

## TERMS AND CONDITIONS OF SALE

**1. FORMATION OF CONTRACT.** The agreement between Allegro MicroSystems Europe Ltd ("ALLEGRO") and PURCHASER for the purchase and sale of goods is made subject to the terms and conditions stated herein, notwithstanding any terms and conditions which may be found in any purchase order, release order, website, or any other form issued by PURCHASER. ALLEGRO hereby objects to any additional or different terms and conditions and notifies PURCHASER that they are rejected. None of the terms and conditions contained herein may be added to, modified, superseded or otherwise altered except in writing signed by ALLEGRO. Each order or acceptance of a quotation for the products by PURCHASER constitutes an offer by PURCHASER to purchase products on these terms and conditions. No order placed by PURCHASER will be accepted by ALLEGRO until a written acceptance of an order is used by ALLEGRO or (if earlier) ALLEGRO delivers the products. Any quotation is given on the basis that no contract shall come into existence until ALLEGRO despatches an acceptance of order to PURCHASER. For the avoidance of doubt, the delivery of products by ALLEGRO is conditioned upon PURCHASER's assent to these terms and conditions. PURCHASER accepts these terms by accepting delivery of the products, whether or not a copy of these terms are attached to or enclosed with the products upon delivery.

**2. WARRANTY.** ALLEGRO warrants for a period of one (1) year from the date of shipment to PURCHASER that all products upon delivery to PURCHASER are free from defects in workmanship and material and shall conform to the specifications. If any product is defective in material or workmanship, or fails to meet the requirements of PURCHASER's order, PURCHASER shall inform ALLEGRO within thirty (30) days and return such products for correction or replacement. ALLEGRO's liability for such rejected products is limited solely to the cost of transportation expenses plus the responsibility of either repairing, replacing or refunding the purchase price, at ALLEGRO's sole option, for such returned products. This warranty does not extend to any of our products which fail to operate by reason of improper installation, application, or inspection, or have been subject to misuse, neglect, or accident, or have been repaired or substantially altered outside our factory. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER STATUTORY, EXPRESS OR IMPLIED, AND THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ANY WARRANTIES OF NONINFRINGEMENT, AND ALL OTHER WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE ARE HEREBY EXCLUDED. The remedies provided herein are the PURCHASER's sole and exclusive remedies for any failure of ALLEGRO to comply with its warranty obligations. Correction of the non-conformities in the manner and for the period of time provided herein shall constitute complete fulfillment of ALLEGRO's obligations regarding defective products, whether the claims by the PURCHASER are based in contract, in tort (including negligence) or otherwise.

**3. PATENT INFRINGEMENT.** IN THE EVENT ANY ALLEGRO PRODUCT, OR ANY PART THEREOF, DELIVERED UNDER THIS CONTRACT IS ALLEGED TO INFRINGE ANY PATENT, EXCEPT AS PROVIDED IN THIS SECTION 3, ALLEGRO DISCLAIMS ANY OBLIGATION TO PURCHASER ARISING FROM THE UNIFORM COMMERCIAL CODE OR OTHERWISE REGARDING SUCH ALLEGED INFRINGEMENT AND, INCLUDING BUT NOT LIMITED TO, ANY CLAIM THAT ARISES FROM COMPLIANCE WITH PURCHASER'S DESIGNS, SPECIFICATIONS OR INSTRUCTIONS. If ALLEGRO products are held to infringe any third party's patent, ALLEGRO shall at its own expense and option use commercially reasonable efforts to procure for PURCHASER the right to continue using the products. If in ALLEGRO's judgment the foregoing is not commercially reasonable, ALLEGRO may, at its own discretion, replace such products with non-infringing ALLEGRO products or modify them so they become non-infringing products. If, in ALLEGRO's opinion, none of the foregoing alternatives are reasonably available to ALLEGRO, then ALLEGRO may discontinue the sale of the product. Where ALLEGRO's compliance with PURCHASER's designated designs, material usage, specifications or information furnished by PURCHASER, results in an infringement, PURCHASER shall defend, indemnify and hold ALLEGRO harmless against any claim of infringement of any patent.

**4. CHANGES.** Any changes in the PURCHASER's drawing or specifications required by the PURCHASER may be made only after an equitable adjustment to the price of products, mutually negotiated by both parties.

**5. TERMINATION/RESCHEDULING.** PURCHASER may terminate this contract for convenience by providing written notice to ALLEGRO not later than forty-five (45) calendar days prior to ALLEGRO's most recent acknowledged estimated ship date, provided, however, that PURCHASER's liability for such termination shall include the cost of completed items, work in progress and raw materials purchased for PURCHASER. PURCHASER shall not reschedule order line items due for shipment in less than forty-five (45) calendar days. ALLEGRO has the right to invoke a handling/administrative charge of fifteen (15%) per cent of the shipment value for any breach of the rescheduling provision herein. Either party may terminate this contract if the other party: a) fails to correct any breach within thirty (30) calendar days of a written cure notice; b) becomes insolvent; or c) files a petition in bankruptcy and such proceeding has not been dissolved within sixty (60) calendar days.

**6. FORCE MAJEURE.** ALLEGRO shall not be held responsible for any delay or failure hereunder caused by fires, strikes, embargoes, government requirements, civil or military authorities, acts of God or by the public enemy, acts or omissions of carriers or other causes beyond ALLEGRO's control.

**7. LIMITATION OF LIABILITY.** ALLEGRO SHALL NOT BE LIABLE TO PURCHASER, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE), UNDER ANY WARRANTY OR OTHERWISE FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE OR LOSS OF PROFITS OR REVENUES RESULTING FROM, ARISING OUT OF OR IN CONNECTION WITH THIS SALE OR FROM THE PERFORMANCE OR BREACH THEREOF, INCLUDING BUT NOT LIMITED TO, LATE DELIVERY, AND THIS LIMITATION OF LIABILITY SHALL SURVIVE ANY FAILURE OF THE ESSENTIAL PURPOSE OF ANY WARRANTY OR OTHER REMEDY PROVIDED HEREIN. Nothing in this contract shall have the effect of excluding or limiting liability under the Consumer Protection Act 1987 to a person who has suffered damage caused by a confirmed defect of a product sold under this contract, or to a dependent relative of such a person. All recommendations and advice given by or on behalf of ALLEGRO to the PURCHASER as to methods of storing, using or operating the products, the purpose for which the products may be applied and the suitability of using the products and any process are given without liability on the part of ALLEGRO.

**8. EXPORT.** Each Party will adhere to all applicable E.U. and U.S. Export Administration laws and regulations.

**9. INDEMNIFICATION.** The PURCHASER agrees to defend, indemnify and hold harmless ALLEGRO from and against any and all claims, including third party claims, which constitute a claim or claims beyond the remedies provided herein.

**10. GENERAL.** (a) If any of the provisions of this contract are invalid under any applicable statute or law, such provisions are, to that extent, deemed omitted, but this contract and the remainder of its provisions shall otherwise remain in effect. (b) No provision of this contract shall be deemed waived, amended or modified by either party, unless such waiver, amendment or modification is in writing and signed by the parties. (c) All matters regarding this contract shall be interpreted in accordance with the laws of England except that Section 3 (PATENT INFRINGEMENT) shall be interpreted in accordance with the laws of the state of Massachusetts, U.S.A and any controversy that cannot be settled directly shall be finally settled, subject to the liability limitations set forth above, under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. (d) ALLEGRO's products are not to be used in life support devices or systems, if a failure of an ALLEGRO product can reasonably be expected to cause the failure of that life support device or system, or to affect the safety or effectiveness of that device or system.

**11. DELIVERY.** Although ALLEGRO will use its reasonable efforts to meet quoted delivery dates, these are commercial estimates only and TIME OF DELIVERY SHALL NOT BE OF THE ESSENCE. The PURCHASER shall inspect the products upon delivery and will notify ALLEGRO in writing within fifteen (15) days of delivery of any discrepancy. ALLEGRO will not consider claims made by the PURCHASER in respect of shortages unless this condition is observed.

**12. PRICE.** Quoted prices are based on the cost of raw materials and labour costs current at the date of the quotation. ALLEGRO reserves the right to increase prices to reflect increases in the costs of production occurring prior to the date of delivery. Should the price of precious metals or rare earth materials substantially increase from the cost in effect at the time of establishment of product pricing, ALLEGRO reserves the right to invoke price adjustments to compensate for such increases. ALL INVOICES OF ALLEGRO ARE DUE FOR PAYMENT IN FULL WITHOUT ANY DEDUCTIONS WITHIN THIRTY DAYS FROM THE DATE OF INVOICE notwithstanding that delivery may not have taken place and title to the products has not passed to the PURCHASER. In case of late payment ALLEGRO reserves the right to charge interest equal to 3% per annum above the base rate of Barclays Bank Plc. If the PURCHASER fails to make payment in full for any of the products within thirty days after the date any payment is due, or enters into voluntary or compulsory liquidation or has an administrative receiver, receiver or manager appointed over it or if ALLEGRO has reasonable cause to believe that any of these events is likely to occur, ALLEGRO shall be entitled to cancel or suspend any further delivery to the PURCHASER under any order and for any products in transit and to take such further action as it considers necessary to secure settlement of all sums owed, including requiring the PURCHASER not to resell or part with possession of any of the products owned by ALLEGRO until the PURCHASER has paid in full all sums owed.