



Terms and Conditions

THE ACCEPTANCE OF ANY ORDER(S) AND THE SALE OF PRODUCTS AND/OR SERVICES BY SEMIQ AND ITS AFFILIATES ("SELLER") ARE EXPRESSLY SUBJECT TO THESE TERMS AND CONDITIONS ("AGREEMENT"). SELLER HEREBY OBJECTS TO ANY OTHER ADDITIONAL TERMS OR CONDITIONS THAT CONFLICT OR CONTRADICT THIS AGREEMENT THAT ARE CONTAINED IN ANY PURCHASE ORDER, DOCUMENT OR OTHER COMMUNICATION EXCHANGED BETWEEN BUYER ("BUYER") AND SELLER. ANY PREPRINTED TERMS AND CONDITIONS ON ANY BUYER DOCUMENT AND/OR SELLER'S FAILURE TO OBJECT TO CONFLICTING OR ADDITIONAL TERMS WILL NOT CHANGE OR ADD TO THE TERMS OF THIS AGREEMENT.

1. Products and Services.

"*Catalog Products*" shall mean those products offered in Seller's then-current catalog.

"*Developmental Products*" shall mean non-production qualified engineering products, including but not limited to prototypes or samples.

"*Die Products*" shall mean all wafer and die products, including on tape, chip pack, or wafer pack.

"*Non-Catalog Products*" shall mean without limitation, semi-custom or custom Products which may (i) have special markings, (ii) have received special testing, (iii) be specially manufactured for Buyer or (iv) be given house numbers by Seller, all of (i) – (iv) not listed in Seller's then-current catalog.

"*Products*" shall mean collectively, Catalog Products, Non-Catalog Products, and their respective commercial, and Developmental Products, and Die Products.

"*Services*" shall include, without limitation, development services, epitaxial growth services, new product evaluation, engineering and design services and/or testing services.

2. **Orders.** Purchase orders ("Order(s)") shall be submitted to Seller by Buyer in the form of hard copy, by facsimile or by electronic transfer. All Orders are subject to acceptance by Seller. In the event that any part of the purchase and sale of Products and/or Services utilizes electronic data interchange, internal or third-party portal, or any other electronic means, this Agreement will continue to apply to the purchase and sale of such Products and/or Services between Seller and Buyer. Orders for Die Products and Epitaxial Wafers are subject to plus or minus twenty percent ($\pm 20\%$) of the ordered quantity per shipment to allow for yield variation.
3. **Prices; Taxes.** All prices are subject to change without notice. Unless otherwise specified, prices are for Products and/or Services only and do not include taxes, impositions and any other charges, fees, shipping charges, transportation charges, or Buyer-specified special packaging or crating or duties imposed by any government authority. Seller shall have the right to increase the prices contained herein by an amount equal to any additional duty, tariff tax, or other change imposed as a result of any action by any government of any country, any state or local jurisdiction or any agent or agency thereof. Any taxes which Seller may be required to pay or collect under any existing or future federal, state, local or foreign law upon or with respect to the sale, purchase, delivery, storage, processing, use or consumption shall be for the account of Buyer, and Buyer shall promptly pay the amount thereof to Seller upon demand.
4. **Quantity Discount.** If an Order is canceled, discounts will be adjusted, if any, allowable for the revised quantity.
5. **Terms of Payment.** Unless otherwise stated, terms are thirty (30) days net from date of invoice, subject to approval by Seller of amount and terms of credit. Seller reserves the right to limit or cancel the credit of Buyer as to time and amount, and as a consequence, may, in its sole discretion: (i) demand payment in cash before delivery of an Order or any unfilled portion thereof, or (ii) modify payment terms or (iii) require other security or further assurances of due performance from Buyer. Products held for Buyer, or stored for Buyer, shall be at the risk and expense of Buyer. Seller shall be entitled to withhold any delivery of Product to Buyer where Buyer has failed to pay when due any amount owed to Seller, whether under this Agreement or any other contract between Seller or its affiliates and Buyer. Unpaid balances of past due accounts will be subject to the greater of (i) a one and one-half percent (1.5%) per month finance charge, which corresponds with an annual percentage of eighteen percent (18%), or (ii) the maximum amount permitted by applicable law. If Buyer defaults in paying any amounts due hereunder, Buyer shall be responsible for all reasonable costs and expenses, including, without limitation, attorneys' fees, incurred by Seller in collecting any amounts owed by Buyer to Seller. Buyer shall not deduct or offset any amounts owed by Buyer or its affiliates to Seller or its affiliates pursuant to this Agreement or any other agreement.
6. **Shipment.** Buyer is responsible for all shipping costs, applicable surcharges and all transportation charges unless otherwise agreed to in writing. Delivery times are considered best estimates, subject to reasonable extensions by Seller and dependent upon prompt receipt by Seller of all material and information necessary to proceed with work without interruption. If conditions arise which prevent compliance with delivery schedules, Seller shall so notify Buyer as soon as reasonably possible. Seller shall not be liable for any loss, damage, consequential damages or penalty for delay in delivery. Seller shall not be liable for delay by reason of Force Majeure.
7. **Delivery Terms: Acceptance**
 - 7.1. **Delivery Terms.** Seller shall make the Products available at Seller's dock for Buyer's collection, EXW (Incoterms 2021) at which time title to the Products and all risk of loss or damage shall transfer to Buyer unless Buyer and Seller have agreed in writing to an alternative named place for such transfer. For the purposes of this Agreement, "delivery" shall mean when the Products are placed on Seller's dock available for shipment. The Buyer will select the freight agent and provide to the shipping account number to the Seller. The Buyer assumes all liability for damage or delay incurred during transit. Any claims for loss or damage during transit shall be made directly by Buyer to the freight agent. Any freight, transit insurance, charges, customs, border or zone crossings or costs arranged by Seller (including the use of names or designations of Seller or any of its affiliates whether by Seller or the freight agent in any applicable documentation or in connection with any payment or transit record) are arranged on behalf of and as an agent for Buyer, none of which changes Buyer's ownership of title and sole responsibility for risk of loss for the Products.
 - (a) Any claims that an Order is deficient in quantity from the quantity stated on the applicable invoice (other than in the case of a partial shipment actually approved in writing by Buyer) must be brought to Seller's attention within ten (10) Days of receipt of the Product by Buyer.

- (b) Buyer shall accept or reject Product within thirty (30) days from the date of receipt. If Buyer does not notify Seller that it rejects delivery in whole or in part within the thirty (30) day period, Buyer will be deemed to have accepted the delivery. Rejection within the thirty (30) day period must be returned by Buyer to Seller in accordance with Section 13 (Returns).

8. Cancellation and Rescheduling

- 8.1. Upon written notice to Seller, and Seller's acknowledgement of receipt thereof, Buyer may cancel, reduce the quantity of or reschedule an Order provided such request conforms to the terms set forth below. In order for Buyer to be able to cancel an Order due to Seller's delinquency, it must provide Seller written notice of such delinquency and a reasonable time to cure before exercising such right.
- 8.1.1. **CANCELLATION.** Buyer may cancel purchase orders for standard Product by providing written notice to Seller at least one hundred twenty (120) days prior to Seller's shipment of such standard Product. Buyer may also cancel purchase orders for non-standard, application specific integrated circuits or any product unique to the Buyer or applicable customer (each, a "Custom Product") by providing written notice at least one hundred twenty (120) days prior to Seller's shipment of such Custom Product provided that Customer shall pay, as a cancellation charge, Seller's actual costs for such Custom Product as of the date that Seller receives such notice, not to exceed Seller's selling price of such Custom Product (such "actual costs" include, but are not limited to, material costs, labor costs, restocking fees, duties, taxes, yield variation, change order fees and overhead allocations such as depreciation, facility charges and utilities). Seller reserves the right to cancel all or any part of a purchase order without any liability to Buyer if Buyer supplies inaccurate information or if Buyer is in default under any of these Terms and Conditions. Seller may also cancel any purchase order without any liability to Buyer that can be cancelled by Buyer under this Paragraph upon written notice to Buyer.
- 8.1.2. **RESCHEDULE.** Buyer may reschedule Product shipments for purchase orders placed in accordance with these Terms and Conditions subject to the following restrictions: (i) for each shipment, only one (1) reschedule is allowed; (ii) the rescheduled ship date must fall within the same fiscal quarter as the original ship date; and (iii) Buyer must provide written notice to Seller at least one hundred twenty (120) days prior to the scheduled ship date. Seller may reschedule any shipment that can be rescheduled by Buyer under this Paragraph 10 upon written notice to Buyer.
- 8.2. **Material Liability.** In the event that Buyer reduces the quantity of an Order or cancels an Order hereunder, Buyer shall compensate Seller for 1) all actual expenses incurred in the manufacture and processing of the Order so reduced or cancelled and 2) any restocking fees, service charges, labor charges and overhead fees, the foregoing of which may include without limitation, Materials. Seller will invoice Buyer for expenses, charges and/or fees relating to such cancellation or quantity reduction within thirty (30) days of Seller's acceptance of Buyer's request. Seller will use commercially reasonable efforts to mitigate Buyer's liability for charges associated with such cancellation or quantity reduction.

9. Export License

Certain Products sold by Seller and other related technology and documentation are subject to export control laws, regulations and orders of the United States and the export or import control laws and regulations of other countries. Buyer will not directly or indirectly export or divert any Products or other related technology and documentation to any third party or country where such export or transmission is restricted or prohibited. Buyer agrees it is responsible to obtain any license to export, re-export, or import as may be required.

10. Product Safety

Products are not designed, intended, warranted, or authorized for use as components in systems intended for surgical implant into the body, or in other applications intended to support or sustain life, or in any other critical application in which the failure or potential failure of the Product could create a situation where personal injury or death may occur. Should Buyer purchase or use Products for any such unintended or unauthorized application, Buyer shall indemnify and hold Seller and its officers, employees, subsidiaries, affiliates, and distributors harmless against all claims, costs, damages, and expenses, and reasonable attorney fees arising out of, directly or indirectly, any claim of personal injury or death associated with such unintended or unauthorized use, even if such claim alleges that Seller was negligent regarding the design or manufacture of the Product.

11. Product Improvements and Discontinuance

Seller reserves the right to make changes without further notice to any Products herein to improve reliability, function or design. Seller reserves the right to discontinue production of any Product ("EOL") at any time without notice except for that quantity of Product for which Seller has received and acknowledged an Order from Buyer and has scheduled such Product for shipment within six (6) months of the due date of such acknowledgment.

Seller makes no guarantee regarding quantities available for last-time-buys. Actual quantities and pricing will be negotiated on a case-by-case basis. The "Last Time Buy" is the last date Seller will accept new orders for an EOL Product. The "Last Scheduled Shipment" is the date Seller will attempt to fulfill all final orders, however, Seller makes no guarantee that all quantities will be shipped by this date due to unforeseen supply constraints and/or acts of nature, etc. The "Final Returns Date" is the last date Seller will accept a return or cancellation for a Product. After the "Final Returns Date" all EOL Products become NCNR. However, the "Final Returns Date" only applies to those Products for which Seller currently accepts returns and/or cancellations per Seller policy or your specific customer contract and any returns and/or cancellations are subject to the terms and conditions of those policies or contracts, where applicable. Any Product previously identified as "NCNR = Non-Cancellable, Non-Returnable" is exempt from this return and cancellation period. No returns, including stock rotations, will be accepted after the "Final Returns Date."

12. Limited Warranty

- 12.1. **Services.** Seller warrants that the Services provided by Seller hereunder shall be performed in a professional and workmanlike manner and in conformance with the agreed upon specification. Buyer shall have ninety (90) days from the date of completion of the Services to make a claim for non-conformance under Seller's warranty under this Section 12.1.
- 12.2. **Products.** Unless Seller expressly indicates in writing that the Products are sold "AS IS," without warranty of any kind, or otherwise on warranty terms that are different from those set forth in this Section 12, Seller warrants that its products furnished under this Agreement will conform to and perform in accordance with Seller's published specifications for such products as in effect on the date of shipment (within the deviations specified therein) for a period of ninety (90) days from such date, unless otherwise extended by Buyer's ship to Country. Seller's liability and Buyer's sole remedy under this warranty is limited to repair or replacement of items determined by Seller to be defective or, at Seller's sole option, refund of the purchase price paid to Seller for such items. Seller shall have no liability under this warranty unless Seller is notified in writing promptly upon Buyer's discovery of the defect and the defective items are returned to Seller, freight prepaid, and received by Seller not later than ten (10) days after expiration of the warranty period.

12.3. This warranty shall not apply to any defect or failure to perform resulting from misapplication, improper installation, improper operation, incompatible drivers, or abuse or contamination, whether internal or external, and Seller shall have no liability of any kind for failure of any equipment or other items in which the products are incorporated or for failure of the products caused by goods and services not supplied by Seller. This warranty shall not apply to products manufactured by Seller to Buyer's designs or customized specifications, and such non-standard products are sold "AS IS" and without warranty of any kind unless otherwise specifically agreed to in writing by Seller.

12.4. Exceptions. In no case shall liability under these warranties exceed the purchase price paid by Buyer for the non-conforming Product. All claims of Buyer for non-conforming Product, whether patent or latent, shall be barred and waived. Final determination as to whether one of these warranties has been breached rests with Seller and, provided its decision is not arbitrary, it is final and not subject to judicial review. Replacement Products provided under this warranty will be shipped prepaid by Seller. The foregoing warranties do not extend to, or apply to, any materials consigned or supplied by Buyer to Seller or any Product that has been (i) subjected to misuse, neglect, accident, improper installation, or to use in violation of instructions furnished by Seller, and/or (ii) repaired or altered outside of Seller's factory by persons not expressly approved in writing by Seller, and/or (iii) evaluated, screened, or tested by an outside testing laboratory not previously approved in writing by Seller, or (iv) specifications, tooling, designs or instructions produced or supplied by Buyer.

THESE WARRANTIES (1) CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY BY BUYER AND ALL OTHER PERSONS WITH RESPECT TO SELLER'S PRODUCT AND/OR SERVICES AND THIS AGREEMENT; AND (2) ARE IN LIEU OF AND EXCLUDE ALL OTHER OBLIGATIONS, LIABILITIES, WARRANTIES OR REPRESENTATIONS ON SELLER'S PART WHETHER EXPRESS, IMPLIED, STATUTORY, AND/OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR DESIGN, NON-INFRINGEMENT, AND ANY LIABILITY UNDER THEORIES OF TORT, NEGLIGENCE, WARRANTY, BREACH OF CONTRACT, STRICT OR PRODUCT LIABILITY, OR OTHERWISE. SELLER PROVIDES NO WARRANTY COVERAGE OR OTHER ASSISTANCE FOR PRODUCT PURCHASED FROM UNAUTHORIZED SOURCES. ALTHOUGH BUYER AND SELLER ARE AWARE THAT THE PRODUCTS AND/OR SERVICES COVERED BY THIS CONTRACT COULD PROVE TO BE A DEFECTIVE AND/OR OTHERWISE RESULT IN LIABILITY, THE ENTIRE RISK AS TO QUALITY OF THE PRODUCTS AND/OR SERVICES, EXCEPT THE AFOREMENTIONED EXPRESS WARRANTIES BY SELLER, IS HEREBY ASSUMED BY BUYER FOR THE PRODUCTS AND/OR SERVICES REFLECTED IN THIS ALLOCATION OF RISK.

13. Returns

Returns shall be allowed only for warranty claims, an error in quantity or parts shipped, or by agreement with Seller, and then only upon prior written authorization of Seller to Buyer. Upon such authorization, and in accordance with instructions of Seller, Products for which replacement is requested must be returned within thirty (30) days to Seller for examination, with shipping charges prepaid by Buyer. At the request of Seller, Buyer shall deliver sample(s) to Seller prepaid. For Product returns associated with warranty claims, Seller reserves the right to either issue a credit not to exceed the price paid for the non-conforming Product or provide conforming replacement Products as soon as possible.

14. Use of Trademarks and Logos

The sale and delivery of Products and/or Services by Seller to Buyer does not constitute a sale or delivery of any right in the pattern, design, label, copyright or proprietary marks of Seller or Seller's licensors, the sole rights thereto being limited to the right to sell the Products delivered in the ordinary course of Buyer's business but without alterations or defacement thereof in any respect whatsoever. Buyer shall not use the proprietary marks of Seller or any of Seller's licensors except with the specific written permission of an officer of Seller.

15. Indemnification

15.1. The Seller agrees to indemnify the Buyer and hold the Buyer harmless from all reasonable legal expenses which may be incurred, as well as all direct damages and costs which may finally be assessed against the Buyer in any third party claim of patent infringement of any United States Patent by the Product delivered to the Buyer under this Agreement, provided that the Buyer shall give the Seller prompt notice, in writing, of all actions, or claims or threats of patent infringement suit, either oral or written, or of patent infringement suits instituted against it, and an opportunity to elect to take over, settle, or defend the same through counsel of its own choice and under its sole direction, and at its sole expense, and will make available to the Seller, in the event of such election, all defenses to the Buyer, and further provide that the Seller shall have the right to substitute for said Product or any parts thereof claimed to infringe the patent rights of others, non-infringing Product or parts which will give equally good service. In the case the user of said Product or any part thereof is enjoined, the Seller shall have the right, at its own expense, to elect to (i) procure for the Buyer the right to continue using said Product, or (ii) replace said Product with non-infringing Product, or (iii) modify the Product so that it becomes non-infringing, or (iv) remove said Product and refund the purchase price paid by Buyer for said Product and the transportation costs thereof. Nothing stated herein shall be deemed to include within the indemnity hereby given any infringement occasioned by modification of said Product without Seller's written consent, or infringement arising from the use of said Product with any adjuncts or devices added by the Buyer without Seller's written permission, or with respect to design features provided by Buyer.

15.2. The Buyer agrees to indemnify, defend and hold Seller, its affiliates, and their officers, directors, employees, agents and contractors (the "Seller Indemnitees"), harmless from all legal expenses which may be incurred, as well as all damages and costs which may finally be assessed against the Seller Indemnitees in any third-party claim arising from or relating to any claim or allegation that any non-standard Products manufacture by Seller based on Buyer's designs or customized specifications infringe any patent, copyright, trademark or other proprietary right, or misappropriate any trade secret, of any third party.

16. Compliance

Seller has adopted the Electronic Industry Citizenship Coalition® (EICC®) Code of Conduct. Seller agrees to comply with all applicable state and federal laws, rules and regulations, and all obligations hereunder are subject to applicable government regulations, including those affecting or limiting prices, production, purchase, sales use or inventory of Products. If the Product or article is to be used in making parts or equipment to be furnished to the United States Government, the Seller agrees to comply with the applicable requirements of such contract with respect to secrecy, use of convict labor, employment of aliens, non-discrimination, plant protection, espionage, sabotage, Fair Labor Standards Act of 1938 as amended, including Section 12(a) thereof, as amended, Walsh-Healey Act, and other provisions relating to hours and conditions of work, if and when applicable.

17. Assignment

An Order and Buyer's duties hereunder may not be delegated or assigned by Buyer without Seller's written consent, and any assignment attempted without such consent shall be null and void and shall affect, at Seller's option, a cancellation of all of Seller's obligations hereunder. Seller may assign this order and its interest therein to any affiliated corporation, or to any corporation succeeding to Seller's business without the consent of Buyer.

18. Disputes and Default

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, excluding any laws that require the application of another jurisdiction's laws and without giving effect to the United Nations Convention on Contracts for the International Sale of Goods. Any dispute that in any way arises under or relates to this Agreement or any other document concerning the products not otherwise resolved by the parties shall be settled, at the request of either party, by arbitration in Los Angeles conducted in the English language and in accordance with the then existing rules for commercial arbitration of the American Arbitration Association before a panel of three arbitrators, one selected by each of the parties, and the third to be selected by the two arbitrators so chosen. The arbitration of any such issue shall be final and binding upon the parties to the maximum extent permitted by law and judgment on the award rendered by the arbitrators may be entered in any court having competent jurisdiction thereof. Each party shall pay the fees of its own attorneys, expenses of witnesses, fees of the arbitrator selected by it and all other expenses connected with the presentation of its case. One-half of the costs and expenses of the third arbitrator shall be paid by each party. No claim relating to a dispute arising out of or in any way connected with the Products covered hereby may be brought by Buyer later than one year after the cause of action arises.

19. Government Contracts

CAS-Approved Accounting System. Seller does not have a CAS approved accounting system. To the extent this Agreement is entered into to satisfy U.S. Government supply requirements, Buyer shall so notify Seller prior to placing any Order under this Agreement. Seller reserves the right to accept or reject any additional U.S. Government supply requirements prior to the acceptance of any Order.

20. Force Majeure

Seller shall not be liable for damages and Buyer shall not have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is due to causes beyond Seller's reasonable control, failure to obtain the necessary labor, materials or manufacturing facilities, or for delay due to the elements, acts of God (for example, earthquakes, floods, and hurricanes), acts of the Buyer, acts of civil or military authorities, priorities (required by contracts for U.S. government-rated orders), fires, epidemics, quarantine restrictions, war, riots, strikes, differences with workmen, accidents to machinery, car shortages, delays in transportation, reasons of force, mayhem or any other causes beyond the control of the Seller, whether or not similar to the foregoing. In such event, Seller's obligation to perform shall be deemed extended for a period equal to such delay.

21. Limitation of Liability

SELLER'S TOTAL LIABILITY, FOR ALL CLAIMS OF ANY KIND, WHETHER IN CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE ARISING OUT OF THE PERFORMANCE OR BREACH OF THIS AGREEMENT OR USE OF ANY PRODUCT AND/OR SERVICES PROVIDED HEREUNDER SHALL NOT EXCEED THE PURCHASE PRICE PAID BY BUYER FOR THE PRODUCTS AND/OR SERVICES THAT GAVE RISE TO THE CLAIM. IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, SHALL SELLER OR ITS SUPPLIERS BE LIABLE FOR LOSS OF PROFIT OR REVENUES, LOSS OF USE OF THE PRODUCTS OR SERVICES SOLD HEREUNDER OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT OR, FACILITIES, SERVICES OR REPLACEMENT COST, DOWNTIME COSTS, CLAIMS OF BUYER'S CUSTOMERS FOR SUCH DAMAGES, OR FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT OR EXEMPLARY DAMAGES.

22. General Terms

- 22.1. Severability. If any of the terms or provisions of this Agreement shall be declared in violation of the law, the remaining terms and provisions shall remain in full force and effect.
- 22.2. Waiver. Failure to object to any document, communication, or act of Buyer will not be deemed a waiver of any of the terms and conditions of this Agreement.
- 22.3. Entire Agreement; Modification. This Agreement constitutes the entire agreement between Buyer and Seller and supersedes all prior agreements and understandings, oral, and written, between Buyer and Seller with respect to the subject matter hereof and the transactions contemplated hereby. No modification or variation of this Agreement shall be effective unless made in a writing signed by authorized representatives of Buyer and Seller.
- 22.4. Independent Contractors. Buyer and Seller are independent contractors and agree that this Agreement does not establish a joint venture or partnership.
- 22.5. Survivability. The terms and conditions of this Agreement that by their sense and context are intended to survive after performance hereunder shall survive the termination or expiration of this Agreement.