



PRODUCT SALES TERMS AND CONDITIONS

This Agreement for the Sale of Goods (“Agreement”) is entered into on [date] (the Effective Date”), by and between Microchip USA LLC, a Florida limited liability company, with its principal place of business at 501 East Kennedy Blvd., Suite 1400, Tampa, FL 33602 (the "Seller"), and the individual or entity submitting one or more Orders per the terms and conditions of this Agreement (the "Buyer") (collectively, “the Parties”; each, a “Party”). In consideration of the mutual promises and conditions expressed herein, and other good and valuable consideration, Seller and Buyer agree as follows:

- 1. Description and Quantity of Goods.** Seller shall transfer and deliver to Buyer, and Buyer shall accept and pay for goods ordered through Seller’s standard purchase order form subject to the terms and conditions of this Agreement (the “Goods”). This Agreement’s Terms and Conditions apply to all Orders submitted by Buyer or anyone acting on its behalf unless otherwise agreed in a writing signed by Seller intended to supersede or replace the terms of this Agreement.
- 2. No Employment Relationship.** Parties do not intend to form an employment agreement. Parties further do not intend the relationship to form a partnership or joint venture of any kind. The relationship between the Parties is that between independent contractors.
- 3. Purchase Terms and Process Regarding Orders.**
 - (a) **Relationship with Agent.** Parties understand that Seller operates through a network of Agents working as independent contractors. An Agent assigned to Buyer will remain that Buyer’s point of contact for future orders as well as product support and service until further notice provided by Seller. If Buyer contacts Seller directly, their request will be forwarded to their appropriate Agent. Seller assigns Agents to Buyers on rotation basis. Parties understand that an Agent periodically reaches out to Buyers to evaluate their needs and solicit future business. At the same time, Buyer may reach out to Seller’s Agent as needed to order products, obtain a quote, or request updates, warranty or other services. Either Party may initiate the ordering process.
 - (b) **Submission of Order.** Buyer will communicate to the appropriate Seller’s Agent the types and quantities of product requested. Seller, through its Agent will present Buyer with a price range compiled from offers of multiple vendors. Seller’s Agent will memorialize these amounts in a quote. Buyer then must agree to be bound by the price within that range. Buyer then notifies Seller’s Agent that they are ready to submit the order within the subsequent 24 hours. Seller’s Agent will then confirm the final price via “Price Hold” email, which becomes part of this Agreement for each order

transaction, and such pricing held available for only 24 hours. Affirmative response by the Buyer combined with submission of a purchase order or a virtual purchase order (VPO) will constitute a binding order for purchase of Goods subject to the terms and conditions of this Agreement (an "Order"). The scope of the products, testing requirements, or shipping methods identified in the Price Hold email shall not be altered after Buyer's acceptance unless agreed in a writing signed by both Buyer and Seller.

Buyer understands and agrees that, for each type of product (date/lot/week code) identified in the Order, one (1) unit shall be subject to destructive testing by Seller as part of its quality control and inspection process.

- (c) **Non-cancellation of Order and return of Order.** Parties understand that unless otherwise stated by Seller, Orders are non-cancelable and non-refundable (NCNR) by Buyer. Buyer may cancel an order only after receiving written authorization of Seller. Seller, in its sole discretion may permit cancellation of Buyer's Order and in such event, Buyer will pay all reasonable cancellation and restocking charges incurred by Seller due to Buyer's cancellation or return of the Order, which Seller will itemize and invoice the Seller. In the event that Seller, prior to delivery, determines a defect or other quality issue with Order upon inspection, Seller will, at Seller's election, re-source for the Order or cancel the Order and issue a credit to Buyer for the value of the purchase price for the Order at issue.
- (d) **Delivery of Products; Risk of Loss.** Parties agree that all deliveries be made EXW (Ex Works as defined in Incoterms 2000) Seller's facility or FOB place of origin. Subject to Seller's right of stoppage in transit, delivery of the Goods to the carrier constitute delivery to Buyer, and title and risk of loss will thereupon pass to Buyer. Buyer must request in writing that packages/products be insured prior to shipment. Buyer will pay all freight, handling, special handling, delivery and insurance costs for the shipment of Products. Seller may refuse or delay any shipment if Buyer fails to pay promptly any payments due to Seller. Seller may, at its discretion, deliver Products in one single shipment or multiple. Delivery dates provided by Seller are estimates only and Seller is not liable for failure to deliver on such dates.
- (e) **Payment.** For the Products specified in the Order, Buyer will pay Seller the total amount as indicated in the Price Hold email in addition to any shipping, special packaging, permits, certificates, customs declarations, testing costs, or any other items necessary for order fulfillment that may not be identified in the Price Lock email. Unless otherwise expressly stated on Seller's quotation or invoice, Buyer is responsible for any and all additional fees and costs as set forth herein. Parties understand that prices specified by Seller only apply for the period specified in Seller's quotation. If no period is specified in the Price Hold email, parties understand prices apply for no more than (24) hours from the time the Agent has send them to Buyer and may be subject to subsequent adjustment as described in Section 3(b) above. Buyer understands and agrees that, for each type of product (date/lot/week code) identified in the Order, Buyer will be charged for one (1) unit that shall be subject to destructive testing by Seller as part of its quality control and inspection process.

Parties understand that payment is due on or before the date indicated on Seller's invoice. If Buyer fails to make payment in full within that time, Seller may charge a late payment fee or interest on those unpaid balances equal to the maximum amount or interest rate, respectively, allowed by Florida law. At any time, in Seller's sole discretion, Seller may change the terms of Buyer's credit, require financial data from Buyer for verification of their creditworthiness, require a bank guarantee or other security, or suspend any outstanding orders from the Buyer. Buyer understands that Credit Card payments will incur a 3.5% credit card processing fee for all payments made by credit card.

- (f) **Buyer Support.** Buyer must contact the designated Seller's Agent to initiate returns, cancellations, replacements and for guidance on warranty and repair procedures. Parties agree that any technical advice offered or given in connection with the use of the Products is an accommodation to Buyer without charge. Seller is not liable or responsible whatsoever for the content or use of the advice, and Buyer expressly releases Seller from any such claims. Without Seller's express written consent, Buyer may not use, duplicate, or disclose any technical data delivered by Seller or disclosed by Seller to Buyer for any purpose other than for installation, operation, or maintenance of the Goods purchased by Buyer from Seller.
- (g) **Contact of Parties.** Parties will keep each other informed and updated about any changes, developments, cancellations, returns, exchanges and extensions and any relevant feedback from the third-party purchasers without undue delay.

- 4. Express Warranty in Lieu of Implied Warranties—Repair and Replacement.** Seller warrants that the products it sells will, when delivered, or when installed, if the Order provides for installation by Seller, be free of defects in workmanship or material. If any failure to conform to this warranty becomes apparent during a period of sixty (60) days after date of delivery, Seller shall, upon prompt, written notice (the earlier thirty (30) days after Buyer's discovery of the issue or sixty (60) days after delivery) and compliance by the Buyer with such instructions as Seller shall give with respect to proof and identification of defect and the method the return of defective products or parts, F.O.B. In the event functional inventory repair or replacement is not available within a reasonable time period in the sole discretion of Seller, Seller will issue a credit to the Buyer's customer account for the value of the defective items. Correction in the manner provided above shall constitute a fulfillment of all liabilities of Seller with respect to the quality of the products. The remedy set forth in this paragraph shall be Buyer's sole and exclusive remedy of the Buyer under this Agreement.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OF QUALITY, WHETHER WRITTEN, ORAL OR IMPLIED (INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE). NO WARRANTY IS PROVIDED AS TO COSMETIC, AESTHETIC, OR SUPERFICIAL ISSUES—ANY WARRANTY EXPRESSLY SET FORTH IN THIS AGREEMENT IS LIMITED SOLELY TO PRODUCT FUNCTION.

- 5. Limitation of Liability.** IN NO EVENT SHALL SELLER BE LIABLE UNDER THIS AGREEMENT TO THE BUYER FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, STATUTORY, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF USE, LOSS OF TIME, LOSS OF DATA, INTERRUPTION OF SERVICE OR SHUTDOWN OR SLOWDOWN COSTS, INCONVENIENCE, LOSS BUSINESS OPPORTUNITIES, DAMAGE TO GOODWILL OR REPUTATION, OR OTHER ECONOMIC LOSS, REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, AND EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SUCH DAMAGES COULD HAVE BEEN REASONABLY FORESEEN. THE LIABILITY OF SELLER, AND BUYER'S SOLE AND EXCLUSIVE REMEDY FOR DAMAGES FOR ANY CLAIM OF ANY KIND WHATSOEVER UNDER THIS AGREEMENT, REGARDLESS OF LEGAL THEORY, SHALL NOT BE GREATER THAN THE ACTUAL PURCHASE PRICE OF THOSE GOODS WITH RESPECT TO WHICH SUCH CLAIM IS MADE.
- 6. Waiver of Warranty and Right to Return, Acceptance of Order As-Is Under Certain Exceptions.** In the event Buyer, in its sole discretion, agrees to accept delivery of items that Seller has determined to be defective or otherwise fail inspection, or in the event that Buyer wishes to waive Seller's inspection of the product, Buyer agrees to take possession of all such product **AS IS** with no warranty or right to return, repair, replacement, refund, credit, or any other post-sale remedy to Buyer concerning the product Order received as is.
- 7. Non-Solicitation of/Non-Interference with Vendors and Employees.** Parties understand that Confidential Information of Seller incidentally disclosed to Seller under this Agreement is property of the Seller, must only be used in the furtherance of this Agreement and for benefit of the Seller and not for any other purpose, and Buyer is not authorized to disclose or permit disclosure of the information to third parties. Such Confidential Information includes but is not limited to: all information relating to the Seller's products, business and operations including, but not limited to, business plans, financial records, customers, suppliers, vendors, products, product samples, costs, sources, strategies, inventions, procedures, sales aids or literature, sales data, technical advice or knowledge, contractual agreements, pricing, price lists, product white paper, product specifications, trade secrets, procedures, distribution methods, inventories, marketing strategies and interests, algorithms, data, designs, drawings, work sheets, blueprints, concepts, manufacturing processes, computer programs and systems, and know-how or other intellectual property of Seller and/or any of its affiliates that may be at any time furnished, gleaned directly or incidentally, communicated to, accessed by, or otherwise delivered to Seller hereunder, whether in oral, tangible, electronic or other form, and whether or not labeled or otherwise described to Seller as being confidential in nature, and all other non-public information provided to, accessed by, or gleaned by Buyer pursuant to the performance of this Agreement, including without limitation, financial, technical, and business information of the Seller. Buyer may not, directly or indirectly, solicit or attempt to solicit any business from any of the Seller's Agents or Vendors until the expiration of the sixty (60) months after the termination of the relationship between Parties, regardless of the reason for the termination. During that period, Buyer may not, directly or indirectly, on its own behalf or on behalf of or in conjunction with any person or legal entity, recruit, solicit,

or induce, or attempt to recruit, solicit, or induce, any Agent or Vendor of the Seller to terminate their contractual or otherwise diminish their relationship with Seller.

- 8. Indemnification.** Buyer acknowledges that Seller acts solely as a distributor of electronic products and that the Buyer is exclusively responsible for detailing the specification of all products, for ascertaining the use to which they will be put, and for determining their ability to function for that purpose. Buyer further acknowledges that products are not authorized for use in critical safety or other applications where a failure may reasonably be expected to result in personal injury, loss of life, or serious property damage. If Buyer uses or sells the products for use in any such applications or fails to comply with the manufacturer's product specifications, Buyer acknowledges that such use, sale, or non-compliance is at Buyer's sole risk, and Buyer releases Seller from any claims stemming from such use. Buyer will indemnify Seller and its employees, officers, agents, affiliates, subsidiaries, joint venturers, partners, and contractors against any and all liabilities, fines, fees, expenses, costs, attorney fees, damages, claims, or other losses relating to claim or actions that result from or arise this Agreement or in connection with products supplied by Seller and used in the Buyer's product or in combination with other products unless it is adjudicated by a court of competent jurisdiction that such claim was the result of Seller's gross negligence or intentional misconduct. Buyer will further indemnify Seller against all liabilities for infringement of third-party intellectual property rights arising from Seller's compliance with the Buyer's specific requirements regarding design or specification for the Products or arising from the use of the Products in combination with other products. Buyer releases Seller from all responsibility for delays of the carrier, loss or damage to Products in transit, or any loss after shipment has been received by the carrier in good order.
- 9. Confidentiality.** Parties will maintain all information related to the negotiation, planning, financing and performance of obligation under this Agreement, including all categories Confidential Information of Seller previously described, confidential. This information includes trade information, financial data, personnel information and sensitive data, and the terms of compensation as specified in this Agreement. Parties will only review, examine, inspect or obtain such information in extent necessary to enforce this Agreement and for purposes consistent with it and to otherwise hold all information confidential and secret pursuant to the terms of this Agreement. Parties will hold all confidential or proprietary information, policies, trade information or trade secrets in confidence and agree to use it only for the purpose of Agreement, and not to disclose to any third party unless expressly authorized to do so, in writing, by all Parties, prior to disclosure. Parties intend this Paragraph to stay in force after termination and fulfillment of Agreement.

Buyer will also maintain access to any of Seller's vendors accounts confidential as well as details of any relationships, contracts and transactions shared internally by Seller. Nothing in this provision prohibits Buyer from providing any and all information to a governmental agency or law enforcement pursuant to a legally-binding request—in such event Buyer agrees to provide prompt notice to Seller in writing of the request within five (5) days of receiving the request to the extent legally permissible and to reasonably cooperate with Seller in taking lawful measures to protect Seller's confidential information from disclosure to third parties.

10. Export Control Statements. Buyer warrants that all products will be used in compliance with U.S. laws or the laws of the jurisdiction(s) applicable to the transaction. Buyer warrants that Buyer will not permit any products to be subsequently used nor shipped in violation of U.S. laws, including U.S. export laws and U.S. hazardous materials laws. Buyer warrants that products will not be subsequently used or transferred in violation of the laws of any jurisdiction through which or into which the products are shipped. Buyer assumes full responsibility for compliance with applicable export laws and hazardous materials laws prior to any export or shipment from or within the United States of products received from Seller and agrees to hold harmless and indemnify Seller from any damages, liabilities, costs and expenses of any kind, including attorney's fees, relating to any violations of laws or regulation committed by Buyer or its agents, employees, affiliates, subsidiaries, representatives, partners, joint venturers, successors, or related entities. Buyer agrees to pay any taxes, tariffs or duties, associated with the import or export of products purchased from Seller in full, without offset.

11. Non-Disparagement. Buyer agrees that they will not, either on their own account or directly or indirectly in conjunction with or on behalf of any other person or entity, disparage or otherwise speak or write negatively about Seller or its employees, officers, agents, affiliates, subsidiaries, joint venturers, partners, and contractors.

12. Termination. This Agreement shall be terminated:

Upon the expiration of thirty (30) days after either party hereto shall give written notice to the other party of its intention to terminate. Alternatively, this Agreement may be terminated at the option of either party hereto in the event that the other party:

1. breaches any obligation hereunder and fails to remedy such breach within the fifteen (15) calendar days after being given written notice to that effect; or
2. makes an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file any answer admitting or not contesting the material allegations of a petition filed against such party in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of such party or of all or any substantial part of the properties of such party, or such party or its directors or majority stockholders shall take any action looking to the dissolution or liquidation of such party;

Either party may also terminate this Agreement in the event that a law, decree or regulation is enacted or adopted by any governmental authority which would impair or restrict in any manner whatsoever the right of such party to terminate this Agreement; provided, however, that such termination shall not take effect until the day prior to the effective date of the aforementioned law, decree or regulation.

A termination elected by Buyer under this Section shall not relieve Buyer of its surviving obligations set forth under Section 16, including but not limited to Buyer's payment obligations regarding any Order(s) in process.

13. Governing Law; Alternative Dispute Resolution; Fees and Costs. Except as otherwise provided for herein, this Agreement and all rights and obligations of the parties, shall be governed by the Uniform Commercial Code as enacted and in force in the State of Florida. The parties hereby agree that any action arising out of this Agreement must be preceded by the good-faith attempt to successfully mediate the case in accordance with USA&M mediation procedures that shall not impasse until the parties have participated in at least ten (10) hours of mediation. In the event of the impasse, the parties agree that they, in lieu of utilizing the state or federal court systems for litigation, will resort to binding arbitration in accordance with USA&M procedures as the sole means of dispute resolution after an unsuccessful mediation attempt. The arbitration shall be administered by the USA&M office for Jacksonville, FL or another similarly situated institution of Seller's choosing within the State of Florida. The decision of the arbitrator will be final, non-appealable, enforceable, and binding on the parties.

If either party to this Agreement institutes a proceeding to enforce any provision of the Agreement, or for damages by reason of any breach of this Agreement or otherwise arising out of this Agreement, then the prevailing party will be entitled to recover from the other party all associated costs, including, without limitation, litigation costs and such amounts as the court or arbitrator may award as reasonable attorney's fees and expenses for services rendered to the prevailing party during the proceedings.

14. Severability. In the event that any term of this Agreement is deemed to be invalid, illegal, or otherwise unenforceable (1) the parties shall use all reasonable efforts to negotiate in good faith to amend the term to eliminate any such invalidity, illegality, or unenforceability to the extent practically possible, taking into full account their original intent when entering into this Agreement in the first instance, and (2) the remaining provisions hereof shall continue in full force and effect.

15. Force Majeure and Excuses for Non-Performance. Seller shall not be held liable for failure to fulfill its obligations hereunder if such failure is due to a Force Majeure Event. A "Force Majeure Event" means, but is not limited to, an act of war; domestic and/or international terrorism; civil riots or rebellions; quarantines, embargoes and other similar unusual governmental actions; pandemics, epidemics, local disease outbreaks, public health emergencies; or extraordinary elements of nature or acts of God; provided that such Force Majeure Event is beyond the excused Party's reasonable control, occurs without the excused Party's fault or negligence, is not caused directly or indirectly by the excused Party and could not have been prevented or avoided by the excused Party's reasonable diligence. In such Force Majeure event, Seller may elect to terminate this Agreement or an Order at its sole election without penalty; alternatively, the Parties will agree to extend the time for Seller's performance by a period equal to the delay caused by the Force Majeure event.

- 16. Assignment.** Neither party may assign or otherwise transfer this Agreement, in whole or in part, without the prior written consent of the other party in each instance, such consent not to be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, Seller shall be free to assign this Agreement in its entirety to any (1) affiliate of Seller or (2) successor entity of Seller that assumes all, or a majority of, such party's assets in writing. Any assignment in violation of this clause shall be null and void.
- 17. Survival.** Provisions of this Agreement concerning payments, confidentiality, non-disparagement & non-solicitation, indemnification, governing law, mediation & arbitration, and limitations on Seller's warranty and liability shall survive any termination or expiration of this Agreement.
- 18. Entire Agreement; Modification; Waiver.** This Agreement is the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior agreement or communications between the parties, whether written, oral, electronic or otherwise. No change or modification to this Agreement shall be valid unless in writing and signed by an authorized representative of the parties. No waiver of any term or right in this Agreement shall be effective unless in writing, signed by an authorized representative of the waiving party. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or modification of such provision, or impairment of its right to enforce such provision or any other provision of this Agreement thereafter.
- 19. Acceptance by Buyer.** The terms and conditions of this Agreement are incorporated by reference into each and every Order of Buyer, and Buyer's act of placing an Order to Seller shall constitute acceptance by Buyer of these terms. Buyer's representation in this Section are a material inducement by Buyer to Seller regarding Seller's acceptance and processing of Orders.