

Texas Instruments Deutschland GmbH ("TID")
Standard Terms and Conditions of Sale

1. **Offer and Acceptance:**
 - 1.1 TID 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. TID hereby objects to and rejects any additional or different terms proposed by Buyer, including those contained in Buyer's purchase order, unless TID expressly agrees to such terms in writing. Such terms shall not apply even if TID performs any purchase order in the knowledge of such conflicting terms without expressly rejecting them.
 - 1.2 TID's offers are non-binding. A contract shall only be made when TID has acknowledged an order in writing or has started performance thereof.
2. **Prices:**
 - 2.1 TID's price in effect at the time TID receives Buyer's purchase order shall continue to apply if the quantity ordered is scheduled to be delivered within twelve (12) months. Otherwise, TID's price in effect on the actual delivery date for the quantity actually delivered shall apply.
 - 2.2 If prices of fuels, metals, raw materials, equipment or other production costs increase significantly, TID 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, TID shall have the right to terminate the respective purchase order.
 - 2.3 All prices shall be carriage and insurance paid to (CIP Incoterms 2000) named place of destination. For purchase orders with a value of less than € 200, TID reserves the right to charge for packaging.
3. **Risk and Delivery:**
 - 3.1 Notwithstanding Clause 4 hereof, shipments shall be delivered carriage and insurance paid to (CIP Incoterms 2000) named place of destination.
 - 3.2 TID may deliver products in installments if this is commercially reasonable for Buyer.
 - 3.3 Delivery dates are estimates and non-binding, unless TID has confirmed them in writing as binding. TID shall not be liable for any damages, losses or expenses incurred by Buyer if TID fails to meet the estimated delivery dates.
4. **Retention of Title:**
 - 4.1 All products shipped to Buyer shall remain TID's property ("Products with Title Reserved") until all claims by TID relating to business transacted with Buyer and outstanding at the time of delivery have been settled in full.
 - 4.2 Buyer shall be entitled to resell or process Products with Title Reserved in the normal course of its business, provided it does not default on its payments to TID. Buyer is not entitled to pledge or transfer as security title to any Products with Title Reserved.
 - 4.3 Buyer hereby assigns to TID all claims arising in relation to Products with Title Reserved either from resale thereof or on any other legal grounds (e.g. tort), in an amount equal to their invoiced value. This shall also apply to the balance of any agreed current account. TID authorizes Buyer to collect in Buyer's name but on TID's account claims thus assigned to TID. TID shall be entitled to revoke such authorization to collect and require that Buyer discloses all such claims if Buyer is in delay with any payment due to TID, if judgment enforcement proceedings are brought against Buyer, if Buyer's assets deteriorate substantially or in case of insolvency proceedings.
 - 4.4 If a third party attempts to seize Products with Title Reserved, Buyer shall inform the third party that such goods are the property of TID and shall immediately notify TID. If Buyer fails to notify TID, TID shall be entitled to claim all amounts outstanding immediately. To the extent that delivery has not taken place, TID shall have the option to deliver immediately and/or to withhold delivery until payment is tendered.
 - 4.5 Any processing or reworking of Products with Title Reserved shall be undertaken by Buyer on TID's behalf. TID shall acquire title to the product of such processing or reworking in the amount of the market value of the Products with Title Reserved at the time they are processed or reworked.
- 4.6 If Products with Title Reserved are commingled or combined with other goods, TID acquires pro rata joint ownership of the new product proportional to the value of the Products with Title Reserved as compared to that of the other goods at the time of commingling or combining. If another good is deemed the major item in the processing, it is hereby agreed that Buyer shall, to the extent that it owns the new product, grant TID joint ownership in the new product proportional to the value of the Products with Title Reserved as compared to the value of the new product.
- 4.7 In case Buyer is in breach of any purchase order, in particular default in payment, TID is entitled to rescind the purchase order and/or recover the Products with Title Reserved without the need to set a grace period. Buyer is obligated to return the Products with Title Reserved. In order to recover the Products with Title Reserved, TID may enter Buyer's premises where these are stored, and subsequently store them or have them stored for TID.
- 4.8 The recovery of Products with Title Reserved does not require that TID rescinds the contract: a rescission requires TID's express statement to that effect.
5. **Payment Terms:**
 - 5.1 Payment shall be due upon delivery.
 - 5.2 If TID extends credit to Buyer, invoices shall be payable net thirty (30) days after the date of invoice. TID may change or withdraw credit amounts or payment terms at any time for any reason. If the products are delivered in installments, Buyer shall pay for each installment in accordance with these payment terms.
 - 5.3 If Buyer fails to make any payment when due, TID may suspend performance under any purchase order in which TID has extended credit to Buyer and may cancel any such purchase order after the unsuccessful lapse of a grace period. TID's suspension of performance may result in rescheduling delays for which TID shall not be liable to Buyer. If, in TID's judgment, Buyer's financial condition does no longer justify the payment terms specified herein, then TID may make further performance contingent upon advance payment or the provision of securities.
 - 5.4 Buyer may only set off claims which are undisputed or *res judicata*. A right of retention (including the right to demand concurrent performance as provided for in Section 320 of the German Civil Code [BGB]) may only be exercised by Buyer in relation to claims from the same contractual relationship.
 - 5.5 **Taxes:** TID 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 TID with a duly executed tax exemption certificate. Buyer shall not be entitled to withhold taxes for TID's account from any amounts owed to TID, in particular withholding taxes that may apply under applicable laws. Any taxes withheld at source shall be paid by Buyer.
6. **Contingencies:**
 - 6.1 TID shall not be in breach of its obligations and shall not be liable for any non-performance or delay in performance if such non-performance or delay is due to a force majeure event or other circumstances beyond TID's control, including but not limited to, shortages of labor, 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, labor dispute, natural disaster, fire, flood, earthquake, explosion, or terrorist act.
 - 6.2 In the event of a shortage of products, TID may allocate product production and deliveries in a manner and amount that TID deems fair taking into account its own and its other customer's requirements.
7. **Claims in Case of Defects in Material [Sachmangel]:**
 - 7.1 If during the limitation period in Clause 8.6 a product shows a defect which already existed at the time of transfer of risk, TID will at its option and expense repair the defect or supply as a replacement at least a refurbished product of corresponding quality ("Subsequent Performance") or take back the products concerned and credit the purchase price to Buyer's account. Subsequent Performance shall be effected without recognition of a legal obligation.
- 7.2 A product is defective, if it does not conform to the written agreement between TID and Buyer: the lack of a feature, which Buyer expects because of TID's public statements, in particular in advertising, only constitutes a defect if such feature was listed in such written agreement. In the absence of a written agreement a product is only defective if it does not conform to TID's specification.
- 7.3 (a) TID products are not authorized for use in safety-critical applications (such as life support) where a failure of the TID 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 TID and its representatives against any damages arising out of the unauthorized use of TID products in such safety-critical applications.

(b) TID products are neither designed nor intended for use in military/aerospace applications or environments unless the TID products are specifically designated by TID as "military-grade" or "enhanced plastic". Only products designated by TID as military-grade meet military specifications. Any use of non-military-grade TID products in applications requiring the TID 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) TID products are neither designed nor intended for use in automotive applications or environments unless the specific TID products are designated by TID as compliant with ISO/TS 16949 requirements. In any case of such use of non-designated products, TID 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 TID products in Buyer's applications, notwithstanding any applications-related information or support that may be provided by TID.
- 7.4 TID 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 TID, and use in combination with other products not approved by TID 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, TID 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 TID of apparent defects within ten (10) business days of delivery and of hidden defects within ten (10) business days after they have been detected.
- 7.5 If Subsequent Performance fails, Buyer shall, notwithstanding its claims under Clause 10, if any, be entitled to rescind the respective purchase order or to claim a price reduction. Buyer's claims for damages based on defects of the product are exhaustively regulated in Clause 10.
- 7.6 The limitation period for warranty claims in accordance with this Clause 8 is one (1) year. This shall not apply in case of malice, willful intent, gross negligence and personal injury (i.e. the injury of life, limb or health). For repaired products the remainder of the original limitation period shall run from the return of the repaired product to Buyer. For replaced products the limitation period shall start anew upon delivery of the replaced product to Buyer.
- 7.7 Buyer's claims for compensation for expenses necessitated by TID's Subsequent Performance, in particular transportation, travel, labor and material costs, are excluded as far as such are increased because the products have been moved from the original place of delivery other than in line with the regular use of the products known at the time the purchase order was placed.
- 7.8 If the analysis of an alleged defect shows that no defect exists, TID is entitled to charge for the failure analysis at TID's then applicable rates. Shipment costs for the return of such products to TID will not be reimbursed and their return to Buyer shall be at Buyer's expense and risk.

- 8.9 Buyer agrees that prior to using or distributing any systems that include TID products, Buyer will thoroughly test such systems and the functionality of such TID products as used in such systems. TID may free of charge provide technical, applications or design advice, quality characterization, reliability data or other services. Such services shall be provided by TID without legal obligation and shall not expand or otherwise alter TID's obligations under any purchase order, notably this shall not change TID's obligations in case of defects as provided for in this Clause 8.
9. **Intellectual Property Indemnification, Defects in Title:**
- 9.1 Subject to Clauses 9.2, 9.3 and 10 and during the time period in Clause 8.6, TID will indemnify Buyer against any damages, liabilities or costs finally awarded against Buyer, or agreed to by TID as settlement or compromise, insofar as such claim is based on an allegation that products manufactured and supplied by TID to Buyer directly infringe any United States, Canadian, Japanese or European Union member state patent, copyright, or other intellectual property right, provided (i) TID is promptly informed and, where applicable, furnished a copy of such claim, (ii) TID is given all evidence in Buyer's possession, (iii) TID is given reasonable assistance in and sole control of the defense thereof, to which TID 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 TID is obligated to indemnify Buyer pursuant to Clause 9.1, TID shall: (i) obtain a license 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 TID at a commercially reasonable expense then TID may refund to Buyer the purchase price and the transportation costs of such products. If TID elects the option set forth in Clause (iii) above, Buyer shall return to TID any and all products remaining in Buyer's possession, custody or control. The foregoing shall be TID's exclusive liability safe for any restricted claims for damages in accordance with Clause 10.
- 9.3 TID shall have no liability for any costs, losses or damages resulting from Buyer's willful acts, or any settlement or compromise incurred or made by Buyer without TID's prior written consent. TID 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 TID was aware of or had been notified of such use (unless TID 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) TID's compliance with Buyer's particular design, instructions or specifications; or (vi) TID'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 TID harmless against any damages, liabilities or costs finally awarded against TID or agreed to by Buyer as settlement or compromise, and will defend any claim brought against TID insofar as such claim is based on an allegation arising from Other Claims.
- 9.5 This Clause 9 states the sole liability of TID and Buyer for intellectual property rights infringement.
- 9.6 Clause 8 shall apply to all other defects in title.
10. **Limitation of Liability:**
- 10.1 TID is only liable for damages caused by slight negligence if such are due to a material breach of duty, which endangers the achievement of the objective of the respective contract, or to a failure to comply with duties, the very discharge of which is an essential prerequisite for the proper performance of the respective contract.
- 10.2 In cases of Clause 10.1, the liability is limited to the damage, which is typical for such contracts and which could have been foreseen. This shall also apply to damage caused by the gross negligence of an agent or an employee of TID, who is not an officer or executive of TID.
- 10.3 The limitation period for Buyer's claims for damages that are restricted pursuant to Clause 10.2 shall be two (2) years from the point in time the claim arose and Buyer became aware thereof. Regardless of Buyer's awareness, the limitation period shall be three (3) years from the damaging event. The limitation period for Buyer's claims for damages based on defects shall be one (1) year from delivery.
- 10.4 With the exception of liability under the German Product Liability Law, for defects after having given a guarantee for the quality of the products [*Beschaffenheitsgarantie*], for fraudulently concealed defects and for personal injury (i.e. the injury of life, limb or health), the above limitations of liability shall apply to all claims for damages, irrespective of their legal basis.
- 10.5 The above limitations of liability also apply in case of Buyer's claims for damages against TID's employees or agents.
11. **Rescheduling:** No rescheduling by Buyer within thirty (30) days of TID's estimated delivery date will be accepted. Any rescheduling by Buyer more than thirty (30) but less than ninety (90) days before TID's estimated delivery date may result in a charge to Buyer. Such charge, if any, shall be reasonably determined by TID based on factors such as whether the product was manufactured specifically for Buyer, TID's ability to change its production schedule within the period of notice provided by Buyer, whether TID acquired or allocated particular supplies or equipment to meet Buyer's purchase order and such other factors as reasonably determined by TID. Purchase orders may be rescheduled by Buyer more than ninety (90) days before TID's estimated delivery date at Buyer's discretion and without charge.
12. **Governing Law and Venue:** The contractual relationship between TID and Buyer shall be governed by and interpreted in accordance with German law. The United Nations Convention on Contracts for the International Sale of Goods shall not apply. Exclusive venue for all disputes shall be Munich, Regional Court I [*Landgericht München I*]. TID shall be entitled to commence proceedings against Buyer also at 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 German 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 TID, 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 German or European export control laws and regulations. Buyer furnishes the assurances provided herein to TID 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 TID 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 German 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 TID shall each secure, at their own expense, such licenses and export and import documents as are necessary for them to fulfill their obligations under any purchase order. If government approvals cannot be obtained for the delivery of the products, TID may rescind the respective purchase order.
14. **Assignment:** Any individual purchase order to which these terms and conditions apply shall not be assignable by Buyer without TID's prior written consent. Section 354 a of the German Commercial Code [*HGB*] shall remain unaffected.
15. **Severability:** If any provision in these terms and conditions or part of any provision is or becomes invalid, the other provisions as well as the other part of the provision shall remain valid.
16. **Entire Agreement:** These terms and conditions constitute the entire agreement and understanding of Buyer and TID and supersede all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter hereof. No ancillary verbal agreements have been made. Any additions or modifications hereto must be made in writing and signed by a duly authorized TID representative. This also applies to any waiver of this requirement of written form.
17. **Decisive Version:** The above is a convenience translation of the German version of TID's "Allgemeine Verkaufsbedingungen" ("General Terms and Conditions of Sale"). The contractual relationship between TID and Buyer shall be governed by and interpreted in accordance with the German version.