anything to the contrary in these Terms, Tekmos will have no liability for, and the obligations of Tekmos under Section 7(a) will not apply to, any claim arising from or related to (i) the use of Products as a part of or in combination with any other devices, parts, processes, methods, or software or firmware including, without limitation any Buyer Code, whether or not modified by Tekmos, (ii) Tekmos' compliance with any designs, specifications, or instructions provided by or for Buyer, (iii) the use of Products contrary to any Tekmos instructions or in breach of these Terms, (iv) modifications or alterations to the Products, (v) the practice of any process or method relating to Buyer's or its customers' use of the Products, (vi) use or purchase of the Products after receiving notice of such claim, (vii) Tekmos' compliance with any industry or proprietary standard or Buyer's use of the Products to enable implementation of any industry or proprietary standard, or (viii) Buyer's intentional, knowing, or willful infringement of the Third Party IP Rights (collectively, "Excluded Claims").
- (d) THIS SECTION 7 STATES TEK MOS' SOLE AND EXCLUSIVE LIABILITY AND OBLIGATION AND BUYER'S SOLE AND EXCLUSIVE REMEDY FOR ANY ACTUAL OR ALLEGED INFRINGEMENT OR MISAPPROPRIATION OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHT BY ANY PRODUCTS OR SERVICES DELIVERED HEREUNDER, OR ANY PART THEREOF. THIS SECTION 7 IS IN LIEU OF AND REPLACES ANY OTHER EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY RELATING TO ANY SUCH INFRINGEMENT OR MISAPPROPRIATION. IN NO EVENT WILL TEK MOS BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR OTHER DAMAGES RESULTING FROM ANY SUCH INFRINGEMENT OR MISAPPROPRIATION.
- (e) Buyer, at its own expense, will indemnify and hold Tekmos harmless from and against any liabilities, costs, damages, or losses resulting from any Excluded Claim, and will defend or settle at its own expense, including attorney's fees and costs, any suit against Tekmos based on an allegation arising from any Excluded Claim, provided that (i) Tekmos gives Buyer immediate notice in writing of any such suit, and (ii) Tekmos and Buyer give each other all needed information, assistance and authority, at its own expense, necessary to defend or settle such suit.

### 8. SAFETY-CRITICAL, MILITARY AND AUTOMOTIVE APPLICATIONS



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

- (a) Products are not designed for and will not be used in connection with any applications where the failure of such Products would reasonably be expected to result in significant personal injury or death ("Safety-Critical Applications") without an Tekmos officer's specific written consent. Safety-Critical Applications include, without limitation, life support devices and systems, equipment or systems for the operation of nuclear facilities and weapons systems. Buyer will fully defend (at Tekmos' option), indemnify and hold Tekmos harmless from and against any cost, loss, liability, or expense arising out of or related to use of Products in Safety-Critical Applications.
- (b) Products are neither designed nor intended for use in military or aerospace applications or environments unless specifically designated by Tekmos as military-grade. Buyer acknowledges that any such use of Products not designated as military-grade is solely at Buyer's risk, and that Buyer is solely responsible for compliance with all legal and regulatory requirements in connection with such use.
- (c) Products are neither designed nor intended for use in automotive applications unless specifically designated by Tekmos as automotive-grade. Buyer acknowledges that any such use of Products not designated as automotive-grade is solely at Buyer's risk, and that Buyer is solely responsible for compliance with all requirements in connection with such use.

### 9. BREACH

Any one of the following acts by Buyer is a material breach of Buyer's obligations:

- (a) Buyer fails to make payment for any Products or Services in full when due;
- (b) Buyer fails to accept conforming Products or Services supplied under these Terms; or
- (c) the filing of a voluntary or involuntary petition in bankruptcy against Buyer, the institution of any proceeding in insolvency or bankruptcy (including reorganization) against Buyer, Buyer's insolvency, or an assignment for the benefit of creditors of Buyer.

In the event of Buyer's material breach, Tekmos (in addition to any other rights or remedies provided herein or at law or in equity), may terminate any of its obligations by written notice to



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

Buyer, without incurring any liability. Buyer will pay all costs, including reasonable attorney's fees, Tekmos incurs in any action Tekmos brings to collect payments owing or otherwise enforce its rights.

### 10. FORCE MAJEURE

Tekmos will not be liable for any cause beyond its control, including but not limited to acts of God, acts of civil or military authority, fires, epidemics, floods, riots, wars, terrorism, sabotage, labor disputes, yield problems, governmental actions (including inability or delay in obtaining governmental authorizations), or inability to obtain materials, components, energy, manufacturing services or facilities, or transportation on commercially reasonable terms. In the event of any such delay, the date of delivery or performance hereunder will be extended by a reasonable period of time.

### 11. LIMITATION OF LIABILITY

(a) TO THE EXTENT PERMITTED UNDER APPLICABLE LAW AND NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, TEK MOS WILL IN NO EVENT BE LIABLE TO BUYER OR ANY THIRD PARTIES FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY OR SPECIAL DAMAGES OR FOR LOST PROFITS OR LOSS OF BUSINESS, WHETHER IN AN ACTION BASED ON CONTRACT, TORT, OR ANY OTHER LEGAL THEORY, ARISING FROM OR RELATED TO THE TRANSACTION CONTEMPLATED HEREUNDER, EVEN IF TEK MOS IS APPRISED OF OR SHOULD HAVE KNOWN THE LIKELIHOOD OF SUCH DAMAGES OCCURRING.

(b) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THESE TERMS, IN NO EVENT WILL TEK MOS' TOTAL LIABILITY, INCLUDING ANY ATTORNEYS' FEES AND COSTS INCURRED, ARISING OUT OF OR RELATED TO THE TRANSACTION CONTEMPLATED HEREUNDER (INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR INDEMNITY CLAIMS), REGARDLESS OF THE FORUM AND REGARDLESS OF WHETHER ANY ACTION OR CLAIM IS BASED ON CONTRACT, TORT OR OTHERWISE, EXCEED THE TOTAL AMOUNT BUYER PAID TO TEK MOS FOR THE PRODUCTS OR SERVICES ACTUALLY GIVING RISE TO SUCH



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

LIABILITY (DETERMINED AS OF THE DATE OF ANY FINAL JUDGMENT IN SUCH ACTION OR IF THERE IS NO ACTION THE DATE THE BUYER WAS FIRST PLACED ON NOTICE OF THE CLAIM GIVING RISE TO THE LIABILITY). THIS LIMITATION IS CUMULATIVE WITH ALL PAYMENTS MADE TO BUYER FOR ANY CLAIMS OR DAMAGES BEING AGGREGATED TO DETERMINE SATISFACTION OF THE LIMIT. THE EXISTENCE OF ONE OR MORE CLAIMS WILL NOT ENLARGE THE LIMIT.

- (c) BUYER MAY NOT BRING ANY CLAIM, SUIT OR ACTION AGAINST TEK MOS MORE THAN ONE YEAR AFTER THE EVENTS GIVING RISE TO THE CAUSE OF ACTION OCCUR.
- (d) BUYER ACKNOWLEDGES THAT TEK MOS HAS SET ITS PRICES AND FEES AND AGREED TO SELL PRODUCTS AND SERVICES TO BUYER IN RELIANCE UPON THE LIMITATIONS OF LIABILITY, DISCLAIMER OF WARRANTIES, EXCLUSION OF DAMAGES AND EXCLUSIVE REMEDIES SET FORTH HEREIN, AND THAT THE SAME FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES, WITHOUT WHICH TEK MOS WOULD NOT HAVE AGREED TO SELL PRODUCTS AND SERVICES TO BUYER. SUCH PROVISIONS WILL SURVIVE AND APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE.
- (e) NOTWITHSTANDING ANY PROVISION HEREIN TO THE CONTRARY, TEK MOS WILL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR ANY EXCESS COSTS OF REPROCUREMENT.

### 12. GENERAL

- (a) Tekmos will retain (i) all patents, copyrights, trade secret rights, and other intellectual property rights it possesses with regard to any and all design, process, manufacturing and other technologies used in or resulting from the development or production of Products, and (ii) title to and possession of all tooling, material or equipment Tekmos uses in the manufacture, testing or assembly of Products furnished under these Terms. Neither Buyer nor any third party (whether by implication, operation of law, estoppel or otherwise) will have any right or license in or to any patent, copyright, trade secret right, mask work right, or any other intellectual property right not expressly granted by Tekmos in these Terms.



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

- (b) Buyer acknowledges that all or part of the Products may be developed, manufactured, tested, assembled or otherwise worked on, or delivered from any of Tekmos' or its contractors' facilities, domestic and foreign.
- (c) During this business relationship, Tekmos will use Buyer-related data, including but not limited to Buyer address and contact person information. Unless otherwise agreed, Buyer consents that such data may be used and distributed within Tekmos and to certain third parties, such as contractors and representatives. All information Buyer obtains from Tekmos that Buyer knows, or should know, is confidential to Tekmos, including, but not limited to, pricing and lead-time information, will remain Tekmos' confidential information and Buyer may not disclose such information to any third party.
- (d) Buyer will comply with all applicable laws, regulations, and administrative rules and without limiting the generality of the foregoing, Buyer represents that it is knowledgeable as to United States and other relevant laws, regulations and requirements regarding the environment and the export, import or re-export of Products. Buyer will not export, re-export, resell, ship or divert or cause to be exported, re-exported, resold, shipped or diverted, Tekmos' products, software, or technology to any country, end-use, or end-user that requires an export license or other approval without first obtaining such license or approval. Buyer will conduct its activities in accordance with all United States and other environmental regulations, including, without limitation, WEEE, RoHS and any similar or other rules. Tekmos may suspend performance if Buyer violates any applicable laws or regulations.
- (e) Government procurement requirements and regulations (including but not limited to, certified cost or pricing data, Cost Accounting Standards, Defective Pricing, and Audit requirements) will not be binding upon Tekmos unless Tekmos otherwise agrees in a writing signed by an officer of Tekmos.
- (f) Buyer may not assign any of its rights or delegate any of its obligations under these Terms, whether voluntarily, by operation of law, or otherwise without Tekmos' prior written consent and any purported assignment or delegation without such consent will be null and void and of no force or effect. In addition, Buyer may not assign any of its rights or delegate any of its obligations to any entity controlled by, controlling or under common control with Buyer or in connection with Buyer's merger or the transfer or sale of all or substantially all of Buyer's assets or stock without Tekmos' prior written consent and any purported assignment or delegation without such consent will be null and void and of no force or effect. Tekmos may assign its rights and/or delegate its obligations



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

under these Terms upon written notice to Buyer. Subject to the foregoing, these Terms will bind each party and its respective successors and permitted assigns.

- (g) Tekmos' waiver of any right it may have or default by Buyer will not be a continuing waiver of such right or default or a waiver of any other right it may have under these Terms or other default, nor will Tekmos' delay or omission in exercising or availing itself of any right or remedy that it has or may have be a waiver of any right or remedy. No Tekmos waiver will be effective except pursuant to a writing signed by a duly authorized representative of Tekmos.
- (h) These Terms may not be superseded, cancelled, modified, or amended except in a writing signed by an officer of each party. No other act, document, usage, or custom will be deemed to supersede, cancel, modify or amend these Terms. If any provision of these Terms are determined to be invalid, illegal, or unenforceable, such provision will be enforced to the extent possible consistent with the stated intention of the parties and the remaining provisions will remain in full force and effect.
- (i) These Terms will constitute the entire agreement between Buyer and Tekmos with regard to the Products or Services sold under these Terms, and expressly supersede and replace any prior or contemporaneous agreements, written or oral, relating to such Products or Services.
- (j) The laws of Texas, without giving effect to its choice of law rules, will govern the validity, performance and construction of these Terms, and any disputes arising from or relating to these Terms, including any non-contractual disputes arising from or relating to these Terms. All disputes will be subject to the exclusive jurisdiction of the state or federal courts in Travis County, Texas and Buyer consents to the personal and exclusive jurisdiction and venue of these courts. Notwithstanding the foregoing, either party has the right to apply to a court of competent jurisdiction for provisional relief, including without limitation, attachment or injunction, as may be necessary to preserve the rights of the applying party. The United Nations Convention on Contracts for the International Sale of Goods and Uniform Computer Information Transaction Act will not apply to these Terms.
- (k) These Terms do not create, and shall not be construed as creating, any rights for any third party who is not party to these Terms.
- (l) Tekmos' Standard Off-The-Shelf parts are not subject to Buyer's flow-down requirements which are not already implemented in the standard part production process.



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

UNLESS OTHERWISE AGREED IN A SEPARATE AGREEMENT BETWEEN TEK MOS AND BUYER, SECTIONS 13-17 WILL APPLY TO ANY DESIGN OR DEVELOPMENT SERVICES (INCLUDING, WITHOUT LIMITATION, ASIC DEVELOPMENT SERVICES, LICENSED SOFTWARE CUSTOMIZATION SERVICES AND BUYER CODE CUSTOMIZATION SERVICES) (COLLECTIVELY, "DEVELOPMENT SERVICES").

### 13. TEK MOS RESPONSIBILITIES

Tekmos will use commercially reasonable efforts to perform Development Services in accordance with any schedules and specifications agreed to by the parties in writing. Tekmos' performance of each Development Service is subject to Buyer providing to Tekmos, in a timely manner and at no cost to Tekmos, such assistance, cooperation, information, data and materials as Tekmos reasonably determines to be necessary or useful for such Development Services.

### 14. ACCEPTANCE

Buyer will have ten (10) days (thirty (30) days on delivery of prototypes) after the notice of completion of each deliverable item delivered by Tekmos to Buyer to determine whether such deliverable meets the applicable specifications (if any) mutually agreed upon in writing ("Development Specifications"). Buyer may only reject a deliverable if it fails to meet the applicable Development Specifications. If a valid written rejection of a deliverable is not received by Tekmos within such period, such deliverable will be conclusively deemed to have been accepted. Any rejection of a deliverable will be in writing and will specify in detail the failures of such deliverable to comply with the applicable Development Specifications. Tekmos will use commercially reasonable efforts to cure such failures set forth in such notice, and the parties will repeat the procedures described above in this Section 14 until such deliverable is accepted by Buyer. If Tekmos is unable to cure such failures, Buyer will not be liable for the payment due to Tekmos for such deliverable. Tekmos will have no obligation to continue work (other than work

to cure a failure to comply with the applicable Development Specifications) following any deliverable rejected by Buyer until such deliverable is accepted by Buyer. Each specific schedule will be revised to account fully for the length of any delay caused by the rejection of any deliverable of Buyer.

## 15. CHANGES

Buyer may propose changes to the Development Specifications for any Development Service by submitting a detailed proposal to Tekmos in writing. If Tekmos is willing to implement any such change, Tekmos will estimate the amount of rework necessary and the additional design and/or development time and cost that would be incurred, and will request Buyer's approval of such additional time and cost. Upon written receipt of such approval, Tekmos will proceed with the changes and the schedules will be amended to reflect the new dates and additional payments (if any) resulting from such changes. No proposed change, whether or not implemented, will be binding on Tekmos unless agreed to in a writing signed by an authorized representative of Tekmos.

## 16. TERMINATION

- (a) Either party may terminate any Development Service at its convenience upon written notice to the other party. If any Development Service is terminated by Tekmos, Buyer will not be liable for any payment for work performed by Tekmos for any milestone not completed as of such termination. If any Development Service is terminated by Buyer, Buyer will be liable to Tekmos for full payment for any milestone commenced by Tekmos prior to such termination, regardless of the amount of work actually performed by Tekmos for such milestone.
- (b) Either party may terminate any Development Service in the event of material breach of these Terms by the other party upon thirty (30) days prior written notice (except for non-payment which only requires ten (10) days notice) specifying such breach to the breaching party. If, during such period, the breaching party cures such breach (or, if the cure cannot be effected within such period, the breaching party commences to cure), no such termination will occur. If terminated by Tekmos for Buyer's breach, Buyer will be liable to Tekmos for full payment of any milestone commenced by Tekmos prior to such termination,



## Standard Terms and Conditions of Sale

Doc No: SF05-4.0-041224

regardless of the amount of work actually performed by Tekmos for such milestone. If terminated by Buyer for Tekmos' breach, Buyer will not be liable for any payment for work performed by Tekmos for any milestone not completed as of such termination. The provisions of this Section 16(b) constitute the sole liability and responsibility of each party, and the sole and exclusive remedy of each party, in the event of any breach of these terms in connection with any Development Service.

- (c) Notwithstanding any termination described under these Terms, Buyer will remain liable for any payments for work performed by Tekmos for milestones completed prior to the date of termination.
- (d) Tekmos will not be liable to Buyer for damages of any kind solely as a result of terminating any Development Service in accordance with the terms of this Section 16.

### 17. INTELLECTUAL PROPERTY RIGHTS

All products, designs, cells, circuits, devices, software, firmware, mask sets, design tapes, documentation, data, processes, methods, and other items that are designed, developed, generated or produced by Tekmos in connection with any Development Services will be the sole and exclusive property of Tekmos and will not be deemed to be "works made for hire" or "commissioned works." Without limiting the foregoing, Tekmos reserves the right to use such items for others, and to license the use of such items to others.

Tekmos Terms and Conditions of Sale (August 2018)