

TERMS OF SUPPLY

1 Definitions

- 1.1 In these terms of supply, the following words have the meanings set out opposite them (unless stated otherwise):

"Acceptance" means written confirmation issued by CamSemi to the Buyer of the offer constituted by the Order;

"Buyer" means any person placing an Order with CamSemi for Products in accordance with these terms and whose details are stated in the Express Terms;

"CamSemi" means Cambridge Semiconductor Limited;

"Contract" has the meaning as set out in clause 2.2;

"Express Terms" means any terms expressly set out in the Quotation (as varied by the Acceptance), on the face of the Order (as varied by the Acceptance) and in the Acceptance;

"General Terms" means all the terms as set out in these clauses 1 to 17;

"Intellectual Property Rights" shall have the meaning as set out in clause 12.1;

"Order" means a request made by the Buyer to CamSemi for the supply of the Products;

"Price" means the price as stated (in the absence of manifest error) on the most recent Quotation for the supply of Products (provided always that the Price shall be subject to any variations by CamSemi in the Acceptance or subsequently in accordance with the terms of the Contract);

"Products" means CamSemi's products (or any of them) identified by the product part numbers as listed or described in the Express Terms to be sold to a Buyer pursuant to an Order;

"Quotation" means a (non-binding) price and delivery estimate (subject to any changes made by CamSemi in writing from time to time) issued by CamSemi to a potential Buyer in respect of the supply of specified Products, Services or Software;

"Sample Product(s)" has the meaning as set out in clause 4.1;

Unless, otherwise stated in writing the following terms shall apply:

2 Quotations and Acceptance

- 2.1 Any Quotation given by CamSemi shall only be effective if in writing. Quotations are valid for thirty (30) days and represent no legally binding obligation on CamSemi until CamSemi accepts the Order by Acceptance.

- 2.2 A contract for the supply of Products shall only contain the Express Terms and the General Terms (which shall be read subject to the Express Terms) (a "Contract") and shall supersede and cancel any previous terms of supply notified by CamSemi. No standard printed terms of the Buyer on any Order or included in any other document shall be of any effect. No variation of the Contract shall be binding upon CamSemi unless in writing and accepted by a director of CamSemi or a duly authorised person on behalf of CamSemi (authorised in writing by a director of CamSemi).

- 2.3 Unless expressly specified otherwise in the Quotation, the Price shall (a) be in US Dollars, (b) be Ex-Works CamSemi's nominated place of shipment; (c) without prejudice to clause 2.3 (b), be exclusive of carriage, delivery, handling, special packaging, insurance and/or any similar costs incurred by CamSemi acting on behalf of the Buyer, (whether CamSemi is acting as the agent of the Buyer or otherwise), for which the Buyer acknowledges that it will remain liable in any event; and (d) be exclusive of any and all relevant taxes, government, import and/or any

other applicable duties relating to the supply of the Products, for which the Buyer acknowledges that it will remain liable in any event.

- 2.4 At any time after issue of the Acceptance until the Products are delivered by CamSemi to the Buyer, CamSemi reserves the right to vary the Price to reflect or to take account of any increase in cost to CamSemi of components imported (whether or not they reflect changes in exchange rates or government duties or taxes and/or fluctuations in market prices for commodity components) provided that in the event of any such variation in the Price, the Buyer shall be entitled to notify CamSemi within 14 days of receiving CamSemi's notice of the change that the Buyer objects to such increase in the Price, in which case CamSemi shall have the option of either cancelling the Order without further liability, or fulfilling the Order at the original Price. If the Buyer does not cancel the Order, such increased Price shall be deemed to be the Price for the purposes of the Contract.
- 2.5 Subject to clause 2.6, between Acceptance and delivery, the Buyer may not change its Order without the prior written consent of CamSemi. CamSemi shall either agree to or refuse such request at its sole discretion and any such changes shall only be effective once agreed in writing by CamSemi. Any agreement by CamSemi to change the Order may be conditional on the Buyer accepting changes to the Price by CamSemi to reflect increased unit costs of the Products and other factors related to making the change.
- 2.6 Cancellation by the Buyer

The Buyer shall have no right to cancel its Order (whether in whole or in part) at any time after the Acceptance, without the prior written consent of CamSemi. CamSemi shall either agree to or refuse such request, at its sole discretion. Cancellation shall only be effective once agreed in writing by CamSemi.

3 Delivery

- 3.1 Unless otherwise agreed delivery will be Ex-Works (Incoterms 2000) (or any amendment or republication thereof for the time being in existence as at the date of the Contract) at CamSemi's designated shipping point and the Products will be packed into CamSemi's standard packing.
- 3.2 The Buyer shall inspect the Products on arrival at the Buyer's premises and shall inform CamSemi by notice in writing of any damage to the Products or of any patent discrepancy between the Products and CamSemi's then-current data sheet for that Product (which is or should be apparent from such inspection) within seven days of such arrival, following which CamSemi shall be given reasonable opportunity by the Buyer to inspect the Products concerned.
- 3.3 Any delivery period quoted is an estimate only and commences from CamSemi's Acceptance of the Order. CamSemi shall take all reasonable steps to deliver the Products at the time stated but shall be under no liability to do so and time shall not be of the essence. CamSemi shall not be in breach of its obligations under any Contract if such delivery periods are not met and shall not be responsible for any loss arising out of any delay in delivery.
- 3.4 CamSemi reserves the right to deliver the Products to the Buyer in more than one consignment and to invoice each consignment separately.
- 3.5 Buyers are responsible at their own expense for obtaining and applying for any import licence and any other permits required by the authorities in the country for which the Products are destined and/or any other country through or over which the Products are to be transported. The Buyer hereby indemnifies CamSemi for all loss, liability and damage incurred by CamSemi in respect of Products shipped or carried without valid import licences or other requisite permits.
- 3.6 CamSemi shall not be liable for any loss arising from any delay in the Buyer obtaining necessary import licences or other requisite permits.

- 3.7 CamSemi shall have no liability in respect of any delay in obtaining, or failure to obtain such licence and in circumstances where it has not proved possible to obtain a requisite export licence from any applicable authority; CamSemi shall be entitled to cancel the Order without further liability.

4 Orders for Sample Products

- 4.1 "Sample Products" means any products that have not passed all the stages of acceptance as determined solely by CamSemi. CamSemi will usually identify which of the Products ordered are considered Sample Products designating them "Samples" on the Quotation and any Order for Sample Products shall be subject to the special terms contained in this clause 4.
- 4.2 Because testing carried out by CamSemi in respect of the Sample Products is or may be incomplete, CamSemi does not give or enter into any warranties, conditions or other terms in relation to quality, safety, compliance with data sheet or fitness for purpose of the Sample Products and/or that the Sample Products are free from bugs, errors or omissions.

5 Title and Risk

- 5.1 Notwithstanding delivery of the Products, ownership and title in the Products shall remain with CamSemi and will pass to the Buyer only on receipt by CamSemi of all sums due in relation to the Products together with any other sums then due and payable by the Buyer to CamSemi.
- 5.2 At any time prior to passing of title in the Products to the Buyer in accordance with this clause 5, CamSemi is hereby authorised (without prejudice to any other rights available to it) to:
- (a) enter the Buyer's premises and remove the Products (and to take whatever steps are reasonably necessary to effect such entry and removal) whether as a result of the Buyer being in breach of the payment provisions herein or in breach of any of its other obligations under any Contract; and
 - (b) The Buyer agrees to:
 - (i) ensure that the Products are stored separately or marked so that they may be readily identified as the property of CamSemi;
 - (ii) keep the Products in its possession and control and intact and in a good state of repair and condition (fair wear and tear only excepted);
 - (iii) not remove the Products from the Buyer's premises or any other location to which they have been delivered;
 - (iv) keep the Products free from any charge, pledge, lien or other encumbrance and not to sell, assign, hire or let the Products or any interest therein; and
 - (v) upon request inform CamSemi of the precise whereabouts of the Products and procure that CamSemi shall have access to the Products at all times on reasonable notice.

6 Payment

- 6.1 Payment shall be due 30 days from date of invoice. Payment shall not be withheld or set off on account of any claim by the Buyer against CamSemi or for any other reason whatsoever.
- 6.2 CamSemi reserves the right to suspend deliveries where payment for any order related or otherwise has not been made on due date and remains outstanding.
- 6.3 If the Buyer is late in paying any invoices, then CamSemi may charge interest on all unpaid amounts, which shall be payable by the Buyer from the date of the invoice until the date of payment and will continue to be payable even if CamSemi obtains a judgment from a court in relation to any claim for payment of the invoice. The rate of interest will be 1.5% per month.

- 6.4 CamSemi reserves the right to carry out such checks (including but not limited to financial checks) as it considers necessary in respect of any Buyer (whether in respect of new or existing accounts) and if CamSemi, in good faith, considers at any time that, either as a result of the financial condition of the Buyer or as a result of any other information contained in the results of such checks, that the situation of the Buyer does not justify continuation of production or delivery on the terms of payment originally agreed, then CamSemi may (without prejudice to any other right or remedy available to it and without incurring any liability to the Buyer whatsoever) suspend production and/or delivery and require full, or partial payment or security for payment as a condition of continuing production and/or delivery.

7 Description and Data

- 7.1 CamSemi reserves the right to make design changes to the Products at any time provided that such changes do not in the opinion of CamSemi have a materially adverse effect on the performance, qualification or mechanical interchangeability or reliability of the Products. Other than Products under Orders which have been the subject of an Acceptance, CamSemi reserves the right to stop offering certain products and/or to replace them with other products.
- 7.2 Subject to clause 15.1, CamSemi shall make every reasonable effort to ensure the accuracy of technical data or literature relating to the Products, but CamSemi accepts no liability in contract tort or otherwise for any damages or injury arising directly or indirectly from any error or omission in such technical data or literature.

8 Limitations as to Use

- 8.1 The Products are not designed for use in devices or systems for medical, nuclear, military and/or civil aviation applications and the Buyer agrees not to use the Products in (or to supply the Products for use in) such devices or systems without the prior express written approval of a director.
- 8.2 The Buyer agrees to indemnify CamSemi in respect of any and all costs, claims, loss or damage which results directly or indirectly from its breach of clause 8.1.

9 Limited Warranty

- 9.1 Subject to clause 9.2, CamSemi will at its discretion either refund the price of Products or repair or replace free of charge Products, if CamSemi receives notice in writing from the Buyer within the period of 6 months from the date of delivery stating that the Products, owing to faulty design, materials or workmanship do not operate substantially in accordance with CamSemi's data sheet relating to the Product(s) in question, and CamSemi finds to its reasonable satisfaction that this is the case, provided always that the Buyer acknowledges and agrees that the obligations in this clause will not apply if CamSemi subsequently finds to its reasonable satisfaction that any such defects result from:
- (a) any conditions of use, operation, storage and/or maintenance of the Products by the Buyer which are abnormal and/or have not been recommended or authorised by CamSemi;
 - (b) any accident, abuse or misuse by the Buyer;
 - (c) any modification or repair of the Products other than by CamSemi; or
 - (d) any breach of the warranty in clause 9.2 in respect of items supplied by the Buyer.
- 9.2 CamSemi shall be under no liability at any time for defects in the Products caused by static discharge, abnormal working conditions, fair wear and tear, accident, wilful damage, abuse, misuse, neglect, improper installation, repair or alteration by persons other than CamSemi, improper testing and/or improper storage and/or improper handling or use contrary to any instructions issued by CamSemi which are in keeping with generally accepted industry practices. Further, CamSemi shall be under no liability for any parts or materials it has not manufactured (or had specifically manufactured on its behalf).

- 9.3 In the case of Products returned under the warranty provisions in clause 9.1 above, no returns are permitted without CamSemi's Returned Materials Advice Note. If CamSemi agrees to accept returns, the Products shall be delivered to CamSemi's premises at the Buyer's expense, in original condition and packing and any credit replacement or substitution shall be at CamSemi's sole discretion subject to a satisfactory test report.
- 9.4 CamSemi's obligation herein to refund, repair or replace the Products is the sole liability of CamSemi as regards the quality fitness or description of the Products. All other representations, warranties, conditions or other terms not expressly included in the Contract, whether implied by statute or otherwise including in respect of quality, fitness or compliance with description or Sample, are excluded save where not capable of exclusion at law. The foregoing states the entire liability of CamSemi and CamSemi is under no further liability in contract tort or otherwise for any loss damage or injury arising directly or indirectly from or in relations to the quality fitness or description of the Products.

10 Force Majeure.

- 10.1 CamSemi shall have no liability in respect of failure to deliver or perform or delay in delivering or performing any obligations under the Contract due to any cause, outside the reasonable control of CamSemi including but not limited to acts of God, fire, floods, war and civil disturbances or riots, acts of Governments, currency restriction, labour disputes, strikes, unavailability of materials or failure of supplier carrier or sub-contractor to deliver on time.

11 Assignment and sub-contracting

- 11.1 The Buyer may not sub-contract the performance of any of its obligations under any Contract without the consent of CamSemi. The Buyer may not assign any Contract or any of its rights or obligations under it to any third party without the consent of CamSemi.
- 11.2 CamSemi may sub-contract the performance of any of its obligations under any Contract. CamSemi may assign any Contract or any of its rights or obligations under it to any third party provided that CamSemi gives notice to the Buyer if it does so.

12 Intellectual Property Rights

- 12.1 Ownership of Intellectual Property Rights
- (a) Without prejudice to the transfer of title in the Products in accordance with clause 5.1, nothing in any Contract (or otherwise) shall be treated as granting the Buyer any rights in any of the Intellectual Property Rights in the Products, in CamSemi's specifications, data sheets or in any user documentation, manuals or any other technical information or materials, unless expressly stated otherwise, and CamSemi retains exclusive ownership of any and all Intellectual Property Rights in the Products, and in any part of the Products.
 - (b) The Buyer must not remove or alter any proprietary notices, labels or marks in or on the Products or related materials.
 - (c) For the purposes of any Contract, "Intellectual Property Rights" shall include any and all copyright, patent rights, trade marks, design rights, database rights, semiconductor topography rights, rights in or relating to confidential information, and any other intellectual property rights (registered or unregistered) throughout the world (including all rights of reversion and rights to any applications and pending registrations and the right to sue for and recover damages for past infringements).
- 12.2 Subject to clause 12.3, CamSemi will indemnify Buyer against any damages and costs finally awarded against Buyer pursuant to any claim by a third party alleging infringement of its Intellectual Property Rights by Buyer's use of the Products supplied under any Contract, on condition that the Buyer:
- (a) notifies CamSemi of each such claim promptly after receiving notice thereof;

- (b) provides all reasonable assistance to CamSemi (at CamSemi's expense) in connection with the defence or settlement thereof; and
 - (c) grants CamSemi the right in its sole discretion and at its expense to assume full control of the defence and settlement of any such claim and in any and all negotiations with respect thereto;
 - (d) does not admit liability or otherwise prejudice the defence or settlement of any claim.
- 12.3 The provisions of clause 12.2 shall not apply, and CamSemi shall have no liability to the Buyer (who shall instead indemnify CamSemi on the same terms) in respect of any claims that are attributable to the unauthorised use of CamSemi's Products by the Buyer, whether such unauthorised use is in breach of restrictions on use specified by CamSemi in any Contract, in CamSemi's specification or the relevant user documentation or manuals or in any information or materials published by CamSemi.
- 12.4 In the event that Clause 12.2 is invoked, or if CamSemi reasonably believes it may be invoked, then CamSemi may at its option and expense:
- (a) modify any of the Products (and related specifications) covered by existing and future purchase orders so as to avoid or reduce infringement or the risk thereof, without liability save that Buyer shall have the right to elect by notice, exercisable within 30 days of receiving notice from CamSemi of the proposed modifications, to terminate any orders so affected if the changes made by CamSemi are materially detrimental to Buyer; or
 - (b) procure a licence for Buyer to enable it to use the Products without infringement.
- If the Buyer cannot reasonably achieve either of the remedies as set out in this clause 12.4, then CamSemi may cancel any relevant Contract.
- 12.5 THE FOREGOING STATES CAMSEMI'S ENTIRE LIABILITY AND OBLIGATION (EXPRESS, IMPLIED, STATUTORY OR OTHERWISE) WITH RESPECT TO INTELLECTUAL PROPERTY INFRINGEMENT OR CLAIMS THEREFOR REGARDING ANY OF THE PRODUCTS MANUFACTURED OR SOLD PURSUANT TO ANY CONTRACT.

13 Items supplied by Buyer

- 13.1 The Buyer warrants that any items supplied by the Buyer for the purposes of any Contract (including product literature and product data) shall be of satisfactory quality, fit for the purposes for which they are supplied and shall be provided free of charge in sufficient quantities and at the times required by CamSemi. Where it can be reasonably demonstrated that any defects in the Products would not have occurred but for the breach of this warranty, CamSemi shall have no liability to the Buyer and the Buyer shall indemnify CamSemi against all actions, demands, claims, proceedings, losses or costs arising from the supply of defective items by the Buyer.

14 Confidentiality

- 14.1 Without prejudice to its right to deal with the Products in the ordinary course of its business, the Buyer shall keep confidential any information in whatever form (including any copies), whether commercial, financial, technical or otherwise, relating to CamSemi, including its products or business activities, disclosed to it by CamSemi prior to, during or pursuant to any Contract, and includes information which from its nature, content or the circumstances in which it is provided might reasonably be supposed to be confidential, whether or not marked confidential, and any information contained in or relating to the Products, the data sheets, the user documentation or manuals and/or related processes or inventions (which shall be presumed confidential unless CamSemi has itself published the information). The Buyer shall not disclose any such information to any third party save:

- (a) any officer or employee for the time being working for the party concerned who may reasonably need to know it;
- (b) as otherwise required by law;

provided that the Buyer shall be responsible for ensuring that any person to whom information is disclosed complies with any conditions of confidentiality applying to such information under any Contract.

14.2 Nothing in clause 14.1 shall apply to any information:

- (a) which is (or which becomes) available to the public other than by breach of any Contract or of any other duty;
- (b) which the Buyer can show by means of written evidence was already in its possession prior to the date of disclosure or which it obtained or originated independently in circumstances in which that party was free to disclose it.

14.3 The obligations in this clause shall continue for a period of 10 years following the date of disclosure of the relevant information and shall not be construed to limit any like obligations in any other written agreement between the parties.

15 Limitation of Liability.

15.1 Nothing in any Contract excludes or limits any liability that cannot by applicable law be excluded or limited, including liability:

- (a) for death or personal injury resulting from negligence or the negligence of employees, servants or agents; or
- (b) for fraudulent misrepresentation; or
- (c) for breach of any implied condition as to title or quiet enjoyment in relation to any of the Products supplied under any Contract; or
- (d) under part 1 of the Consumer Protection Act 1987.

15.2 Subject to clause 15.1, in no event shall CamSemi be liable under or in relation to any Contract or any products supplied under it (and whether in relation to negligence, breach of contract or any other liability) for any of the following:

- (a) loss of profit or sales;
- (b) loss of business;
- (c) loss of production;
- (d) loss of or corruption to data, the Buyer being responsible for establishing and maintaining adequate back up procedures for its data;
- (e) loss of contracts;
- (f) loss of revenue;
- (g) loss of operation time;
- (h) loss of goodwill or anticipated savings;
- (i) wasted management or staff time; and/or
- (j) Indirect, special, consequential damages, loss, damage, loss of expense of any kind whatsoever and howsoever caused.

Resulting from CamSemi's performance or failure to perform hereunder or the furnishing, performance, or use of any Products.

- 15.3 SUBJECT TO CLAUSE 15.1, IN NO EVENT SHALL THE AMOUNT OF CAMSEMI'S LIABILITY IN RESPECT OF OR IN CONNECTION WITH ANY ORDER EXCEED 125% OF THE AMOUNTS PAID OR PAYABLE BY THE BUYER UNDER THE RELEVANT ORDER.
- 15.4 SUBJECT TO CLAUSE 15.1 AND WITHOUT PREJUDICE TO CLAUSE 15.3, IN NO EVENT SHALL THE AMOUNT OF CAMSEMI'S LIABILITY IN RESPECT OF OR IN CONNECTION WITH ALL ORDERS EXCEED 125% OF THE AMOUNTS PAID OR PAYABLE BY THE BUYER UNDER IN CONNECTION WITH ALL ORDERS.

16 Termination

- 16.1 If the Buyer commits any breach of the terms of any Contract or becomes insolvent or commits an act of bankruptcy or enters into any arrangement or composition with his creditors or goes or is put into liquidation (other than solely for amalgamation or reconstruction while insolvent) or if a receiver or administrative receiver or liquidator is appointed over any part of the Buyer's business (or any equivalent event occurs in any jurisdiction where the Buyer is incorporated and/or has assets), CamSemi may without prejudice to any rights which may have accrued or which may accrue to it terminate the Contract summarily by notice in writing.

17 Miscellaneous

- 17.1 No delay by either party in enforcing the provisions of any Contract shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no right, power or remedy to which either party is entitled under any Contract is exclusive of any other right, power or remedy available to that party.
- 17.2 Subject to any terms to the contrary herein, variations to any Contract shall not be effective unless in writing and signed by an authorised signatory or on behalf of both parties.
- 17.3 In the event of any term of any Contract being held for any reason to be void, voidable or unenforceable this shall not affect the validity or enforceability of any other terms of any Contract or the remainder of any Contract as a whole.
- 17.4 Subject to clause 14.3, any Contract (as varied in accordance with its terms) forms the entire understanding of the parties and supersedes all previous agreements, understandings and representations relating to its subject matter and each party acknowledges that it has not relied on any representations of the other in entering into any Contract save for such representations as are expressly set out in any Contract.
- 17.5 Nothing in any Contract shall be deemed to create a partnership or joint venture or licensing arrangement between the parties and under no circumstances shall either party assume, create or enter into any obligation, agreement or commitment on behalf of the other party or hold themselves out as having any such authority to do so without the written consent of the other.
- 17.6 No term of any Contract is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to any Contract.
- 17.7 These terms and any contracts of which they form part, and all other documents comprising such contracts shall be governed by English law and the parties submit to the exclusive jurisdiction of the English Courts, save that CamSemi shall be entitled to bring proceedings to enforce payment or to protect its Intellectual Property Rights in any court worldwide.