

TI LIMITED ("TI")

UK STANDARD TERMS AND CONDITIONS OF SALE

1. Offer and Acceptance:

1.1 TI offers to sell and deliver products solely in accordance with the terms and conditions set forth herein. These terms and conditions shall also apply to all future orders by Buyer. Acceptance of any offer by Buyer is expressly limited to these terms and TI hereby rejects any additional or different terms proposed by Buyer, including those contained in Buyer's purchase order, unless TI expressly agrees to such terms in writing.

1.2 TI's offers are non-binding. A contract shall only be made when TI has acknowledged an order in writing or has started performance thereof.

2. Prices:

2.1 TI's price in effect at the time TI receives Buyer's purchase order shall continue to apply if the quantity ordered is scheduled to be delivered within twelve (12) months. Otherwise, TI's price in effect on the actual release date for the quantity actually delivered shall apply.

2.2 If the price of fuels, metals, raw materials, equipment or other production costs increase significantly, TI shall have the right and Buyer shall have the obligation to renegotiate the price of all products not yet shipped, and if an agreement is not reached, TI shall have the right to terminate the respective purchase order without liability.

2.3 All prices shall be CIP named place of destination (Incoterms 2000). For purchase orders with a value of less than £200 or the equivalent value in pounds sterling, TI reserves the right to charge for packaging.

3. Risk and Delivery:

3.1 Risk in the products shall pass to Buyer on delivery of the products. Delivery shall be deemed to take place CIP named place of destination (Incoterms 2000). Buyer shall reimburse TI for insurance and transportation costs if such have been disbursed by TI.

3.2 TI may deliver products in instalments.

3.3 Delivery dates are estimates and non-binding. TI shall not be liable for any damage, loss or expense incurred by Buyer if TI fails to meet the estimated delivery dates.

4. Title:

4.1 Property in the products shall pass to Buyer on receipt by TI in full of:

(a) the price of the products;

(b) all sums due from Buyer under any purchase orders made under these terms and conditions which relate to the products.

4.2 Until property in the products passes to Buyer, Buyer shall:

(a) hold such products as a fiduciary for TI (in which full title to such products shall remain) and shall store and mark them in such a way that they are readily identifiable as TI's property;

(b) not mix the products with any other goods;

(c) not pledge or allow any lien, charge or other interest to arise over TI's products or their documents of title;

(d) not destroy, deface or obscure any identifying mark or packaging on or relating to the products.

4.3 Buyer's right to possession of the products shall terminate immediately if:

(a) Buyer has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors

(whether formal or informal), or enters into liquidation (whether voluntary or compulsory), or has a receiver, administrator or administrative receiver appointed, or a resolution is passed or a petition presented to any court for the winding up of Buyer or for the granting of an administration order in respect of Buyer, or any proceedings relating to the insolvency or possible insolvency of Buyer; or

(b) Buyer suffers or allows any execution, whether legal or equitable, to be levied on its property or obtained against it, or fails to observe or perform any of its obligations under these terms or any purchase order, or is unable to pay its debts within the meaning of s123 of the Insolvency Act 1986 or Buyer ceases to trade; or

(c) Buyer encumbers or in any way charges any of the products.

5. Payment Terms:

5.1 Payment shall be due on delivery.

5.2 If TI extends credit to Buyer, invoices shall be payable net thirty (30) days from date of TI's invoice. TI reserves the right to change or withdraw credit amounts or payment terms at any time for any reason. If products are delivered in instalments, Buyer shall pay for each instalment in accordance with these payment terms.

5.3 If Buyer fails to make any payment when due then, without affecting any other rights which it may have, TI may (i) suspend or cancel performance under any purchase order under which TI has extended credit to Buyer; and/or (ii) cancel any purchase order under which TI has extended credit to Buyer after lapse of a grace period to be determined by TI.

5.4 TI's suspension of performance may result in rescheduling delays for which TI shall not be liable to Buyer.

5.5 If TI deems Buyer's financial condition to no longer justify the payment terms specified herein, then TI may make further performance contingent on advance payment for all products to be delivered.

6. **Taxes:** TI will add Value Added Tax (VAT) and all other applicable taxes and duties to the sales price where required by applicable law, and Buyer will pay the same unless Buyer provides TI with a duly executed tax exemption certificate. All sums payable to TI shall be paid without deduction or withholding on any ground whatsoever, save only as may be required by law. If any such deduction or withholding is required by law Buyer shall (i) provide such evidence of the relevant withholding as TI may reasonably require and (ii) be obliged to pay to TI such amount as will ensure that, after any such deduction or withholding has been made, TI shall have received a sum equal to the amount that TI would otherwise have received in the absence of any such deduction or withholding.

7. Contingencies:

7.1 TI shall not be in breach of its obligations and shall not be liable in any way for any loss, damage or expense arising directly or indirectly from any non-performance or delay in performance if such non-performance or delay is due to a force majeure event or other circumstances beyond TI's reasonable control, including but not limited to, shortages of labour, energy, fuel, machinery or materials, technical or yield failures, war, civil unrest, any government act, law or regulation, including any judicial order or decree, any communication or power failure, labour dispute, natural disaster, fire, flood, earthquake, explosion or terrorist act.

7.2 In the event of a shortage of products, TI may allocate at its sole discretion product production and deliveries.

8. Warranties & Disclaimers:

8.1 TI warrants subject to clause 8.3 below, that on delivery the products are reasonably free from defects in materials and workmanship and conform in all material respects with TI's written specifications. TI will discharge in full any liability under this warranty by, at its option, repairing or replacing the relevant products with a product of corresponding quality or by taking back the products concerned and

crediting the purchase price to Buyer's account ("Subsequent Performance"). Subsequent performance shall not be deemed an admission on the part of TI that a product alleged by Buyer to be defective or non-conforming is in fact defective or non-conforming, or that TI bears any liability to Buyer under these terms and conditions.

8.2 a) TI products are not authorized for use in safety-critical applications (such as life support) where a failure of the TI product would reasonably be expected to cause severe personal injury or death, unless the parties have executed an agreement specifically governing such use. Buyer shall fully indemnify TI and its representatives against any damages arising out of the unauthorized use of TI products in such safety-critical applications.

(b) TI products are neither designed nor intended for use in military/aerospace applications or environments unless the TI products are specifically designated by TI as military-grade or "enhanced plastic". Only products designated by TI as military-grade meet military specifications. Any use of non-military-grade TI products in applications requiring the TI product to conform to military specifications is solely at the Buyer's risk, and Buyer shall be solely responsible for compliance with all legal and regulatory requirements in connection with such use.

(c) TI products are neither designed nor intended for use in automotive applications or environments unless the specific TI products are designated by TI as compliant with ISO/TS 16949 requirements. In any case of such use of non-designated products, TI will not be responsible for any failure to meet ISO/TS 16949 requirements.

(d) Buyer shall ensure that it has all necessary expertise in the safety and regulatory ramifications of its applications, and Buyer shall be solely responsible for compliance with all legal, regulatory and safety-related requirements concerning its products and any use of TI products in Buyer's applications, notwithstanding any applications-related information or support that may be provided by TI.

8.3 Software products and development products are provided "as is". TI disclaims all warranties, express or implied, regarding such software or development products, including but not limited to, any implied warranties of merchantability or fitness for a particular purpose.

8.4 TI shall not be liable for any defects that are caused by neglect, misuse or mistreatment, including improper installation, operation, use, maintenance or testing, use in fields of application and environmental conditions other than those expressly specified by TI; and use in combination with other products not approved by TI for this purpose, excessive stress or normal wear and tear, or for any products that have been altered or modified in any way. Buyer's claims for defects shall also be excluded for development samples, prototypes and preproduction deliveries. Moreover, with respect to products manufactured specifically for Buyer, TI shall not be liable for any defects that result from Buyer's design, specifications or instructions for such products. Buyer's claims for defects shall also be excluded if Buyer fails to notify TI of apparent defects within ten (10) business days of delivery and of hidden defects within ten (10) business days after they have been detected.

8.5 The limitation period for warranty claims is one (1) year from delivery. For repaired products the remainder of the original limitation period shall run from the date of the return of the repaired product to Buyer. For replaced products, the limitation period shall start anew on delivery of the replaced product to Buyer.

8.6 Buyer's claims for compensation for expenses necessitated by TI's Subsequent Performance, in particular transportation, travel, labour and material costs, are excluded.

8.7 If the analysis of an alleged defect shows that it is not covered by TI's obligations outlined in this clause 8, TI is entitled to charge for the failure analysis at TI's then applicable rates. Shipment costs for the return of such products will not be reimbursed and their return shall be at Buyer's expense and risk.

8.8 Buyer agrees that prior to using or distributing any systems that include TI products, Buyer will thoroughly test such

systems and the functionality of such TI products as used in such systems. TI may free of charge provide technical, applications or design advice, quality characterisation, reliability, data or other services. Such services shall be provided by TI without legal obligation and shall not expand or otherwise alter TI's obligations under any purchase order or otherwise, and notably this shall not change TI's obligations in case of defects as provided in this Clause 8 or otherwise operate to alter or amend these terms and conditions.

8.9 Subject to Clause 10.4 below and save as expressly set out in these terms and conditions, all warranties and conditions concerning the products, whether express or implied by statute or otherwise including but not limited to, any implied warranties of merchantability or fitness for a particular purpose, are excluded and in no circumstances shall TI be liable for any loss or damage arising out of or in relation to the products in any way whatsoever, whether direct or indirect including, but not limited to, loss of profit and goodwill and whether arising through negligence, misrepresentation, breach of any statutory duty, or of any condition, warranty or other term (express or implied) of any contract or otherwise.

9. Intellectual Property Indemnification:

9.1 Subject to Clauses 9.2, 9.3 and 10, TI will indemnify Buyer against any damages, liabilities or costs (excluding consequential and punitive damages) finally awarded against Buyer or agreed to by TI as settlement or compromise, insofar as such claim is based on an allegation that products manufactured and supplied by TI to Buyer directly infringe any United States, Canadian, Japanese or European Union member state patent, copyright or other intellectual property right; provided (i) TI is promptly informed and, where applicable, furnished a copy of such claim, (ii) TI is given all evidence in Buyer's possession, (iii) TI is given reasonable assistance in and sole control of the defence thereof, to which TI is entitled but not obliged, and all negotiations for its settlement or compromise, and (iv) Buyer does not concede an infringement of intellectual property rights vis-à-vis third parties. If Buyer discontinues the use of the products for mitigation of damages or other important reasons, Buyer is obligated to point out to the third party claimant that the discontinuation of use does not constitute an acknowledgement of an infringement of such third party's intellectual property rights.

9.2 In the event of an allegation for which TI is obligated to indemnify Buyer pursuant to Clause 9.1, TI shall (i) obtain a licence that allows Buyer to continue the use of the products, (ii) replace or modify the products so as to be non-infringing, but in a manner that does not materially affect the functionality of the products, or (iii) if neither (i) nor (ii) is available to TI at a commercially reasonable expense then TI may refund to Buyer the purchase price and the transportation costs of such products. If TI elects the option set forth in clause (iii) above, Buyer shall return to TI any and all products remaining in Buyer's possession, custody or control.

9.3 TI shall have no liability for any costs, losses or damages resulting from Buyer's wilful acts, or any settlement or compromise incurred or made by Buyer without TI's prior written consent. TI shall have no obligation to defend and no liability for any costs, losses or damages, to the extent that an infringement allegation is based upon (i) Buyer's use of the products in combination with any other product, software or equipment, (ii) Buyer's use of the products in a manner or for an application other than for which they were designed or intended, regardless of whether TI was aware of or had been notified of such use (unless TI has expressly approved such use) (iii) Buyer's use of the products in a manufacturing or other process, (iv) Buyer's modifications to the products, (v) TI's compliance with Buyer's particular design, instructions or specifications, or (vi) TI's compliance with any industry or proprietary standard or Buyer's use of the products to enable implementation of any industry or proprietary standard (such claims i.e. those set forth in (i) through (vi) above are individually and collectively referred to herein as "Other Claims").

9.4 Buyer shall indemnify and hold TI harmless against any damages, liabilities or costs finally awarded against TI or agreed to by Buyer as settlement or compromise, and will

defend any claim brought against TI insofar as such claim is based on an allegation arising from Other Claims.

9.5 The foregoing states the sole liability of TI and Buyer for intellectual property rights infringement and is in lieu of all warranties, express, implied or statutory, in regard thereto. Buyer understands and agrees that the foregoing intellectual property indemnification terms are essential elements of this contract and that in the absence of such terms, the material and economic terms of this contract would be substantially different.

10. Limitation of Liability:

10.1 General limitations

In no event shall TI be liable for any special, indirect, punitive, incidental or consequential damages in connection with or arising out of these terms and conditions or the use of the products provided hereunder, regardless of whether TI has been advised of the possibility of such damages. Excluded damages to include, but are not limited to, cost of removal or reinstallation, ancillary costs to the procurement of substitute goods or services, retesting, outside computer time, labour costs, loss of goodwill, loss of profits, loss of savings, or loss of use or data or business interruption. Without prejudice to Clause 8.5, no suit or action shall be brought against TI more than one year after the related cause of action has occurred.

10.2 Specific limitations

In no event shall TI's aggregate liability from any lawsuit, claim, warranty, or indemnity arising out of or in connection with these terms and conditions or any use of any TI product provided hereunder, exceed the total amount paid to TI for the particular products sold under purchase orders made pursuant to these terms and conditions with respect to which losses or damages are claimed. The existence of more than one claim against the particular products sold to Buyer under these terms and conditions shall not enlarge or extend this limit.

10.3 Buyer understands and agrees that the foregoing liability limitations are essential elements of these terms and conditions and that in the absence of such limitations the material and economic terms of these terms and conditions would be substantially different. TI and Buyer agree that these restrictions are reasonable in light of their relationship.

10.4 Nothing in these terms and conditions of sale shall limit or exclude TI's liability in respect of any claim for death or personal injury caused by the negligence of TI in respect of any liability which arises under any safety regulation or in respect of any other liability which may not be limited or excluded at law.

11. Rescheduling:

No rescheduling by Buyer within thirty (30) days of TI's estimated delivery date will be accepted. Any rescheduling by Buyer more than thirty (30) but less than ninety (90) days before TI's estimated delivery date may result in a charge to Buyer. Such charge, if any, shall be reasonably determined by TI based on factors such as whether the product was manufactured specifically for Buyer, TI's ability to change its production schedule within the period of notice provided by Buyer, whether TI acquired or allocated particular supplies or equipment to meet Buyer's purchase order and such other factors as reasonably determined by TI. Purchase orders may be rescheduled by Buyer more than ninety (90) days before TI's estimated delivery date at Buyer's discretion and without charge.

12. Governing Law and Venue:

The contractual relationship between TI and Buyer shall be governed by and interpreted in accordance with English law. Exclusive venue for all disputes shall be the English courts save that TI shall also be entitled to commence proceedings against Buyer in the courts of the jurisdiction of Buyer's registered office.

13. Export Control:

13.1 Buyer agrees that unless prior authorization is obtained, as applicable, from the U.S. Department of Commerce or from the competent UK or European government authority, neither Buyer nor its subsidiaries shall export, re-export, or release, directly or indirectly, any technology, software, or software source code (as defined in Part 772 of the Export Administration Regulations of the U.S. Department of Commerce ("EAR")), received from TI, or export, re-export, or release, directly or indirectly, any direct product of such technology, software, or software source code (as defined in Part 734 of the EAR), to any destination or country to which the export, re-export or release of the technology, software, software source code, or direct product is prohibited by the EAR or the applicable UK or European export control laws and regulations. Buyer furnishes the assurances provided herein to TI in compliance with Part 740 (Technology and Software under Restriction) of the EAR.

13.2 Buyer further agrees to obtain any necessary export license or other documentation prior to the exportation or re-exportation of any product, technical data, software or software source code acquired from TI under any purchase order or any direct product of such technical data, software or software source code. Accordingly, Buyer shall not sell, export, re-export, transfer, divert or otherwise dispose of any such product, technical data, software or software source code directly or indirectly to any person, firm, entity, country or countries prohibited by US or other applicable, in particular English and European, laws. Further, Buyer shall give notice of the need to comply with such laws and regulations to any person, firm or entity which it has reason to believe is obtaining any such product, technical data, software or software source code from Buyer with the intention of exportation. Buyer and TI shall each secure, at their own expense, such licenses and export and import documents as are necessary for them to fulfil their obligations under any purchase order. If government approvals cannot be obtained for the delivery of the products, TI may rescind the respective purchase order.

13.3 This Clause 13 shall survive termination or fulfillment of any purchase order made under these terms and conditions.

14. Assignment:

Buyer may not assign, transfer or sub-contract any benefit or burden to any other party it has under these terms and conditions or under any purchase order entered into pursuant to these terms and conditions without TI's prior written consent.

15. Severability:

If any provision in these terms and conditions or part of any provision shall be or become invalid, the other provisions as well as the other part of the provision shall remain valid.

16. Survival of provisions:

Termination or fulfillment of any purchase order made under these terms and conditions, for whatever reason, shall not affect any provisions of these terms and conditions which are intended to continue to have effect after such termination or fulfillment.

17. Entire Agreement:

These terms and conditions constitute the entire agreement and understanding of Buyer and TI and supersede all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter hereof. Any additions or modifications hereto must be made in writing and signed by a duly authorized TI representative.

18. Interpretation

The section headings contained in these terms and conditions are for reference purposes only and shall not affect the meaning or interpretation of these terms and conditions.