

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549**  
**Form 10-K**

(MARK ONE)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the fiscal year ended October 29, 2017

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from      to

State or Other Jurisdiction of Incorporation or Organization	Exact Name of Registrant as Specified in Its Charter Offices Registrant's telephone number, including area code	Commission File Number	IRS Employer Identification No.
Singapore	<b>Broadcom Limited</b> 1 Yishun Avenue 7 Singapore 768923 (65) 6755-7888	001-37690	98-1254807
Cayman Islands	<b>Broadcom Cayman L.P.</b> c/o/ Broadcom Limited 1 Yishun Avenue 7 Singapore 768923 (65) 6755-7888	333-2025938	98-1254815

**Securities registered pursuant to Section 12(b) of the Act:**

Title of Class	Name of Each Exchange on Which Registered
Ordinary Shares, no par value	The NASDAQ Global Select Market

**Securities registered pursuant to Section 12(g) of the Act:**

**None**  
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Broadcom Limited: Yes ☒ No ☐ Broadcom Cayman L.P.: Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Broadcom Limited: Yes ☐ No ☒ Broadcom Cayman L.P.: Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Broadcom Limited: Yes ☒ No ☐ Broadcom Cayman L.P.: Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Broadcom Limited: Yes ☒ No ☐ Broadcom Cayman L.P.: Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Broadcom Limited ☐ Broadcom Cayman L.P.: ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Broadcom Limited:	Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>	Emerging growth company <input type="checkbox"/>
Broadcom Cayman L.P.:	Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input checked="" type="checkbox"/>	Smaller reporting company <input type="checkbox"/>	Emerging growth company <input type="checkbox"/>

(Do not check if a smaller reporting company)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Broadcom Limited:      Yes ☐      No ☒      Broadcom Cayman L.P.:      Yes ☐      No ☒

State the aggregate market value of Broadcom Limited's voting and non-voting ordinary shares held by non-affiliates as of the last business day of the Registrant's most recently completed second fiscal quarter: As of April 30, 2017, the last business day of our most recently completed second fiscal quarter, the aggregate market value of Broadcom Limited's ordinary shares held by non-affiliates of Broadcom Limited (based upon the closing sale price of such shares on the Nasdaq Global Select Market on April 28, 2017, the last trading day prior to our fiscal quarter end) was approximately \$89.2 billion.

As of November 24, 2017, Broadcom Limited had 409,362,475 of its ordinary shares, no par value per share, outstanding. As of November 24, 2017, Broadcom Cayman L.P. had 390,900,560 common partnership units outstanding (all of which are owned by Broadcom Limited) and 22,141,886 restricted exchangeable partnership units outstanding.

### **Documents Incorporated by Reference**

Information required in response to Part III of this Annual Report on Form 10-K is hereby incorporated by reference from Broadcom Limited's definitive Proxy Statement for its 2018 Annual General Meeting of Shareholders. Except as expressly incorporated by reference, Broadcom Limited's Proxy Statement shall not be deemed to be a part of this Annual Report on Form 10-K. Broadcom Limited intends to file its definitive Proxy Statement within 120 days after its fiscal year ended October 29, 2017.

## **EXPLANATORY NOTE**

This report combines the annual reports on Form 10-K for the fiscal year ended October 29, 2017 of Broadcom Limited and Broadcom Cayman L.P. Unless stated otherwise or the context otherwise requires, references to “Broadcom,” “we,” “our” and “us” mean Broadcom Limited and its consolidated subsidiaries, including Broadcom Cayman L.P. References to the “Partnership” mean Broadcom Cayman L.P. and its consolidated subsidiaries. Financial information and results of operations presented in the Form 10-K for the periods prior to February 1, 2016 relate to Avago Technologies Limited, our predecessor, and relate to Broadcom and the Partnership for the periods after February 1, 2016. Broadcom Corporation was indirectly acquired by Broadcom on February 1, 2016 (refer to Note 1. “Overview and Basis of Presentation” included in Part II, Item 8 of this Form 10-K for additional information).

As of October 29, 2017, Broadcom Limited owned approximately 95% of the Partnership (represented by common partnership units, or Common Units) and is the sole general partner of the Partnership, or the General Partner. The balance of the interest in the Partnership is held by the limited partners, or the Limited Partners, in the form of restricted exchangeable limited partnership units, or Partnership REUs. As the General Partner, Broadcom has the exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership in accordance with the amended and restated exempted limited partnership agreement, as amended from time to time, and applicable laws. There is no board of directors of the Partnership.

Shareholders' equity, partners' capital and the Limited Partners' noncontrolling interest in Broadcom are the primary areas of difference between the consolidated financial statements of Broadcom and those of the Partnership. The Partnership's capital consists of Common Units owned by Broadcom and Partnership REUs owned by the Limited Partners. The Partnership REUs are accounted for in partners' capital in the Partnership's financial statements and as noncontrolling interest in shareholders' equity in Broadcom's financial statements.

The material differences between Broadcom and the Partnership are discussed in various sections in this report, including separate financial statements (but combined footnotes), separate disclosure controls and procedures sections, separate certifications of periodic report under Section 302 of the Sarbanes-Oxley Act of 2002 and separate certifications pursuant to 18 U.S.C Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. In the sections that combine disclosure for Broadcom and the Partnership, this report refers to actions or holdings as being actions or holdings of Broadcom.

Broadcom consolidates the Partnership for financial reporting purposes, and neither Broadcom nor the Partnership has material assets other than its interests in their subsidiaries. Therefore, while shareholders' equity and partners' capital differ as discussed above, the assets of Broadcom and the Partnership are materially the same on their respective financial statements.

**BROADCOM LIMITED AND BROADCOM CAYMAN L.P.  
2017 ANNUAL REPORT ON FORM 10-K**

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## PART I

The following discussion should be read in conjunction with the consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 10-K. This Annual Report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws and particularly in Item 1: "Business," Item 1A: "Risk Factors," Item 3: "Legal Proceedings" and Item 7: "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K. These statements are indicated by words or phrases such as "anticipate," "expect," "estimate," "seek," "plan," "believe," "could," "intend," "will," and similar words or phrases. These forward-looking statements may include the proposed transaction involving Broadcom and Qualcomm Incorporated, or Qualcomm, and the expected benefits of the proposed transaction; projections of financial information; statements about historical results that may suggest trends for our business; statements of the plans, strategies, and objectives of management for future operations; statements of expectation or belief regarding future events (including any acquisitions we may make), technology developments, our products, product sales, expenses, liquidity, cash flow and growth rates, or enforceability of our intellectual property rights; and the effects of seasonality on our business. Such statements are based on current expectations, estimates, forecasts and projections of our or industry performance and macroeconomic conditions, based on management's judgment, beliefs, current trends and market conditions, and involve risks and uncertainties that may cause actual results to differ materially from those contained in the forward-looking statements. We derive most of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Accordingly, we caution you not to place undue reliance on these statements. Important factors that could cause actual results to differ materially from our expectations are disclosed under "Risk Factors" in Part I, Item 1A of this Annual Report on Form 10-K. These factors include risks associated with our proposal to acquire Qualcomm, including: (i) the ultimate outcome of any possible transaction between Broadcom and Qualcomm; (ii) uncertainties as to whether Qualcomm will cooperate with us regarding the proposed transaction; (iii) the effects of the announcement of the proposed transaction on the ability of Broadcom and Qualcomm to retain customers, to retain and hire key personnel and to maintain favorable relationships with suppliers or customers; (iv) the timing of the proposed transaction; (v) the ability to obtain regulatory approvals and satisfy other closing conditions to the completion of the proposed transaction (including shareholder approval); and (vi) other risks related to the completion of the proposed transaction and actions related thereto; any loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturing and outsourced supply chain; our dependency on a limited number of suppliers; any acquisitions we may make, such as delays, challenges and expenses associated with receiving governmental and regulatory approvals and satisfying other closing conditions, and with integrating acquired companies with our existing businesses and our ability to achieve the growth prospects and synergies expected by such acquisitions; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the need to generate sufficient cash flows to service and repay such debt; dependence on a small number of markets and the rate of growth in these markets; dependence on and risks associated with distributors of our products; dependence on senior management; quarterly and annual fluctuations in our operating results; global economic conditions and concerns; our proposed redomiciliation of our ultimate parent company to the United States; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of any design wins; prolonged disruptions of our or our contract manufacturers' manufacturing facilities or other significant operations; our ability to improve our manufacturing efficiency and quality; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our overall cash tax costs, legislation that may impact our overall cash tax costs and our ability to maintain tax concessions in certain jurisdictions; our ability to protect our intellectual property and the unpredictability of any associated litigation expense; any expense or reputational damage associated with resolving customer product warranty and indemnification claims; cyclicalities in the semiconductor industry or in our target markets; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; and other events and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature. All of the forward-looking statements in this Annual Report on Form 10-K are qualified in their entirety by reference to the factors listed above and those discussed under the heading "Risk Factors" in Part I, Item 1A of this Annual Report on Form 10-K. We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this Annual Report on Form 10-K may not in fact occur. We undertake no intent or obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as otherwise required by law.

Unless stated otherwise or the context otherwise requires, references to "Broadcom," "we," "our" and "us" mean Broadcom Limited and its consolidated subsidiaries, including Broadcom Cayman L.P. References to the "Partnership" mean Broadcom Cayman L.P. and its consolidated subsidiaries. Financial information and results of operations presented for the

periods prior to February 1, 2016 relate to Avago Technologies Limited, our predecessor, and relate to Broadcom and the Partnership for the periods after February 1, 2016. Our fiscal year ends on the Sunday closest to October 31 in a 52-week year and the first Sunday in November in a 53-week year. We refer to our fiscal years by the calendar year in which they end. For example, the fiscal year ended October 29, 2017 is referred to as “fiscal year 2017.”

## ITEM 1. BUSINESS

### Overview

Broadcom Limited, or Broadcom, is the successor to Avago Technologies Limited, or Avago, as a result of the business combination between Avago and Broadcom Corporation, or BRCM, completed on February 1, 2016, or the Broadcom Transaction. We are a leading designer, developer and global supplier of a broad range of semiconductor devices with a focus on complex digital and mixed signal complementary metal oxide semiconductor, or CMOS, based devices and analog III-V based products. We have a history of innovation and offer thousands of products that are used in end products such as enterprise and data center networking, home connectivity, set-top boxes, broadband access, telecommunication equipment, mobile handsets and base stations, data center servers and storage systems, factory automation, power generation and alternative energy systems, and electronic displays. We differentiate ourselves through our high performance design and integration capabilities and focus on developing products for target markets where we believe we can earn attractive margins. We have four reportable segments: wired infrastructure, wireless communications, enterprise storage, and industrial & other, which align with our principal target markets.

The Partnership is an exempted limited partnership formed under the laws of the Cayman Islands. Broadcom is the sole General Partner and owns a majority interest (by vote and value) in the Partnership. As General Partner, Broadcom has the exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership in accordance with the Partnership's amended and restated exempted partnership agreement, or the Partnership Agreement, and applicable laws. There is no board of directors of the Partnership.

Semiconductors are made by imprinting a network of electronic components onto a semiconductor wafer. These devices are designed to perform various functions such as processing, amplifying and selectively filtering electronic signals, controlling electronic system functions and processing, and transmitting and storing data. Our digital and mixed signal products are based on silicon wafers with CMOS transistors offering fast switching speeds and low power consumption, which are both critical design factors for the markets we serve. We also offer analog products, which are based on III-V semiconductor materials that have higher electrical conductivity than silicon, and thus tend to have better performance characteristics in radio frequency, or RF, and optoelectronic applications. III-V refers to elements from the 3rd and 5th groups in the periodic table of chemical elements. Examples of these materials used in our products are gallium arsenide, or GaAs, gallium nitride, and indium phosphide, or InP. Following the acquisition of Brocade Communications Systems, Inc., or Brocade, we also offer mission critical fibre channel storage area networking, or FC SAN, products in the form of modules, switches and subsystems incorporating multiple semiconductor products.

Our over 50-year history of innovation dates back to our diverse origins from Hewlett-Packard Company, AT&T, LSI Corporation, or LSI, and BRCM. Over the years, we have assembled a large team of digital, mixed signal and analog design engineers around the world. We maintain design and product development engineering resources at locations in the United States, Asia, Europe and Israel, providing us with engineering expertise worldwide. We strategically focus our research and development resources to address niche opportunities in our target markets and leverage our extensive portfolio of U.S. and other patents and other intellectual property, or IP, to integrate multiple technologies and create system-on-chip, or SoC, and component solutions that target growth opportunities. We design products that deliver high-performance and provide mission-critical functionality.

Original equipment manufacturers, or OEMs, or their contract manufacturers, and distributors typically account for the substantial majority of our sales. We have established strong relationships with leading OEM customers across multiple target markets. Many of our major customer relationships have been in place for many years and have often been built as a result of years of collaborative product development. This has enabled us to build our IP portfolio and develop critical expertise regarding our customers' requirements, including substantial system level knowledge. This collaboration has provided us with key insights into our customers' businesses and has enabled us to be more efficient and productive and to better serve our target markets and customers. We have a direct sales force focused on supporting large OEMs. We also distribute a substantial portion of our products through our broad distribution network, and a significant amount of these sales are to large global electronic components distributors, including Avnet, Inc.

We focus on maintaining an efficient global supply chain and a variable, low-cost operating model. Accordingly, we outsource a majority of our manufacturing operations, utilizing third-party foundry and assembly and test capabilities, as well as some of our corporate infrastructure functions. We focus our internal fabrication capacity and capital expenditures on products utilizing our innovative and proprietary processes, to protect our IP and to accelerate time to market of our products, while outsourcing commodity processes such as standard CMOS. We also have a long history of operating in Asia, where approximately 38% of our employees are located and where we manufacture and source the majority of our products and materials. Our presence in Asia places us in close proximity to many of our customers' manufacturing facilities and at the center of worldwide electronics manufacturing.

## Recent Developments

### U.S. 2017 Tax Reform Act

On December 20, 2017, the Tax Cuts and Jobs Act, or the 2017 Tax Reform Act, was approved by Congress and is pending presidential approval. In general, the 2017 Tax Reform Act reduces the U.S. corporate income tax rate from 35% to 21%, effective in 2018. The 2017 Tax Reform Act moves from worldwide business taxation to a participation exemption regime. The 2017 Tax Reform Act also imposes base-erosion prevention measures on non-U.S. earnings of U.S. entities, as well as a one-time mandatory deemed repatriation tax on accumulated non-U.S. earnings of U.S. entities. The base-erosion prevention measures will have the effect of subjecting non-U.S. earnings of U.S. entities to taxation in the United States at an effective rate that is expected to be substantially lower than 21%. The 2017 Tax Reform Act will affect the tax position and cash taxes of our U.S. entities and will have a corresponding impact on our consolidated financial results starting in the first quarter of our fiscal year 2018.

### Acquisition of Brocade

On November 17, 2017, we acquired Brocade for approximately \$6.1 billion. Brocade's networking solutions help the world's leading organizations turn their networks into platforms for business innovation. With solutions spanning public and private data centers to the network edge, Brocade is a leader in FC SAN switching. We are in the process of integrating Brocade into our enterprise storage segment. In connection with the acquisition of Brocade, or the Brocade Merger, we incurred \$4.0 billion of indebtedness.

### Proposed Acquisition of Qualcomm

On November 6, 2017, we announced a proposal to acquire Qualcomm Incorporated, or Qualcomm, for \$70 per share, consisting of \$60 in cash and \$10 in Broadcom ordinary shares. We stated that the proposal stands whether Qualcomm's pending acquisition of NXP Semiconductors N.V., or NXP, is consummated on the then-disclosed terms of \$110 per NXP share or is terminated. Including the assumption of net debt and giving effect to the pending NXP acquisition, the enterprise value of the proposed transaction is approximately \$130 billion.

On November 13, 2017, Qualcomm's board of directors rejected our proposal. In response, we announced that we remained fully committed to pursuing the acquisition of Qualcomm and reiterated our proposal.

On December 4, 2017, we announced that we had provided notice to Qualcomm of our intent to nominate 11 candidates for election to the Qualcomm board of directors at Qualcomm's 2018 annual meeting of stockholders.

On December 11, 2017, we filed preliminary proxy materials with the U.S. Securities and Exchange Commission, or the SEC, in connection with our planned solicitation of proxies to elect 11 independent, highly qualified nominees to the Qualcomm board of directors at Qualcomm's 2018 annual meeting of stockholders, which Qualcomm has announced will be held on March 6, 2018.

We also filed a premerger notification under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 with the U.S. Department of Justice and the Federal Trade Commission regarding our proposed acquisition of Qualcomm.

No agreement has been reached with Qualcomm and there can be no assurance that any transaction will result from our proposal.

### Redomiciliation to the United States from Singapore

On November 2, 2017, we announced our intention to initiate a process to change the ultimate parent company of the Broadcom group from a Singapore company to a U.S. corporation. The final form and timing of the redomiciliation has not yet been finalized and may be affected by the implementation of the 2017 Tax Reform Act. In addition, the redomiciliation is subject to the approval of our shareholders. We presently expect that our overall cash tax costs will approximately double, as compared to our fiscal year 2017 results, due to the redomiciliation and taking in account our initial estimates of the expected effects of the 2017 Tax Reform Act.

## Products and Markets

Our product portfolio ranges from discrete devices to complex sub-systems that include multiple device types and may also incorporate firmware for interfacing between analog and digital systems. In some cases, our products include mechanical hardware that interfaces with optoelectronic or capacitive sensors. We focus on markets that require high quality and the technology leadership and integrated performance characteristic of our products. For the fiscal year ended October 29, 2017, or fiscal year 2017, our wired infrastructure segment contributed 48%, our wireless communications segment contributed 31%, our enterprise storage segment contributed 16%, and our industrial & other segment contributed 5% of our net revenue. For the fiscal year ended October 30, 2016, or fiscal year 2016, net revenue included contributions from BRCM commencing on February 1, 2016, which are included in the wired infrastructure and wireless communications segments. For the fiscal year



ended November 1, 2015, or fiscal year 2015, net revenue included contributions from Emulex Corporation, or Emulex, commencing on May 6, 2015, which are included in the enterprise storage segment.

See discussion in the “Results of Operations” section included in Part II, Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations* and Note 12. “Segment Information” included in Part II, Item 8. *Financial Statements and Supplementary Data*, of this Annual Report on Form 10-K for additional segment information.

The table below presents the major product families and their major applications in our reportable segments.

<b>Segment</b>	<b>Major Applications</b>	<b>Major Product Families</b>
<b>Wired Infrastructure</b>	• Set-top Box (STB) and Broadband Access	• STB SoCs
		• Cable, digital subscriber line (DSL) and passive optical networking (PON) central office/consumer premise equipment (CO/CPE) SoCs
	• Data center, Telecom, Enterprise and Small-and-Medium size Business/Remote-Office-Branch-Office (SMB)/(ROBO) Networking	• Ethernet switching and routing application specific standard product (ASSP)
		• Embedded processors and controllers
		• Serializer/Deserializer (SerDes), application specific integrated circuits (ASICs)
		• Optical and copper, physical layer (PHYs)
		• Fiber optic laser and receiver components
<b>Wireless Communications</b>	• mobile handsets	• RF front end modules (FEMs), filters, power amplifiers
		• Wi-Fi, Bluetooth, global positioning system/global navigation satellite system (GPS/GNSS) SoCs
		• Custom touch controllers
<b>Enterprise Storage</b>	• Servers and storage systems	• Serial attached small computer system interface (SAS) and redundant array of independent disks (RAID) controllers and adapters
		• Peripheral component interconnect express (PCIe) switches
		• Fibre channel host bus adapters (HBA)
		• Fibre channel switches (starting fiscal year 2018)
	• Hard disk drives (HDD); Solid state drives (SSD)	• Read channel based SoCs; Custom flash controllers
		• Preamplifiers
<b>Industrial &amp; Other</b>	• Power isolation, power conversion and renewable energy systems	• Optocouplers
	• Factory automation, in-car infotainment and renewable energy systems	• Industrial fiber optics
	• Motor controls and factory automation	• Motion control encoders and subsystems
	• Displays and lighting	• Light emitting diode (LEDs)

**Wired Infrastructure Segment.** We provide semiconductor solutions for enabling the STB and broadband access markets. We also provide a wide variety of semiconductor solutions which manage the movement of data in data center, telecom, enterprise and SMB/ROBO networking applications.

**Set-Top Box Solutions:** We offer complete SoC platform solutions for cable, satellite, Internet Protocol, over-the-top and terrestrial STBs. Our products enable global service providers to introduce new and enhanced technologies and services in STBs, including transcoding, digital video recording functionality, higher definition, increased networking capabilities, and more tuners to enable faster channel change and more simultaneous recordings. We are also enabling service providers in deploying High Efficiency Video Coding, or HEVC, a video compression format that is a successor to the H.264/MPEG-4 format. HEVC enables ultra-high definition, or Ultra HD, services by effectively doubling the capacity of existing networks to deploy new or existing content. Our families of STB solutions support the complete range of resolutions, from standard definition, to high definition, or HD, and Ultra HD.

**Broadband Access Solutions:** We offer complete SoC platform solutions for DSL, cable and fiber for both central office deployments and CPE. For CPE deployments, we support broadband modems, wireless local area network, or WLAN, routers as well as residential gateway solutions. For central office deployment, our solutions include cable modem termination systems, for cable, optical line termination, for fiber, and DSL Access Multiplexer for DSL. Our products enable global service providers to continue to deploy next generation broadband access technologies across multiple standards, including DSL, cable and fiber, to provide more bandwidth and faster speeds to consumers. Over the coming years, we expect to see global service providers moving toward new technologies, including data over cable service interface specification, 3.1 for cable modem technologies, G.Fast for DSL, and deploying more fiber-based solutions to increase speeds and bandwidth for customers.

**Ethernet Switching and Routing:** Ethernet is a ubiquitous interconnection technology that enables high performance and cost effective networking infrastructure. We offer a broad set of Ethernet switching and routing products that are optimized for data center implementations, service provider networks, enterprise, and SMB/ROBO. In the data center market, our high capacity, low latency, switching silicon supports advanced protocols around virtualization and multi-pathing. Our Ethernet switching fabric technologies provide the ability to build highly scalable flat networks supporting tens of thousands of servers. Our service provider switch portfolio enables carrier/service provider networks to support a large number of services in the wireless backhaul, access, aggregation and core of their networks. For enterprise and SMB/ROBO applications, we offer product families that combine multi-layer switching capabilities and support lower power modes that comply with industry standards around energy efficient Ethernet.

**Embedded processors and controllers:** Our embedded processors leverage our ARM central processing unit and Ethernet switching technology to deliver SoCs for high performance embedded applications in a wide range of communication products such as voice-over-internet-protocol, telephony, point-of-sale devices and enterprise and retail access points and gateways. We offer a range of knowledge-based processors to enable high-performance decision-making for packet processing in a variety of advanced devices in the enterprise, metro, access, edge and core networking spaces. We also offer a range of Ethernet controllers for servers and workstations supporting multiple generations of Ethernet technology.

**SerDes ASICs:** For data center and enterprise networking, and high performance compute applications, we supply high speed SerDes technology integrated into ASICs. These ASICs are custom products built to individual customers specifications. Our ASICs are designed on advanced CMOS process technologies, focused primarily on leading edge geometries.

**Physical Layer Devices:** These devices, also referred to as PHYs, are transceivers which enable the reception and transmission of Ethernet data packets over a physical medium such as copper wire or optical fibers. Our high performance Ethernet transceivers are built upon a proprietary digital signal processing communication architecture optimized for high-speed network connections and support the latest standards and advanced features, such as energy efficient Ethernet, data encryption and time synchronization. We also offer a range of automotive Ethernet products to meet growing consumer demand for in-vehicle connectivity.

**Fiber optic components:** We supply optical laser and receiver components to the Ethernet networking, storage, and access, metro- and long-haul telecommunication markets. Our optical components enable the high speed reception and transmission of data through optical fibers.

**Wireless Communications Segment.** We support the wireless communications industry with a broad variety of RF semiconductor devices, connectivity solutions and custom touch controllers. Devices incorporating our wireless solutions include mobile handsets and tablets.

**RF Semiconductor Devices:** Our RF semiconductor devices selectively filter, as well as amplify, RF signals. Filters enable modern wireless communication systems to support a large number of subscribers simultaneously by ensuring that the multiple transmissions and receptions of voice and data streams do not interfere with each other. We were among the first to deliver commercial film bulk acoustic resonator, or FBAR, filters that offer technological advantages over competing filter technologies, to allow mobile handsets to function more efficiently in today's congested RF spectrum. FBAR technology has a significant market share within the cellular handset market. As cellular carriers continue to move to 4G/long-term evolution, or LTE, and LTE-advanced standards worldwide, we believe these technological advantages will continue to benefit our business. Our RF products include FEMs that incorporate multiple die into multi-function RF devices, duplexers and multiplexers, which are a combination of two or more transmit and receive filters in a single device, using our proprietary FBAR technology, discrete filters and discrete power amplifiers.

Our expertise in FBAR technology, amplifier design, and module integration enables us to offer industry-leading performance in cellular RF transceiver applications. Our proprietary GaAs wafer manufacturing processes are critical to the production of power amplifier and low noise amplifier products.

**Connectivity solutions:** Our connectivity solutions include discrete and integrated Wi-Fi and Bluetooth solutions, location (GPS/GNSS) controllers and touch controllers.

Wi-Fi allows devices on a local area network to communicate wirelessly, adding the convenience of mobility to the utility of high-speed data networks. We offer a family of high performance, low power Wi-Fi chipsets. Bluetooth is a low power technology that enables direct connectivity between devices. We offer a complete family of Bluetooth silicon and software solutions that enable manufacturers to easily and cost-effectively add Bluetooth functionality to virtually any device. These solutions include combination chips that offer integrated Wi-Fi and Bluetooth functionality, which provides significant performance advantages over discrete solutions.

We also offer a family of GPS, assisted-GPS (A-GPS) and GNSS semiconductor products, software and data services. These products are part of a broader location platform that leverages a broad range of communications technologies, including Wi-Fi, Bluetooth and GPS, to provide more accurate location and navigation capabilities.

**Custom Touch Controllers:** Our touch controllers process signals from touch screens in mobile handsets and tablets.

**Enterprise Storage Segment.** Our enterprise storage products enable secure movement of digital data to and from host machines such as servers, personal computers and storage systems to the underlying storage devices such as HDDs and SSDs.

**Fibre Channel Switch Products:** The Fibre Channel switch products we acquired in connection with our acquisition of Brocade provide interconnection, bandwidth, and high-speed switching between servers and storage devices which are in a FC SAN. FC SANs are networks dedicated to mission critical storage traffic, and enable simultaneous high speed and secure connections among multiple host computers and multiple storage arrays.

**SAS, RAID and PCIe Products:** We provide SAS and RAID controller and adapter solutions to server and storage system OEMs. These solutions enable secure and high speed data transmission between a host computer, such as a server, and storage peripheral devices, such as HDD, SSD and optical disk drives and disk and tape-based storage systems. Some of these solutions are delivered as stand-alone semiconductors, typically as a controller. Other solutions are delivered as circuit boards, known as adapter products, which incorporate our semiconductors onto a circuit board with other features. RAID technology is a critical part of our server storage connectivity solutions as it provides protection against the loss of critical data resulting from HDD failures.

We also provide interconnect semiconductors that support the PCI and PCIe communication standards. PCIe is the primary interconnection mechanism inside computing systems today.

**Fibre Channel Products:** We provide Fibre Channel HBAs, which connect host computers such as servers to FC SANs.

**HDD and SSD products:** We provide read channel-based SoCs and preamplifiers to HDD OEMs. These are the critical chips required to read, write and protect data. An HDD SoC is an integrated circuit, or IC, that combines the functionality of a read channel, serial interface, memory and a hard disk controller in a small, high-performance, low-power and cost-effective package. Read channels convert analog signals that are generated by reading the stored data on the physical media into digital signals. In addition, we sell preamplifiers, which are used to amplify the initial signal to and from the drive disk heads so the signal can be processed by the read channel.

We also provide custom flash controllers to SSD OEMs. An SSD stores data in flash memory instead of on a hard disk, providing high speed access to the data. Flash controllers manage the underlying flash memory in SSDs, performing critical functions such as reading and writing data to and from the flash memory and performing error correction, wear leveling and bad block management.

**Industrial & Other.** We provide a broad variety of products for the general industrial and automotive markets. This segment also includes IP licensing revenue.

**Optocouplers:** We offer optical isolators, or optocouplers, which provide electrical insulation and signal isolation for signaling systems that are susceptible to electrical noise or interference. Optocouplers are used in a diverse set of applications, including industrial motors, automotive systems including those used in hybrid engines, power generation and distribution systems, switching power supplies, motion sensors, telecommunications equipment, computers and office equipment, plasma displays, and military electronics.

**Industrial Fiber Optics:** For industrial networking, we provide fast optical transceivers using plastic optical fiber that enable quick and interoperable networking and factory automation.

**Motion Encoders:** For industrial motors and robotic motion control, we supply optical encoders, as well as ICs for the controller and decoder functions.

**LEDs:** For electronic signs and signals, we supply LED assemblies that offer high brightness and stable light output over thousands of hours, enabling us to support traffic signals, large commercial signs and other displays.

## Research and Development

We are committed to continuous investment in product development, with a focus on rapidly introducing new, proprietary products. Many of our products have grown out of our own research and development efforts, and have given us competitive advantages in certain target markets due to performance differentiation. However, from time to time we also seek to enhance our capabilities through the acquisition of engineers with complementary research and development skills and complementary technologies and businesses. We focus our research and development efforts on the development of innovative, sustainable and higher value product platforms. We leverage our design capabilities in markets where we believe our innovation and reputation will allow us to earn attractive margins by developing high value-add products.

We plan to continue investing in product development, both organically and through acquisition, to drive growth in our business. We also invest in process development and fabrication capabilities to optimize processes for devices that are manufactured internally. Our field application engineers and design engineers are located in many places around the world, and in many cases near our top customers. This enhances our customer reach and our visibility into new product opportunities and enables us to support our customers in each stage of their product development cycle, from early stages of production design through to volume manufacturing and future growth. By collaborating with our customers, we have opportunities to develop high value-added, customized products for them that leverage our existing technologies. Research and development expense was \$3.3 billion, \$2.7 billion and \$1.0 billion for fiscal years 2017, 2016 and 2015, respectively. These amounts included share-based compensation expense of \$636 million, \$430 million and \$107 million for fiscal years 2017, 2016 and 2015, respectively. We anticipate that we will continue to make significant research and development expenditures in order to maintain our competitive position, and with a continuous flow of innovative and sustainable product platforms.

## Customers, Sales and Distribution

We sell our products to a wide variety of OEMs or their contract manufacturers, distributors and end customers. Certain customers require us to contract with them directly and with specified intermediaries, such as contract manufacturers, and both they and their contract manufacturers often require time-critical delivery of our products to multiple locations around the world. Historically, a relatively small number of customers have accounted for a significant portion of our net revenue. Sales to distributors accounted for 28% and 30% of our net revenue for fiscal years 2017 and 2016, respectively. Direct sales to Foxconn Technology Group companies (including Hon Hai Precision Industries), together referred to as Foxconn, accounted for 14% of our net revenue for both fiscal years 2017 and 2016. We believe our aggregate sales to our top five end customers, through all channels, accounted for more than 40% of our net revenue for fiscal year 2017 and more than 30% for fiscal year 2016. We believe aggregate sales to Apple, Inc., through all channels, accounted for more than 20% of our net revenue for fiscal year 2017 and approximately 15% for fiscal year 2016. We expect to continue to experience significant customer concentration in future periods. The loss of, or significant decrease in demand from, any of our top five end customers could have a material adverse effect on our business, results of operations and financial condition.

We sell our products through our direct sales force and a select network of distributors globally. Our direct sales force is focused on supporting our large OEM customers. Our sales force has specialized product and service knowledge that enables us to sell specific offerings at key levels throughout a customer's organization.

We have sales offices located in various countries, with a significant presence in Asia, which is a key center of the worldwide electronics supply chain. Many of our customers design products in North America or Europe that are then manufactured in Asia. We also maintain dedicated regional customer support call centers, where we address customer issues and handle logistics and other order fulfillment requirements.

We have strategically developed distributor relationships to serve thousands of customers around the world. A significant amount of our sales are to large global electronic components distributors, including Avnet, Inc., complemented by a number of regional distributors with customer relationships based on their respective product ranges.

We believe we are well-positioned to support our customers throughout the design, technology transfer and manufacturing stages across all geographies.

## Operations

The majority of our front-end wafer manufacturing operations is outsourced to external foundries, including Taiwan Semiconductor Manufacturing Company Limited, or TSMC, primarily, as well as United Microelectronics Corporation, Semiconductor Manufacturing International Corporation, GlobalFoundries Inc., TowerJazz and WIN Semiconductors Corp. We use third-party contract manufacturers for a significant majority of our assembly and test operations, including Advanced Semiconductor Engineering, Inc., Amkor Technology, Inc., Siliconware Precision Industries Co., Ltd., Inari Technology SDN BHD and Flextronics Telecom Systems, Ltd. We use our internal fabrication facilities for products utilizing our innovative and proprietary processes, to protect our IP and to accelerate time to market for our products. Examples of internally fabricated

semiconductors include our FBAR filters for wireless communications and our vertical-cavity surface emitting laser-based and InP-based lasers for fiber optic communications. The majority of our internal III-V semiconductor wafer fabrication is done in the United States and Singapore. Many of our products are designed to be manufactured in a specific process, typically at one particular foundry, either our own or with a particular contract manufacturer, and in some instances, we may only qualify one contract manufacturer to manufacture certain of our products.

We store the majority of our product inventory in our warehouse in Malaysia. However, for selected customers, we maintain finished goods inventory near or at customer manufacturing sites to support their just-in-time production.

## **Materials and Suppliers**

Our manufacturing operations employ a wide variety of semiconductors, electromechanical components and assemblies and raw materials. We purchase materials from hundreds of suppliers on a global basis. These supply relationships are generally conducted on a purchase order basis. While we have not experienced any significant difficulty in obtaining the materials used in the conduct of our business and we believe that no single supplier is material, some of the parts are not readily available from alternate suppliers due to their unique design or the length of time necessary for re-design or qualification. Our long-term relationships with our suppliers allow us to proactively manage our technology development and product discontinuance plans, and to monitor our suppliers' financial health. Some suppliers may, nonetheless, extend their lead times, limit supplies, increase prices or cease to produce necessary parts for our products. If these are unique or highly specialized components, we may not be able to find a substitute quickly, or at all. To address the potential disruption in our supply chain, we may use a number of techniques, including, in some cases, qualifying more than one source of supply, redesigning products for alternative components and incremental, or in some cases "lifetime," purchases of affected parts for supply buffer.

## **Competition**

The global semiconductor market is highly competitive. Our competitors range from large, international companies offering a wide range of products to smaller companies specializing in narrow markets. We compete with integrated device manufacturers, or IDMs, and fabless semiconductor companies, as well as the internal resources of large, integrated OEMs. The competitive landscape is changing as a result of a trend toward consolidation within the industry, as some of our competitors have merged with or been acquired by other competitors while others have begun collaborating with each other. We expect this consolidation trend to continue. We expect competition in the markets in which we participate to continue to increase as existing competitors improve or expand their product offerings and as new companies enter the market. Additionally, our ability to compete effectively depends on a number of factors, including: quality, technical performance, price, product features, product system compatibility, system-level design capability, engineering expertise, responsiveness to customers, new product innovation, product availability, delivery timing and reliability, and customer sales and technical support.

Our primary competitors in the wired infrastructure segment are Cavium Inc., Intel Corp., Finisar Corp., GlobalFoundries, HiSilicon Technologies Co. Ltd., Lumentum Operations LLC, MACOM Technology Solutions Holdings, Inc., Marvell Corp., Mediatek Inc., Mellanox Technologies, Mitsubishi Electric Corporation, NXP Semiconductors N.V., Quantenna Inc., ST Microelectronics N.V., and Sumitomo Corporation. We compete based on the strength of our high speed proprietary design expertise, our customer relationships, and broad product portfolio.

Our primary competitors in the wireless communications segment are Murata Manufacturing Co., Ltd., Qorvo, Inc., Qualcomm, Skyworks Solutions, Inc., and TDK-EPC Corporation. We compete based on our expertise in FBAR technology, amplifier design, module integration and proprietary material processes.

Our primary competitors in the enterprise storage segment include Cavium Inc., Marvell Technology Group, Ltd., Microsemi Corp., and Texas Instruments, Inc. We compete based on our expertise in multiple storage protocols and mixed-signal design. With the acquisition of Brocade, we will also compete with Cisco Systems, Inc. with respect to our Fibre Channel switch products.

Our primary competitors in the industrial & other segment are Analog Devices, Inc., Cree, Inc., Hamamatsu Photonics K.K., Heidenhain Corporation, Renesas Electronics Corporation and Toshiba Corporation. We compete based on our design expertise, broad product portfolio, reputation for quality products and large customer base.

## **Intellectual Property**

Our success depends in part upon our ability to protect our IP. To accomplish this, we rely on a combination of IP rights, including patents, copyrights, trademarks, service marks, trade secrets and similar IP, as well as customary contractual protections with our customers, suppliers, employees and consultants, and through security measures to protect our trade secrets. We believe our current product expertise, key engineering talent and IP portfolio provide us with a strong platform from which to develop application specific products in key target markets.



As of October 29, 2017, we had 24,250 U.S. and other patents and 2,061 U.S. and other pending patent applications. Our research and development efforts are presently resulting in approximately 150 new patent applications per year, relating to a wide range of ASIC, isolation, encoder, LED, RF and optoelectronic components, enterprise storage products, HDD silicon, PCIe, USB and other standard I/O devices, Ethernet and Fibre-Channel connectivity and controllers, set-top box SoCs, cable modem SoCs, broadband access SoCs, wireless connectivity SoCs, switching/routing SoCs, high performance processor SoCs and associated applications. The expiration dates of our patents range from 2018 to 2036, with a small number of patents expiring in the near future, none of which are expected to be material to our IP portfolio. We are not substantially dependent on any single patent or group of related patents.

We focus our patent application program to a greater extent on those inventions and improvements that we believe are likely to be incorporated into our products, as contrasted with more basic research. However, we do not know how many of our pending patent applications will result in the issuance of patents or the extent to which the examination process could require us to narrow our claims.

We and our predecessors have also entered into a variety of IP licensing and cross-licensing arrangements that have both benefited our business and enabled some of our competitors. A portion of our revenue comes from IP licensing royalty payments and from technology claim settlements relating to such IP. We also license in third-party technologies that are incorporated into some elements of our design activities, products and manufacturing processes. Historically, licenses of the third-party technologies used by us have generally been available to us on acceptable terms.

The semiconductor industry is characterized by the existence of a large number of patents, copyrights, trademarks and trade secrets and by the vigorous pursuit, protection and enforcement of IP rights, including by patent holding companies that do not make or sell products. Many of our customer agreements require us to indemnify our customers for third-party IP infringement claims. Claims of this sort could harm our relationships with our customers and might deter future customers from doing business with us. With respect to any IP rights claims against us or our customers or distributors, we may be required to cease manufacture of the infringing product, pay damages, expend resources to develop non-infringing technology, seek a license which may not be available on commercially reasonable terms or at all, or relinquish patents or other IP rights.

## **Employees**

As of October 29, 2017, we had approximately 14,000 employees worldwide. By geography, approximately 55% of our employees are located in North America, 38% in Asia, and 7% in Europe, the Middle East and Africa. In the United States, none of our employees are represented by a labor union. In Singapore, approximately 270 of our 829 employees are subject to a collective bargaining agreement. A small number of our employees in other countries is represented by workers' councils or labor unions.

## **Environmental and Other Regulation**

Our research and development and manufacturing operations involve the use of hazardous substances and are regulated under international, federal, state and local laws governing health, safety and the environment. These regulations include limitations on discharge of pollutants to air, water, and soil; remediation requirements; product chemical content limitations; manufacturing chemical use and handling restrictions; pollution control requirements; waste minimization considerations; and treatment, transport, storage and disposal of solid and hazardous wastes. We are also subject to regulation by the United States Occupational Safety and Health Administration and similar health and safety laws in other jurisdictions.

We believe that our properties and operations at our facilities comply in all material respects with applicable environmental laws and worker health and safety laws. However, the risk of environmental liabilities cannot be completely eliminated and there can be no assurance that the application of environmental, health and safety laws to our business will not require us to incur significant expenditures.

We are also regulated under a number of international, federal, state and local laws regarding recycling, product packaging and product content requirements, including legislation enacted in the United States, European Union and China, among a growing number of jurisdictions, which have placed greater restrictions on the use of lead, among other chemicals, in electronic products, which affects materials composition and semiconductor packaging. These laws are becoming more stringent and may in the future cause us to incur significant expenditures.

## **Backlog**

Our sales are generally made pursuant to short-term purchase orders. These purchase orders are made without deposits and may be, and often are, rescheduled, canceled or modified on relatively short notice, without substantial penalty. Therefore, we believe that purchase orders or backlog are not necessarily a reliable indicator of future sales.

## Seasonality

Historically, our net revenue has typically been higher in the second half of the fiscal year than in the first half, primarily due to seasonality in our wireless communications segment. This segment has historically experienced seasonality due to launches of new mobile handsets manufactured by our OEM customers. However, from time to time, typical seasonality and industry cyclicality are overshadowed by other factors such as wider macroeconomic effects, the timing of significant product transitions and launches by large OEMs, particularly in the wireless communications segment. We have a diversified business portfolio and our wired infrastructure segment represents the largest portion of our net revenue. We believe that our overall revenue is less susceptible to seasonal variations as a result of the diversification of our business portfolio.

## Financial Information about Geographic Areas

For information on the geographic concentration of our net revenue and long-lived assets, please see Note 12. "Segment Information" included in Part II, Item 8. of our consolidated financial statements, included elsewhere in the Annual Report on Form 10-K.

## Other Information

Broadcom Limited was incorporated under the laws of the Republic of Singapore in March 2015 and is successor to Avago Technologies Limited, which was incorporated under the laws of the Republic of Singapore in August 2005. Our Singapore company registration number is 201505572G. The address of our registered office and our principal executive offices is 1 Yishun Avenue 7, Singapore 768923, and our telephone number there is +65-6755-7888. Our ordinary shares are listed on the Nasdaq Global Select Market under the trading symbol "AVGO".

Broadcom Cayman, L.P. was formed under the laws of the Cayman Islands in May 2015. The address of the Partnership's registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-104, Cayman Islands. The address of the Partnership's principal executive offices is 1 Yishun Avenue 7, Singapore 768923, and the telephone number there is +65-6755-7888.

Broadcom Limited is subject to the information and periodic reporting requirements of the Securities Exchange Act of 1934, or Exchange Act, and, in accordance therewith, files periodic reports, proxy statements and other information with the SEC. In addition, the Partnership restricted exchangeable units, or Partnership REUs, are deemed to be registered under Section 12(b) of the Exchange Act and the Partnership is subject to the informational requirements of the Exchange Act and the rules and regulations promulgated thereunder.

Such periodic reports, proxy statements and other information is available for inspection and copying at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549 or may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains a website at <http://www.sec.gov> that contains reports, proxy statements and other information regarding issuers that file electronically with the SEC. We maintain a website at [www.broadcom.com](http://www.broadcom.com). You may access our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other reports (and amendments thereto) filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC, as well as, proxy statements filed by Broadcom Limited, free of charge at the "Investor Center — SEC Filings" section of our website at [www.broadcom.com](http://www.broadcom.com), as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The reference to our website address does not constitute incorporation by reference of the information contained on or accessible through our website.

**ITEM 1A. RISK FACTORS**

As noted above, Broadcom is the successor to Avago. Following the acquisition of BRCM, on February 1, 2016, Broadcom became the ultimate parent company of Avago and BRCM. Financial information and results of operations presented in this Annual Report on Form 10-K for periods prior to February 1, 2016 relate to Avago and relate to us for the periods after February 1, 2016.

Our business, operations and financial results are subject to various risks and uncertainties, including those described below, that could adversely affect our business, financial condition, results of operations, cash flows, and the trading price of our ordinary shares. The following important factors, among others, could cause our actual results to differ materially from historical results and those expressed in forward-looking statements made by us or on our behalf in filings with the SEC, press releases, communications with investors and oral statements.

**Risks Related to Our Business**

***The majority of our sales comes from a small number of customers and a reduction in demand or loss of one or more of our significant customers may adversely affect our business.***

We are dependent on a small number of end customers, OEMs, their respective contract manufacturers, and certain distributors for a majority of our business, revenue and results of operations. Sales to distributors accounted for 28% and 30% of our net revenue for fiscal years 2017 and 2016, respectively. Direct sales to Foxconn accounted for 14% of our net revenue for both fiscal years 2017 and 2016. We believe our aggregate sales to our top five end customers, through all channels, accounted for more than 40% of our net revenue for fiscal year 2017 and more than 30% for fiscal year 2016. We believe aggregates sales to Apple, Inc., through all channels, accounted for more than 20% of our net revenue for fiscal year 2017 and approximately 15% for fiscal year 2016. This customer concentration increases the risk of quarterly fluctuations in our operating results and our sensitivity to any material, adverse developments experienced by our significant customers.

In addition, our top customers' purchasing power has, in some cases, given them the ability to make greater demands on us with regard to pricing and contractual terms in general. We expect this trend to continue, which may adversely affect our gross margin on certain products and, should we fail to comply with such terms, might also result in substantial liability that could harm our business, financial condition and results of operations.

Moreover, the terms and conditions under which we do business with most of our customers generally do not include commitments by those customers to purchase any specific quantities of products from us. Even in those instances where we enter into an arrangement under which a customer agrees to source an agreed portion of its product needs from us (provided that we are able to meet specified development, supply and quality commitments), the arrangement often includes pricing schedules or methodologies that apply regardless of volume of products purchased, and those customers may not purchase the amount of product we expect. As a result, we may not generate the amount of revenue or the level of profitability we expect under such arrangements. If we do not perform under these arrangements, we could also be liable for significant monetary damages.

The loss of, or any substantial reduction in sales to, any of our major customers could have a material adverse effect on our business, financial condition and results of operations and cash flows.

***Dependence on contract manufacturing and suppliers of critical components within our supply chain may adversely affect our ability to bring products to market, damage our reputation and adversely affect our results of operations.***

We operate a primarily outsourced manufacturing business model that principally utilizes third-party wafer foundry and module assembly and test capabilities, referred to as contract manufacturers. Our products require semiconductor wafer manufacturers with state-of-the-art fabrication equipment and techniques, and most of our products are designed to be manufactured in a specific process, typically at one particular fab or foundry, either our own or with a particular contract manufacturer.

We depend on our contract manufacturers to allocate sufficient manufacturing capacity to meet our needs, to produce products of acceptable quality at acceptable yields, and to deliver those products to us on a timely basis. Although we often have long-term contracts with our contract manufacturers, we do not generally have long-term capacity commitments. We obtain substantially all of our manufacturing services on a purchase order basis and our contract manufacturers have no obligation to provide us with any specified minimum quantities of product. Further, from time to time our contract manufacturers will cease to, or will become unable to, manufacture a component for us. As the lead time needed to identify, qualify and establish reliable production, at acceptable yields, with a new contract manufacturer is typically lengthy, there is often no readily available alternative source for the wafers or other contract manufacturing services we require, and there may be other constraints on our ability to change contract manufacturers. In addition, qualifying such manufacturers is often expensive, and they may not produce products as cost-effectively as our current suppliers, which would reduce our margins. In any such circumstances, we may be unable to meet our customer demand and may fail to meet our contractual obligations.



This could result in the payment of significant damages by us to our customers, and our net revenue could decline, adversely affecting our business, financial condition and results of operations.

We utilize TSMC to produce the substantial majority of our semiconductor wafers. TSMC manufactured approximately three-quarters of the wafers manufactured by our contract manufacturers during the fiscal year ended October 29, 2017. Our wafer requirements represent a significant portion of the total production capacity of TSMC. However, TSMC also fabricates wafers for other companies, including certain of our competitors, and could choose to prioritize capacity for other users or reduce or eliminate deliveries to us on short notice, or raise their prices to us, all of which could harm our business, results of operations and gross margin.

Any substantial disruption in TSMC's supply of wafers to us, or in the other contract manufacturing services that we utilize, as a result of a natural disaster, political unrest, economic instability, equipment failure or other cause, could materially harm our business, customer relationships and results of operations.

We also depend on our third-party contract manufacturers to timely develop new, advanced manufacturing processes, including, in the case of wafer fabrication, transitions to smaller geometry process technologies. If these new processes are not timely developed or we do not have sufficient access to them, we may be unable to maintain or increase our manufacturing efficiency to the same extent as our competitors or deliver products to our customers, which could result in loss of revenue opportunities and damage our relationships with our customers.

***We purchase a significant amount of the materials used in our products from a limited number of suppliers.***

Our manufacturing processes rely on many materials, including silicon, GaAs and InP wafers, copper lead frames, precious and rare earth metals, mold compound, ceramic packages and various chemicals and gases. We purchase a significant portion of our semiconductor materials and finished goods used in our products from a few materials providers, some of which are single source suppliers. During the fiscal year ended October 29, 2017, we purchased approximately two-thirds of the materials for our manufacturing processes from five materials providers. Substantially all of our purchases are on a purchase order basis, and we do not generally have long-term contracts with our materials providers. Suppliers may extend lead times, limit supplies or increase prices due to commodity price increases, capacity constraints or other factors, which may lead to interruption of supply or increased demand in the industry. In the event that we cannot timely obtain sufficient quantities of materials or at reasonable prices, the quality of the material deteriorates or we are not able to pass on higher materials or energy costs to our customers, our business, financial condition and results of operations could be adversely impacted.

***We may pursue acquisitions, investments, joint ventures and dispositions, which could adversely affect our results of operations.***

Our growth strategy includes the acquisition of, and investment in, businesses that offer complementary products, services and technologies, augment our market coverage, or enhance our technological capabilities, such as our acquisition of Brocade. We may also enter into strategic alliances or joint ventures to achieve these goals. We may not be able to identify suitable acquisition, investment, alliance, or joint venture opportunities, or to consummate any such transactions. In addition, our original estimates and assumptions used in assessing any transaction that we make may be inaccurate and we may not realize the expected financial or strategic benefits of any such transaction, including our acquisition of Brocade.

Any acquisitions we may undertake involve risks and uncertainties, such as unexpected delays, challenges and related expenses, and diversion of management's attention. For example, regulatory approvals required in connection with an acquisition, such as those from the U.S. Department of Justice or the Federal Trade Commission, may take longer than anticipated to obtain, may not be obtained at all or may contain materially burdensome conditions. If any conditions or changes to the structure of an acquisition are required to obtain these regulatory approvals, they may have the effect of jeopardizing or delaying completion of such acquisition or reducing our anticipated benefits of the transaction. If we agree to any material conditions in order to obtain any such approvals or if we fail to comply with any such conditions, our business and results of operations may be adversely affected. For example, if we do not complete our redomiciliation within one year from the closing, we agreed to initiate a process to separate and divest the Brocade SAN business. If we fail to complete an acquisition, our share price could fall to the extent the price reflects an assumption that such acquisition will be completed, and we may have incurred significant unrecoverable costs. Further, the failure to consummate an acquisition may result in negative publicity and adversely impact our relationships with our customers, vendors and employees. We may become subject to legal proceedings relating to the acquisition and the integration of acquired businesses may not be successful. The integration of an acquired business involves significant challenges, including, among others: minimizing the disruption of our business, diversion of management's attention from daily operations and integrating the personnel of acquired businesses; incurring significant restructuring charges and amortization expense, assuming liabilities and ongoing lawsuits, potential impairment of acquired goodwill and other intangible assets, and increasing our expenses and working capital requirements; and implementing our management information systems, operating systems and internal controls over the acquired operations. These difficulties may be complicated by factors such as the size of the business or entity acquired, geographic

distances and cultural differences, lack of experience operating in the geographic markets or industry sectors of the acquired business, potential loss of key employees and customers, the potential for deficiencies in internal controls at the acquired or combined business, performance problems with the acquired business' technology, exposure to unanticipated liabilities of the acquired business, insufficient revenue to offset increased expenses associated with the acquisition, adverse tax consequences and our potential inability to achieve the growth prospects or synergies expected from any such acquisition.

Failure to manage and successfully integrate the acquisitions we make, or to improve margins of the acquired businesses and products, could materially harm our business, operating results and margins.

Any future acquisitions we make may require significant additional debt or equity financing, which, in the case of debt financing, would increase our leverage and potentially negatively affect our credit ratings, and in the case of an equity or equity-linked financing, would be dilutive to our existing shareholders. Any downgrades in our credit ratings could adversely affect our ability to borrow by resulting in more restrictive borrowing terms or increased borrowing costs. As a result, we may be unable to complete acquisitions or other strategic transactions in the future to the same extent as in the past, or at all. These and other factors could harm our ability to achieve anticipated levels of profitability of acquired businesses or realize other anticipated benefits of an acquisition, and could adversely affect our business, financial condition and results of operations.

We recently made an offer to acquire all of the outstanding shares of Qualcomm. We do not yet know the outcome of this proposed acquisition. However, any such transaction will be subject to all of the risks discussed above, and we will need to incur a significant amount of indebtedness to fund the transaction.

From time to time, we may also seek to divest or wind down portions of our business that are not strategically important, both acquired or otherwise, such as the Brocade IP Networking business, or we may exit minority investments, each of which could materially affect our cash flows and results of operations. Any future dispositions we may make could involve risks and uncertainties, including our ability to sell such businesses on terms acceptable to us, or at all. In addition, any such dispositions could result in disruption to other parts of our business, potential loss of employees or customers, exposure to unanticipated liabilities or result in ongoing obligations and liabilities to us following any such dispositions. For example, in connection with such dispositions, we often enter into transition services agreements or other strategic relationships, including long-term research and development arrangements, sales arrangements or agree to provide certain indemnities to the purchaser in any such transaction, which may result in additional expense and may adversely affect our financial condition and results of operations. In addition, dispositions may include the transfer of technology and/or the licensing of certain IP rights to third-party purchasers, which could limit our ability to assert our IP rights against such third-party purchasers.

***Failure to adjust our manufacturing and supply chain to accurately meet customers demand could adversely affect our results of operations.***

We make significant decisions, including determining the levels of business that we will seek and accept, production schedules, levels of reliance on contract manufacturing and outsourcing, internal fabrication utilization and other resource requirements, based on our estimates of customer requirements. Factors that can impact our ability to accurately estimate future customer requirements include the short-term nature of many customers' commitments, our customers' ability to reschedule, cancel and modify orders with little or no notice and without significant penalty, the accuracy of our customers' forecasts and the possibility of rapid changes in demand for our customers' products, as well as seasonal or cyclical trends in their industries or the semiconductor industry.

To ensure availability of our products, particularly for our largest customers, we typically start manufacturing our relevant products based on our customers' forecasts, which are not binding. As a result, we incur inventory and manufacturing costs in advance of anticipated sales that may never materialize or which may be substantially lower than expected. If actual demand for our products is lower than forecast, we may also experience higher inventory carrying and operating costs and product obsolescence. Because certain of our sales, research and development, and internal manufacturing overhead expenses are relatively fixed, a reduction in customer demand may also decrease our gross margin and operating income.

Conversely, customers often require rapid increases in production on short notice. We may be unable to secure sufficient materials or contract manufacturing capacity to meet such increases in demand. This could damage our customer relationships, reduce revenue growth and margins, subject us to additional liabilities, harm our reputation, and prevent us from taking advantage of opportunities.

***We are dependent on a limited number of markets, and dynamics in these markets could negatively impact our business or results of operations.***

We operate in a limited number of markets. If demand in these markets declines or grows at a significantly slower pace than expected, our results may be adversely affected. The success of our wired infrastructure segment is primarily dependent on information technology, or IT, and data center spending, which can vary dramatically from quarter to quarter, consumer

demand for traditional pay-TV services, capital expenditures on the installation of broadband capacity and our ability to transition our products to increasingly smaller line width geometries. Our wireless communications segment is primarily dependent on the mobile handset market, which is characterized by intense competition, rapidly evolving technologies and changing consumer preferences, and our success is dependent on the overall demand for mobile handsets and macroeconomic conditions in general, as well as the relative success of the mobile handsets into which our products are incorporated.

Similar to our wired infrastructure segment, our enterprise storage segment is dependent on data center spending, as well as HDD-related sales. In addition, the shift to cloud-based IT solutions and services, such as hyperscale computing, may adversely affect both our wired infrastructure and enterprise storage segments. We currently sell a substantial portion of our products for use in traditional enterprise data centers. As cloud-based IT solutions become more prevalent, our results of operations will suffer if we are unable to increase sales of our products to cloud-based data center providers.

***We are subject to risks associated with our distributors, including product inventory levels and product sell-through.***

We sell many of our products through distributors who maintain their own inventory of our products for sale to dealers and end customers. Sales to distributors accounted for 28% of our net revenue in the fiscal year ended October 29, 2017. If our distributors are unable to sell an adequate amount of their inventory of our products in a given quarter or if they decide to decrease their inventories for any reason, our sales to these distributors and our revenue may decline. We also face the risk that our distributors may increase inventory levels of our products in any particular quarter in excess of future anticipated sales. If such sales do not occur in the time frame anticipated by these distributors for any reason, these distributors may substantially decrease the amount of product they order from us in subsequent periods until their inventory levels realign with end customer demand, which would harm our business and could adversely affect our revenue in such subsequent periods. We have streamlined the number of distributors we use, making us increasingly dependent on our remaining distributors, which may exacerbate the foregoing risks and increase our related credit risk.

We do not always have a direct relationship with the end customers of our products sold through distributors. As a result, our products may be used in applications for which they were not necessarily designed or tested, including, for example, medical devices, and they may not perform as anticipated in such applications. In such event, failure of even a small number of parts could result in significant liabilities to us, damage our reputation and harm our business and results of operations.

***Our business would be adversely affected by the departure of existing members of our senior management team.***

Our success depends, in large part, on the continued contributions of our senior management team, and in particular, the services of Mr. Hock E. Tan, our President and Chief Executive Officer. None of our senior management is bound by written employment contracts. In addition, we do not currently maintain key person life insurance covering our senior management. The loss of any of our senior management could harm our ability to implement our business strategy and respond to the rapidly changing market conditions in which we operate.

***Our operating results are subject to substantial quarterly and annual fluctuations.***

Our revenue and operating results have fluctuated in the past and are likely to fluctuate in the future. These fluctuations may occur on a quarterly and annual basis and are due to a number of factors, many of which are beyond our control. These factors include, among others:

- customer concentration and the gain or loss of significant customers;
- the timing of launches by our customers of new products, such as mobile handsets, in which our products are included and changes in end-user demand for the products manufactured and sold by our customers;
- changes in our product mix or customer mix and their effect on our gross margin;
- the timing of receipt, reduction or cancellation of significant orders by customers;
- fluctuations in the levels of component inventories held by our customers;
- utilization of our internal manufacturing facilities and fluctuations in manufacturing yields;
- our ability to successfully and timely integrate, and realize the benefits of acquisitions we may make and the timing of acquisitions or dispositions of, or making and exiting investments in, other entities, businesses or technologies;
- changes in our tax structure or incentive arrangements, which may adversely affect our net tax expense and our cash flow in any quarter in which such an event occurs;
- our ability to develop, introduce and market new products and technologies on a timely basis;

- the timing and extent of our non-product revenue, such as product development revenue and royalty and other payments from IP sales and licensing arrangements;
- new product announcements and introductions by us or our competitors;
- seasonality or other fluctuations in our markets;
- IP disputes and associated litigation expense;
- timing and amount of research and development and related new product expenditures, and the timing of receipt of any research and development grant monies;
- significant warranty claims, including those not covered by our suppliers or our insurers;
- availability and cost of raw materials and components from our suppliers;
- timing of any regulatory updates, particularly with respect to tax reform;
- fluctuations in currency exchange rates;
- loss of key personnel or the shortage of available skilled workers; and
- the effects of competitive pricing pressures, including decreases in average selling prices of our products.

The foregoing factors are often difficult to predict, and these, as well as other factors, could materially adversely affect our quarterly or annual operating results. In addition, a significant amount of our operating expenses are relatively fixed in nature due to our significant sales, research and development and internal manufacturing overhead costs. Any failure to adjust spending quickly enough to compensate for a revenue shortfall could magnify the adverse impact of such revenue shortfall on our results of operations. As a result, we believe that quarter-to-quarter comparisons of our revenue and operating results may not be meaningful or a reliable indicator of our future performance. If our operating results in one or more future quarters fail to meet the expectations of securities analysts or investors, an immediate and significant decline in the trading price of our ordinary shares may occur.

***If we are unable to attract and retain qualified personnel, especially our design and technical personnel, we may not be able to execute our business strategy effectively.***

Our future success depends on our ability to retain, attract and motivate qualified personnel. We also seek to acquire talented engineering and technical personnel through acquisitions we may make from time to time or otherwise. We have historically encountered some difficulties in hiring and retaining qualified engineers, particularly in Silicon Valley and Southeast Asia where qualified engineers are in high demand. In addition, our employees, including employees whom we have retained as a result of an acquisition, may decide not to continue working for us and may leave with little or no notice. As the source of our technological and product innovations, our design and technical personnel represent a significant asset. Any inability to retain, attract or motivate such personnel could have a material adverse effect on our business, financial condition and results of operations.

***Adverse global economic conditions could have a negative effect on our business, results of operations and financial condition and liquidity.***

Adverse global economic conditions have from time to time caused or exacerbated significant slowdowns in the semiconductor industry generally, as well as in our target markets, which have adversely affected our business and results of operations. In recent periods, investor and customer concerns about the global economic outlook have adversely affected market and business conditions in general. Macroeconomic weakness and uncertainty also make it more difficult for us to accurately forecast revenue, gross margin and expenses. Sustained uncertainty about, or worsening of, current global economic conditions may cause our customers and consumers to reduce or delay spending, could lead to the insolvency of key suppliers and customers, and could intensify pricing pressures. Any or all of these factors could negatively affect demand for our products and our business, financial condition and result of operations.

***We operate in the highly cyclical semiconductor industry, which is subject to significant downturns.***

The semiconductor industry is highly cyclical and is characterized by constant and rapid technological change and price erosion, evolving technical standards, frequent new product introductions, short product life cycles (for semiconductors and for many of the end products in which they are used) and wide fluctuations in product supply and demand. From time to time, these factors, together with changes in general economic conditions, cause significant upturns and downturns in the industry in general, and in our business in particular. Periods of industry downturns have been characterized by diminished demand for end-user products, high inventory levels and periods of inventory adjustment, under-utilization of manufacturing capacity, changes in revenue mix and accelerated erosion of average selling prices, resulting in an adverse effect on our business, financial condition and results of operations. We expect our business to continue to be subject to cyclical downturns even

when overall economic conditions are relatively stable. If we cannot offset industry or market downturns, our net revenue may decline and our financial condition and results of operations may suffer.

***Our proposed redomiciliation may adversely impact our overall cash tax costs. If we do not complete the redomiciliation within one year of the Brocade Merger, we may be required to divest our Brocade SAN business.***

On November 2, 2017, we announced our intention to initiate a process to change the ultimate parent company of the Broadcom group from a Singapore company to a U.S. corporation. The final form and the timing of the redomiciliation has not yet been finalized and may be affected by the 2017 Tax Reform Act. In addition, the redomiciliation is subject to the approval of our shareholders. We presently expect our overall cash tax costs will approximately double, as compared to our fiscal year 2017 results, due to the redomiciliation and taking in account the expected effects of the 2017 Tax Reform Act.

Furthermore, in connection with the completion of the Brocade Merger, we agreed to initiate a process to separate and divest the Brocade SAN business if we do not complete this redomiciliation within one year after the Brocade Merger. Any such divestiture could materially and adversely affect our business and results of operations.

***Winning business is subject to lengthy, competitive bid selection processes that often require us to incur significant expense, from which we may ultimately generate no revenue.***

Our business is dependent on us winning competitive bid selection processes, known as “design wins”. These selection processes are typically lengthy and can require us to dedicate significant development expenditures and scarce engineering resources in pursuit of a single customer opportunity. Failure to obtain a particular design win may prevent us from obtaining design wins in subsequent generations of a particular product. This can result in lost revenue and could weaken our position in future competitive bid selection processes.

Winning a product design does not guarantee sales to a customer or that we will realize as much revenue as anticipated, if any. A delay or cancellation of a customer's plans could materially and adversely affect our financial results, as we incur significant expense in the design process and may generate little or no revenue from it. In addition, the timing of design wins is unpredictable and implementing production for a major design win, or multiple design wins occurring at the same time, may strain our resources and those of our contract manufacturers. In such event, we may be forced to dedicate significant additional resources and incur additional, unanticipated costs and expenses. Often customers will only purchase limited numbers of evaluation units from us until they qualify the products and/or the manufacturing line for those products. The qualification process can take significant time and resources and we may not always be able to satisfy customers' qualification requirements. Delays in qualification or failure to qualify our products may cause a customer to discontinue use of our products and result in a significant loss of revenue. Finally, customers could choose at any time to stop using our products or may fail to successfully market and sell their products, which could reduce demand for our products, and cause us to hold excess inventory, materially adversely affecting our business, financial condition and results of operations. These risks are exacerbated by the fact that many of our products, and the end products into which our products are incorporated, often have very short life cycles.

***Competition in our industry could prevent us from growing our revenue.***

The global semiconductor market is highly competitive. We expect competition in the markets in which we participate to continue to increase as existing competitors improve or expand their product offerings. Competition may further increase as companies not currently in direct competition with us may introduce competing products in the future. In addition, the competitive landscape is changing as a result of a trend toward consolidation within the industry, as some of our direct competitors have merged with or been acquired by other competitors while others have begun collaborating with each other. We expect this consolidation trend to continue.

Some of our competitors may have greater resources for manufacturing, distribution, financial, research and development or marketing resources than us. In addition, some of our competitors may also have a greater presence in key markets, a larger customer base or more comprehensive IP portfolio and patent protection than us. We compete with IDMs and fabless semiconductor companies, as well as the internal resources of large, integrated OEMs. Because our products are often building block semiconductors, providing functions that in some cases can be integrated into more complex ICs we also face competition from manufacturers of ICs, as well as customers that may develop their own IC products. Our competitors in these markets range from large, international companies offering a wide range of semiconductor products and devices to smaller companies specializing in niche markets and new technologies.

If we are unable to compete successfully, we may lose market share for our products or incur significant reduction in our gross margins, any of which could have a material adverse effect on our business and results of operations.



***A prolonged disruption of our manufacturing facilities, research and development facilities or other significant operations, or those of our suppliers, could have a material adverse effect on our business, financial condition and results of operations.***

Although we operate a primarily outsourced manufacturing business model, we also rely on our own manufacturing facilities, in particular in Fort Collins, Colorado, Singapore, and Breinigsville, Pennsylvania. We use these internal fabrication facilities for products utilizing our innovative and proprietary processes, to protect our IP, to accelerate time to market of our products and to ensure supply of certain components. Our Fort Collins and Breinigsville facilities are the sole sources for our FBAR components used in many of our wireless devices and for the InP-based wafers used in our fibre optics products, respectively. Many of our facilities, and those of our contract manufacturers and suppliers, are located in California and the Pacific Rim region, which has above average seismic activity and severe weather activity. In addition, our research and development personnel are primarily concentrated in China, India, Israel, Malaysia, Singapore, South Korea, Taiwan, Fort Collins, Colorado, San Jose, California, Southern California and Breinigsville and Allentown, Pennsylvania, with the expertise of the personnel at each such location tending to be focused on one or two specific areas.

A prolonged disruption at one or more of our manufacturing or research facilities for any reason, especially our Fort Collins, Singapore and Breinigsville facilities, or those of our contract manufacturers or suppliers, due to natural- or man-made disasters or other events outside of our control, such as equipment malfunction or widespread outbreaks of acute illness at one or more of these facilities, would limit our capacity to meet customer demands and delay new product development until a replacement facility and equipment, if necessary, were found. Any such event would likely disrupt our operations, delay production, shipments and revenue, result in us being unable to timely satisfy customer demand, expose us to claims by our customers resulting in significant expense to repair or replace our affected facilities, and in some instances could significantly curtail our research and development efforts in a particular product area or target market. As a result, we could forgo revenue opportunities, potentially lose market share, damage our customer relationships and be subject to litigation and additional liabilities, all of which could materially and adversely affect our business. Although we purchase insurance to mitigate certain losses, such insurance often carries a high deductible amount and any such uninsured losses could negatively affect our operating results. In addition, even if we were able to promptly resume production of our affected products, if our customers cannot timely resume their own manufacturing following such an event, they may cancel or scale back their orders from us and this may in turn adversely affect our results of operations. Such events could also result in increased fixed costs relative to the revenue we generate and adversely affect our results of operations.

***We may be unable to maintain appropriate manufacturing capacity at our own manufacturing facilities, which could adversely affect our relationships with our customers, and our business, financial condition and results of operations.***

We must maintain appropriate capacity at our own manufacturing facilities to meet anticipated customer demand for our proprietary products. From time to time, this requires us to invest in expansion or improvements of those facilities, which often involves substantial cost and other risks, such as delays in completion. Such expanded manufacturing capacity may still be insufficient, or may not come online soon enough, to meet customer demand and we may have to put customers on product allocation, forgo sales or lose customers as a result. Conversely, if we overestimate customer demand, we would experience excess capacity and fixed costs at these facilities, all of which could adversely affect our results of operations.

***Any failure of our IT systems or one or more of our corporate infrastructure vendors to provide necessary services could have a material adverse effect on our business.***

We depend on various IT systems, including networks, applications, internal IT systems and personnel, and outsourced services for, among other things, financial reporting and product orders and shipments. We rely on third-party vendors to provide critical corporate infrastructure services, including certain services related to accounting, billing, shipping, human resources, benefit plan administration, IT network development and network monitoring. While we may be entitled to damages if our vendors fail to perform under their agreements with us, we may be unable to collect on any award of damages and any award may be insufficient to cover the actual costs we may incur as a result of a vendor's failure to perform under its agreement with us. Upon expiration or termination of any of our third-party vendor agreements we may not be able to timely replace the vendor on terms and conditions, including service levels and cost, that are favorable to us. In addition, a transition from one vendor to another vendor could subject us to operational delays and inefficiencies until the transition is complete.

Any failure of these internal or third-party systems and services to operate effectively could disrupt our operations and could have a material adverse effect on our business, financial condition and results of operations by harming our ability to accurately forecast sales demand, manage our supply chain and production facilities, fulfill customer orders, and report financial and other information on a timely and accurate basis.

***Our gross margin is dependent on a number of factors, including our product mix, price erosion, acquisitions we may make, level of capacity utilization and commodity prices.***

Our gross margin is highly dependent on product mix, which is susceptible to seasonal and other fluctuations in our markets. A shift in sales mix away from our higher margin products, as well as the timing and amount of our non-product and

IP-related revenue, could adversely affect our future gross margin percentages. Although our non-product revenue is generally high margin, it fluctuates significantly from quarter to quarter. In addition, increased competition and the existence of product alternatives, more complex engineering requirements, lower demand or reductions in our technological lead, compared to our competitors, and other factors may lead to further price erosion, lower revenue and lower margin for us in the future.

Our gross margin may also be adversely affected by expenses related to the acquisitions of businesses, such as amortization of intangible assets and restructuring and impairment charges. Furthermore, businesses or companies that we acquire may have different gross margin profiles than us and could, therefore, also affect our overall gross margin.

In addition, semiconductor manufacturing requires significant capital investment, leading to high fixed costs, including depreciation expense. If we are unable to utilize our owned manufacturing facilities at a high level, the fixed costs associated with these facilities, such as depreciation expense, will not be fully absorbed, resulting in higher average unit costs and a lower gross margin. Furthermore, fluctuations in commodity prices, either directly in the price of the raw materials we buy, or as a result of price increases passed on to us by our suppliers, could negatively impact our margins. We do not hedge our exposure to commodity prices, some of which (including gold and fuel prices) are very volatile, and sudden or prolonged increases in commodities prices may adversely affect our gross margin.

***The enactment of legislation implementing changes in taxation of international business activities, the adoption of other corporate tax reform policies, or changes in tax legislation or policies could materially impact our financial position and results of operations.***

Corporate tax reform, base-erosion efforts and tax transparency continue to be high priorities in many tax jurisdictions where we have business operations. As a result, policies regarding corporate income and other taxes in numerous jurisdictions are under heightened scrutiny and tax reform legislation is being proposed or enacted in a number of jurisdictions. For example, the 2017 Tax Reform Act, adopting broad U.S. corporate income tax reform will, among other things, reduce the U.S. corporate income tax rate, but will impose base-erosion prevention measures on non-U.S. earnings of U.S. entities as well as a one-time mandatory deemed repatriation tax on accumulated non-U.S. earnings of U.S. entities. The 2017 Tax Reform Act will affect the tax position reflected on our consolidated balance sheet and our obligations for cash taxes of our U.S. entities and will have a corresponding impact on our consolidated financial results starting in the first quarter of our fiscal year 2018.

In addition, many countries are beginning to implement legislation and other guidance to align their international tax rules with the Organisation for Economic Co-operation's Base Erosion and Profit Shifting recommendations and action plan that aim to standardize and modernize global corporate tax policy, including changes to cross-border tax, transfer-pricing documentation rules, and nexus-based tax incentive practices. As a result of the heightened scrutiny of corporate taxation policies, prior decisions by tax authorities regarding treatments and positions of corporate income taxes could be subject to enforcement activities, and legislative investigation and inquiry, which could also result in changes in tax policies or prior tax rulings. Any such changes in policies or rulings may also result in the taxes we previously paid being subject to change.

Due to the large scale of our international business activities any substantial changes in international corporate tax policies, enforcement activities or legislative initiatives may materially and adversely affect our business, the amount of taxes we are required to pay and our financial condition and results of operations generally.

***If the tax incentive or tax holiday arrangements we have negotiated in Singapore and other jurisdictions change or cease to be in effect or applicable, in part or in whole, for any reason, or if our assumptions and interpretations regarding tax laws and incentive or holiday arrangements prove to be incorrect, the amount of corporate income taxes we have to pay could significantly increase.***

Our operations are currently structured to benefit from the various tax incentives and tax holidays extended to us in various jurisdictions to encourage investment or employment. For example, we have obtained tax incentives from the Singapore Economic Development Board, an agency of the Government of Singapore, which provide that qualifying income we earn in Singapore is subject to tax holiday or reduced rates of Singapore income tax. Subject to our compliance with the conditions specified in these incentives and legislative developments, the Singapore tax incentives are presently expected to expire at various dates generally between 2020 and 2021, subject in certain cases to potential extensions, which we may or may not be able to obtain, and any subsequent changes in incentive scope. Absent these tax incentives, the corporate income tax rate that would otherwise apply to our Singapore taxable income would be 17%. We also have tax holidays on our qualifying income in Malaysia, which are scheduled to expire between 2018 and 2028. The tax incentives and tax holidays that we have obtained are also subject to our compliance with various operating and other conditions and may, in some instances, be amended or terminated prior to their scheduled termination date by the relevant governmental authority. If we cannot, or elect not to, comply with the operating conditions included in any particular tax incentive, we could, in some instances, be required to refund previously realized material tax benefits, or if such tax incentive or tax holiday is terminated prior to its expiration absent a new incentive applying, we will lose the related tax benefits earlier than scheduled. Depending on the incentive at issue, we could also be required to modify our operational structure and tax strategy, which may not be as

beneficial to us as the benefits provided under the present arrangements. The effect of all these tax incentives and tax holidays, in the aggregate, was to reduce the overall provision for income taxes by approximately \$237 million, \$169 million and \$207 million, for fiscal years 2017, 2016 and 2015, respectively, to increase diluted net income per share by \$0.56 and \$0.74 in fiscal years 2017 and 2015, respectively, and to reduce diluted net loss per share by \$0.44 for fiscal year 2016.

Our interpretations and conclusions regarding the tax incentives are not binding on any taxing authority, and if our assumptions about tax and other laws are incorrect or if these tax incentives are substantially modified or rescinded we could suffer material adverse tax and other financial consequences, which would increase our expenses, reduce our profitability and adversely affect our cash flows.

***Our overall cash tax costs are affected by a number of factors, including reorganizations or restructurings of our businesses or assets, jurisdictional revenue mix and changes in tax regulations or policy, and may be further impacted if our ultimate parent company redomiciles from Singapore to the U.S., all of which could materially, adversely affect financial results.***

We are currently a Singapore-based multinational company subject to tax in various tax jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes. In the ordinary course of our business, there are many transactions where the ultimate tax determination is uncertain. Additionally, our calculations of income taxes payable currently and on a deferred basis are based on our interpretations of applicable tax laws in the jurisdictions in which we are required to file tax returns.

Our provision for income taxes is subject to volatility and could be adversely affected by numerous factors including:

- reorganization or restructuring of our businesses, tangible and intangible assets, outstanding indebtedness and corporate structure, including the planned redomiciliation of our ultimate parent company from Singapore to the U.S.;
- jurisdictional mix of our income and assets, and the resulting tax effects of differing tax rates in different countries;
- changes in the allocation of income and expenses, including adjustments related to changes in our corporate structure, acquisitions or tax law;
- changes in transfer pricing rules or methods of applying these rules;
- changes in tax laws, including in the U.S., changes to the taxation of earnings of foreign subsidiaries, the deductibility of expenses attributable to income and foreign tax credit rules;
- tax effects of increases in non-deductible employee compensation;
- changes in tax accounting rules or principles and in the valuation of deferred tax assets and liabilities;
- outcomes of income tax audits; and
- modifications, expiration, lapses or termination of tax credits or incentives.

At the time we completed our acquisition of BRCM, or the Broadcom Merger, in connection with the preliminary allocation of the purchase price, we established a deferred tax liability on our balance sheet. This liability is associated with our potential tax liability arising from our planned integration of BRCM's IP, which was completed in November 2016. This deferred tax liability was established using an assumed effective U.S. corporate income tax rate of 35%. However, the 2017 Tax Reform Act lowers this rate to 21%, which will result in a material reduction in the amount of other long-term liabilities on our balance sheet. In addition, prior to the adoption of the 2017 Tax Reform Act, this tax liability would have become payable in the U.S. as earnings resulting from this integration of IP were distributed over time. However, under the 2017 Tax Reform Act, we will be required to recognize all of these earnings in our fiscal year 2018 as a deemed repatriation of foreign earnings, subject to a one-time mandatory deemed repatriation tax. This repatriation tax, which we preliminarily estimate to be approximately \$1.3 billion to \$2.5 billion in the aggregate, will be payable over eight years starting in fiscal year 2018. This repatriation tax will increase the amount of our cash taxes payable by an initial amount of at least \$100 million to \$200 million per year, starting in fiscal year 2018. Our initial estimates of the financial impact of the 2017 Tax Reform Act may change as we refine our analysis and as additional guidance becomes available.

We have also adopted transfer pricing policies between our affiliated entities. Our policies call for the provision of services, the sale of products, the advance of financing and grant of licenses from one affiliate to another at prices that we believe are negotiated on an arm's length basis. Our taxable income in any jurisdiction is dependent upon acceptance of our operational practices and intercompany transfer pricing by local tax authorities as being on an arm's length basis. Due to inconsistencies in application of the arm's length standard among taxing authorities, as well as lack of adequate treaty-based protection, transfer pricing challenges by tax authorities could, if successful, result in adjustments for prior or future years. As a result of these adjustments, we could become subject to higher taxes and our earnings and results of operations would be adversely affected in any period in which such determination is made.



Although we believe our tax estimates are reasonable, there is no assurance that the final determination of our income tax liability will not be materially different than what is reflected in our income tax provisions and accruals. Significant judgment is required to determine the recognition and measurement of tax liabilities prescribed in the relevant accounting guidance for uncertainty in income taxes. The accounting guidance for uncertainty in income taxes applies to all income tax positions, which, if resolved unfavorably, could adversely impact our provision for income taxes and our payment obligation with respect to any such taxes.

In addition, we are subject to, and are under, tax audit in various jurisdictions, and such jurisdictions may assess additional income tax against us. Although we believe our tax positions are reasonable, the final determination of tax audits could be materially different from our income tax provisions and accruals. The ultimate result of an audit could have a material adverse effect on our results of operations and cash flows in the period or periods for which that determination is made.

***We may be involved in legal proceedings, including IP, anti-competition and securities litigation, employee-related claims and governmental investigations, which could, among other things, divert efforts of management and result in significant expense and loss of our IP rights.***

We are often involved in legal proceedings, including cases involving our IP rights and those of others, anti-competition and commercial matters, merger-related suits, securities class action suits, employee-related claims and other actions. Some of these actions may seek injunctive relief, including injunctions or exclusion orders against the sale of our products and substantial monetary damages, which if granted or awarded could materially harm our business, financial condition and results of operations. From time to time, we may also be involved or required to participate in governmental investigations. Litigation or settlement of such actions, regardless of their merit, or involvement in governmental investigations, can be complex, can extend for a protracted period of time, may divert the efforts and attention of our management and technical personnel, is frequently costly and the related expenditures unpredictable. An unfavorable resolution of a governmental investigation may include, among others, fines or other orders to pay money, and/or the issuance of orders to cease certain conduct and/or modify our business practices.

The semiconductor industry is characterized by companies holding large numbers of patents, copyrights, trademarks and trade secrets and by the vigorous pursuit, protection and enforcement of IP rights, including actions by patent-holding companies that do not make or sell products. From time to time, third parties assert against us and our customers and distributors their patent, copyright, trademark, trade secret and other IP rights to technologies that are important to our business.

Many of our customer agreements, and in some cases our asset sale agreements, require us to indemnify our customers or purchasers for third-party IP infringement claims, including costs to defend those claims, and payment of damages in the case of adverse rulings. Claims of this sort could also harm our relationships with our customers and might deter future customers from doing business with us. We do not know whether we will prevail in such proceedings, given the complex technical issues and inherent uncertainties in IP litigation. If any pending or future proceedings result in an adverse outcome, we could be required to:

- cease the manufacture, use or sale of the infringing products, processes or technology and/or make changes to our processes or products;
- pay substantial damages for past, present and future use of the infringing technology;
- expend significant resources to develop non-infringing technology;
- license technology from the third-party claiming infringement, which license may not be available on commercially reasonable terms, or at all;
- enter into cross-licenses with our competitors, which could weaken our overall IP portfolio and our ability to compete in particular product categories;
- indemnify our customers or distributors and/or recall, or accept the return of, infringing products;
- pay substantial damages to our direct or end customers to discontinue use or replace infringing technology with non-infringing technology; or
- relinquish IP rights associated with one or more of our patent claims, if such claims are held invalid or otherwise unenforceable.

Any of the foregoing results could have a material adverse effect on our business, financial condition and results of operations.

In addition, we may be obligated to indemnify our current or former directors or employees, or former directors or employees of companies that we have acquired, in connection with litigation or regulatory investigations. These liabilities

could be substantial and may include, among other things, the cost of defending lawsuits against these individuals, as well as stockholder derivative suits; the cost of government, law enforcement or regulatory investigations; civil or criminal fines and penalties; legal and other expenses; and expenses associated with the remedial measure, if any, which may be imposed.

***We utilize a significant amount of IP in our business. If we are unable or fail to protect our IP, our business could be adversely affected.***

Our success depends in part upon protecting our IP. To accomplish this, we rely on a combination of IP rights, including patents, copyrights, trademarks and trade secrets, as well as customary contractual protections with our customers, suppliers, employees and consultants. We may be required to spend significant resources to monitor and protect our IP rights, and even with significant expenditures we may not be able to protect our IP rights that are valuable to our business. We are unable to predict or assure that:

- IP rights that we presently employ in our business will not lapse or be invalidated, circumvented, challenged, or, in the case of third-party IP rights licensed to us, be licensed to others;
- our IP rights will provide competitive advantages to us;
- rights previously granted by third parties to IP rights licensed or assigned to us, including portfolio cross-licenses, will not hamper our ability to assert our IP rights against potential competitors or hinder the settlement of currently pending or future disputes;
- any of our pending or future patent, trademark or copyright applications will be issued or have the coverage originally sought;
- our IP rights will be enforced in certain jurisdictions where competition may be intense or where legal protection may be weak; or
- we have sufficient IP rights to protect our products or our business.

In addition, our competitors or others may develop products or technologies that are similar or superior to our products or technologies, duplicate our products or technologies or design around our protected technologies. Effective patent, trademark, copyright and trade secret protection may be unavailable or more limited in other jurisdictions, relative to those protections available in the United States, may not be applied for or may be abandoned in one or more relevant jurisdictions. We may elect to abandon or divest patents or otherwise not pursue prosecution of certain pending patent applications, due to strategic concerns or other factors. In addition, when patents expire, we lose the protection and competitive advantages they provided to us.

We also generate some of our revenue from licensing royalty payments and from technology claim settlements relating to certain of our IP. Licensing of our IP rights, particularly exclusive licenses, may limit our ability to assert those IP rights against third parties, including the licensee of those rights. In addition, we may acquire companies with IP that is subject to licensing obligations to other third parties. These licensing obligations may extend to our own IP following any such acquisition and may limit our ability to assert our IP rights. From time to time we pursue litigation to assert our IP rights, including, in some cases, against third parties with whom we have ongoing relationships, such as customers and suppliers. Claims of this sort could also harm our relationships with our customers and might deter future customers from doing business with us. Conversely, third parties may pursue IP litigation against us, including as a result of our IP licensing business. An adverse decision in such types of legal action could limit our ability to assert our IP rights and limit the value of our technology, including the loss of opportunities to sell or license our technology to others or to collect royalty payments based upon successful protection and assertion of our IP against others. In addition, such legal actions or adverse decisions could otherwise negatively impact our business, financial condition and results of operations.

From time to time we may need to obtain additional IP licenses or renew existing license agreements. We are unable to predict whether these license agreements can be obtained or renewed on acceptable terms or at all.

***We are subject to warranty claims, product recalls and product liability.***

From time to time, we may be subject to warranty or product liability claims that may in the future lead to significant expense. Our customer contracts typically contain warranty and indemnification provisions, and in certain cases may also contain liquidated damages provisions, relating to product quality issues. The potential liabilities associated with such provisions are significant, and in some cases, including in agreements with some of our largest customers, are potentially unlimited. Any such liabilities may greatly exceed any revenue we receive from the relevant products. Costs, payments or damages incurred or paid by us in connection with warranty and product liability claims and product recalls could materially and adversely affect our financial condition and results of operations. We may also be exposed to such claims as a result of any acquisition we may undertake in the future.

Product liability insurance is subject to significant deductibles and there is no guarantee that such insurance will be available or adequate to protect against all such claims, or we may elect to self-insure with respect to certain matters. It is possible for one of our customers to recall a product containing one of our devices. In such an event, we may incur significant costs and expenses, including among others, replacement costs, contract damage claims from our customers and reputational harm. Although we maintain reserves for reasonably estimable liabilities and purchase product liability insurance, our reserves may be inadequate to cover the uninsured portion of such claims. Conversely, in some cases, amounts we reserve may ultimately exceed our actual liability for particular claims and may need to be reversed.

***The complexity of our products could result in unforeseen delays or expense or undetected defects or bugs, which could adversely affect the market acceptance of new products, damage our reputation with current or prospective customers, and materially and adversely affect our operating costs.***

Highly complex products, such as those we offer, may contain defects and bugs when they are first introduced or as new versions are released, or their release may be delayed due to unforeseen difficulties during product development. If any of our products, including products of companies we have acquired, or third-party components used in our products, contain defects or bugs, or have reliability, quality or compatibility problems, we may not be able to successfully design workarounds. Furthermore, if any of these problems are not found until after we have commenced commercial production of a new product, we may be required to incur additional development costs and product recall, repair or replacement costs. Consequently, our reputation may be damaged and customers may be reluctant to buy our products, which could materially and adversely affect our ability to retain existing customers and attract new customers. To resolve these problems, we may have to invest significant capital and other resources. These problems may also result in claims against us by our customers or others. For example, if a delay in the manufacture and delivery of our products causes the delay of a customer's end-product delivery, we may be required, under the terms of our agreement with that customer, to compensate the customer for the adverse effects of such delays. In addition, these problems may divert our technical and other resources from other development efforts, and we would likely lose, or experience a delay in, market acceptance of the affected product or products. As a result, our financial results could be materially and adversely affected.

***We make substantial investments in research and development to enhance existing and develop new technologies to keep pace with technological advances and to remain competitive in our business, and unsuccessful investments could materially adversely affect our business, financial condition and results of operations.***

The semiconductor industry is characterized by rapid technological change, changes in customer requirements, frequent new product introductions and enhancements, short product cycles and evolving industry standards, and requires substantial investment in our research and development in order to develop and bring to market new and enhanced technologies and products. In addition, semiconductor products transition over time to increasingly smaller line width geometries. This requires us to adapt our products and manufacturing processes to these new technologies, which requires expertise in new procedures. Our failure to successfully transition to smaller geometry process technologies could impair our competitive position. In order to remain competitive, we have made, and expect to continue to make, significant investments in research and development. We expect the dollar amount of research and development expenses to increase for the foreseeable future, due to the increasing complexity and number of products we plan to develop. If we fail to develop new and enhanced products and technologies, if we focus on technologies that do not become widely adopted, or if new competitive technologies that we do not support, become widely accepted, demand for our products may be reduced. Significant investments in unsuccessful research and development efforts could materially adversely affect our business, financial condition and results of operations. In addition, increased investments in research and development could cause our cost structure to fall out of alignment with demand for our products, which would have a negative impact on our financial results.

***Our business, financial condition and results of operations could be adversely affected by the political and economic conditions of the countries in which we conduct business and other factors related to our international operations.***

A majority of our products are produced and sourced in Asia, including China, India, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand, and we sell our products throughout the world. In addition, as of October 29, 2017, approximately 38% of our employees are located in Asia. Multiple factors relating to our international operations and to particular countries in which we operate could have a material adverse effect on our business, financial condition and results of operations. These factors include:

- changes in political, regulatory, legal or economic conditions or geopolitical turmoil, including terrorism, war or political or military coups, or civil disturbances or political instability;
- restrictive governmental actions, such as restrictions on the transfer or repatriation of funds and foreign investments and trade protection measures, including import/export restrictions, import/export duties and quotas, and customs duties and tariffs, all of which could increase under the current administration in the United States;

- disruptions of capital and trading markets and currency fluctuations, which may result in our products becoming too expensive for foreign customers or foreign-sourced materials and services becoming more expensive for us;
- difficulty in obtaining product distribution and support, and transportation delays;
- difficulty in conducting due diligence with respect to business partners in certain international markets;
- public health or safety concerns;
- nationalization of businesses and expropriation of assets; and
- changes in tax laws.

A significant legal risk associated with conducting business internationally is compliance with the various and differing laws and regulations, including anti-corruption and anti-bribery laws and regulations, of the countries in which we do business, antitrust and competition laws, data privacy laws and export regulations. In addition, the laws in various countries are constantly evolving and may, in some cases, conflict with each other. Although our Code of Ethics and Business Conduct and other policies prohibit us, our employees and our agents from engaging in unethical business practices, there can be no assurance that all of our employees or agents will refrain from acting in violation of our related anti-corruption policies and procedures. Any such violation could have a material adverse effect on our business.

***Our business is subject to various governmental regulations, and compliance with these regulations may cause us to incur significant expense. If we fail to maintain compliance with applicable regulations, we may be forced to cease the manufacture and distribution of certain products, and we could be subject to civil or criminal penalties.***

Our business is subject to various international laws and other legal requirements, including packaging, product content, labor and import/export regulations, such as the U.S. Export Administration Regulations, and many of our products are regulated or sold into regulated industries. These laws and regulations are complex, change frequently, have generally become more stringent over time and may intensify under the current U.S. administration. We may be required to incur significant expense to comply with, or to remedy violations of, these regulations. In addition, if our customers fail to comply with these regulations, we may be required to suspend sales to these customers, which could negatively impact our results of operations.

In addition, the manufacture and distribution of our semiconductors must comply with various laws and adapt to changes in regulatory requirements as they occur. For example, if a country in which our products are manufactured or sold sets technical standards that are not widely shared, it may require us to stop distributing our products commercially until they comply with such new standards, lead certain of our customers to suspend imports of their products into that country, require manufacturers in that country to manufacture products with different technical standards and disrupt cross-border manufacturing relationships, any of which could have a material adverse effect on our business, financial condition and results of operations. If we fail to comply with these requirements, we could also be required to pay civil penalties or face criminal prosecution. In addition, it is expected that the current U.S. administration's trade policy will promote U.S. manufacturing and manufacturers. It is unclear what effect this will have on us as a multinational company that conducts business world-wide, or on our suppliers, customers, contract manufacturers and OEMs.

Our products and operations are also subject to the rules of industrial standards bodies, like the International Standards Organization, as well as regulation by other agencies, such as the U.S. Federal Communications Commission. If we fail to adequately address any of these rules or regulations, our business could be harmed.

***We are subject to environmental, health and safety laws, which could increase our costs, restrict our operations and require expenditures that could have a material adverse effect on our results of operations and financial condition.***

We are subject to a variety of international laws and regulations relating to the use, disposal, clean-up of and human exposure to, hazardous materials. Compliance with environmental, health and safety requirements could, among other things, require us to modify our manufacturing processes, restrict our ability to expand our facilities, or require us to acquire pollution control equipment, all of which can be very costly. Any failure by us to comply with such requirements could result in the limitation or suspension of the manufacture of our products, and could result in litigation against us and the payment of significant fines and damages by us in the event of a significant adverse judgment. In addition, complying with any cleanup or remediation obligations for which we are or become responsible could be costly and have a material adverse effect on our business, financial condition and results of operations.

Changing requirements relating to the materials composition of our products, including the restrictions on lead and certain other substances in electronics that apply to specified electronics products sold in various countries, including the United States, China, Japan, and in the European Union, increase the complexity and costs of our product design and procurement operations and may require us to re-engineer our products. Such re-engineering may result in excess inventory or other additional costs and could have a material adverse effect on our results of operations. We may also experience claims

from employees from time to time with regard to exposure to hazardous materials or other workplace related environmental claims.

***Social and environmental responsibility regulations, policies and provisions, as well as customer demand, may make our supply chain more complex and may adversely affect our relationships with customers.***

There is an increasing focus on corporate social and environmental responsibility in the semiconductor industry, particularly with OEMs that manufacture consumer electronics. A number of our customers have adopted, or may adopt, procurement policies that include social and environmental responsibility provisions that their suppliers should comply with, or they seek to include such provisions in their procurement terms and conditions. An increasing number of participants in the semiconductor industry are also joining voluntary social responsibility initiatives such as the U.N. Global Compact, a voluntary initiative for businesses to develop, implement and disclose sustainability policies and practices. These social and environmental responsibility provisions and initiatives are subject to change, can be unpredictable, and may be difficult and expensive for us to comply with, given the complexity of our supply chain and our significant outsourced manufacturing. If we are unable to comply, or are unable to cause our suppliers or contract manufacturers to comply, with such policies or provisions, a customer may stop purchasing products from us, and may take legal action against us, which could harm our reputation, revenue and results of operations.

In addition, as part of their corporate social and environmental responsibility programs, an increasing number of OEMs are seeking to source products that do not contain minerals sourced from areas where proceeds from the sale of such minerals are likely to be used to fund armed conflicts, such as in the Democratic Republic of Congo. This could adversely affect the sourcing, availability and pricing of minerals used in the manufacture of semiconductor devices, including our products. Since our supply chain is complex, we are not currently able to definitively ascertain the origins of all of these minerals and metals used in our products. As a result, we may face difficulties in satisfying these customers' demands, which may harm our sales and operating results.

***The average selling prices of products in our markets have often decreased rapidly and may do so in the future, which could harm our revenue and gross profit.***

The products we develop and sell are used for high volume applications. As a result, the prices of those products have often decreased rapidly. Gross profit on our products may be negatively affected by, among other things, pricing pressures from our customers. In the past, we have reduced the average selling prices of our products in anticipation of future competitive pricing pressures, new product introductions by us or our competitors and other factors. In addition, some of our customer agreements provide for volume-based pricing and product pricing roadmaps, which can also reduce the average selling prices of our products over time. Our margins and financial results will suffer if we are unable to offset any reductions in our average selling prices by increasing our sales volumes, reducing manufacturing costs, or developing new and higher value-added products on a timely basis.

***A breach of our security systems may have a material adverse effect on our business.***

Our security systems are designed to maintain the physical security of our facilities and protect our customers', suppliers' and employees' confidential information, as well as our own proprietary information. However, we are also dependent on a number of third-party cloud-based and other service providers of critical corporate infrastructure services relating to, among other things, human resources, electronic communication services and certain finance functions, and we are, of necessity, dependent on the security systems of these providers. Accidental or willful security breaches or other unauthorized access by third parties or our employees or contractors of our facilities, our information systems or the systems of our cloud-based or other service providers, or the existence of computer viruses or malware in our or their data or software could expose us to a risk of information loss and misappropriation of proprietary and confidential information, including information relating to our products or customers and the personal information of our employees. In addition, we have, from time to time, also been subject to unauthorized network intrusions and malware on our own IT networks. Any theft or misuse of confidential, personal or proprietary information as a result of such activities could result in, among other things, unfavorable publicity, damage to our reputation, loss of our trade secrets and other competitive information, difficulty in marketing our products, allegations by our customers that we have not performed our contractual obligations, litigation by affected parties and possible financial obligations for liabilities and damages related to the theft or misuse of such information, as well as fines and other sanctions resulting from any related breaches of data privacy regulations, any of which could have a material adverse effect on our reputation, business, profitability and financial condition. Since the techniques used to obtain unauthorized access or to sabotage systems change frequently and are often not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures.



***We are required to assess our internal control over financial reporting on an annual basis and any adverse findings from such assessment could result in a loss of investor confidence in our financial reports, significant expense to remediate any internal control deficiencies and ultimately have an adverse effect on our share price.***

We are required to assess the effectiveness of our internal control over financial reporting annually, as required by Section 404 of the Sarbanes-Oxley Act. Even though, as of October 29, 2017, we concluded that our internal control over financial reporting was effective, we need to maintain our processes and systems and adapt them as our business grows and changes, including to reflect our integration of Brocade, as well as any future acquisitions we may undertake. This continuous process of maintaining and adapting our internal controls and complying with Section 404 is expensive, time consuming and requires significant management attention. We cannot be certain that our internal control measures will continue to provide adequate control over our financial processes and reporting and ensure compliance with Section 404. Furthermore, as we grow our business or acquire other businesses, our internal controls may become more complex and we may require significantly more resources to ensure they remain effective. Failure to implement required new or improved controls, or difficulties encountered in the implementation of such controls, either in our existing business or in businesses that we acquire, could harm our operating results or cause us to fail to meet our reporting obligations. If we or our independent registered public accounting firm identify material weaknesses in our internal controls, the disclosure of that fact, even if quickly remedied, may cause investors to lose confidence in our financial statements and the trading price of our ordinary shares may decline.

Remediation of a material weakness could require us to incur significant expenses and if we fail to remedy any material weakness, our financial statements may be inaccurate, we may be required to restate our financial statements, our ability to report our financial results on a timely and accurate basis may be adversely affected, our access to the capital markets may be restricted, the trading price of our ordinary shares may decline, and we may be subject to sanctions or investigation by regulatory authorities, including the SEC or The Nasdaq Global Select Market.

***Our financial condition and results of operations could be adversely affected by employee-benefit related costs and expense.***

We sponsor several defined benefit plans and post-retirement medical benefit plans. We are required to make contributions to these plans to comply with minimum funding requirements imposed by laws governing these employee benefit plans. The difference between the obligations and assets of these plans, or the funded status of these plans, is a significant factor in determining our pension expense and the ongoing funding requirements of these plans. The projected benefit obligations under these pension plans exceeded the value of the assets of those plans by approximately \$82 million at the end of fiscal year 2017. We expect to have additional funding requirements in future years and we may make additional, voluntary contributions to the plans. Depending on our cash position at the time, any such funding or contributions to our pension plans could impact our operating flexibility and financial position, including adversely affecting our cash flow for the quarter in which they are made.

Furthermore, in order to reduce the expenses associated with these programs, where practicable, we are seeking to move defined benefit plans to defined contribution plans, or to cash out future retirees not yet receiving benefits, and to replace existing pension obligations with annuities. Any such changes may adversely affect our results of operations, including our profitability and cash flows. Weak economic conditions and related under-performance of asset markets could also lead to an increase in post-retirement benefit expense.

***The Internal Revenue Service may not agree that Broadcom Limited should be treated as a foreign corporation for U.S. federal income tax purposes.***

A corporation is generally considered a tax resident in the jurisdiction of its organization or incorporation for U.S. federal income tax purposes. Because Broadcom is currently a Singapore entity, it would generally be classified as a foreign corporation (and, therefore, not a U.S. tax resident) under these rules. Even so, the Internal Revenue Service, or IRS, may assert that we should be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes pursuant to Section 7874 of the Internal Revenue Code of 1986, as amended, or the Code.

Under Section 7874 of the Code, if the former shareholders of BRCM hold 80% or more of the vote or value of the ordinary shares of Broadcom, by reason of their former holding of BRCM common shares (the percentage (by vote and value) of our ordinary shares considered to be held (for purposes of Section 7874 of the Code) by former BRCM shareholders immediately after the Broadcom Merger by reason of holding BRCM common shares is referred to in this disclosure as the "Section 7874 Percentage"), and our expanded affiliated group after the Broadcom Transaction does not have substantial business activities in Singapore relative to our worldwide business activities, Broadcom would be treated as a U.S. corporation for U.S. federal income tax purposes. If the Section 7874 Percentage were determined to be at least 60% (but less than 80%), Section 7874 of the Code would cause Broadcom to be treated as a "surrogate foreign corporation" if we did not have substantial business activities in Singapore relative to our worldwide business activities.

Under current law, Broadcom should not be treated as a U.S. corporation for U.S. federal income tax purposes. However, determining the Section 7874 Percentage is complex and is subject to factual and legal uncertainties, including that such determination takes into account several factors other than the ratio of ownership of our ordinary shares by former BRCM shareholders following the Broadcom Merger. While we believe the Section 7874 Percentage to be significantly less than 60% (and therefore that Section 7874 should not apply to Broadcom or BRCM), there can be no assurance that the IRS will agree with the position that the Section 7874 Percentage is less than 60%.

If the Section 7874 Percentage were determined to be at least 60% (but less than 80%), several limitations could apply to BRCM. For example, BRCM would be prohibited from using its net operating losses, foreign tax credits or other tax attributes to offset the income or gain recognized by reason of the transfer of property to a foreign related person during the 10-year period following the Broadcom Merger or any income received or accrued during such period by reason of a license of any property by BRCM to a foreign related person. In addition, the IRS has announced that it will promulgate new rules, which, in that situation, may limit the ability to restructure the non-U.S. members of the BRCM tax group or access cash earned in its non-U.S. subsidiaries. Moreover, in such case, Section 4985 of the Code and rules related thereto would impose an excise tax on the value of certain stock compensation held directly or indirectly by certain BRCM “disqualified individuals” (including former officers and directors of BRCM) at a rate equal to 15%, but only if a gain is otherwise recognized by BRCM shareholders as a result of the Broadcom Merger.

## **Risks Relating to Our Indebtedness**

***Our substantial indebtedness could adversely affect our financial health and our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from fulfilling our obligations under our indebtedness.***

As of October 29, 2017, our total consolidated indebtedness under our senior unsecured notes that were issued and sold in January 2017, or the January 2017 Senior Notes, and our senior unsecured notes that were issued and sold in October 2017, or the October 2017 Senior Note, collectively the Senior Notes, was \$17,689 million. Subject to restrictions in the indentures governing our Senior Notes, or the Indentures, we have the ability to incur a significant amount of additional indebtedness in the future.

Our substantial indebtedness could have important consequences including:

- increasing our vulnerability to adverse general economic and industry conditions;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, research and development efforts, execution of our business strategy, acquisitions and other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in the economy and the semiconductor industry;
- placing us at a competitive disadvantage compared to our competitors with less indebtedness; and
- making it more difficult to borrow additional funds in the future to fund growth, acquisitions, working capital, capital expenditures and other purposes; and
- exposing us to interest rate risk to the extent we incur any variable rate indebtedness, and we do not typically hedge against changes in interest rates.

The Indentures also place limitations on our ability to incur certain secured debt, enter into certain sale and lease-back transactions and consolidate, merge, sell or otherwise dispose of all or substantially all of our assets. In addition, the Indentures contain customary events of default upon the occurrence of which, after any applicable grace period, the noteholders would have the ability to immediately declare the debt due and payable. In such event, we may not have sufficient available cash to repay such debt at the time it becomes due, or be able to refinance such debt on acceptable terms or at all. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

We receive debt ratings from the major credit rating agencies in the United States. Credit rating agencies regularly revise their ratings for companies they follow, including us. Factors that may impact our credit ratings include debt levels, planned asset purchases or sales and near-term and long-term production growth opportunities. Liquidity, asset quality, cost structure, reserve mix and commodity pricing levels could also be considered by the rating agencies. A ratings downgrade could adversely affect the trading price of our Senior Notes or the trading market for our Senior Notes. Any credit rating downgrade could adversely impact our ability to access debt markets in the future or to refinance our outstanding indebtedness at similar rates or at all, increase the cost of current or future debt and significantly harm our financial condition and results of operations.

***Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.***

Our ability to make scheduled payments of the principal of, to pay interest on, and to refinance our debt, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to satisfy our obligations under the Senior Notes and any future indebtedness we may incur and to make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as reducing or delaying investments or capital expenditures, selling assets, refinancing or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our outstanding indebtedness or future indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms when needed, which could result in a default on our indebtedness.

***The trading prices of the Senior Notes may be volatile.***

The trading prices of the Senior Notes could be subject to significant fluctuation in response to, among other factors, changes in our operating results, interest rates, the market for debt securities, general economic conditions and securities analysts' recommendations, if any, regarding our securities.

#### **Risks Relating to Investments in Singapore Companies**

***It may be difficult to enforce a judgment of U.S. courts for civil liabilities under U.S. federal securities laws against us or our directors in Singapore.***

Broadcom is incorporated under the laws of the Republic of Singapore, and certain of our directors are resident outside the United States. Moreover, a majority of our consolidated assets are located outside the United States. Although Broadcom is incorporated outside the United States, we have agreed to accept service of process in the United States through our agent designated for certain purposes. Nevertheless, since a majority of the consolidated assets owned by us are located outside the United States, any judgment obtained in the United States against us may not be collectible within the United States.

There is no ratified treaty between the United States and Singapore providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. A final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon the federal securities laws, would, therefore, not be automatically enforceable in Singapore. There is doubt whether a Singapore court may impose civil liability on Broadcom or our directors and officers who reside in Singapore in a suit brought in the Singapore courts against us or such persons with respect to a violation solely of the federal securities laws of the United States. Consequently, there can be no assurance as to whether Singapore courts will enter judgments in actions brought in Singapore courts based upon the civil liability provisions of the federal securities laws of the United States.

***Broadcom is incorporated in Singapore and our shareholders may have more difficulty in protecting their interest than they would as shareholders of a corporation incorporated in the United States, and we may have more difficulty attracting and retaining qualified board members and executives.***

Broadcom's corporate affairs are governed by its Constitution and by the laws governing corporations incorporated in Singapore. The rights of our shareholders and the responsibilities of the members of our Board under Singapore law are different from those applicable to a corporation incorporated in the United States. Therefore, our public shareholders may have more difficulty in protecting their interest in connection with actions taken by our management or members of our Board than they would as shareholders of a corporation incorporated in the United States.

In addition, being a public company incorporated in Singapore may make it more expensive for Broadcom to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified executive officers and members of our Board, particularly to serve on committees of our Board.

***For a limited period of time, our directors have general authority to allot and issue new ordinary shares on such terms and conditions as may be determined by our Board in its sole discretion.***

Under Singapore law, we may only allot and issue new ordinary shares with the prior approval of Broadcom's shareholders in a general meeting. At our 2017 annual general meeting, Broadcom's shareholders provided our directors with the general authority to allot and issue any number of new ordinary shares, which will continue in force until the earlier of (i) the conclusion of our annual general meeting in 2018, (ii) the expiration of the period within which the next annual general meeting is required by law to be held (i.e., within 15 months after the conclusion of the last general meeting) or (iii) the subsequent revocation or modification of such general authority by our shareholders at a duly convened general meeting. Subject to the general authority to allot and issue new ordinary shares provided by our shareholders, the provisions of the



Singapore Companies Act and Broadcom's Constitution, our Board may allot and issue new ordinary shares on such terms and conditions as they may think fit to impose. Any additional issuances of new ordinary shares by our directors may adversely impact the market price of our ordinary shares and dilute your share ownership.

### **Risks Relating to Owning Our Ordinary Shares**

***At times, Broadcom's share price has been volatile and it may fluctuate substantially in the future, which could result in substantial losses for our investors as well as class action litigation against us and our management which could cause us to incur substantial costs and divert our management's attention and resources.***

The trading price of Broadcom ordinary shares has, at times, fluctuated significantly and could be subject to wide fluctuations in response to any of the risk factors listed in this "Risk Factors" section, and others, including:

- actual or anticipated fluctuations in our financial condition and operating results;
- issuance of new or updated research or reports by securities analysts;
- fluctuations in the valuation and results of operations of our significant customers as well as companies perceived by investors to be comparable to us;
- announcements of proposed acquisitions by us or our competitors;
- announcements of, or expectations of additional debt or equity financing efforts;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our shares;
- issuance of ordinary shares upon exchange of Partnership REUs; and
- changes in our dividend or share repurchase policies.

These fluctuations are often unrelated or disproportionate to our operating performance. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or currency fluctuations, may negatively impact the market price of our ordinary shares. You may not realize any return on your investment in us and may lose some or all of your investment. In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. We are also the subject of a number of lawsuits stemming from our acquisitions of PLX Technology, Inc., or PLX, Emulex and Brocade. Securities litigation against us, including the lawsuits related to such transactions, could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

***A substantial amount of our shares is held by a small number of large investors and significant sales of our ordinary shares in the public market by one or more of these holders could cause our share price to fall.***

As of September 30, 2017, we believe that our two largest shareholders, Capital World Investors and Capital Research Global Investors, held approximately 17% of Broadcom outstanding ordinary shares in the aggregate. These investors may sell their shares at any time for a variety of reasons and such sales could depress the market price of our ordinary shares. In addition, any such sales of our ordinary shares by these entities could also impair our ability to raise capital through the sale of additional equity securities.

***There can be no assurance that we will continue to declare cash dividends.***

Our Board has adopted a dividend policy pursuant to which we currently pay a cash dividend on Broadcom ordinary shares on a quarterly basis. The declaration and payment of any dividend is subject to the approval of our Board and our dividend may be discontinued or reduced at any time. There can be no assurance that we will declare cash dividends in the future in any particular amounts, or at all. Furthermore, we may declare dividends as interim dividends, which are wholly provisional under Singapore law and may be revoked by our Board at any time prior to the payment thereof.

Future dividends, if any, and their timing and amount, may be affected by, among other factors: management's views on potential future capital requirements for strategic transactions, including acquisitions; earnings levels; contractual restrictions; cash position and overall financial condition; and changes to our business model. The payment of cash dividends is restricted by applicable law, contractual restrictions and our corporate structure. Pursuant to Singapore law and Broadcom's Constitution, no dividends may be paid except out of our profits or expected profits, based on Singapore accounting standards. Because we are a holding company, our ability to pay cash dividends on Broadcom ordinary shares is also limited by restrictions on our ability to obtain sufficient funds through dividends from subsidiaries.

***Singapore corporate law may impede a takeover of our company by a third-party, which could adversely affect the value of our ordinary shares.***

The Singapore Code on Take-overs and Mergers contains provisions that may delay, deter or prevent a future takeover or change in control of our company for so long as we remain a public company with more than 50 shareholders and net tangible assets of S\$5 million or more. Any person acquiring an interest, whether by a series of transactions over a period of time or not, either on their own or together with parties acting in concert with such person, in 30% or more of our voting shares, or, if such person holds, either on their own or together with parties acting in concert with such person, between 30% and 50% (both inclusive) of our voting shares, and such person (or parties acting in concert with such person) acquires additional voting shares representing more than 1% of our voting shares in any six-month period, must, except with the consent of the Securities Industry Council in Singapore, extend a mandatory takeover offer for the remaining voting shares in accordance with the provisions of the Singapore Code on Take-overs and Mergers. While the Singapore Code on Take-overs and Mergers seeks to ensure equality of treatment among shareholders, its provisions may discourage or prevent certain types of transactions involving an actual or threatened change of control of our company. These legal requirements may impede or delay a takeover of our company by a third-party, which could adversely affect the value of our ordinary shares.

***Our actual operating results may differ significantly from our guidance.***

From time to time, we release guidance regarding our future performance that represents our management's estimates as of the date of release. This guidance, which consists of forward-looking statements, is prepared by our management and is qualified by, and subject to, the assumptions and the other information contained or referred to in the release. Our guidance is not prepared with a view toward compliance with published guidelines of the American Institute of Certified Public Accountants, and neither any independent registered public accounting firm nor any other independent expert or outside party compiles, examines or reviews the guidance and, accordingly, no such person expresses any opinion or any other form of assurance with respect thereto.

Guidance is based upon a number of assumptions and estimates that, while presented with numerical specificity, is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. We generally state possible outcomes as high and low ranges which are intended to provide a sensitivity analysis as variables are changed but are not intended to represent that actual results could not fall outside of these ranges. The principal reason that we release this data is to provide a basis for our management to discuss our business outlook with analysts and investors. We do not accept any responsibility for any projections or reports published by any such persons.

Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions of the guidance furnished by us will not materialize or will vary significantly from actual results, particularly any guidance relating to the results of operations of acquired businesses or companies as our management will, necessarily, be less familiar with their business, procedures and operations. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date of release. Actual results will vary from the guidance and the variations may be material. Investors should also recognize that the reliability of any forecasted financial data will diminish the farther in the future that the data are forecast. In light of the foregoing, investors are urged to put the guidance in context and not to place undue reliance on it.

Any failure to successfully implement our operating strategy or the occurrence of any of the events or circumstances set forth in this Annual Report on Form 10-K could result in the actual operating results being different than the guidance, and such differences may be adverse and material.

**Risks Relating to Restricted Exchangeable Units**

***The exchange of the Partnership REUs into Broadcom ordinary shares is subject to significant restrictions, including the right of Broadcom in its sole discretion to cause the Partnership to repurchase such Partnership REUs for cash instead of Broadcom ordinary shares.***

Holders of Partnership REUs, or Limited Partners, may, subject to compliance with the procedures set forth in the Partnership's amended and restated exempted limited partnership agreement, as amended from time to time, or the Partnership Agreement, require the Partnership to repurchase all or any portion of such Limited Partner's Partnership REUs in exchange for Broadcom ordinary shares, at a ratio of one Broadcom ordinary share for each Partnership REU, or the Exchange Right. However, Broadcom, in its sole discretion as General Partner, has the right to cause the Partnership to repurchase the Partnership REUs for cash (in an amount determined in accordance with the terms of the Partnership Agreement based on the market price of Broadcom ordinary shares) in lieu of Broadcom ordinary shares. Although we are currently issuing Broadcom ordinary shares upon exchange of Partnership REUs, Broadcom, in its sole discretion as General Partner, may choose to cause the Partnership to repurchase the Partnership REUs for cash at any time and without notice. The payment of cash upon exchange of Partnership REUs could result in, among other things, tax consequences that differ from those that would have resulted if the holder of such Partnership REUs had received Broadcom ordinary shares.

In addition, prior to February 1, 2019, following the effective time of the Broadcom Merger, it is a condition precedent to the obligation of the Partnership to repurchase such Partnership REUs, and the holder of such Partnership REUs shall not be permitted to exercise the Exchange Right, unless (i) Broadcom has received a written opinion from an independent nationally recognized law or accounting firm that the Exchange Right should not cause Broadcom to be treated as (a) a “surrogate foreign corporation” (within the meaning of Section 7874(a)(2)(B) of the Code) or (b) a “domestic corporation” (within the meaning of Section 7874(b) of the Code) and (ii) Broadcom’s independent auditor has determined that no reserve shall be required for financial accounting purposes relating to Section 7874 of the Code as a result of the exercise of such Exchange Right. Although Limited Partners are currently permitted to exercise their Exchange Rights, no assurance can be provided as to whether the above conditions precedent will be satisfied in the future.

***The exchange of Partnership REUs is a U.S. taxable event.***

The exchange of Partnership REUs will be treated for U.S. tax purposes as a taxable sale of the Partnership REUs by the Limited Partner making the exchange. A Limited Partner will recognize gain or loss for U.S. income tax purposes in an amount equal to the fair market value of our ordinary shares or the cash amount received in the exchange, plus the amount of the Partnership’s liabilities allocable to the Partnership REUs being exchanged, less the Limited Partner’s adjusted tax basis in the Partnership REUs exchanged. The recognition of any loss resulting from an exchange of Partnership REUs is subject to a number of limitations set forth in the Code. It is possible that the amount of gain recognized or even the tax liability resulting from the gain could exceed the value of our ordinary shares or cash amount received upon the exchange. In addition, a Limited Partner may have difficulty finding buyers for a substantial number of ordinary shares in order to raise cash to pay tax liabilities associated with the exchange of their Partnership REUs and may not receive a price for the ordinary shares equal to the value of the Partnership REUs at the time of the exchange.

***An active trading market for Partnership REUs is not expected to develop.***

The Partnership REUs are not listed on a national exchange in the United States or on a foreign exchange. An active trading market for the Partnership REUs is not expected to develop. In addition, although the Partnership REUs are registered under the Exchange Act, Broadcom, as General Partner, is under no obligation to continue such registration and is authorized to deregister the Partnership REUs at any time such registration is not legally required. As a result, it will be very difficult to sell the Partnership REUs at a price that is attractive, or at all.

***Future sales of Broadcom ordinary shares in the public market could cause the value of Partnership REUs to fall.***

Sales of a substantial number of Broadcom ordinary shares in the public market, or the perception that these sales might occur, could depress the value of the Partnership REUs because the value of the Partnership REUs is derivative of the value of Broadcom ordinary shares.

***The value of the Broadcom ordinary shares received in any exchange of the Partnership REUs, or the cash amount to be paid by us in lieu thereof, may fluctuate.***

The value of the Broadcom ordinary shares into which the Partnership REUs may be exchanged, or the cash amount to be paid by the Partnership in lieu thereof, may be subject to significant fluctuations for many reasons.

Consequently, due to these potential fluctuations in value of Broadcom ordinary shares, at the time that the Exchange Right is exercised, the Broadcom ordinary shares into which Partnership REUs may be exchanged, or the cash amount to be paid in lieu thereof, may have a value that differs from the value of Broadcom ordinary shares as of the effective time of the Broadcom Merger. Also see “*At times, Broadcom’s share price has been volatile and it may fluctuate substantially in the future, which could result in substantial losses for our investors as well as class action litigation against us and our management which could cause us to incur substantial costs and divert our management’s attention and resources.*” regarding fluctuations in the value of Broadcom ordinary shares.

***There can be no assurance that the Partnership will continue to declare cash distributions.***

Pursuant to the terms of the Partnership Agreement, Broadcom, as General Partner, and our Limited Partners are entitled to receive distributions from the Partnership if and when Broadcom pays dividends to holders of its ordinary shares. There can be no assurance that Broadcom will declare cash dividends in the future in any particular amounts, or at all. Also see “*There can be no assurance that we will continue to declare cash dividends.*” regarding factors that may affect the timing and amount of dividends paid by Broadcom.

***In certain circumstances, a Limited Partner may lose its limited liability status.***

The Exempted Limited Partnership Law, 2014 of the Cayman Islands, as amended and any successor to such statute, or the Cayman Islands Limited Partnerships Act, provides a limited partner with the benefits of limited liability unless, in addition to exercising rights and powers as a limited partner, such limited partner takes part in the control or conduct of the business of the limited partnership (subject to certain qualifications and exceptions). Subject to the provisions of the Cayman Islands

Limited Partnerships Act and of similar legislation in other jurisdictions, the liability of each limited partner for the debts, liabilities and obligations of the Partnership will be limited to the limited partner's capital contribution, plus the limited partner's share of any undistributed income of the Partnership. However, pursuant to the Cayman Islands Limited Partnerships Act, where a limited partner has received a payment representing the return of all or part of that limited partner's capital contribution or is released from any outstanding obligation in respect of his commitment and, at the time that payment was made or release effected, (i) the limited partnership is insolvent; and (ii) the limited partner had actual knowledge of the insolvency of the limited partnership, then for a period of six months, but not thereafter, such limited partner would be liable to the Partnership or, where the Partnership is dissolved, to its creditors, to repay such payment or perform the released obligation with interest to the extent that such contribution or part thereof is, necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the capital contribution.

The limitation of liability conferred under the Cayman Islands Limited Partnerships Act may be ineffective outside the Cayman Islands except to the extent it is given extra-territorial recognition or effect by the laws of other jurisdictions. There may also be requirements to be satisfied in each jurisdiction to maintain limited liability. If limited liability is lost, limited partners may be considered to be general partners (and therefore be subject to unlimited liability) in such jurisdiction by creditors and others having claims against the Partnership.

***Under certain circumstances, the voting rights of the Partnership REUs will be limited.***

Each holder of Partnership REUs has the benefit of a voting trust agreement dated February 1, 2016, among the Partnership, Broadcom and the voting trustee, or the Voting Trust Agreement. Pursuant to the terms of the Voting Trust Agreement, the voting trustee holds non-economic voting preference shares of Broadcom, or Special Voting Shares, that entitle the voting trustee to a number of votes equal to the number of votes that would attach to the Broadcom ordinary shares receivable upon the exchange of the Partnership REUs as of the record date of a Broadcom shareholder meeting. Holders of Partnership REUs are entitled to direct the voting trustee under the Voting Trust Agreement to vote the number of Special Voting Shares equal to the number of Partnership REUs held by such holder in substantially all votes that are presented to the holders of Broadcom ordinary shares. However, in the event that, under applicable law, any matter requires the approval of the holder of record of a Special Voting Share, voting separately as a class, the Voting Trust Agreement restricts the ability of holders of Partnership REUs to exercise such voting rights.

**ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

**ITEM 2. PROPERTIES**

We are co-headquartered in Yishun, Singapore and San Jose, California. We conduct our administration, manufacturing, research and development, sales and marketing in both owned and leased facilities. We believe that our owned and leased facilities are adequate for our present operations. We do not identify or allocate assets by operating segment.

As of October 29, 2017, our principal facilities consisted of:

(Square Feet)	Singapore	United States	Other Countries	Total
Owned facilities <sup>1</sup>	37,352	1,998,866	493,000	2,529,218
Leased facilities <sup>2</sup>	260,843	1,638,362	1,419,474	3,318,679
Total facilities	298,195	3,637,228	1,912,474	5,847,897

<sup>1</sup> Includes 37,352 square feet of property owned in Singapore subject to 30-year land lease with the state authority expiring in September 2029, subject to renewal at our option. Also includes 318,000 square feet and 158,000 square feet of property owned in Malaysia subject to a 60-year land lease with the state authority expiring in May 2051 and October 2077, respectively, subject to renewal at our option.

<sup>2</sup> Building leases expire on varying dates through October 2030 and generally include renewals at our option.

**ITEM 3. LEGAL PROCEEDINGS**

The information set forth under Note 14. "Commitments and Contingencies" included in Part II, Item 8. of this Annual Report on Form 10-K, is incorporated herein by reference. For an additional discussion of certain risks associated with legal proceedings, see "Risk Factors" above.

**ITEM 4. MINE SAFETY DISCLOSURES**

None.

## PART II

### ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER SALE AND PURCHASES OF EQUITY SECURITIES

#### Market Information

Broadcom ordinary shares are listed on The Nasdaq Global Select Market under the symbol "AVGO". The following table sets forth, for each quarterly period presented, the high and low sales prices of our ordinary shares as reported by The Nasdaq Global Select Market:

	Market Prices	
	High	Low
<b>Fiscal Year ended October 30, 2016:</b>		
First Quarter (ended February 1, 2016)	\$ 149.72	\$ 115.21
Second Quarter (ended May 1, 2016)	\$ 159.65	\$ 114.25
Third Quarter (ended July 31, 2016)	\$ 167.60	\$ 139.18
Fourth Quarter (ended October 30, 2016)	\$ 179.42	\$ 158.75
<b>Fiscal Year ended October 29, 2017:</b>		
First Quarter (ended January 29, 2017)	\$ 205.79	\$ 160.62
Second Quarter (ended April 30, 2017)	\$ 227.75	\$ 198.86
Third Quarter (ended July 30, 2017)	\$ 258.49	\$ 219.91
Fourth Quarter (ended October 29, 2017)	\$ 259.36	\$ 231.53

#### Holders

As of November 24, 2017, there were 301 holders of record of Broadcom ordinary shares. A substantially greater number of shareholders are "street name" or beneficial holders, whose shares are held of record by banks, brokers and other financial institutions.

As of November 24, 2017, there were 633 holders of record of the Partnership REUs.

#### Dividends and Distributions

In fiscal years 2017 and 2016, Broadcom declared and paid the following quarterly cash dividends, on a per share basis:

	Fiscal Year	
	2017	2016
First Quarter	\$ 1.02	\$ 0.44
Second Quarter	\$ 1.02	\$ 0.49
Third Quarter	\$ 1.02	\$ 0.50
Fourth Quarter	\$ 1.02	\$ 0.51

Pursuant to the Partnership Agreement, starting in the second quarter of fiscal year 2016 and onwards, a cash distribution per Partnership REU was declared and paid equal to, and simultaneously with, that of the Broadcom quarterly cash dividend per ordinary share.

On December 4, 2017, the Board declared an interim cash dividend of \$1.75 per Broadcom ordinary share, payable on December 29, 2017 to shareholders of record at the close of business (Eastern Time) on December 19, 2017, or the Broadcom Dividend. Broadcom paid aggregate cash dividends and distributions of \$1,745 million and \$750 million in fiscal years 2017 and 2016, respectively.

The Partnership will pay a cash distribution in an amount equal to the aggregate amount of the Broadcom Dividend to Broadcom, as General Partner, and a \$1.75 distribution per Partnership REU, payable on December 29, 2017, to limited partners of record at the close of business (Eastern Time) on December 19, 2017. The Partnership made aggregate distributions of \$92 million and \$34 million on its Partnership REUs during fiscal years 2017 and 2016, respectively.

Our Board reviews our dividend policy annually targeting a projected quarterly per share dividend amount for the full fiscal year. However, the declaration and payment of any future cash dividends (and therefore any future cash distributions) are at the discretion and approval of our Board and subject to our Board's continuing determination that they are in our best

interests. Future dividend payments will also depend upon factors such as our earnings level, capital requirements, contractual restrictions, cash position, overall financial condition and any other factors deemed relevant by our Board.

The payment of cash dividends on Broadcom ordinary shares is restricted under applicable law and our corporate structure. Pursuant to Singapore law and Broadcom's Constitution, no cash dividends may be paid except out of our profits, or expected profits. Also, because we are a holding company, our ability to pay cash dividends on Broadcom ordinary shares and cash distributions on our Partnership REUs may be limited by restrictions on our ability to obtain sufficient funds through dividends from subsidiaries, including restrictions under the terms of agreements governing our indebtedness.

#### **Recent Sales of Unregistered Equity Securities**

None.

#### **Issuer Purchases of Equity Securities**

None.

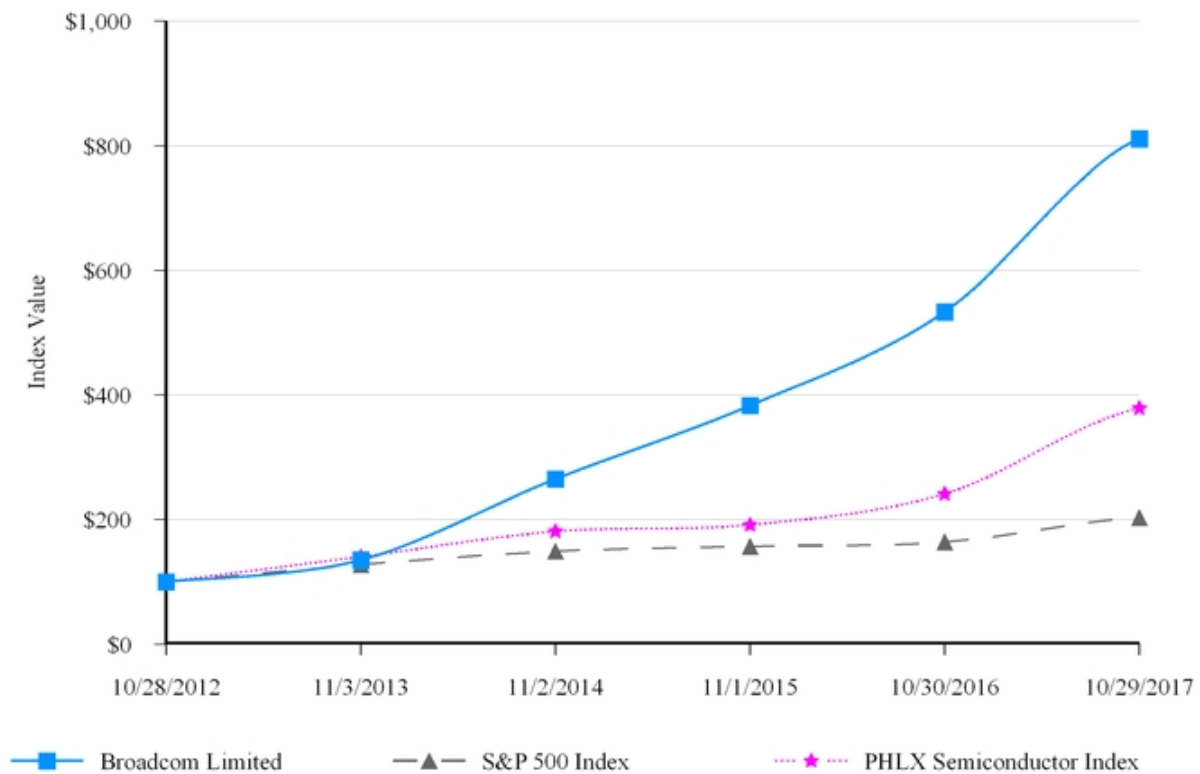
#### **Share Performance Graph**

The following graph shows a comparison of cumulative total return for our ordinary shares, the Standard & Poor's 500 Stock Index, or S&P 500 Index, and the Philadelphia Semiconductor Index, or PHLX Semiconductor Index. The graph covers the period from October 26, 2012 (the last trading day of our fiscal year 2012) to October 27, 2017 (the last trading day of our fiscal year 2017). The total return graph and table assume that \$100 was invested on October 26, 2012 in Avago Technologies Limited ordinary shares for each of the S&P 500 Index and the PHLX Semiconductor Index and assumes all dividends are reinvested. Indexes are calculated on a month-end basis.

The comparisons in the graph below are based on historical data and are not indicative of, or intended to forecast, the possible future performance of our ordinary shares.

## Comparison of Five Year Cumulative Total Return

Among Broadcom Limited, the S&P 500 Index and the PHLX Semiconductor Index



	October 28, 2012	November 3, 2013	November 2, 2014	November 1, 2015	October 30, 2016	October 29, 2017
Broadcom Limited	\$ 100.00	\$ 135.09	\$ 264.91	\$ 382.93	\$ 533.27	\$ 811.36
S&P 500 Index	\$ 100.00	\$ 127.58	\$ 149.18	\$ 156.94	\$ 164.03	\$ 203.21
PHLX Semiconductor Index	\$ 100.00	\$ 140.10	\$ 180.71	\$ 191.38	\$ 241.17	\$ 378.46

*The graph and the table above shall not be deemed "filed" with the SEC for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by us with the SEC, regardless of any general incorporation language in such filing.*

### Securities Authorized for Issuance Under Equity Compensation Plans

The information required by this item regarding securities authorized for issuance under equity compensation plans is incorporated herein by reference to the definitive Proxy Statement for our 2018 annual general meeting of shareholders to be filed with the SEC within 120 days after the end of fiscal year 2017.



**ITEM 6. SELECTED FINANCIAL DATA**

The following table sets forth the selected consolidated financial data for Broadcom and the Partnership. We report financial results on a 52-or 53-week fiscal year. Our fiscal year ends on the Sunday closest to October 31 in a 52-week year and on the first Sunday in November in a 53-week year. Our fiscal year 2013 was a 53-week fiscal year. You should read the following selected consolidated financial data together with the information included under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical financial statements and related notes included elsewhere in this Annual Report on Form 10-K.

**Summary of Five Year Selected Financial Data**

	Fiscal Year Ended				
	October 29, 2017	October 30, 2016	November 1, 2015	November 2, 2014	November 3, 2013
(In millions, except per share amounts)					
<b>Statement of Operations Data: (1)</b>					
Net revenue	\$ 17,636	\$ 13,240	\$ 6,824	\$ 4,269	\$ 2,520
Cost of products sold:					
Cost of products sold (2)	6,593	5,295	2,750	1,911	1,251
Purchase accounting effect on inventory	4	1,185	30	210	9
Amortization of acquisition-related intangible assets	2,511	763	484	249	61
Restructuring charges (3)	19	57	7	22	1
Total cost of products sold	9,127	7,300	3,271	2,392	1,322
Gross margin	8,509	5,940	3,553	1,877	1,198
Research and development	3,292	2,674	1,049	695	398
Selling, general and administrative (2)	787	806	486	407	222
Amortization of acquisition-related intangible assets	1,764	1,873	249	197	24
Restructuring, impairment and disposal charges (3)	161	996	137	140	2
Litigation settlements (4)	122	—	—	—	—
Total operating expenses	6,126	6,349	1,921	1,439	646
Operating income (loss) (5)	2,383	(409)	1,632	438	552
Interest expense (6)	(454)	(585)	(191)	(110)	(2)
Loss on extinguishment of debt (7)	(166)	(123)	(10)	—	—
Other income, net	62	10	36	14	18
Income (loss) from continuing operations before income taxes	1,825	(1,107)	1,467	342	568
Provision for income taxes (8)	35	642	76	33	16
Income (loss) from continuing operations	1,790	(1,749)	1,391	309	552
Loss from discontinued operations, net of income taxes (9)	(6)	(112)	(27)	(46)	—
Net income (loss)	1,784	(1,861)	1,364	263	552
Net income (loss) attributable to noncontrolling interest (10)	92	(122)	—	—	—
Net income (loss) attributable to ordinary shares	\$ 1,692	\$ (1,739)	\$ 1,364	\$ 263	\$ 552
<b>Income (loss) per ordinary share (diluted):</b>					
Income (loss) per share from continuing operations	\$ 4.03	\$ (4.57)	\$ 4.95	\$ 1.16	\$ 2.19
Loss per share from discontinued operations	(0.01)	(0.29)	(0.10)	(0.17)	—
Net income (loss) per share	\$ 4.02	\$ (4.86)	\$ 4.85	\$ 0.99	\$ 2.19
Cash dividend declared and paid per ordinary share	\$ 4.08	\$ 1.94	\$ 1.55	\$ 1.13	\$ 0.80



	October 29, 2017	October 30, 2016	November 1, 2015	November 2, 2014	November 3, 2013
(In millions)					
<b>Balance Sheet Data: (1)</b>					
Cash and cash equivalents (11)	\$ 11,204	\$ 3,097	\$ 1,822	\$ 1,604	\$ 985
Total assets	\$ 54,418	\$ 49,966	\$ 10,515	\$ 10,376	\$ 3,415
Debt and capital lease obligations	\$ 17,569	\$ 13,642	\$ 3,872	\$ 5,395	\$ 2
Total shareholders' equity	\$ 23,186	\$ 21,876	\$ 4,714	\$ 3,243	\$ 2,886
<b>Other Financial Data:</b>					
Earnings to fixed charges ratio (12)	4.20	—	7.60	3.70	94.40

Shareholders' equity, partners' capital and the Limited Partners' noncontrolling interest in Broadcom are the primary areas of difference between the consolidated financial statements of Broadcom and those of the Partnership. The following table sets forth certain Partnership data, as well as these primary differences.

	Fiscal Year Ended				
	October 29, 2017	October 30, 2016	November 1, 2015	November 2, 2014	November 3, 2013
(In millions, except per share amounts)					
<b>Partnership Data:</b>					
General Partner's interest in net income (loss)	\$ 1,692	\$ (2,116)	\$ —	\$ —	\$ —
Limited Partners' interest in net income (loss)	\$ 92	\$ (122)	\$ —	\$ —	\$ —
Net income attributable to ordinary shareholders	\$ —	\$ 377	\$ 1,364	\$ 263	\$ 552
Cash distribution paid per restricted exchangeable partnership unit	\$ 4.08	\$ 1.50	\$ —	\$ —	\$ —
Cash distribution paid to General Partner	\$ 1,756	\$ 594	\$ —	\$ —	\$ —
Cash dividends paid per ordinary share	\$ —	\$ 0.44	\$ 1.55	\$ 1.13	\$ 0.80
Total partners' capital/shareholders' equity	\$ 23,083	\$ 21,876	\$ 4,714	\$ 3,243	\$ 2,886

- (1) On February 1, 2016, we acquired BRCM for total consideration of approximately \$35.7 billion. On May 5, 2015, we acquired Emulex for total consideration of approximately \$587 million. On August 12, 2014, we acquired PLX for total consideration of approximately \$308 million. On May 6, 2014, we acquired LSI for total consideration of approximately \$6.5 billion. On June 28, 2013, we acquired CyOptics, Inc. for total consideration of approximately \$380 million. The results of operations of the acquired companies and estimated fair value of assets acquired and liabilities assumed were included in our financial statements from the respective acquisition dates.
- (2) We incurred acquisition-related costs of \$98 million, \$139 million, \$74 million and \$74 million in fiscal years 2017, 2016, 2015 and 2014, respectively, of which \$97 million, \$138 million, \$71 million and \$67 million were presented as part of operating expenses, and the remainder was presented as part of cost of products sold.
- (3) Fiscal years 2017, 2016, 2015 and 2014 restructuring charges primarily reflect actions taken to implement planned cost reduction and restructuring activities in connection with the acquisitions. We also incurred \$56 million, \$590 million and \$61 million in-process research and development and other asset impairment charges in fiscal years 2017, 2016 and 2015, respectively.
- (4) Primarily represents litigation charges associated with certain legal settlement agreements.
- (5) Includes share-based compensation expense of \$920 million, \$664 million, \$232 million, \$153 million and \$77 million for fiscal years 2017, 2016, 2015, 2014 and 2013, respectively. Share-based compensation expense includes the impact of equity awards assumed as part of the acquisitions, as well as the impact of special long-term compensation and retention equity awards.
- (6) Interest expense in fiscal years 2017 and 2016 includes coupon and contractual interest, accretion of the original issue discount, amortization of debt issuance costs related to our outstanding debt and debt modification fees

related to financing the Broadcom Merger. Interest expense in fiscal years 2015 and 2014 includes interest on the 2.0% Convertible Senior Notes due 2021.

- (7) Loss on extinguishment of debt was primarily due to the debt issuance cost write-off that resulted from repayments of certain debt.
- (8) Our provision for income taxes for fiscal year 2017 primarily relates to income from continuing operations, partially offset by \$273 million of excess tax benefits from share-based awards recognized upon adoption of an accounting standards update. Our provision for income taxes for fiscal year 2016 included \$93 million of expenses related to the undistributed earnings of foreign operations that were previously considered indefinitely reinvested, partially offset by income tax benefits from losses on continuing operations and the recognition of previously unrecognized tax benefits as a result of audit settlements. For fiscal years 2015, 2014, 2013 our provision for income taxes fluctuates mainly based on changes in jurisdictional mix of income.
- (9) During fiscal years 2016, 2015 and 2014, we sold certain businesses related to the acquisitions of BRCM, Emulex and LSI for a gain of \$36 million, a loss of \$14 million and a gain of \$18 million, respectively.
- (10) As a result of Broadcom's controlling interest in the Partnership, we consolidate the financial results of the Partnership and present a noncontrolling interest for the portion of the Partnership it does not own in our consolidated financial statements. This represents the portion of net income (loss) attributable to the economic interest in the Partnership owned by the Limited Partners.
- (11) The Partnership's cash and cash equivalents at October 29, 2017 and October 30, 2016 were \$11.0 billion and \$3.0 billion, respectively. The balance differences result from the timing of capital contributions from Broadcom to the Partnership and distributions from the Partnership to Broadcom.
- (12) Fixed charges consist of interest expense on all indebtedness plus amortization of debt issuance costs and accretion of debt discount, capitalized interest and an estimate of interest expense within rental expense. Earnings consist of income from continuing operations before income taxes plus fixed charges and amortization of capitalized interest less capitalized interest. Earnings for the fiscal year 2016 were inadequate to cover fixed charges as the coverage deficiency was \$1,123 million.

**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with "Selected Financial Data" and our consolidated financial statements and notes thereto which appear elsewhere in this Annual Report on Form 10-K. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under the caption "Risk Factors" or in other parts of this Annual Report on Form 10-K.*

**Overview**

Broadcom Limited, or Broadcom, is the successor to Avago Technologies Limited, or Avago, as a result of its acquisition of Broadcom Corporation, or BRCM. We are a leading designer, developer and global supplier of a broad range of semiconductor devices with a focus on complex digital and mixed signal complementary metal oxide semiconductor based devices and analog III-V based products. We have a history of innovation and offer thousands of products that are used in end products such as enterprise and data center networking, home connectivity, set-top boxes, broadband access, telecommunication equipment, mobile handsets and base stations, data center servers and storage systems, factory automation, power generation and alternative energy systems, and electronic displays. We have four reportable segments: wired infrastructure, wireless communications, enterprise storage, and industrial & other, which align with our principal target markets.

Broadcom Cayman L.P., or the Partnership, is an exempted limited partnership formed under the laws of the Cayman Islands. Pursuant to the amended and restated exempted limited partnership agreement, or the Partnership Agreement, it authorized its common partnership units and restricted exchangeable limited partnership units, or Partnership REUs. The Partnership REUs are deemed to be registered under Section 12(b) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the Partnership is subject to the informational requirements of the Exchange Act and the rules and regulations promulgated thereunder. Broadcom, its General Partner, has the exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership in accordance with the Partnership Agreement, and applicable laws. There is no board of directors of the Partnership.

Original equipment manufacturers, or OEMs, or their contract manufacturers, and distributors typically account for the substantial majority of our sales. We have established strong relationships with leading OEM customers across multiple target markets and we have a direct sales force focused on supporting large OEMs. We also distribute a substantial portion of our products through our broad distribution network, and a significant amount of these sales are to large global electronic components distributors, including Avnet, Inc.

The demand for our products has been affected in the past, and is likely to continue to be affected in the future, by various factors, including the following:

- general economic and market conditions in the semiconductor industry and in our target markets;
- our ability to define specifications for, develop or acquire, complete, introduce and market, new products and technologies in a cost-effective and timely manner;
- the timing, rescheduling or cancellation of expected customer orders;
- the rate at which our present and future customers and end-users adopt our products and technologies in our target markets, and the rate at which our customers' products that include our technology are accepted in their markets; and
- the qualification, availability and pricing of competing products and technologies and the resulting effects on sales and pricing of our products.

Uncertainty in global economic conditions poses significant risks to our business. For example, customers may defer purchases in response to tighter credit and negative financial news, which would in turn adversely affect product demand and our results of operations.

**Fiscal Year Highlights**

Highlights during fiscal year 2017 include the following:

- Our cash and cash equivalents were \$11,204 million at October 29, 2017, compared with \$3,097 million at October 30, 2016, which primarily included the net proceeds from the issuance of the October 2017 Senior Notes (defined below).

- We generated \$6,551 million of cash from operations during fiscal year 2017.
- Broadcom paid aggregate cash dividends on its ordinary shares of \$1,653 million, and the Partnership made aggregate distributions of \$92 million on its Partnership REUs during fiscal year 2017.
- On January 19, 2017, we completed the issuance and sale of senior unsecured notes, or the January 2017 Senior Notes, in an aggregate principal amount of \$13,550 million. The net proceeds, together with cash on hand, were used to repay all of the outstanding term loans under our guaranteed, collateralized credit agreement entered into on February 1, 2016, or the 2016 Credit Agreement, in the aggregate amount of \$13,555 million. In addition, on October 17, 2017, we completed the issuance and sale of senior unsecured notes, or the October 2017 Senior Notes, in an aggregate principal amount of \$4,000 million. The net proceeds, together with cash on hand, were used to finance the acquisition of Brocade Communication Systems, Inc., or Brocade, as discussed in detail below.

## **Recent Developments**

### **U.S. 2017 Tax Reform Act**

On December 20, 2017, the Tax Cuts and Jobs Act, or the 2017 Tax Reform Act, was approved by Congress and is pending presidential approval. In general, the 2017 Tax Reform Act reduces the U.S. corporate income tax rate from 35% to 21%, effective in 2018. The 2017 Tax Reform Act moves from worldwide business taxation to a participation exemption regime. The 2017 Tax Reform Act also imposes base-erosion prevention measures on non-U.S. earnings of U.S. entities, as well as a one-time mandatory deemed repatriation tax on accumulated non-U.S. earnings of U.S. entities. The base-erosion prevention measures will have the effect of subjecting non-U.S. earnings of U.S. entities to taxation in the United States at an effective rate that is expected to be substantially lower than 21%. The 2017 Tax Reform Act will affect the tax position and cash taxes of our U.S. entities and will have a corresponding impact on our consolidated financial results starting in the first quarter of our fiscal year 2018.

### **Acquisition of Brocade Communications Systems, Inc.**

On November 17, 2017, pursuant to the Agreement and Plan of Merger, by and among Broadcom, BRCM, Brocade, and Bobcat Merger Sub, Inc., or Merger Sub, which BRCM subsequently assigned to LSI Corporation on December 18, 2016, Merger Sub merged with and into Brocade with Brocade as the surviving corporation, or the Brocade Merger. As a result, Brocade stockholders who did not perfect their appraisal rights with respect to the Brocade Merger received, in aggregate, approximately \$5.3 billion in cash in exchange for all shares of Brocade common stock issued and outstanding immediately prior to the effective time of the Brocade Merger. We also paid \$701 million to retire Brocade's term loan. In addition, we assumed certain vested (to the extent not in-the-money) and all unvested Brocade stock options, restricted stock units, or RSUs, and performance stock units, or PSUs, held by continuing employees and service providers. All vested in-the-money Brocade stock options, after giving effect to any acceleration, and all other RSUs and PSUs were cashed out upon the Brocade Merger. As a result of the Brocade Merger, Brocade became an indirect subsidiary of the Partnership.

We financed the Brocade Merger with the net proceeds from the October 2017 Senior Notes as discussed in further detail below under "Indebtedness," as well as cash on hand.

### **Divestiture of Brocade's IP Networking Business**

Following the Brocade Merger, on December 1, 2017, we sold Brocade's IP Networking business, including the Ruckus Wireless and ICX Switch businesses, to ARRIS International plc for cash consideration of \$800 million, plus unvested assumed employee stock awards.

### **Proposed Acquisition of Qualcomm Incorporated**

On November 6, 2017, we announced a proposal to acquire Qualcomm Incorporated, or Qualcomm, for \$70.00 per share, consisting of \$60.00 in cash and \$10.00 in Broadcom ordinary shares. We stated that the proposal stands whether Qualcomm's pending acquisition of NXP Semiconductors N.V., or NXP, is consummated on the then-disclosed terms of \$110.00 per NXP share or is terminated. Including the assumption of net debt and giving effect to the pending NXP acquisition, the enterprise value of the proposed transaction is approximately \$130 billion.

On November 13, 2017, Qualcomm's board of directors rejected our proposal. In response, we announced that we remained fully committed to pursuing the acquisition of Qualcomm and reiterated our proposal.

On December 4, 2017, we announced that we had provided notice to Qualcomm of our intent to nominate 11 candidates for election to the Qualcomm board of directors at Qualcomm's 2018 annual meeting of stockholders.

On December 11, 2017, we filed preliminary proxy materials with the Securities and Exchange Commission, or the SEC, in connection with our planned solicitation of proxies to elect 11 independent, highly qualified nominees to the Qualcomm

board of directors at Qualcomm's 2018 annual meeting of stockholders, which Qualcomm has announced will be held on March 6, 2018.

We also filed a premerger notification under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 with the U.S. Department of Justice and the Federal Trade Commission regarding our proposed acquisition of Qualcomm.

No agreement has been reached with Qualcomm and there can be no assurance that any transaction will result from our proposal.

#### **Redomiciliation to the United States from Singapore**

On November 2, 2017, we announced our intention to initiate a process to change the ultimate parent company of the Broadcom group from a Singapore company to a U.S. corporation. The final form and timing of the redomiciliation has not yet been finalized and may be affected by the implementation of the 2017 Tax Reform Act. In addition, the redomiciliation is subject to the approval of our shareholders. We presently expect that our overall cash tax costs will approximately double, as compared to our fiscal year 2017 results, due to the redomiciliation and taking in account our initial estimates of the expected effects of the 2017 Tax Reform Act.

#### **Acquisitions and Divestitures**

The discussion and analysis in this section and the accompanying consolidated financial statements include the results of operations of acquired companies commencing on their respective acquisition dates.

##### ***Broadcom Corporation***

On February 1, 2016, Broadcom became the successor to Avago and acquired BRCM, or the Broadcom Merger, in which, Avago shareholders exchanged their shares on a one-for-one basis for newly issued Broadcom ordinary shares and BRCM shareholders received, in aggregate, approximately \$16.8 billion in cash, 112 million Broadcom ordinary shares and 23 million Partnership REUs in exchange for all shares of BRCM common stock, par value \$0.0001 per share, issued and outstanding immediately prior to the effective time of the Broadcom Merger. In addition, we also paid \$137 million in cash for vested BRCM equity awards. Broadcom also assumed unvested RSUs originally granted by BRCM and converted them into 6 million Broadcom RSUs.

The aggregate consideration for the Broadcom Merger was approximately \$35.7 billion. We funded the cash portion of the Broadcom Merger with net proceeds from the issuance of \$15.6 billion in term loans under the 2016 Credit Agreement, that we entered into at the time of closing of the Broadcom Merger, as well as cash on hand of the combined companies. The financial results provided in this Annual Report on Form 10-K include the results of operations of BRCM commencing as of February 1, 2016, or the Acquisition Date.

During fiscal year 2016, we completed the sales of certain non-core BRCM businesses for aggregate cash proceeds of \$830 million and recognized an aggregate gain of \$36 million from the sales.

##### ***Emulex Corporation***

In fiscal year 2015, we acquired Emulex Corporation, or Emulex, a leader in network connectivity, monitoring and management, for a purchase price of \$587 million.

#### **Net Revenue**

Substantially all of our net revenue is derived from sales of semiconductor devices that are incorporated into electronic products, as well as from modules, switches and subsystems. Our four reportable segments are wired infrastructure, wireless communications, enterprise storage and industrial & other, which align with our target markets. Applications for our products in these segments include enterprise and data center networking, home connectivity, set-top boxes, broadband access, telecommunication equipment, mobile handsets and base stations, data center servers and storage systems, factory automation, power generation and alternative energy systems, and electronic displays.

Our overall net revenue, as well as the percentage of total net revenue generated by sales in each of our segments, has varied from quarter to quarter, due largely to fluctuations in end-market demand, including the effects of seasonality, which are discussed in detail below under "Seasonality".

We use distributors for a significant portion of our business and recognize revenue upon delivery of product to the distributors, which can cause our quarterly net revenue to fluctuate significantly. Such revenue is reduced for estimated returns and distributor allowances. We also sell products directly to OEMs and other end customers, many of which also purchase product from our distributors and who direct contract manufacturers to purchase product from us. Historically, a relatively small number of customers has accounted for a significant portion of our net revenue. Sales to distributors accounted for 28% and 30% of our net revenue for fiscal years 2017 and 2016, respectively. Direct sales to Foxconn Technology Group companies (including Hon Hai Precision Industries), together referred to as Foxconn, accounted for 14% of our net

revenue for both fiscal years 2017 and 2016. We believe our aggregate sales to our top five end customers, through all channels, accounted for more than 40% of our net revenue for fiscal year 2017 and more than 30% for fiscal year 2016. We believe aggregate sales to Apple, Inc., through all channels, accounted for more than 20% of our net revenue for fiscal year 2017 and approximately 15% for fiscal year 2016. We expect to continue to experience significant customer concentration in future periods. The loss of, or significant decrease in demand from, any of our top five end customers could have a material adverse effect on our business, results of operations and financial condition.

From time to time, some of our key customers place large orders or delay orders, causing our quarterly net revenue to fluctuate significantly. This is particularly true in our wireless communications segment as fluctuations may be magnified by the launches of, and seasonal variations in, sales of mobile handsets, as well as changes in the overall economic environment.

In recent years, approximately 50% of our net revenue has come from sales to distributors, OEMs or contract manufacturers located in China. However, the end customers for our products, or for the end products into which our products are incorporated, are frequently located in countries other than China. As a result, we believe that a substantially smaller percentage of our net revenue is ultimately dependent on sales of either our product, or our customers' product incorporating our product, to end customers located in China.

## **Costs and Expenses**

***Total cost of products sold.*** Cost of products sold consists primarily of the cost of semiconductor wafers and other materials, and the cost of assembly and testing of those products. Cost of products sold also includes: personnel costs and overhead related to our manufacturing operations, including share-based compensation expense, and related occupancy, computer services and equipment costs; manufacturing quality, order fulfillment, warranty and inventory adjustments, including write-downs for inventory obsolescence; energy costs; other manufacturing expenses and acquisition-related costs. Acquisition-related costs include direct transaction costs and integration-related costs. Total cost of products sold also includes the purchase accounting effect on inventory, amortization of acquisition-related intangible assets and restructuring charges.

Although we outsource a significant portion of our manufacturing activities, we also have some proprietary semiconductor fabrication facilities. If we are unable to utilize our owned fabrication facilities at a desired level, the fixed costs associated with these facilities will not be fully absorbed, resulting in higher average unit costs and lower gross margins.

***Research and development.*** Research and development expense consists primarily of personnel costs for our engineers engaged in the design and development of our products and technologies, including share-based compensation expense. These expenses also include project material costs, third-party fees paid to consultants, prototype development expense, allocated facilities costs and other corporate expenses and computer services costs related to supporting computer tools used in the engineering and design process.

***Selling, general and administrative.*** Selling expense consists primarily of compensation and associated costs for sales and marketing personnel, including share-based compensation expense, sales commissions paid to our independent sales representatives, costs of advertising, trade shows, corporate marketing, promotion, travel related to our sales and marketing operations, related occupancy and equipment costs, and other marketing costs. General and administrative expense consists primarily of compensation and associated costs for executive management, finance, human resources and other administrative personnel, outside professional fees, allocated facilities costs, acquisition-related costs and other corporate expenses.

***Amortization of acquisition-related intangible assets.*** In connection with our acquisitions, we recognized intangible assets that are being amortized over their estimated useful lives of 1 year to 25 years. We also recognized goodwill and in-process research and development, which are not amortized, in connection with acquisitions.

***Restructuring, impairment and disposal charges.*** Restructuring, impairment and disposal charges consist primarily of compensation costs associated with employee exit programs, alignment of our global manufacturing operations, rationalizing product development program costs, in-process research and development impairment, fixed asset impairment, facility and lease abandonments and other exit costs, including curtailment of service or supply agreements.

***Interest expense.*** Interest expense includes coupon interest, commitment fees, accretion of the original issue discount and amortization of debt issuance costs related to our outstanding debt, expenses related to debt modification and ticking fees.

***Other income, net.*** Other income, net includes interest income, gains (losses) on foreign currency remeasurement, and other miscellaneous items.

***Provision for income taxes.*** We have structured our operations to maximize the benefit from tax incentives extended to us in various jurisdictions to encourage investment or employment. For example, we have obtained several tax incentives from the Singapore Economic Development Board, an agency of the Government of Singapore, which provide that qualifying



income we earn in Singapore is subject to tax holiday or reduced rates of Singapore income tax. Subject to our compliance with the conditions specified in these incentives and legislative developments, the Singapore tax incentives are presently expected to expire at various dates generally between 2020 and 2021, subject in certain cases to potential extensions, which we may or may not be able to obtain. Absent such tax incentives, the corporate income tax rate in Singapore that would otherwise apply to us would be 17%. We also have tax holidays on our qualifying income in Malaysia, which are scheduled to expire between 2018 and 2028. The tax incentives that we have negotiated are also subject to our compliance with various operating and other conditions. If we cannot, or elect not to, comply with the operating conditions included in any particular tax incentive, we will lose the related tax benefits and we could be required to refund previously realized material tax benefits. Depending on the incentive at issue, we could also be required to modify our operational structure and tax strategy, which may not be as beneficial to us as the benefits provided under the present tax concession arrangements. For fiscal years 2017, 2016 and 2015, the effect of all these tax incentives was to reduce the overall provision for income taxes by approximately \$237 million, \$169 million and \$207 million, respectively.

Our interpretations and conclusions regarding the tax incentives are not binding on any taxing authority, and if our assumptions about tax and other laws are incorrect or if these tax incentives are substantially modified or rescinded we could suffer material adverse tax and other financial consequences, which would increase our expenses, reduce our profitability and adversely affect our cash flows. In addition, taxable income in any jurisdiction is dependent upon acceptance of our operational practices and intercompany transfer pricing by local tax authorities as being on an arm's length basis. Due to inconsistencies in application of the arm's length standard among taxing authorities, as well as lack of adequate treaty-based protection, transfer pricing challenges by tax authorities could, if successful, substantially increase our income tax expense.

On November 2, 2017, we announced our intention to initiate a process to change the ultimate parent company of the Broadcom group from a Singapore company to a U.S. corporation. We would expect our overall cash tax costs to approximately double, as compared to our fiscal year 2017 results, due to the redomiciliation and taking in account our initial estimates of the effects of the 2017 Tax Reform Act.

Going forward, our overall cash tax costs will vary based on a variety of factors in addition to the impact caused by the redomiciliation of our ultimate parent company from Singapore to the U.S., including reorganizations or restructurings of our businesses or assets, overall profitability, the jurisdictional mix of income before income taxes and changes in tax regulations or policy, and discrete events, such as settlements of future audits and acquisitions we may make from time to time. Our actual effective tax costs and overall effective rate may vary from our expectations and that variance may be material. In particular, we may owe significant taxes in jurisdictions outside our country of domicile during periods when we are profitable in those jurisdictions even though we may be experiencing low operating profit or operating losses on a consolidated basis, potentially resulting in significant tax liabilities on a consolidated basis during those periods. Our historical provision for income taxes is not necessarily reflective of our future results of operations.

### **Critical Accounting Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles in the United States, or GAAP, requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We base our estimates and assumptions on current facts, historical experience and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. Our actual financial results may differ materially and adversely from our estimates. Our critical accounting policies are those that affect our historical financial statements materially and involve difficult, subjective or complex judgments by management. Those policies include revenue recognition, business combinations, valuation of long-lived assets, intangible assets and goodwill, inventory valuation, income taxes, retirement and post-retirement benefit plan assumptions, share-based compensation and employee bonus programs. See Note 2. "Summary of Significant Accounting Policies" included in Part II, Item 8. of this Annual Report on Form 10-K for further information on our critical accounting policies and estimates.

*Revenue recognition.* We recognize revenue from sales of our products to distributors upon delivery of product to the distributors. An allowance for distributor credits covering price adjustments is made based on our estimate of historical experience rates as well as considering economic conditions and contractual terms. To date, actual distributor claims activity has been materially consistent with the provisions we have made based on our historical estimates. However, because of the inherent nature of estimates, there is always a risk that there could be significant differences between actual amounts and our estimates. Different judgments or estimates could result in variances that might be significant to reported operating results. We also record reductions of revenue for rebates, in the same period that the related revenue is recorded. We accrue 100% of potential rebates at the time of sale and do not apply a breakage factor. We reverse the accrual of unclaimed rebate amounts as specific rebate programs contractually end and when we believe unclaimed rebates are no longer subject to payment and

will not be paid. Thus the reversal of unclaimed rebates may have a positive impact on our net revenue and net income in subsequent periods.

*Business combinations.* Accounting for business combinations requires our management to make significant estimates and assumptions, especially at the acquisition date, including our estimates for intangible assets, contractual obligations assumed, restructuring liabilities, pre-acquisition contingencies and contingent consideration, where applicable. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, they are based, in part, on historical experience and information obtained from the management of the acquired companies and are inherently uncertain. Critical estimates in valuing certain of the intangible assets we have acquired include, but are not limited to: future expected cash flows from product sales, customer contracts and acquired technologies, expected costs to develop in-process research and development into commercially viable products, estimated cash flows from the projects when completed, and discount rates. The discount rates used to discount expected future cash flows to present value are typically derived from a weighted-average cost of capital analysis and adjusted to reflect inherent risks. Unanticipated events and circumstances may occur that may affect the accuracy or validity of such assumptions, estimates or actual results.

*Valuation of goodwill and long-lived assets.* We perform an annual impairment review of our goodwill during the fourth fiscal quarter of each year, and more frequently if we believe indicators of impairment exist. The process of evaluating the potential impairment of goodwill is highly subjective and requires significant judgment. To review for impairment we first assess qualitative factors to determine whether events or circumstances lead to a determination that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount. Our qualitative assessment of the recoverability of goodwill, whether performed annually or based on specific events or circumstances, considers various macroeconomic, industry-specific and company-specific factors. Those factors include: (i) severe adverse industry or economic trends; (ii) significant company-specific actions, including exiting an activity in conjunction with restructuring of operations; (iii) current, historical or projected deterioration of our financial performance; or (iv) a sustained decrease in our market capitalization below our net book value. After assessing the totality of events and circumstances, if we determine that it is not more likely than not that the fair value of any of our reporting units is less than its carrying amount, no further assessment is performed. If we determine that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount, we calculate the fair value of that reporting unit and compare the fair value to the reporting unit's net book value.

Determining the fair value of a reporting unit involves the use of significant estimates and assumptions. Our goodwill impairment test uses both the income approach and the market approach to estimate a reporting unit's fair value. The income approach is based on the discounted cash flow method that uses the reporting unit estimates for forecasted future financial performance including revenues, operating expenses, and taxes, as well as working capital and capital asset requirements. These estimates are developed as part of our long-term planning process based on assumed market segment growth rates and our assumed market segment share, estimated costs based on historical data and various internal estimates. Projected cash flows are then discounted to a present value employing a discount rate that properly accounts for the estimated market weighted-average cost of capital, as well as any risk unique to the subject cash flows. The market approach is based on weighting financial multiples of comparable companies and applies a control premium. A reporting unit's carrying value represents the assignment of various assets and liabilities, excluding certain corporate assets and liabilities, such as cash and debt.

We assess the impairment of long-lived assets including purchased in-process research and development, assets, property, plant and equipment, and intangible assets, whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. Factors we consider important which could trigger an impairment review include (i) significant under-performance relative to historical or projected future operating results, (ii) significant changes in the manner of our use of the acquired assets or the strategy for our overall business, or (iii) significant negative industry or economic trends. The process of evaluating the potential impairment of long-lived assets under the accounting guidance on property, plant and equipment and other intangible assets is also highly subjective and requires significant judgment. In order to estimate the fair value of long-lived assets, we typically make various assumptions about the future prospects about our business or the part of our business that the long-lived asset relates to, consider market factors specific to the business and estimate future cash flows to be generated by the business, which requires significant judgment as it is based on assumptions about market demand for our products over a number of future years. Based on these assumptions and estimates, we determine whether we need to take an impairment charge to reduce the value of the long-lived asset stated on our consolidated balance sheet to reflect its estimated fair value. Assumptions and estimates about future values and remaining useful lives are complex and often subjective. They can be affected by a variety of factors, including external factors, such as the real estate market, industry and economic trends, and internal factors, such as changes in our business strategy and our internal forecasts. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, changes in assumptions and estimates could materially impact our reported financial results.

*Inventory valuation.* We regularly review inventory quantities on hand and record a provision for excess and obsolete inventory based primarily on our forecast of product demand and production requirements. Demand for our products can fluctuate significantly from period to period. A significant decrease in demand could result in an increase in the amount of excess inventory quantities on hand. In addition, our industry is characterized by rapid technological change, frequent new product development and rapid product obsolescence that could result in an increase in the amount of obsolete inventory quantities on hand. Additionally, our estimates of future product demand may prove to be inaccurate, which may cause us to understate or overstate both the provision required for excess and obsolete inventory and cost of products sold. Therefore, although we make every effort to ensure the accuracy of our forecasts of future product demand, any significant unanticipated changes in demand or technological developments could have a significant impact on the value of our inventory and our results of operations.

*Income taxes.* Significant management judgment is required in developing our provision for income taxes, including the determination of deferred tax assets and liabilities and any valuation allowances that might be required against the deferred tax assets. We have considered projected future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for valuation allowances. If we determine, in the future, that a valuation allowance is required, such adjustment to the deferred tax assets would increase our tax expense in the period in which such determination is made. Conversely, if we determine, in the future, a valuation allowance exceeds our requirement, such adjustment to the deferred tax assets would decrease tax expense in the period in which such determination is made. In evaluating the exposure associated with various tax filing positions, we accrue an income tax liability when such positions do not meet the more-likely-than-not threshold for recognition.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax law and regulations in a multitude of jurisdictions. We recognize potential liabilities for anticipated tax audit issues in Singapore and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes and interest will be due. If our estimate of income tax liabilities proves to be less than the actual amount ultimately assessed, a further charge to tax expense would be required. If the payment of these amounts ultimately proves to be unnecessary, the reversal of the accrued liabilities would result in tax benefits being recognized in the period when we determine the liabilities no longer exist.

*Retirement and post-retirement benefit plan assumptions.* Retirement and post-retirement benefit plan costs are a significant cost of doing business. They represent obligations that will ultimately be settled sometime in the future and therefore are subject to estimation. Pension accounting is intended to reflect the recognition of future retirement and post-retirement benefit plan costs over the employees' average expected future service to us, based on the terms of the plans and investment and funding decisions. To estimate the impact of these future payments and our decisions concerning funding of these obligations, we are required to make assumptions using actuarial concepts within the framework of GAAP. One critical assumption is the discount rate used to calculate the estimated costs. Other important assumptions include the expected long-term return on plan assets, the health care cost trend rate, expected future salary increases, expected future increases to benefit payments, expected retirement dates, employee turnover, retiree mortality rates, and portfolio composition. We evaluate these assumptions at least annually.

The discount rate is used to determine the present value of future benefit payments at the relevant measurement dates — October 29, 2017 and October 30, 2016, for both U.S. and non-U.S. plans, in fiscal years 2017 and 2016, respectively. For fiscal years 2017 and 2016, the U.S. discount rates were based on the results of matching expected plan benefit payments with cash flows from a hypothetical yield curve constructed with high-quality corporate bond yields. The discount rate for non-U.S. plans was based either on published rates for government bonds or use of a hypothetical yield curve constructed with high-quality corporate bond yields, depending on the availability of sufficient quantities of quality corporate bonds. Lower discount rates increase present values of the pension liabilities and subsequent year pension expense; higher discount rates decrease present values of the pension liabilities and subsequent year pension expense.

We base our salary increase assumptions on historical experience and future expectations. In developing the expected rate of return, we consider long-term compound annualized returns based on historical market data, historical and expected returns on the various categories of plan assets, and the target investment portfolio allocation among debt, equity securities and other investments.

Actuarial assumptions are based on our best estimates and judgment. Material changes may occur in retirement benefit costs in the future if these assumptions differ from actual events or experience. We performed a sensitivity analysis on the discount rate, which is the key assumption in calculating U.S. pension and post-retirement benefit obligations as of October 29, 2017. Each change of 25 basis points in the discount rate assumption would have had an estimated \$41 million impact on the benefit obligations as of October 29, 2017. Each change of 25 basis points in the discount rate assumption and expected rate of return assumption would have an estimated change of \$1 million and \$4 million, respectively, on annual net retirement benefit costs for fiscal year 2018.

*Share-based compensation expense.* Share-based compensation expense consists of expense for share options and RSUs granted to employees and non-employees or assumed from acquisitions as well as expense associated with Broadcom employee share purchase plan, or ESPP. We recognize compensation expense for time-based options and ESPP rights based on the estimated grant-date fair value method required under the authoritative guidance using the Black-Scholes valuation model.

Certain equity awards include both time-based and market-based conditions and are accounted for as market-based awards. The fair value of these market-based awards is estimated on the date of grant using a Monte Carlo simulation model. Assumptions utilized in the Monte Carlo simulation model follow the same methodology as our time-based option awards.

*Employee Bonus Programs.* Our employee bonus programs, which are overseen by our Compensation Committee or our Board, in the case of our Chief Executive Officer, provide for variable compensation based on the attainment of overall corporate annual targets and functional performance metrics. In the first fiscal quarter of the year, if management determines that it is probable that the targets and metrics will be achieved and the amounts can be reasonably estimated, a variable, proportional compensation accrual is recognized based on an assumed 100% achievement of the targets and metrics. The bonus payout levels can be greater if attainment of metrics and targets is greater than 100% and a portion of the payouts may not occur if a minimum floor of performance is not achieved. In subsequent quarters, we monitor and accrue for variable compensation expense based on our actual progress toward the achievement of the annual targets and metrics. The actual achievement of target metrics at the end of the fiscal year, which is subject to approval by our Compensation Committee, may result in the actual variable compensation amounts being significantly higher or lower than the relevant estimated amounts accrued in earlier quarters, which would result in a corresponding adjustment in the fourth fiscal quarter.

#### **Fiscal Year Presentation**

We operate on a 52- or 53-week fiscal year ending on the Sunday closest to October 31 in a 52-week year and the first Sunday in November in a 53-week year. Each of fiscal years 2017, 2016 and 2015 consisted of 52 weeks.

The financial statements included in Part II, Item 8. of this Annual Report on Form 10-K are presented in accordance with GAAP and expressed in U.S. dollars.

## Results of Operations

### Fiscal Year 2017 Compared to Fiscal Year 2016

	Fiscal Year Ended			
	October 29, 2017	October 30, 2016	October 29, 2017	October 30, 2016
	(In millions)		(As a percentage of net revenue)	
Statements of Operations Data:				
Net revenue	\$ 17,636	\$ 13,240	100%	100 %
Cost of products sold:				
Cost of products sold	6,593	5,295	38	40
Purchase accounting effect on inventory	4	1,185	—	9
Amortization of acquisition-related intangible assets	2,511	763	14	6
Restructuring charges	19	57	—	—
Total cost of products sold	9,127	7,300	52	55
Gross margin	8,509	5,940	48	45
Research and development	3,292	2,674	19	20
Selling, general and administrative	787	806	4	6
Amortization of acquisition-related intangible assets	1,764	1,873	10	14
Restructuring, impairment and disposal charges	161	996	1	8
Litigation settlements	122	—	1	—
Total operating expenses	6,126	6,349	35	48
Operating income (loss)	\$ 2,383	\$ (409)	13%	(3)%

### Net Revenue

Net Revenue by segment	Fiscal Year Ended			
	October 29, 2017	October 30, 2016	\$ Change	% Change
	(In millions, except for percentages)			
Wired infrastructure	\$ 8,549	\$ 6,582	\$ 1,967	30%
Wireless communications	5,404	3,724	1,680	45%
Enterprise storage	2,799	2,291	508	22%
Industrial & other	884	643	241	37%
Total net revenue	\$ 17,636	\$ 13,240	\$ 4,396	33%

Net Revenue by segment	Fiscal Year Ended	
	October 29, 2017	October 30, 2016
	(As a percentage of net revenue)	
Wired infrastructure	48%	50%
Wireless communications	31	28
Enterprise storage	16	17
Industrial & other	5	5
Total net revenue	100%	100%

Our total net revenue increased primarily due to the full year contribution from acquired BRCM products in fiscal year 2017 compared to only three quarters in fiscal year 2016, as well as due to strong organic year-over-year growth.

Net revenue from our wired infrastructure segment increased primarily due to the full year contribution from acquired BRCM products, as well as strong organic year-over-year growth. Net revenue from our wireless communications segment increased primarily due to an increase in our wireless content in handsets, as well as the full year contribution from acquired BRCM products. Net revenue from our enterprise storage segment increased primarily due to strength in demand for our hard

disk drive, or HDD, products, as well as increased demand for our custom solid state drive, or SSD, controller, and server storage and connectivity products. The demand for our HDD products was higher in fiscal year 2017 than in fiscal year 2016 due to shortages in the SSD supply chain during fiscal year 2017.

**Gross Margin**

Gross margin increased by \$2,569 million in fiscal year 2017. Gross margin as a percentage of net revenue increased to 48% in fiscal year 2017 from 45% for fiscal year 2016. These increases were primarily attributable to a \$1,181 million reduction in acquisition purchase accounting effect on inventory, as well as a more favorable product mix, partially offset by a \$1,748 million increase in amortization of acquisition-related intangible assets resulting from the Broadcom Merger. The 33% increase in net revenue was the primary reason for the increase in gross margin dollars. We expect to incur additional amortization of acquisition-related intangible assets in future periods as a result of the Brocade Merger which closed on November 17, 2017, and any further acquisitions.

**Research and Development Expense**

Research and development expense increased \$618 million, or 23%, in fiscal year 2017. Research and development expense remained relatively flat as a percentage of net revenue at 19% and 20% for fiscal years 2017 and 2016, respectively. The increase in research and development expense dollars for fiscal year 2017 was primarily due to a full year of expense resulting from the acquired BRCM businesses and higher share-based compensation expense, partially offset by benefits from restructuring actions that we initiated following the Broadcom Merger. Share-based compensation expense was higher in fiscal year 2017 due to equity awards granted to employees from the acquired BRCM businesses, as well as annual employee equity awards granted at higher grant-date fair values.

**Selling, General and Administrative Expense**

Selling, general and administrative expense decreased \$19 million, or 2%, in fiscal year 2017. Selling, general and administrative expense as a percentage of net revenue was 4% and 6% for fiscal years 2017 and 2016, respectively. The decrease in selling, general and administrative expense dollars for fiscal year 2017 was primarily due to a decrease in acquisition-related costs and benefits from restructuring actions that we initiated following the Broadcom Merger, partially offset by higher share-based compensation expense. Share-based compensation expense was higher in fiscal year 2017 due to annual employee equity awards granted at higher grant-date fair values.

**Amortization of Acquisition-Related Intangible Assets**

Amortization of acquisition-related intangible assets recognized in operating expenses decreased \$109 million, or 6%, in fiscal year 2017, due to a decrease in amortization of intangible assets acquired in the Broadcom Merger. We expect to incur additional amortization of acquisition-related intangible assets in future periods as a result of the Brocade Merger.

**Restructuring, Impairment and Disposal Charges**

Restructuring, impairment and disposal charges included in operating expenses decreased \$835 million, or 84%, in fiscal year 2017 compared to fiscal year 2016 primarily due to a decrease in the impairment of in-process research and development projects. The decrease was also due to lower employee termination costs as the majority of restructuring activities resulting from the Broadcom Merger were undertaken in fiscal year 2016. We expect to incur additional restructuring charges in future periods as a result of the Brocade Merger.

**Litigation Settlements**

During fiscal year 2017, we incurred \$122 million of litigation charges associated with certain legal settlement agreements.



## Segment Operating Results

Operating Income (Loss)	Fiscal Year Ended		\$ Change	% Change
	October 29, 2017	October 30, 2016		
(In millions, except for percentages)				
Wired infrastructure	\$ 3,853	\$ 2,664	\$ 1,189	45 %
Wireless communications	2,155	1,282	873	68 %
Enterprise storage	1,527	995	532	53 %
Industrial & other	447	327	120	37 %
Unallocated expenses	(5,599)	(5,677)	78	(1)%
Total operating income (loss)	\$ 2,383	\$ (409)	\$ 2,792	683 %

Operating income from our wired infrastructure segment increased primarily due to a full year of revenue contributions from acquired BRCM products, as well as due to strong organic year-over-year growth, partially offset by a full year of research and development expense related to the acquired BRCM businesses. Operating income from our wireless communications segment increased primarily due to an increase in our wireless content in handsets, as well as the full year contribution from acquired BRCM products. These increases were partially offset by a full year of research and development expense related to the acquired BRCM businesses. Operating income from our enterprise storage segment increased primarily due to strength in demand for our HDD products, as well as increased demand for our custom SSD controller, and server storage connectivity products. We expect contributions from the Brocade SAN business to increase operating income in the enterprise storage segment in future periods. Operating income for the wired infrastructure, wireless communications and enterprise storage segments also benefited from lower operating expenses following our restructuring actions. Operating income from our industrial & other segment increased primarily due to an increase in revenue dollars from our optocoupler products and licensing of intellectual property, or IP, partially offset by an increase in legal expense.

Unallocated expenses include amortization of acquisition-related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, acquisition-related costs, charges for litigation settlement, and other costs that are not used in evaluating the results of, or in allocating resources to, our segments. Unallocated expenses decreased 1% in fiscal year 2017 primarily due to significant reductions in the purchase accounting effect on inventory and restructuring, impairment and disposal charges, partially offset by increases in amortization of acquisition-related intangible assets and charges for litigation settlement. Additionally, share-based compensation was higher in fiscal year 2017 due to equity awards granted to employees from the acquired BRCM businesses, as well as annual employee equity awards granted at higher grant-date fair values. We expect the factors noted above to increase as a result of the Brocade Merger.

Overall, operating income also benefited from reductions in operating expenses related to our restructuring actions following the Broadcom Merger.

## Non-Operating Income and Expenses

**Interest expense.** Interest expense was \$454 million and \$585 million for fiscal years 2017 and 2016, respectively. Interest expense was higher in fiscal year 2016 due primarily to one-time debt-related expenses associated with the financing of the Broadcom Merger. We expect interest expense to increase in fiscal year 2018 due to the issuance of the October 2017 Senior Notes.

**Loss on extinguishment of debt.** During fiscal year 2017, we issued the January 2017 Senior Notes to refinance all of the term loans outstanding under the 2016 Credit Agreement. We terminated the 2016 Credit Agreement, and the revolving credit facility thereunder, in connection with the issuance of the October 2017 Senior Notes, the proceeds of which were used to finance the Brocade Merger. As a result, we wrote off \$166 million of outstanding debt issuance costs, which were included in loss on extinguishment of debt. During fiscal year 2016, we made prepayments on our term loan borrowings under the 2016 Credit Agreement and, as a result, recognized \$123 million of losses on extinguishment of debt.

**Other income, net.** Other income net was \$62 million and \$10 million in fiscal years 2017 and 2016, respectively. Other income, net for fiscal year 2017 primarily comprised a gain on disposal of assets and interest income.

**Provision for income taxes.** Our provisions for income taxes were \$35 million and \$642 million in fiscal years 2017 and 2016, respectively. The provision for income taxes in fiscal year 2017 was primarily due to an increase in profit before tax and a discrete expense of \$76 million resulting from entity reorganizations, partially offset by the recognition of \$273 million of excess tax benefits from share-based equity awards that vested or were exercised during fiscal year 2017 and, to a lesser extent, the recognition of previously unrecognized tax benefits primarily as a result of audit settlements.

The income tax provision for fiscal year 2016 was primarily the result of an increase in tax associated with our undistributed earnings, partially offset by income tax benefits from losses from continuing operations and the recognition of previously unrecognized tax benefits as a result of audit settlements.

At the time we completed the Broadcom Merger, in connection with the allocation of the purchase price, we established a deferred tax liability associated with our potential tax liability arising from our planned integration of BRCM's IP, which was completed in November 2016. Prior to the adoption of the 2017 Tax Reform Act, this tax liability will become payable as earnings resulting from this integration of IP are distributed over time. However, under the 2017 Tax Reform Act, we will be required to recognize all of these earnings in our fiscal year 2018 as a deemed repatriation of foreign earnings, subject to a one-time mandatory deemed repatriation tax.

As a result of these events, the amount of our income taxes payable could vary materially and consume an increasing amount of our cash. In addition, our provision for income taxes in future periods is likely to change as a result of the impact of internal restructurings and reorganizations which could also affect our overall effective tax rate.

### ***Fiscal Year 2016 Compared to Fiscal Year 2015***

Statements of Operations Data:	Fiscal Year Ended			
	October 30, 2016	November 1, 2015	October 30, 2016	November 1, 2015
	(In millions)		(As a percentage of net revenue)	
Net revenue	\$ 13,240	\$ 6,824	100 %	100%
Cost of products sold:				
Cost of products sold	5,295	2,750	40	41
Purchase accounting effect on inventory	1,185	30	9	—
Amortization of acquisition-related intangible assets	763	484	6	7
Restructuring charges	57	7	—	—
Total cost of products sold	7,300	3,271	55	48
Gross margin	5,940	3,553	45	52
Research and development	2,674	1,049	20	15
Selling, general and administrative	806	486	6	7
Amortization of acquisition-related intangible assets	1,873	249	14	4
Restructuring, impairment and disposal charges	996	137	8	2
Total operating expenses	6,349	1,921	48	28
Operating income (loss)	\$ (409)	\$ 1,632	(3)%	24%

### ***Net Revenue***

Net Revenue by Segment	Fiscal Year Ended			
	October 30, 2016	November 1, 2015	\$ Change	% Change
	(In millions, except for percentages)			
Wired infrastructure	\$ 6,582	\$ 1,479	\$ 5,103	345%
Wireless communications	3,724	2,536	1,188	47%
Enterprise storage	2,291	2,180	111	5%
Industrial & other	643	629	14	2%
Total net revenue	\$ 13,240	\$ 6,824	\$ 6,416	94%

Net Revenue by Segment	Fiscal Year Ended	
	October 30, 2016	November 1, 2015
	(As a percentage of net revenue)	
Wired infrastructure	50%	22%
Wireless communications	28	37
Enterprise storage	17	32
Industrial & other	5	9
Total net revenue	100%	100%

Our overall net revenue increased in fiscal year 2016, compared to fiscal year 2015, primarily due to the contributions from acquired BRCM products since the Acquisition Date. As a result of the Broadcom Merger, our wired infrastructure segment constituted our largest segment.

Net revenue from our wired infrastructure segment increased primarily due to the contributions since the Acquisition Date from acquired BRCM products included in this segment. Net revenue from our wireless communications segment increased primarily due to revenue contributions of approximately \$1.8 billion from sales of acquired BRCM wireless connectivity and related products since the Acquisition Date, partially offset by a decrease in sales of approximately \$525 million in sales of our radio frequency, or RF, components due to reduced demand from a key North American mobile handset customer. Net revenue from our enterprise storage segment increased primarily due to the additional revenue resulting from a full year of contributions from the Emulex business that we acquired in May 2015, as well as strength in demand for our HDD products, partially offset by a decrease in demand for our server and storage connectivity products. Net revenue from our industrial & other segment remained essentially flat compared to fiscal year 2015. Our net revenue in fiscal year 2016 also included \$450 million from development arrangements and sales and licensing of IP, compared to \$313 million in fiscal year 2015, which primarily benefited our wired infrastructure and industrial & other segments.

### **Gross Margin**

Gross margin was \$5.9 billion for fiscal year 2016 compared to \$3.6 billion for fiscal year 2015. The increase in gross margin was primarily due to contributions to our wired infrastructure and wireless communications segments from the BRCM businesses acquired in February 2016. As a percentage of net revenue, gross margin was 45% and 52% for fiscal years 2016 and 2015, respectively. The 7% decrease in gross margin as a percentage of net revenue was largely due to \$1.2 billion of costs resulting from the step-up of inventory to fair value and the increase in amortization of acquisition-related intangible assets associated with the Broadcom Merger.

### **Research and Development Expense**

Research and development expense increased \$1.6 billion, or 155%, in fiscal year 2016. Research and development expense as a percentage of net revenue was 20% and 15% for fiscal years 2016 and 2015, respectively. The overall increase in research and development expense dollars and as a percentage of net revenue for fiscal year 2016 was primarily due to the acquisition of BRCM. Share-based compensation included in research and development expense increased due to RSUs assumed in connection with, and integration equity awards granted to employees acquired in, the Broadcom Merger, as well as annual employee equity awards granted at higher grant-date fair values.

### **Selling, General and Administrative Expense**

Selling, general and administrative expense increased \$320 million, or 66%, in fiscal year 2016. Selling, general and administrative expense as a percentage of net revenue was 6% and 7% for fiscal years 2016 and 2015, respectively. The overall increase in selling, general and administrative expense dollars for fiscal year 2016 was primarily due to the impact of the acquired BRCM businesses and the acquisition-related costs. The decrease as a percentage of revenue was due to the realization of synergies resulting from the integration of BRCM. Share-based compensation included in selling, general and administrative expense increased due to RSUs assumed in connection with, and integration equity awards granted to employees acquired in, the Broadcom Merger, as well as annual employee equity awards granted at higher grant-date fair values.

### **Amortization of Acquisition-Related Intangible Assets**

Total amortization of acquisition-related intangible assets was \$2.6 billion for fiscal year 2016, compared to \$733 million for fiscal year 2015. The increase in amortization expense in fiscal year 2016 was primarily attributable to an increase in amortizable intangible assets resulting from the Broadcom Merger.

## Restructuring, Impairment and Disposal Charges

Restructuring, impairment and disposal charges, recognized primarily in operating expenses, were \$1.1 billion for fiscal year 2016 compared to \$144 million in fiscal year 2015. The increase was due primarily to the Broadcom Merger, including impairment charges of \$417 million for termination of in-process research and development projects and \$173 million for property, plant and equipment. Restructuring charges were due primarily to employee termination costs of approximately \$418 million, and lease termination and other exit costs of \$29 million, primarily resulting from the Broadcom Merger.

## Segment Operating Results

	Fiscal Year Ended			
Operating Income (Loss)	October 30, 2016	November 1, 2015	\$ Change	% Change
(In millions, except for percentages)				
Wired infrastructure	\$ 2,664	\$ 478	\$ 2,186	457 %
Wireless communications	1,282	1,202	80	7 %
Enterprise storage	995	855	140	16 %
Industrial & other	327	310	17	5 %
Unallocated expenses	(5,677)	(1,213)	(4,464)	368 %
Total operating income (loss)	\$ (409)	\$ 1,632	\$ (2,041)	(125)%

Operating income from our wired infrastructure segment increased primarily due to contributions from the acquired BRCM wired products. Operating income from our wireless communications segment increased primarily due to contributions from the acquired BRCM wireless connectivity products, partially offset by a decrease in demand for our RF components from a key North American mobile handset customer. Operating income from our enterprise storage segment increased primarily due to a full year of contributions from the Emulex business that we acquired in May 2015, as well as strength in demand for our HDD products, partially offset by a decrease in demand for our server and storage connectivity products. Operating income from our industrial & other segment was flat.

Unallocated expenses include amortization of acquisition-related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, acquisition-related costs, including charges related to the step-up of acquired inventory to fair value, and other costs that are not used in evaluating the results of, or in allocating resources to, our segments. Unallocated expenses increased 368% in fiscal year 2016, compared to fiscal year 2015, primarily due to increases in charges related to the step-up of inventory to fair value, amortization of acquisition-related intangible assets, restructuring, impairment and disposal charges, and costs incurred in connection with the Broadcom Merger. Additionally, share-based compensation increased due to RSUs assumed in, and integration equity awards granted to employees acquired in, the Broadcom Merger.

## Non-Operating Income and Expenses

**Interest expense.** Interest expense was \$585 million and \$191 million for fiscal years 2016 and 2015, respectively. The increase in interest expense in fiscal year 2016 was primarily due to interest on higher outstanding debt balances and expenses related to debt modification and ticking fees, in each case associated with the term loan indebtedness we incurred to finance the Broadcom Merger.

**Loss on extinguishment of debt.** During fiscal year 2016, in connection with the closing of the Broadcom Merger, we repaid in full our term loan borrowings under a collateralized credit agreement with lenders named therein entered into in fiscal year 2014, or the 2014 Credit Agreement. We subsequently repaid our €900 million Term B-1 Euro Loan (defined below) partially funded by the sale of certain acquired BRCM assets that were held for sale. We also repaid our \$500 million Term B-2 Loan (defined below), partially funded with \$325 million of additional Term A Loan (defined below) borrowings. These payments and the August 2016 amendments to the 2016 Credit Agreement resulted in a loss on extinguishment of debt of \$123 million for fiscal year 2016. In fiscal year 2015, we made a \$593 million principal prepayment on term loan borrowings under the 2014 Credit Agreement and settled the 2.0% Convertible Senior Notes due 2021, which resulted in a loss on extinguishment of debt of \$10 million for fiscal year 2015.

In connection with the completion of the Broadcom Merger, three Broadcom subsidiaries entered into the 2016 Credit Agreement, which originally provided for a Term A loan facility in the aggregate principal amount of \$4.4 billion, or the Term A Loan, a Term B-1 dollar loan facility in the aggregate principal amount of \$9.8 billion, or the Term B-1 Loan, a Term B-1 euro loan facility in the aggregate principal amount of €900 million, equivalent to \$978 million as of February 1, 2016, or the Term B-1 Euro Loan, a Term B-2 loan facility in the aggregate principal amount of \$500 million, or the Term B-2 Loan, and together

with the Term A Loan, Term B-1 Loan, and Term B-1 Euro Loan. The 2016 Credit Agreement also provides for a revolving credit facility, or the 2016 Revolving Credit Facility, that permits us to borrow from time to time in an aggregate principal amount of up to \$500 million for working capital and other corporate purposes, including swingline loans of up to \$150 million in the aggregate and for the issuance of letters of credit of up to \$100 million in the aggregate, which, in the case of swingline loans and letters of credit, reduce the available borrowing capacity under the 2016 Revolving Credit Facility on a dollar for dollar basis.

*Provision for income taxes.* For fiscal year 2016, we had a provision for income taxes of \$642 million compared to \$76 million for fiscal year 2015. The income tax provision for fiscal year 2016 was primarily the result of an increase in tax associated with our undistributed earnings, partially offset by income tax benefits from losses from continuing operations and the recognition of previously unrecognized tax benefits as a result of audit settlements.

During fiscal year 2016, we determined that we no longer intend to indefinitely reinvest our accumulated and current foreign earnings in our operations outside of Singapore. As a result, we made a provision for taxes on \$1.9 billion of our undistributed earnings as of November 1, 2015, including projected withholding taxes that would become payable upon the distribution of those earnings, and recognized \$93 million of expense in fiscal year 2016 related to the undistributed earnings of foreign operations that were previously considered indefinitely reinvested.

At the time we completed the Broadcom Merger, in connection with the preliminary allocation of the purchase price, we established a deferred tax liability that was associated with our potential tax liability arising from our planned integration of BRCM's IP, which was completed in November 2016. This tax liability will become payable as earnings resulting from this integration of IP are distributed over time.

### **Seasonality**

Historically, our net revenue has typically been higher in the second half of the fiscal year than in the first half, primarily due to seasonality in our wireless communications segment. This segment has historically experienced seasonality due to launches of new mobile handsets manufactured by our OEM customers. However, from time to time, typical seasonality and industry cyclicalities are overshadowed by other factors such as wider macroeconomic effects, the timing of significant product transitions and launches by large OEMs, particularly in the wireless communications segment. We have a diversified business portfolio and our wired infrastructure segment represents the largest portion of our net revenue. We believe that our overall revenue is less susceptible to seasonal variations as a result of the diversification of our business portfolio.

### **Liquidity and Capital Resources**

The following section discusses our principal liquidity and capital resources as well as our principal liquidity requirements and sources and uses of cash. Our cash and cash equivalents are maintained in highly liquid investments with remaining maturities of 90 days or less at the time of purchase. We believe our cash equivalents are liquid and accessible.

Our primary sources of liquidity as of October 29, 2017 consisted of: (i) \$11,204 million in cash and cash equivalents, which included \$3,980 million of net proceeds from the issuance of the October 2017 Senior Notes, all of which was used to fund the Brocade Merger on November 17, 2017, and (ii) cash we expect to generate from operations. In addition, we may also generate cash from the sale of assets from time to time.

During fiscal year 2017, we completed the issuances and sales of the January 2017 Senior Notes and October 2017 Senior Notes, collectively, the Senior Notes, in aggregate principal amounts of \$13,550 million and \$4,000 million, respectively.

During fiscal year 2017, we also entered into a trade accounts receivable factoring facility with a third-party financial institution to sell certain of our trade accounts receivable on a non-recourse basis for amounts of up to \$100 million from time to time. Total trade accounts receivable sold under the factoring agreement were \$178 million during fiscal year 2017.

Our short-term and long-term liquidity requirements primarily arise from: (i) business acquisitions and investments we may make from time to time, (ii) working capital requirements, (iii) research and development and capital expenditure needs, (iv) interim cash dividend payments by Broadcom (if and when declared by the Board), (v) cash distributions by the Partnership (if and when declared by the Partnership's General Partner), (vi) interest and principal payments related to outstanding indebtedness, (vii) payment of income taxes, including taxes resulting from intercompany transfers of IP, and (viii) funding employee benefit plan obligations. Our ability to fund these requirements will depend, in part, on our future cash flows, which are determined by our future operating performance and, therefore, subject to prevailing global macroeconomic conditions and financial, business and other factors, some of which are beyond our control.

Our capital expenditures for fiscal year 2017 were higher than fiscal year 2016, due primarily to expenditures for construction at our Irvine and San Jose campuses, purchases of test manufacturing equipment and spending on equipment to support various research and development projects. We expect capital expenditures to be somewhat lower in fiscal year 2018 as compared to fiscal year 2017.

Our liquidity needs also increased as a result of completing the Brocade Merger. We financed \$4,000 million of the purchase consideration with the issuance of the October 2017 Senior Notes. We believe that our cash and cash equivalents on hand and cash flows from operations will provide sufficient liquidity, after giving effect to the Brocade Merger, to operate our business and fund our current and assumed obligations for at least the next 12 months, excluding the impact of any future mergers, acquisitions and divestiture activity.

From time to time, we engage in discussions with third parties regarding potential acquisitions of, or investments in, businesses, technologies and product lines. Any such transaction, or evaluation of potential transactions, could require significant use of our cash and cash equivalents, or require us to increase our borrowings to fund such transactions. We could also reduce certain expenditures such as payment of our cash dividend. If we do not have sufficient cash to fund our operations or finance growth opportunities, including acquisitions, or unanticipated capital expenditures, our business and financial condition could suffer. In such circumstances we may also seek to obtain new debt or equity financing. However, we cannot assure you that such additional financing will be available on terms acceptable to us or at all. Our ability to service the Senior Notes and any other indebtedness we may incur, will depend on our ability to generate cash in the future.

We may also elect to sell additional debt or equity securities for reasons other than those specified above.

### **Summary and Highlights**

Our cash and cash equivalents increased \$8,107 million to \$11,204 million at October 29, 2017 from \$3,097 million at October 30, 2016.

The increase was largely due to the following:

- \$17,426 million of proceeds from the issuance of the Senior Notes,
- \$6,551 million in net cash provided by operating activities,
- \$441 million of proceeds from disposals of property, plant and equipment,
- \$257 million from the issuance of ordinary shares upon exercises of share options and purchase rights under Broadcom's employee share purchase plan, and
- \$200 million of proceeds from maturities of investments.

The increase was partially offset by the following:

- \$13,668 million for the repayment of our term loan borrowings under the 2016 Credit Agreement,
- \$1,745 million of dividend payments by Broadcom and cash distributions by the Partnership,
- \$1,069 million in capital expenditures, and
- \$207 million for the purchases of investments.

### **Dividends/Distributions**

#### **Dividends paid by Broadcom**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
(In millions, except per share data)			
Cash dividends paid per ordinary share	\$ 4.08	\$ 1.94	\$ 1.55
Cash dividends paid to ordinary shareholders	\$ 1,653	\$ 716	\$ 408

#### **Distributions made by the Partnership**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
(In millions, except per Partnership REU)			
Cash distributions paid to General Partner	\$ 1,756	\$ 594	\$ —
Cash distributions paid per Partnership REU	\$ 4.08	\$ 1.50	\$ —
Cash distributions paid to Limited Partners	\$ 92	\$ 34	\$ —



## Cash Flows

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
	(In millions)		
Net cash provided by operating activities	\$ 6,551	\$ 3,411	\$ 2,318
Net cash used in investing activities	(674)	(9,840)	(241)
Net cash provided by (used in) financing activities	2,230	7,704	(1,859)
Net increase in cash and cash equivalents	<u>\$ 8,107</u>	<u>\$ 1,275</u>	<u>\$ 218</u>

### Operating Activities

Cash provided by operating activities represents net income (loss) adjusted for certain non-cash items and changes in assets and liabilities. The \$3,140 million increase in cash provided by operations during fiscal year 2017 compared to fiscal year 2016 was due to the impact of net income and adjustments to net income for non-cash items, partially offset by changes in assets and liabilities. The adjustments to net income for non-cash items were higher, compared to fiscal year 2016, primarily due to increased depreciation and amortization, increased share-based compensation, and an increase in the non-cash portion of the debt extinguishment loss, partially offset by a decrease in non-cash restructuring, impairment and disposal charges and a decrease in deferred taxes and other non-cash taxes.

The \$1,093 million increase in cash provided by operating activities during fiscal year 2016 compared to fiscal year 2015 was due to the adjustments to net loss for non-cash items and changes in assets and liabilities, partially offset by the impact of a net loss during fiscal year 2016. The adjustments to net loss for non-cash items were higher, compared to fiscal year 2015, primarily due to depreciation and amortization, share-based compensation, non-cash restructuring, impairment and disposal charges and deferred taxes and other non-cash taxes.

### Investing Activities

Cash used in investing activities consisted primarily of cash used for capital expenditures, acquisitions, and investments, partially offset by proceeds from disposals of property, plant and equipment, divestitures and maturities of investments. The \$9,166 million change in investing cash flows for fiscal year 2017 compared to fiscal year 2016 was primarily due to \$10,055 million paid primarily for the Broadcom Merger in fiscal year 2016 and cash receipts of \$441 million from the sale of our Irvine campus in fiscal year 2017, offset in part by a decrease in proceeds from the sales of businesses and an increase in capital expenditures and investments.

The \$9,599 million change in investing cash flows for fiscal year 2016 compared to fiscal year 2015 was primarily due to \$10,055 million paid primarily for the Broadcom Merger and an increase in capital expenditures and investments, partially offset by an increase in proceeds from the sales of businesses and an increase in proceeds from sales and maturities of investments.

### Financing Activities

#### Broadcom

Cash provided by (used in) financing activities consisted primarily of net proceeds and payments related to our long-term debt, payment of assumed debt, dividend payments by Broadcom, cash distributions by the Partnership, proceeds received from the issuances of ordinary shares pursuant to our employee equity incentive plans and payments of debt issuance costs. The \$5,474 million decrease in financing cash flows for fiscal year 2017 compared to fiscal year 2016 was primarily due a decrease in net proceeds and payments related to our long-term debt and an increase in dividend and distribution payments, offset in part by the repayment of assumed debt in fiscal year 2016.

The \$9,563 million increase in financing cash flows for fiscal year 2016 compared to fiscal year 2015 was primarily due to an increase in net proceeds and payments related to our long-term debt, partially offset by an increase in dividend and distribution payments.

#### The Partnership

Cash provided by (used in) financing activities for the Partnership is materially the same as for Broadcom discussed above. The differences are due to capital transactions with the General Partner, which result from capital contributions and distributions between Broadcom and the Partnership.

## **Indebtedness**

See Note 8. "Borrowings" included in Part II, Item 8. of this Annual Report on Form 10-K.

### ***Senior Notes***

On January 19, 2017, we completed the issuance and sale of the January 2017 Senior Notes in an aggregate principal amount of \$13,550 million. The net proceeds, together with cash on hand, were used to repay all of the outstanding term loans under the 2016 Credit Agreement in the aggregate amount of \$13,555 million.

On October 17, 2017, we completed the issuance and sale of the October 2017 Senior Notes in an aggregate principal amount of \$4,000 million. The net proceeds, together with cash on hand, were used to finance the Brocade Merger, which closed on November 17, 2017. In connection with the issuance of the October 2017 Senior Notes, we terminated the commitments and satisfied all outstanding obligations under the 2016 Credit Agreement.

As a result, during fiscal year 2017, we wrote-off \$166 million of debt issuance costs, which were included in loss on extinguishment of debt in the consolidated statements of operations.

## Contractual Commitments

	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(In millions)				
Debt principal and interest	\$ 21,560	\$ 657	\$ 3,849	\$ 5,182	\$ 11,872
Purchase commitments	909	841	68	—	—
Other contractual commitments	272	111	154	7	—
Operating lease obligations	745	119	126	79	421
Capital lease obligations	21	21	—	—	—
Pension plan contributions	118	118	—	—	—
Total	<u>\$ 23,625</u>	<u>\$ 1,867</u>	<u>\$ 4,197</u>	<u>\$ 5,268</u>	<u>\$ 12,293</u>

**Debt Principal and Interest.** Represents principal and interest on borrowings under the Senior Notes and outstanding senior unsecured notes that we assumed as a result of the Broadcom Merger, or the Assumed Senior Notes.

**Purchase Commitments.** Represents unconditional purchase obligations that include agreements to purchase goods or services, primarily inventory, that are enforceable and legally binding on us and that specify all significant terms, including fixed or minimum quantities to be purchased, fixed, minimum or variable price provisions, and the approximate timing of the transaction. Purchase obligations exclude agreements that are cancelable without penalty. Cancellation for outstanding purchase orders for capital expenditures in connection with the internal fabrication facility expansion and construction of our new campuses is generally allowed but requires payment of all costs incurred through the date of cancellation and, therefore, cancelable purchase orders for these capital expenditures are included in the table above.

**Other Contractual Commitments.** Represents amounts payable pursuant to agreements related to IT, human resources, financial infrastructure outsourcing services and other service agreements.

**Operating Lease Obligations.** Represents real property and equipment leased from third parties under non-cancelable operating leases.

**Capital Lease Obligations.** Represents equipment leased from third parties under non-cancelable capital leases.

**Pension Plan Contributions.** Represents our planned minimum contributions to our pension plans. Although additional future contributions will be required, the amount and timing of these contributions will be affected by actuarial assumptions, the actual rate of returns on plan assets, the level of market interest rates, legislative changes and the amount of voluntary contributions to the plans. The amount shown in the table represents our planned contributions to our pension plans within a year. Because any contributions for fiscal year 2019 and later will depend on the value of the plan assets in the future and thus are uncertain, we have not included any amounts for fiscal year 2019 and beyond in the above table.

Due to the inherent uncertainty with respect to the timing of future cash outflows associated with our unrecognized tax benefits at October 29, 2017, we are unable to reliably estimate the timing of cash settlement with the respective taxing authority. Therefore, \$1,011 million of unrecognized tax benefits and accrued interest classified within other long-term liabilities on our consolidated balance sheet as of October 29, 2017 have been excluded from the contractual obligations table above.

### Off-Balance Sheet Arrangements

We had no material off-balance sheet arrangements at October 29, 2017 as defined in Item 303(a)(4)(ii) of Regulation S-K under the Exchange Act.

### Indemnifications

See Note 14. "Commitments and Contingencies" in Part II, Item 8 of this Form 10-K.

### Accounting Changes and Recent Accounting Standards

For a description of accounting changes and recent accounting standards, including the expected dates of adoption and estimated effects, if any, in our consolidated financial statements, see Note 2. "Summary of Significant Accounting Policies" included in Part II, Item 8. of this Annual Report on Form 10-K.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

***Foreign Currency Derivative Instruments***

We use foreign exchange forward contracts to hedge a portion of our exposures to changes in currency exchange rates, which result from our global operating and financing activities. Gains and losses from foreign currency transactions, as well as derivative instruments, were not significant for any period presented in the consolidated financial statements included in this Form 10-K.

***European Debt Exposures***

We actively monitor our exposure to the European financial markets, including the impact of sovereign debt issues. We also seek to mitigate our risk by investing in fixed deposits with various financial institutions and we limit the amount we hold with any one institution. We do not have any direct investments in the sovereign debt of European countries. From time to time, we may have deposits with major European financial institutions. We also seek to mitigate collection risks from our customers by performing regular credit evaluations of our customers' financial condition and require collateral, such as letters of credit and bank guarantees, in certain circumstances. As of October 29, 2017, we do not believe that we have any material direct or indirect exposure to the European financial markets.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA****BROADCOM LIMITED AND BROADCOM CAYMAN L.P.  
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders of Broadcom Limited

In our opinion, the consolidated financial statements listed in the index appearing under Item 15(a)(1) present fairly, in all material respects, the financial position of Broadcom Limited and its subsidiaries as of October 29, 2017 and October 30, 2016, and the results of their operations and their cash flows for each of the three years in the period ended October 29, 2017 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of October 29, 2017, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for certain elements of its employee share-based compensation in 2017.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

San Jose, California  
December 21, 2017



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders of Broadcom Limited, the sole general partner of Broadcom Cayman L.P.

In our opinion, the consolidated financial statements listed in the index appearing under Item 15(a)(1) present fairly, in all material respects, the financial position of Broadcom Cayman L.P. and its subsidiaries as of October 29, 2017 and October 30, 2016, and the results of their operations and their cash flows for each of the three years in the period ended October 29, 2017 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of October 29, 2017, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The management of the Company's General Partner is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for certain elements of its employee share-based compensation in 2017.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company's General Partner; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

San Jose, California  
December 21, 2017

**BROADCOM LIMITED**  
**CONSOLIDATED BALANCE SHEETS**

	October 29, 2017	October 30, 2016
(In millions, except share amounts)		
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 11,204	\$ 3,097
Trade accounts receivable, net	2,448	2,181
Inventory	1,447	1,400
Other current assets	724	447
Total current assets	15,823	7,125
Long-term assets:		
Property, plant and equipment, net	2,599	2,509
Goodwill	24,706	24,732
Intangible assets, net	10,832	15,068
Other long-term assets	458	532
Total assets	\$ 54,418	\$ 49,966
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,105	\$ 1,261
Employee compensation and benefits	626	517
Current portion of long-term debt	117	454
Other current liabilities	681	846
Total current liabilities	2,529	3,078
Long-term liabilities:		
Long-term debt	17,431	13,188
Pension and post-retirement benefit obligations	112	531
Other long-term liabilities	11,160	11,293
Total liabilities	31,232	28,090
Commitments and contingencies (Note 14)		
Shareholders' equity:		
Ordinary shares, no par value; 408,732,155 shares and 398,281,461 shares issued and outstanding on October 29, 2017 and October 30, 2016, respectively	20,505	19,241
Non-economic voting preference shares, no par value; 22,145,603 shares and 22,804,591 shares issued and outstanding on October, 29, 2017 and October 30, 2016, respectively	—	—
Accumulated deficit	(129)	(215)
Accumulated other comprehensive loss	(91)	(134)
Total Broadcom Limited shareholders' equity	20,285	18,892
Noncontrolling interest	2,901	2,984
Total shareholders' equity	23,186	21,876
Total liabilities and shareholders' equity	\$ 54,418	\$ 49,966

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM LIMITED**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
(In millions, except per share data)			
Net revenue	\$ 17,636	\$ 13,240	\$ 6,824
Cost of products sold:			
Cost of products sold	6,593	5,295	2,750
Purchase accounting effect on inventory	4	1,185	30
Amortization of acquisition-related intangible assets	2,511	763	484
Restructuring charges	19	57	7
Total cost of products sold	9,127	7,300	3,271
Gross margin	8,509	5,940	3,553
Research and development	3,292	2,674	1,049
Selling, general and administrative	787	806	486
Amortization of acquisition-related intangible assets	1,764	1,873	249
Restructuring, impairment and disposal charges	161	996	137
Litigation settlements	122	—	—
Total operating expenses	6,126	6,349	1,921
Operating income (loss)	2,383	(409)	1,632
Interest expense	(454)	(585)	(191)
Loss on extinguishment of debt	(166)	(123)	(10)
Other income, net	62	10	36
Income (loss) from continuing operations before income taxes	1,825	(1,107)	1,467
Provision for income taxes	35	642	76
Income (loss) from continuing operations	1,790	(1,749)	1,391
Loss from discontinued operations, net of income taxes	(6)	(112)	(27)
Net income (loss)	1,784	(1,861)	1,364
Net income (loss) attributable to noncontrolling interest	92	(122)	—
Net income (loss) attributable to ordinary shares	\$ 1,692	\$ (1,739)	\$ 1,364
Basic income (loss) per share attributable to ordinary shares:			
Income (loss) per share from continuing operations	\$ 4.19	\$ (4.46)	\$ 5.27
Loss per share from discontinued operations	(0.01)	(0.29)	(0.10)
Net income (loss) per share	\$ 4.18	\$ (4.75)	\$ 5.17
Diluted income (loss) per share attributable to ordinary shares:			
Income (loss) per share from continuing operations	\$ 4.03	\$ (4.57)	\$ 4.95
Loss per share from discontinued operations	(0.01)	(0.29)	(0.10)
Net income (loss) per share	\$ 4.02	\$ (4.86)	\$ 4.85
Weighted-average shares:			
Basic	405	366	264
Diluted	421	383	281
Cash dividends declared and paid per share	\$ 4.08	\$ 1.94	\$ 1.55

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM LIMITED**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
	(In millions)		
Net income (loss)	\$ 1,784	\$ (1,861)	\$ 1,364
Other comprehensive income (loss), net of tax:			
Unrealized gain (loss) on defined benefit pension plans and post-retirement benefit plans	42	(65)	(24)
Reclassification to net income (loss)	1	4	1
Other comprehensive income (loss)	43	(61)	(23)
Comprehensive income (loss)	1,827	(1,922)	1,341
Comprehensive income (loss) attributable to noncontrolling interest	92	(122)	—
Comprehensive income (loss) attributable to ordinary shares	\$ 1,735	\$ (1,800)	\$ 1,341

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM LIMITED**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
	(In millions)		
<b>Cash flows from operating activities:</b>			
Net income (loss)	\$ 1,784	\$ (1,861)	\$ 1,364
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	4,737	3,042	962
Share-based compensation	921	679	232
Excess tax benefits from share-based compensation	—	(89)	(125)
Deferred taxes and other non-cash taxes	(173)	365	(220)
Non-cash portion of debt extinguishment loss, net	166	100	10
Non-cash restructuring, impairment and disposal charges	71	662	77
Amortization of debt issuance costs and accretion of debt discount	24	36	22
Other	7	(6)	32
Changes in assets and liabilities, net of acquisitions and disposals:			
Trade accounts receivable, net	(267)	(491)	(187)
Inventory	(39)	996	62
Accounts payable	(97)	33	29
Employee compensation and benefits	109	163	8
Contributions to defined benefit pension plans	(361)	(33)	(54)
Other current assets and current liabilities	(490)	(98)	12
Other long-term assets and long-term liabilities	159	(87)	94
<b>Net cash provided by operating activities</b>	<b>6,551</b>	<b>3,411</b>	<b>2,318</b>
<b>Cash flows from investing activities:</b>			
Purchases of property, plant and equipment	(1,069)	(723)	(593)
Proceeds from disposals of property, plant and equipment	441	5	110
Purchases of investments	(207)	(58)	(14)
Proceeds from sales and maturities of investments	200	104	—
Acquisitions of businesses, net of cash acquired	(40)	(10,055)	(394)
Proceeds from sales of businesses	10	898	650
Other	(9)	(11)	—
<b>Net cash used in investing activities</b>	<b>(674)</b>	<b>(9,840)</b>	<b>(241)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of long-term debt	17,426	19,510	—
Repayment of debt	(13,668)	(9,842)	(1,639)
Payment of assumed debt	—	(1,475)	(178)
Payment of debt issuance costs	(24)	(123)	—
Dividend and distribution payments	(1,745)	(750)	(408)
Issuance of ordinary shares	257	295	241
Excess tax benefits from share-based compensation	—	89	125
Payment of capital lease obligations	(16)	—	—
<b>Net cash provided by (used in) financing activities</b>	<b>2,230</b>	<b>7,704</b>	<b>(1,859)</b>
Net change in cash and cash equivalents	8,107	1,275	218
Cash and cash equivalents at the beginning of period	3,097	1,822	1,604
<b>Cash and cash equivalents at end of period</b>	<b>\$ 11,204</b>	<b>\$ 3,097</b>	<b>\$ 1,822</b>
<b>Supplemental disclosure of cash flow information:</b>			
Cash paid for interest	\$ 310	\$ 448	\$ 172
Cash paid for income taxes	\$ 349	\$ 242	\$ 138

The accompanying notes are an integral part of these consolidated financial statements.





exchangeable partnership units

Changes in accumulated other comprehensive loss:								
Actuarial gains and prior service costs associated with defined benefit pension plans and post-retirement benefit plans, net of taxes	—	—	—	—	—	43	—	43
Cumulative effect of accounting change	—	—	—	—	47	—	3	50
Net income	—	—	—	—	1,692	—	92	1,784
<b>Balance as of October 29, 2017</b>	<u>409</u>	<u>\$20,505</u>	<u>22</u>	<u>\$ —</u>	<u>\$ (129)</u>	<u>\$ (91)</u>	<u>\$ 2,901</u>	<u>\$ 23,186</u>

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM CAYMAN L.P.**  
**CONSOLIDATED BALANCE SHEETS**

	October 29, 2017	October 30, 2016
(In millions, except share amounts)		
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 11,017	\$ 3,044
Trade accounts receivable, net	2,448	2,181
Inventory	1,447	1,400
Other current assets	808	500
Total current assets	15,720	7,125
Long-term assets:		
Property, plant and equipment, net	2,599	2,509
Goodwill	24,706	24,732
Intangible assets, net	10,832	15,068
Other long-term assets	458	532
Total assets	\$ 54,315	\$ 49,966
<b>LIABILITIES AND PARTNERS' CAPITAL</b>		
Current liabilities:		
Accounts payable	\$ 1,105	\$ 1,261
Employee compensation and benefits	626	517
Current portion of long-term debt	117	454
Other current liabilities	681	846
Total current liabilities	2,529	3,078
Long-term liabilities:		
Long-term debt	17,431	13,188
Pension and post-retirement benefit obligations	112	531
Other long-term liabilities	11,160	11,293
Total liabilities	31,232	28,090
Commitments and contingencies (Note 14)		
Partners' capital:		
Common partnership units; 390,896,843 units and 390,237,855 units issued and outstanding on October 29, 2017 and October 30, 2016, respectively	20,273	19,026
Restricted exchangeable units; 22,145,603 units and 22,804,591 units issued and outstanding on October 29, 2017 and October 30, 2016, respectively	2,901	2,984
Accumulated other comprehensive loss	(91)	(134)
Total partners' capital	23,083	21,876
Total liabilities and partners' capital	\$ 54,315	\$ 49,966

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM CAYMAN L.P.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
	(In millions, except per unit/share amounts)		
Net revenue	\$ 17,636	\$ 13,240	\$ 6,824
Cost of products sold:			
Cost of products sold	6,593	5,295	2,750
Purchase accounting effect on inventory	4	1,185	30
Amortization of acquisition-related intangible assets	2,511	763	484
Restructuring charges	19	57	7
Total cost of products sold	9,127	7,300	3,271
Gross margin	8,509	5,940	3,553
Research and development	3,292	2,674	1,049
Selling, general and administrative	787	806	486
Amortization of acquisition-related intangible assets	1,764	1,873	249
Restructuring, impairment and disposal charges	161	996	137
Litigation settlements	122	—	—
Total operating expenses	6,126	6,349	1,921
Operating income (loss)	2,383	(409)	1,632
Interest expense	(454)	(585)	(191)
Loss on extinguishment of debt	(166)	(123)	(10)
Other income, net	62	10	36
Income (loss) from continuing operations before income taxes	1,825	(1,107)	1,467
Provision for income taxes	35	642	76
Income (loss) from continuing operations	1,790	(1,749)	1,391
Loss from discontinued operations, net of income taxes	(6)	(112)	(27)
Net income (loss)	\$ 1,784	\$ (1,861)	\$ 1,364
General Partner's interest in net income (loss)	\$ 1,692	\$ (2,116)	\$ —
Limited Partners' interest in net income (loss)	\$ 92	\$ (122)	\$ —
Net income attributable to ordinary shareholders	\$ —	\$ 377	\$ 1,364
Cash distributions paid per restricted exchangeable partnership unit	\$ 4.08	\$ 1.50	\$ —
Cash distributions paid to General Partner	\$ 1,756	\$ 594	\$ —
Cash dividends paid per ordinary share	\$ —	\$ 0.44	\$ 1.55

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM CAYMAN L.P.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
	(In millions)		
Net income (loss)	\$ 1,784	\$ (1,861)	\$ 1,364
Other comprehensive income (loss), net of tax:			
Unrealized gain (loss) on defined benefit pension plans and post-retirement benefit plans	42	(65)	(24)
Reclassification to net income (loss)	1	4	1
Other comprehensive income (loss)	43	(61)	(23)
Comprehensive income (loss)	<u>\$ 1,827</u>	<u>\$ (1,922)</u>	<u>\$ 1,341</u>

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM CAYMAN L.P.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Fiscal Year Ended		
	October 29, 2017	October 30, 2016	November 1, 2015
	(In millions)		
<b>Cash flows from operating activities:</b>			
Net income (loss)	\$ 1,784	\$ (1,861)	\$ 1,364
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	4,737	3,042	962
Share-based compensation	921	679	232
Excess tax benefits from share-based compensation	—	(89)	(125)
Deferred taxes and other non-cash taxes	(173)	365	(220)
Non-cash portion of debt extinguishment loss, net	166	100	10
Non-cash restructuring, impairment and disposal charges	71	662	77
Amortization of debt issuance costs and accretion of debt discount	24	36	22
Other	7	(6)	32
Changes in assets and liabilities, net of acquisitions and disposals:			
Trade accounts receivable, net	(267)	(491)	(187)
Inventory	(39)	996	62
Accounts payable	(97)	33	29
Employee compensation and benefits	109	163	8
Contributions to defined benefit pension plans	(361)	(33)	(54)
Other current assets and current liabilities	(490)	(98)	12
Other long-term assets and long-term liabilities	159	(87)	94
<b>Net cash provided by operating activities</b>	<b>6,551</b>	<b>3,411</b>	<b>2,318</b>
<b>Cash flows from investing activities:</b>			
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Proceeds from disposals of property, plant and equipment	441	5	110
Purchases of investments	(207)	(58)	(14)
Proceeds from sales and maturities of investments	200	104	—
Acquisitions of businesses, net of cash acquired	(40)	(10,055)	(394)
Proceeds from sales of businesses	10	898	650
Other	(9)	(11)	—
<b>Net cash used in investing activities</b>	<b>(674)</b>	<b>(9,840)</b>	<b>(241)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of long-term debt	17,426	19,510	—
Repayment of debt	(13,668)	(9,842)	(1,639)
Payment of assumed debt	—	(1,475)	(178)
Payment of debt issuance costs	(24)	(123)	—
Dividend payments to ordinary shareholders	—	(122)	(408)
Distributions paid to unit holders	(1,848)	(628)	—
Issuance of ordinary shares	—	72	241
Capital transactions with General Partner	226	170	—
Excess tax benefits from share-based compensation	—	89	125
Payment of capital lease obligations	(16)	—	—
<b>Net cash provided by (used in) financing activities</b>	<b>2,096</b>	<b>7,651</b>	<b>(1,859)</b>
Net change in cash and cash equivalents	7,973	1,222	218
Cash and cash equivalents at the beginning of period	3,044	1,822	1,604
Cash and cash equivalents at end of period	<u>\$ 11,017</u>	<u>\$ 3,044</u>	<u>\$ 1,822</u>
<b>Supplemental disclosure of cash flow information:</b>			
Cash paid for interest	\$ 310	\$ 448	\$ 172
Cash paid for income taxes	\$ 349	\$ 242	\$ 138

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM CAYMAN L.P.**  
**CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL**

	Partnership REUs		Partnership Common Units		Ordinary Shares		Retained Earnings	Accumulated Other Comprehensive Loss	Total Partners' Capital
	Units	Amount	Units	Amount	Shares	Amount			
	(In millions)								
Balance as of November 2, 2014	—	\$ —	—	\$ —	254	\$2,009	\$1,284	\$ (50)	\$3,243
Issuance of ordinary shares in connection with equity incentive plans	—	—	—	—	8	241	—	—	241
Share-based compensation	—	—	—	—	—	237	—	—	237
Excess tax benefits from share-based compensation	—	—	—	—	—	130	—	—	130
Cash dividends declared and paid to ordinary shareholders	—	—	—	—	—	—	(408)	—	(408)
Issuance of ordinary shares upon conversion of Convertible Notes	—	—	—	—	14	(75)	—	—	(75)
Fair value of partially vested equity awards assumed in connection with the acquisition of Emulex Corporation	—	—	—	—	—	5	—	—	5
Changes in accumulated other comprehensive loss:									
Actuarial losses and prior service costs associated with defined benefit pension plans and post-retirement benefit plans, net of taxes	—	—	—	—	—	—	—	(23)	(23)
Net income	—	—	—	—	—	—	1,364	—	1,364
Balance as of November 1, 2015	—	—	—	—	276	2,547	2,240	(73)	4,714
Issuance of ordinary shares in connection with equity incentive plans	—	—	—	—	2	72	—	—	72
Share-based compensation	—	—	—	633	—	57	—	—	690
Excess tax benefits from share-based compensation	—	—	—	66	—	23	—	—	89
Cash dividends declared and paid to ordinary shareholders	—	—	—	—	—	—	(122)	—	(122)
Transfer to General Partner	—	—	278	5,194	(278)	(2,699)	(2,495)	—	—
Issuance of common partnership units upon the acquisition of Broadcom Corporation	—	—	112	15,438	—	—	—	—	15,438
Issuance of restricted exchangeable partnership units upon the acquisition of Broadcom Corporation	23	3,140	—	—	—	—	—	—	3,140
Cash distribution declared and paid to unit holders	—	(34)	—	(594)	—	—	—	—	(628)
Capital transactions with General Partner	—	—	—	405	—	—	—	—	405
Changes in accumulated other comprehensive loss:									
Actuarial losses and prior service costs associated with defined benefit pension plans and post-retirement benefit plans, net of taxes	—	—	—	—	—	—	—	(61)	(61)
Net income (loss)	—	(122)	—	(2,116)	—	—	377	—	(1,861)
Balance as of October 30, 2016	23	2,984	390	19,026	—	—	—	(134)	21,876
Exchange of restricted exchangeable partnership units for ordinary shares	(1)	(86)	1	86	—	—	—	—	—



	Partnership REUs		Partnership Common Units		Ordinary Shares		Retained Earnings	Accumulated Other Comprehensive Loss	Total Partners' Capital
	Units	Amount	Units	Amount	Shares	Amount			
Share-based compensation	—	—	—	921	—	—	—	—	921
Cash distribution declared and paid to unit holders	—	(92)	—	(1,756)	—	—	—	—	(1,848)
Capital transactions with General Partner	—	—	—	257	—	—	—	—	257
Changes in accumulated other comprehensive loss:									
Actuarial gains and prior service costs associated with defined benefit pension plans and post-retirement benefit plans, net of taxes	—	—	—	—	—	—	—	43	43
Cumulative effect of accounting change	—	3	—	47	—	—	—	—	50
Net income	—	92	—	1,692	—	—	—	—	1,784
<b>Balance as of October 29, 2017</b>	<b>22</b>	<b>\$2,901</b>	<b>391</b>	<b>\$20,273</b>	<b>—</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (91)</b>	<b>\$23,083</b>

The accompanying notes are an integral part of these consolidated financial statements.

**BROADCOM LIMITED AND BROADCOM CAYMAN L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. Overview and Basis of Presentation**

**Overview**

Broadcom Limited, or Broadcom, is a leading designer, developer and global supplier of a broad range of semiconductor devices with a focus on complex digital and mixed signal complementary metal oxide semiconductor based devices and analog III-V based products. We have a history of innovation and offer thousands of products that are used in end products such as enterprise and data center networking, home connectivity, set-top boxes, broadband access, telecommunication equipment, mobile handsets and base stations, data center servers and storage systems, factory automation, power generation and alternative energy systems, and electronic displays. We have four reportable segments: wired infrastructure, wireless communications, enterprise storage and industrial & other, which align with our principal target markets.

Broadcom, a company organized under the laws of the Republic of Singapore, is the successor to Avago Technologies Limited, or Avago. Broadcom Cayman L.P., or the Partnership, is an exempted limited partnership formed under the laws of the Cayman Islands. On February 1, 2016, pursuant to an Agreement and Plan of Merger dated as of May 28, 2015, or the Broadcom Agreement, Broadcom, Avago, the Partnership, Broadcom Corporation, a California corporation, or BRCM, and certain other parties, completed various transactions, including a scheme of arrangement under Singapore law between Avago and Broadcom, or the Avago Scheme. Pursuant to the Avago Scheme, all issued ordinary shares of Avago were exchanged on a one-for-one basis for newly issued ordinary shares of Broadcom. Immediately following the consummation of the Avago Scheme, two subsidiaries of Broadcom merged with and into BRCM with BRCM as the surviving corporation of each such merger, or the Broadcom Merger. Following the Avago Scheme and the Broadcom Merger, or the Broadcom Transaction, each of Avago and BRCM became indirect subsidiaries of Broadcom and the Partnership.

Broadcom is the Partnership's sole General Partner and owns a majority interest (by vote and value) in the Partnership represented by common partnership units, or Common Units. The balance of the partnership units represents restricted exchangeable limited partnership units, or Partnership REUs, the holders of which are referred to as the Limited Partners. As General Partner, Broadcom has the exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership in accordance with the Partnership's amended and restated exempted limited partnership agreement, or Partnership Agreement, as amended from time to time, and applicable laws.

The Avago Scheme was accounted for in all periods presented using a carryover basis, similar to a pooling-of-interests, as the transaction was premised on a non-substantive exchange in order to facilitate the acquisition of BRCM, resulting in the retention of the historical basis of accounting. Under this method of accounting, Broadcom and Avago were treated as if they had always been combined for accounting and financial reporting purposes. The Broadcom Merger is discussed in further detail in Note 3. "Acquisitions."

The Partnership REUs are deemed to be registered under Section 12(b) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and the Partnership is subject to the informational requirements of the Exchange Act and the rules and regulations promulgated thereunder.

The consolidated financial statements and accompanying notes are being presented in a combined report being filed by two separate registrants: Broadcom and the Partnership. The differences in the consolidated financial statements relate to the noncontrolling interest that represents the outstanding Partnership REUs and transactions between Broadcom and the Partnership, which we account for as capital transactions and distributions. Refer to Note 9. "Shareholders' Equity" and Note 10. "Partners' Capital" for additional information.

Unless stated otherwise or the context otherwise requires, references to "Broadcom," "we," "our" and "us" mean Broadcom Limited and its consolidated subsidiaries, including Broadcom Cayman L.P. References to the "Partnership" mean Broadcom Cayman L.P. and its consolidated subsidiaries. Financial information and results of operations for periods prior to February 1, 2016 relate to Avago, our predecessor, and relate to Broadcom and the Partnership for periods after February 1, 2016.

**Basis of Presentation**

We operate on a 52- or 53-week fiscal year ending on the Sunday closest to October 31 in a 52-week year and the first Sunday in November in a 53-week year. Our fiscal year ended October 29, 2017, or fiscal year 2017, was a 52-week fiscal year. The first quarter of our fiscal year 2017 ended on January 29, 2017, the second quarter ended on April 30, 2017 and the third quarter ended on July 30, 2017. Our fiscal years ended October 30, 2016, or fiscal year 2016, and November 1, 2015, or fiscal year 2015, were also 52-week fiscal years.

As a result of Broadcom's controlling interest in the Partnership, we consolidate the financial results of the Partnership and present a noncontrolling interest for the portion of the Partnership we do not own in our consolidated financial statements. Net income (loss) attributable to noncontrolling interest in the consolidated statements of operations represents the portion of income (loss) attributable to the economic interest in the Partnership owned by the Limited Partners.

The accompanying consolidated financial statements include the results of operations of BRCM and other acquisitions commencing as of their respective acquisition dates.

## 2. Summary of Significant Accounting Policies

Our consolidated financial statements include the accounts of Broadcom and the Partnership, respectively, and their subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

*Foreign currency remeasurement.* We operate in a U.S. dollar functional currency environment. As such, foreign currency assets and liabilities are remeasured into U.S. dollars at current exchange rates except for non-monetary items such as inventory and property, plant and equipment, which are remeasured at historical exchange rates. The effects of foreign currency remeasurement were not material for any period presented.

*Use of estimates.* The preparation of financial statements in conformity with generally accepted accounting principles in the United States, or GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and such differences could affect the results of operations reported in future periods.

*Cash and cash equivalents.* We consider all highly liquid investment securities with original or remaining maturities of three months or less at the date of purchase to be cash equivalents. We determine the appropriate classification of our cash and cash equivalents at the time of purchase.

*Trade accounts receivable, net.* Trade accounts receivable are recognized at the invoiced amount and do not bear interest. Accounts receivable are reduced by an allowance for doubtful accounts, which is our best estimate of the amount of probable credit losses in our existing accounts receivable. We determine the allowance based on customer-specific experience and the aging of such receivables, among other factors. Allowances for doubtful accounts were not material as of October 29, 2017 and were \$9 million as of October 30, 2016. Accounts receivable are also recognized net of sales returns and distributor credit allowances. These amounts are recognized when it is both probable and estimable that discounts will be granted or products will be returned. Allowances for sales returns and distributor credit allowances at October 29, 2017 and October 30, 2016 were \$208 million and \$283 million, respectively.

*Concentrations of credit risk and significant customers.* Our cash, cash equivalents and accounts receivable are potentially subject to concentration of credit risk. Cash and cash equivalents may be redeemable upon demand and are maintained with several financial institutions that management believes are of high credit quality and therefore bear minimal credit risk. We seek to mitigate our credit risks by spreading such risks across multiple counterparties and monitoring the risk profile of these counterparties. Our accounts receivable are derived from revenue earned from customers located both within and outside the U.S. We mitigate collection risks from our customers by performing regular credit evaluations of our customers' financial conditions, and require collateral, such as letters of credit and bank guarantees, in certain circumstances.

*Concentration of other risks.* The semiconductor industry is characterized by rapid technological change, competitive pricing pressures and cyclical market patterns. Our financial results are affected by a wide variety of factors, including general economic conditions worldwide, economic conditions specific to the semiconductor industry, timely implementation of new manufacturing technologies, ability to safeguard patents and other intellectual property in a rapidly evolving market and reliance on assembly and test subcontractors, third-party wafer fabricators and independent distributors. In addition, the semiconductor market has historically been cyclical and subject to significant economic downturns at various times. We are exposed to the risk of obsolescence of our inventory depending on the mix of future business.

*Inventory.* We value our inventory at the lower of the actual cost of the inventory or the current estimated market value of the inventory, with cost being determined under the first-in, first-out method. We record a provision for excess and obsolete inventory based primarily on our forecast of product demand and production requirements. The excess and obsolete balance determined by this analysis becomes the basis for our excess and obsolete inventory charge and the written-down value of the inventory becomes its new cost basis.

*Retirement benefits.* Post-retirement benefit plan assets and liabilities are estimates of benefits that we expect to pay to eligible retirees. We consider various factors in determining the value of our post-retirement net assets, including the number of employees that we expect to receive benefits and other actuarial assumptions. For defined benefit pension plans, we consider various factors in determining our respective pension liabilities and net periodic benefit costs, including the number of employees that we expect to receive benefits, their salary levels and years of service, the expected return on plan assets,

the discount rate, the timing of the payment of benefits, and other actuarial assumptions. If the actual results and events of the retirement benefit plans differ from our current assumptions, the benefit obligations may be over- or under-valued. The key benefit plan assumptions are the discount rate and the expected rate of return on plan assets. The assumptions discussed below are for the U.S. retirement benefit plans. For the non-U.S. plans, we chose assumptions specific to each country.

The U.S. discount rates are based on the results of matching expected plan benefit payments with cash flows from a hypothetical yield curve constructed with high-quality corporate bond yields. We base the salary increase assumptions on historical experience and future expectations. In developing the expected rate of return, we consider long-term compound annualized returns based on historical market data, historical and expected returns on the various categories of plan assets, and the target investment portfolio allocation among debt, equity securities and other investments.

*Derivative instruments.* We are subject to foreign currency risks for transactions denominated in foreign currencies, primarily the Singapore Dollar, Israeli Shekel, Euro, Japanese Yen and Indian Rupee. Therefore, we enter into foreign exchange forward contracts to manage financial exposures resulting from the changes in the exchange rates of these foreign currencies. These contracts are designated at inception as hedges of the related foreign currency exposures, which include committed and forecasted revenue and expense transactions that are denominated in currencies other than the functional currency of the subsidiary which has the exposure. We exclude time value from the measurement of effectiveness. To achieve hedge accounting, contracts must reduce the foreign currency exchange rate risk otherwise inherent in the amount and duration of the hedged exposures and comply with established risk management policies; our hedging contracts generally mature within three months. We do not use derivative financial instruments for speculative or trading purposes.

We designate our forward contracts as either cash flow or fair value hedges. All derivatives are recognized on the consolidated balance sheets at their fair values based on Level 2 inputs as defined in the fair value hierarchy. The accounting for gains and losses resulting from changes in fair value depends on the use of the derivative and whether it is designated and qualifies for hedge accounting. For derivative instruments that are designated and qualify as fair value hedges, changes in value of the instruments are recognized in income in the current period. Such hedges are recognized in net income (loss) and are offset by the changes in fair value of the underlying assets or liabilities being hedged. For derivative instruments that are designated and qualify as cash flow hedges, changes in the value of the effective portion of the derivative instrument are recognized in accumulated other comprehensive income (loss), a component of shareholders' equity. These amounts are then reclassified and recognized in net income (loss) when either the forecasted transaction occurs or it becomes probable the forecasted transaction will not occur. Changes in the fair value of the ineffective portion of derivative instruments are recognized in net income (loss) in the current period, which have not been material to date. Changes in the value of derivative instruments not designated as hedges are recognized in other income, net, in our consolidated statements of operations.

*Property, plant and equipment.* Property, plant and equipment are stated at cost less accumulated depreciation and amortization. Additions, improvements and major renewals are capitalized, and maintenance, repairs and minor renewals are expensed as incurred. Assets are held in construction in progress until placed in service, upon which date, we begin to depreciate these assets. When assets are retired or disposed of, the assets and related accumulated depreciation and amortization are removed from our property, plant and equipment balances and the resulting gain or loss is reflected in the consolidated statements of operations. Buildings and leasehold improvements are generally depreciated over 15 to 40 years, or over the lease period, whichever is shorter, and machinery and equipment are generally depreciated over three to ten years. We use the straight-line method of depreciation for all property, plant and equipment.

*Fair value measurement.* Fair value is defined as the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three level hierarchy is applied to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the guidance for fair value measurements are described below:

Level 1 — Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Our Level 1 assets include cash equivalents, banker's acceptances, trading securities investments and investment funds. We measure trading securities investments and investment funds at quoted market prices as they are traded in an active market with sufficient volume and frequency of transactions.

Level 2 — Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified contractual term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Level 3 inputs are unobservable inputs for the asset or liability in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include cost method investments, goodwill, intangible assets, and property, plant and equipment, which are measured at fair value using a discounted cash flow approach

when they are impaired. Quantitative information for Level 3 assets and liabilities reviewed at each reporting period includes indicators of significant deterioration in the earnings performance, credit rating, asset quality, business prospects of the investee, and financial indicators of the investee's ability to continue as a going concern.

**Business combinations.** We account for business combinations under the acquisition method of accounting, which requires us to recognize separately from goodwill the assets acquired and the liabilities assumed at their acquisition date fair values. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recognized in our consolidated statements of operations. Accounting for business combinations requires our management to make significant estimates and assumptions, especially at the acquisition date including our estimates for intangible assets, contractual obligations assumed, restructuring liabilities, pre-acquisition contingencies, and contingent consideration, where applicable. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, they are based, in part, on historical experience and information obtained from the management of the acquired companies and are inherently uncertain. Critical estimates in valuing certain of the intangible assets we have acquired include future expected cash flows from product sales, customer contracts and acquired technologies, expected costs to develop in-process research and development into commercially viable products, and estimated cash flows from the projects when completed and discount rates. Unanticipated events and circumstances may occur that may affect the accuracy or validity of such assumptions, estimates or actual results.

**Goodwill.** Goodwill represents the excess of purchase price and related costs over the value assigned to the net tangible and identifiable intangible assets of businesses acquired. Goodwill is not amortized but is reviewed annually (or more frequently if impairment indicators arise) for impairment. To review for impairment we first assess qualitative factors to determine whether events or circumstances lead to a determination that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount. Our qualitative assessment of the recoverability of goodwill, whether performed annually or based on specific events or circumstances, considers various macroeconomic, industry-specific and company-specific factors. Those factors include: (i) severe adverse industry or economic trends; (ii) significant company-specific actions, including exiting an activity in conjunction with restructuring of operations; (iii) current, historical or projected deterioration of our financial performance; or (iv) a sustained decrease in our market capitalization below our net book value. After assessing the totality of events and circumstances, if we determine that it is not more likely than not that the fair value of any of our reporting units is less than its carrying amount, no further assessment is performed. If we determine that it is more likely than not that the fair value of any of our reporting units is less than its carrying amount, we calculate the fair value of that reporting unit and compare the fair value to the reporting unit's net book value. If the fair value of the reporting unit is greater than its net book value, there is no impairment. Otherwise, we calculate the implied fair value of goodwill by deducting the fair value of all tangible and intangible assets, excluding goodwill, of the reporting unit from the fair value of the reporting unit. The implied fair value of goodwill is compared to the carrying value of goodwill. If the implied fair value of goodwill is less than the carrying value of goodwill, an impairment loss is recognized equal to the difference. Determining the fair value of a reporting unit involves the use of significant estimates and assumptions.

**Long-lived assets.** Purchased finite-lived intangible assets are carried at cost less accumulated amortization. Amortization is recognized over the periods during which the intangible assets are expected to contribute to our cash flows. Purchased in-process research and development, or IPR&D, projects are capitalized at fair value as an indefinite lived intangible asset and assessed for impairment thereafter. Upon completion of each underlying project, IPR&D assets are reclassified as an amortizable purchased intangible asset and amortized over their estimated useful lives. If an IPR&D project is abandoned, we recognize the carrying value of the related intangible asset in our consolidated statements of operations in the period it is abandoned. On a quarterly basis, we monitor factors and changes in circumstances that could indicate carrying amounts of long-lived assets, including purchased intangible assets, and property, plant and equipment, may not be recoverable. Factors we consider important which could trigger an impairment review include (i) significant under-performance relative to historical or projected future operating results, (ii) significant changes in the manner of our use of the acquired assets or the strategy for our overall business, and (iii) significant negative industry or economic trends. An impairment loss must be measured if the sum of the expected future cash flows (undiscounted and before interest) from the use and eventual disposition of the asset (or asset group) is less than the net book value of the asset (or asset group). The amount of the impairment loss will generally be measured as the difference between the net book value of the asset (or asset group) and the estimated fair value.

**Warranty.** We accrue for the estimated costs of product warranties at the time revenue is recognized. Product warranty costs are estimated based upon our historical experience and specific identification of the products requirements, which may fluctuate based on product mix. Additionally, we accrue for warranty costs associated with occasional or unanticipated product quality issues if a loss is probable and can be reasonably estimated.

*Revenue recognition.* We recognize revenue related to sales of our products, net of trade discounts and allowances, provided that (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred and title and risk of loss have transferred, (iii) the price is fixed or determinable and (iv) collectibility is reasonably assured. Delivery is considered to have occurred when title and risk of loss have transferred to the customer. We consider the price to be determinable when the price is not subject to refund or adjustments or when any such adjustments can be estimated. We evaluate the creditworthiness of our customers to determine that appropriate credit limits are established prior to the acceptance of an order. Revenue, including sales to resellers and distributors, is reduced for estimated returns and distributor allowances.

We recognize revenue from sales of our products to distributors upon delivery of product to the distributors. An allowance for distributor credits covering price adjustments is made based on our estimate of historical experience rates as well as considering economic conditions and contractual terms. To date, actual distributor claims activity has been materially consistent with the provisions we have made based on our historical estimates. We also record reductions of revenue for rebates, in the same period that the related revenue is recorded. We accrue 100% of potential rebates at the time of sale and do not apply a breakage factor. We reverse the accrual of unclaimed rebate amounts as specific rebate programs contractually end and when we believe unclaimed rebates are no longer subject to payment and will not be paid. Thus, the reversal of unclaimed rebates may have a positive impact on our net revenue and results of operations in subsequent periods.

We enter into development agreements with some of our customers and recognize revenue from these agreements upon completion and acceptance by the customer of contract deliverables or as services are provided, depending on the terms of the arrangement. Revenue is deferred for any amounts billed or received prior to completion or delivery of services. As we retain the intellectual property generated from these development agreements, costs related to these arrangements are included in research and development expense.

We recognize revenue from the sales and licensing of our intellectual property when the following fundamental criteria are met: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred, (iii) the sales price is fixed or determinable, and (iv) collection of resulting receivables is reasonably assured. Revenue from upfront payments for the licensing of our patents is recognized when the arrangement is mutually signed, if there is no future delivery or future performance obligation and all other criteria are met. Revenue from guaranteed royalty streams are recognized when paid, or collection is reasonably assured and all other criteria are met. When patent licensing arrangements include royalties for future sales of the licensees' products using our licensed patented technology, revenue is recognized when the royalty report is received from the licensee, at which time the sales price is determinable, provided that all other criteria have been met.

*Research and development.* Research and development expense consists primarily of personnel costs for our engineers and third parties engaged in the design and development of our products, software and technologies, including salary, bonus and share-based compensation expense, project material costs, services and depreciation. Such costs are charged to research and development expense as they are incurred.

*Share-based compensation expense.* We recognize compensation expense for time-based restricted share units, or RSUs, using the straight-line amortization method based on the fair value of RSUs on the date of grant. The fair value of RSUs is the closing market price of Broadcom ordinary shares on the date of grant, reduced by the present value of dividends expected to be paid on Broadcom ordinary shares prior to vesting. We recognize compensation expense for time-based share options and employee share purchase plan rights based on the estimated grant-date fair value method determined using the Black-Scholes valuation model with a straight-line amortization method.

Certain equity awards include both service and market conditions. The fair value of market-based awards is estimated on the date of grant using the Monte Carlo simulation technique. Assumptions utilized in the Monte Carlo simulation model follow the same methodology as our time-based option awards. Compensation expense for market-based awards is amortized based upon a graded vesting method over the service period.

Since the applicable authoritative guidance requires share-based compensation expense to be based on awards that are ultimately expected to vest, estimated share-based compensation expense for such awards has been reduced for estimated forfeitures. Changes in the estimated forfeiture rates can have a significant effect on share-based compensation expense since the effect of adjusting the rate is recognized in the period the forfeiture estimate is changed.

*Shipping and handling costs.* Our shipping and handling costs charged to customers are included in net revenue and the associated expense is included in cost of products sold in the consolidated statements of operations for all periods presented.

*Advertising.* Advertising costs are expensed as incurred and included within selling, general and administrative expense. Advertising costs were not material for fiscal years 2017, 2016 or 2015.

*Litigation and settlement cost.* We are involved in legal actions and other matters arising in our recent business acquisitions and in the normal course of business. We recognize an estimated loss contingency when the outcome is probable prior to issuance of the consolidated financial statements and we are able to reasonably estimate the amount or range of any possible loss.



**Taxes on income.** We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the consolidated financial statements and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

We recognize net deferred tax assets to the extent we believe these assets will more likely than not be realized. In making such determination, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent financial operations. If we determine that we are able to realize our deferred income tax assets in the future in excess of their net carrying values, we adjust the valuation allowance and reduce the provision for income taxes. Likewise, if we determine that we are not be able to realize all or part of our net deferred tax assets, we increase the provision for income taxes in the period such determination is made.

We account for uncertainty in income taxes in accordance with the applicable accounting guidance on income taxes. This guidance provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits.

**Net income (loss) per share.** Basic net income (loss) per share is computed by dividing net income (loss) attributable to ordinary shares by the weighted-average number of Broadcom ordinary shares outstanding during the period. Diluted net income (loss) per share is computed by dividing net income (loss) attributable to ordinary shares and, if the Partnership REUs are dilutive, net income (loss) attributable to noncontrolling interest by the weighted-average number of Broadcom ordinary shares and potentially dilutive shares outstanding during the period. Diluted shares outstanding include the dilutive effect of in-the-money share options, RSUs and employee share purchase plan rights under the Amended and Restated Broadcom Limited Employee Share Purchase Plan, or ESPP (together referred to as equity awards). Diluted shares outstanding also included Broadcom ordinary shares issuable upon exchange of the Partnership REUs (refer to Note 10. "Partners' Capital" for additional information) for fiscal year 2016 and the 2.0% Convertible Senior Notes due 2021 issued by Avago, or the Convertible Notes, for fiscal year 2015. Potentially dilutive shares whose effect would have been antidilutive are excluded from the computation of diluted net income (loss) per share.

The dilutive effect of equity awards is calculated based on the average share price for each fiscal period, using the treasury stock method. Under the treasury stock method, the amount the employee must pay for exercising share options and to purchase shares under the ESPP and the amount of compensation cost for future service that we have not yet recognized are collectively assumed to be used to repurchase ordinary shares. For fiscal years 2016 and 2015, the amount of tax benefits that would be recognized when equity awards become deductible for income tax purposes was also assumed to be used to repurchase ordinary shares.

The dilutive effect of the Convertible Notes was calculated using the treasury stock method based on our assumption that the Convertible Notes would be settled in cash. The treasury stock method assumed that the carrying value of the Convertible Notes represented proceeds, since settlement of the Convertible Notes tendered for conversion could be settled with cash, ordinary shares or a combination of both at our option.

The dilutive effect of the Partnership REUs was calculated using the if-converted method. The if-converted method assumes that the Partnership REUs were converted at the beginning of the reporting period.

**Reclassifications.** Certain reclassifications have been made to the prior period consolidated statements of cash flows. These reclassifications have no impact on the previously reported net cash activities.

### **Recently Adopted Accounting Guidance**

In the first quarter of fiscal year 2017, we early adopted an accounting standards update issued by the Financial Accounting Standards Board, or FASB, in March 2016 that simplifies the accounting for certain aspects of share-based payments to employees. The standard eliminates (i) the requirement to report excess tax benefits and certain tax deficiencies related to share-based payment transactions as additional paid-in capital and (ii) the requirement that excess tax benefits be realized before companies can recognize them. The standard requires a modified-retrospective transition method by means of a cumulative-effect adjustment as of the beginning of the period in which the guidance is adopted. As a result of adoption, we recognized a tax benefit of \$273 million as a discrete item for fiscal year 2017, a \$47 million cumulative-effect adjustment to reduce our accumulated deficit and a \$3 million cumulative-effect adjustment to increase our noncontrolling interest for previously unrecognized excess tax benefits as of October 30, 2016. In connection with the adoption, we elected to present excess tax benefits within operating activities on the statement of cash flows prospectively and we continued our existing practice of estimating forfeitures.

### **Recent Accounting Guidance Not Yet Adopted**

In October 2016, the FASB issued updated guidance related to the recognition of income tax consequences of an intra-entity transfer of an asset other than inventory. This guidance will be effective for the first quarter of our fiscal year 2019; however, early adoption is permitted. We are currently planning to early adopt this guidance in the first quarter of fiscal year 2018. The adoption of this guidance will result in a decrease in current and long-term prepaid tax expense of \$67 million and \$199 million, respectively, and an increase of \$266 million to our accumulated deficit during the first quarter of fiscal year 2018, and will increase our income tax provision for periods in which we perform intra-entity transfers.

In August 2016, the FASB issued guidance related to the classification of certain transactions on the statement of cash flows. This guidance will be effective for the first quarter of our fiscal year 2019; however, early adoption is permitted. We will present our statements of cash flows in accordance with this guidance for the affected transactions occurring subsequent to adoption.

In February 2016, the FASB issued guidance related to the accounting for leases, which among other things, requires a lessee to recognize lease assets and lease liabilities on the balance sheet for operating leases. This guidance will be effective for the first quarter of our fiscal year 2020. The new guidance is required to be applied using a modified retrospective approach. We are evaluating the impact that this guidance will have on our consolidated financial statements.

In May 2014, the FASB issued guidance that outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. In August 2015, the FASB issued an amendment to defer the effective date. The effective date of the guidance will be the first quarter of our fiscal year 2019. The new standard creates a single source of revenue guidance under GAAP, eliminating industry-specific guidance.

The underlying principle of the standard is to recognize revenue when a customer obtains control of promised goods or services at an amount that reflects the consideration that is expected to be received in exchange for those goods or services. An entity should apply a five-step approach for recognizing revenue as follows (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when, or as, the entity satisfies a performance obligation. The standard also requires increased disclosures including the nature, amount, timing, and uncertainty of revenues and cash flows related to contracts with customers.

The standard allows two methods of adoption: (1) retrospectively to each prior period presented ("full retrospective method"), or (2) retrospectively with the cumulative effect recognized in retained earnings as of the date of adoption ("modified retrospective method"). We plan to adopt the new standard using the modified retrospective method at the beginning of our first quarter of fiscal year 2019. We have established a cross-functional team to assess the potential impact of the new revenue standard and are on schedule in establishing new accounting policies, processes, and internal controls necessary to support the requirements of the new standard.

While we are still finalizing our analysis to quantify the adoption impact of the provisions of the new standard, the exact impact of the new standard will be dependent on facts and circumstances at adoption and could vary from quarter to quarter.

### **3. Acquisitions**

#### ***Acquisition of Broadcom Corporation***

The Broadcom Merger closed on February 1, 2016, or the Acquisition Date, pursuant to the terms of the Broadcom Agreement. The aggregate consideration for the Broadcom Merger, which consisted of both cash and equity consideration, was approximately \$28,758 million, net of cash acquired.

We funded the cash portion of the Broadcom Merger with the net proceeds from the issuance of the term loan facilities provided for under the 2016 Credit Agreement, as defined and discussed in further detail in Note 8. "Borrowings," as well as cash on hand of the combined companies.

BRCM was a leader in semiconductor solutions for wired and wireless communications and provided a broad portfolio of highly-integrated system-on-a-chip solutions that seamlessly deliver voice, video, data and multimedia connectivity in the home, office and mobile environments. We acquired BRCM to position us as a global diversified leader in wired and wireless communication semiconductors, to deepen our broad portfolios, and to enable us to better address the evolving needs of customers across the wired and wireless end markets.

### Purchase Consideration

	(In millions)
Cash for outstanding BRCM common stock	\$ 16,798
Fair value of Broadcom ordinary shares issued for outstanding BRCM common stock	15,438
Fair value of Partnership REUs issued for outstanding BRCM common stock	3,140
Fair value of partially vested assumed restricted stock unit awards	182
Cash for vested BRCM equity awards	137
Effective settlement of pre-existing relationships	11
Total purchase consideration	35,706
Less: cash acquired	6,948
Total purchase consideration, net of cash acquired	\$ 28,758

Broadcom issued 112 million ordinary shares and the Partnership issued 23 million Partnership REUs, all of which are valued and presented in the above table, to former BRCM shareholders in the Broadcom Merger. Broadcom also assumed unvested RSUs originally granted by BRCM and converted them into 6 million Broadcom RSUs. The portion of the fair value of partially vested assumed RSUs associated with prior service of BRCM employees represented a component of the total consideration, as presented above, and was valued based on Broadcom's ordinary share price as of the Acquisition Date.

The following table presents our allocation of the total purchase price, net of cash acquired:

	Fair Value (In millions)
Trade accounts receivable	\$ 669
Inventory	1,853
Assets held-for-sale	833
Other current assets	194
Property, plant and equipment	889
Goodwill	22,992
Intangible assets	14,808
Other long-term assets	121
Total assets acquired	42,359
Accounts payable	(559)
Employee compensation and benefits	(104)
Current portion of long-term debt	(1,475)
Other current liabilities	(780)
Long-term debt	(139)
Other long-term liabilities	(10,544)
Total liabilities assumed	(13,601)
Fair value of net assets acquired	\$ 28,758

Goodwill was primarily attributable to the assembled workforce, anticipated synergies and economies of scale expected from the operations of the combined company. The synergies include certain cost savings, operating efficiencies, and other strategic benefits projected to be achieved as a result of the Broadcom Merger. Goodwill is not deductible for tax purposes.

The assets held-for-sale represented those BRCM businesses that were not aligned with our strategic objectives. The sales of these businesses are disclosed in Note 4. "Supplemental Financial Information."

Our results of continuing operations for fiscal year 2016 included \$6,993 million of net revenue attributable to BRCM. It is impracticable to determine the effect on net loss attributable to BRCM for fiscal year 2016 as we immediately integrated BRCM into our ongoing operations. Transaction costs of \$42 million incurred related to the Broadcom Merger were included in selling, general and administrative expense in the consolidated statements of operations for fiscal year 2016.

## Intangible Assets

	Fair Value	Weighted-Average Amortization Periods
	(In millions)	(In years)
Developed technology	\$ 9,010	6
Customer contracts and related relationships	2,703	2
Order backlog	750	< 1
Trade name	350	17
Other	45	16
Total identified finite-lived intangible assets	12,858	
IPR&D	1,950	N/A
Total identified intangible assets, net of assets held-for-sale	14,808	
Intangible assets included in assets held-for-sale	320	
Identified intangible assets	<u>\$ 15,128</u>	

Developed technology relates to products for wired and wireless communication applications. We valued the developed technology using the multi-period excess earnings method under the income approach. This method reflects the present value of the projected cash flows that are expected to be generated by the developed technology less charges representing the contribution of other assets to those cash flows. The economic useful life was determined based on the technology cycle related to each developed technology, as well as the cash flows over the forecast period.

Customer contracts and related relationships represent the fair value of future projected revenue that will be derived from sales of products to existing customers of BRCM. Customer contracts and related relationships were valued using the with-and-without-method under the income approach. In this method, the fair value was measured by the difference between the present values of the cash flows with and without the existing customers in place over the period of time necessary to reacquire the customers. The economic useful life was determined based on historical customer turnover rates.

Order backlog represents business under existing contractual obligations as of the Acquisition Date. The fair value of backlog was determined using the multi-period excess earnings method under the income approach based on expected operating cash flows from future contractual revenue. The economic useful life was determined based on the expected life of the backlog and the cash flows over the forecast period.

Trade name relates to the "Broadcom" trade name. The fair value was determined by applying the relief-from-royalty method under the income approach. This valuation method is based on the application of a royalty rate to forecasted revenue under the trade name. The economic useful life was determined based on the expected life of the trade name and the cash flows anticipated over the forecasted periods.

The fair value of IPR&D was determined using the multi-period excess earnings method under the income approach. This method reflects the present value of the projected cash flows that are expected to be generated by the IPR&D, less charges representing the contribution of other assets to those cash flows.

We believe the amounts of purchased intangible assets recorded above represented the fair values of, and approximated the amounts a market participant would pay for, these intangible assets as of the Acquisition Date.

The following table summarizes the details of IPR&D by category as of the Acquisition Date:

Description	IPR&D	Percentage of Completion	Estimated Cost to Complete	Expected Release Date (By Fiscal Year)
	(Dollars in millions)			
Set-top box solutions	\$ 90	56%	\$ 90	2016 - 2017
Broadband carrier access solutions	\$ 390	34%	\$ 376	2016 - 2018
Carrier switch solutions	\$ 270	51%	\$ 255	2016 - 2019
Compute and connectivity solutions	\$ 170	61%	\$ 136	2016 - 2018
Physical layer product solutions	\$ 190	51%	\$ 71	2016 - 2019
Wireless connectivity combo solutions	\$ 770	57%	\$ 364	2016 - 2018
Touch controllers	\$ 70	39%	\$ 21	2016 - 2017

Discount rates of 14% and 16% were applied to the projected cash flows to reflect the risk related to these wired and wireless IPR&D projects, respectively. These discount rates represent a premium of 2% over the respective wired and wireless weighted-average cost of capital to reflect the higher risk and uncertainty of the cash flows for IPR&D relative to the overall businesses.

During fiscal year 2016, we wrote off \$411 million of acquired IPR&D to restructuring, impairment and disposal charges as we will no longer develop and invest in these projects. The majority of these abandoned IPR&D projects related to wireless connectivity combo and broadband carrier access solutions.

### **Unaudited Pro Forma Information**

The following unaudited pro forma financial information presents combined results of operations for each of the periods presented, as if BRCM had been acquired as of the beginning of fiscal year 2015. The unaudited pro forma financial information for fiscal years 2016 and 2015 combined the historical results of Avago for the fiscal quarter ended January 31, 2016 and fiscal year ended November 1, 2015 and the historical results of BRCM for the three months ended December 31, 2015 and the twelve months ended September 30, 2015, representing BRCM's previous reporting periods prior to the Acquisition Date, and the historical results of Broadcom for the fiscal quarters ended May 1, 2016, July 31, 2016 and October 30, 2016. The unaudited pro forma information includes adjustments to amortization and depreciation for intangible assets and property, plant and equipment acquired, adjustments to share-based compensation expense, the purchase accounting effect on inventory acquired, interest expense for the additional indebtedness incurred to complete the acquisition, restructuring charges related to the acquisition and transaction costs. For fiscal year 2015, non-recurring pro forma adjustments directly attributable to the Broadcom Merger included (i) the purchase accounting effect of inventory acquired of \$1,185 million, (ii) the write-off of debt issuance costs of \$141 million in connection with the repayment of certain borrowings, (iii) acquisition costs of \$60 million and (iv) BRCM interest expense of \$34 million. The unaudited pro forma information presented below is for informational purposes only and is not necessarily indicative of the consolidated results of operations of the combined business had the acquisition actually occurred at the beginning of fiscal year 2015 or of the results of future operations of the combined business.

	Fiscal Year	
	2016	2015
	(In millions except per share data)	
Pro forma net revenue	\$ 15,281	\$ 15,296
Pro forma net loss from continuing operations	\$ (1,255)	\$ (433)
Pro forma net loss	\$ (1,367)	\$ (460)
Pro forma net loss attributable to ordinary shares	\$ (1,291)	\$ (435)
Pro forma loss per share attributable to ordinary shares - basic and diluted	\$ (3.53)	\$ (1.16)

### **Other Acquisitions**

We completed additional acquisitions in fiscal years 2017, 2016 and 2015 to enhance our competitive position. During fiscal year 2017, we completed two immaterial acquisitions. During fiscal year 2016, in addition to BRCM, we completed three immaterial acquisitions. During fiscal year 2015, we completed the acquisition of Emulex Corporation, or Emulex, as discussed below.

#### **Acquisition of Emulex**

On May 5, 2015, we acquired Emulex, a leader in network connectivity, monitoring and management. We acquired Emulex to broaden our portfolios to better serve the enterprise storage end market. Purchase consideration for the acquisition of Emulex was \$399 million, net of cash acquired.

Our results of continuing operations for fiscal year 2015 include \$181 million of net revenue attributable to Emulex. It is impracticable to determine the effect on net income resulting from the acquisition of Emulex, as we immediately integrated Emulex into our ongoing operations.

## **4. Supplemental Financial Information**

### **Cash and Cash Equivalents**

Cash equivalents included \$6,002 million and \$1,022 million of time deposits as of October 29, 2017 and October 30, 2016, respectively. As of October 29, 2017, cash equivalents also included \$401 million of money-market funds. For time deposits, carrying value approximates fair value due to the short-term nature of the instruments. The fair value of money-market funds, which was consistent with their carrying value, was determined using unadjusted prices in active, accessible markets for identical assets, and as such they were classified as Level 1 assets in the fair value hierarchy.

### Accounts Receivable Factoring

During fiscal year 2017, we entered into a factoring agreement with a third-party financial institution under which we sell certain of our trade accounts receivable on a non-recourse basis. We account for these transactions as sales of receivables and present cash proceeds as cash provided by operating activities in the consolidated statements of cash flows. Total trade accounts receivable sold under the factoring agreement were \$178 million during fiscal year 2017. Factoring fees for the sales of receivables were recorded in other income, net and were not material.

### Inventory

	October 29, 2017	October 30, 2016
	(In millions)	
Finished goods	\$ 562	\$ 431
Work-in-process	696	596
Raw materials	189	373
Total inventory	<u>\$ 1,447</u>	<u>\$ 1,400</u>

### Property, Plant and Equipment, Net

	October 29, 2017	October 30, 2016
	(In millions)	
Land	\$ 177	\$ 268
Construction in progress	411	361
Buildings and leasehold improvements	579	534
Machinery and equipment	2,925	2,475
Total property, plant and equipment	<u>4,092</u>	<u>3,638</u>
Accumulated depreciation and amortization	<u>(1,493)</u>	<u>(1,129)</u>
Total property, plant and equipment, net	<u>\$ 2,599</u>	<u>\$ 2,509</u>

Depreciation expense was \$451 million, \$402 million and \$229 million for fiscal years 2017, 2016 and 2015, respectively.

As of October 29, 2017 and October 30, 2016, we had \$122 million and \$159 million, respectively, of unpaid purchases of property, plant and equipment included in accounts payable and other current liabilities. Amounts reported as unpaid purchases are presented as cash outflows from investing activities for purchases of property, plant and equipment in the consolidated statements of cash flows in the period in which they are paid.

During fiscal year 2017, as part of our campus rationalization efforts, we completed the sale of our Irvine campus for \$443 million and we leased back a portion of the campus at market rental rates. There was no significant gain or loss recognized upon completion of the sale.



### Other Current Liabilities

	October 29, 2017	October 30, 2016
	(In millions)	
Interest payable	\$ 136	\$ 14
Accrued rebates	124	317
Tax liabilities	123	117
Other	298	398
Total other current liabilities	<u>\$ 681</u>	<u>\$ 846</u>

### Accrued Rebate Activity

	Fiscal Year	
	2017	2016
	(In millions)	
Beginning balance	\$ 317	\$ 26
Liabilities assumed in acquisitions	—	359
Charged as a reduction of revenue	244	461
Reversal of unclaimed rebates	(79)	(6)
Payments	(358)	(523)
Ending balance	<u>\$ 124</u>	<u>\$ 317</u>

### Other Long-Term Liabilities

	October 29, 2017	October 30, 2016
	(In millions)	
Deferred tax liabilities	\$ 10,019	\$ 10,287
Unrecognized tax benefits (a)	1,011	893
Other	130	113
Total other long-term liabilities	<u>\$ 11,160</u>	<u>\$ 11,293</u>

(a) Includes accrued interest and penalties.

### Accumulated Other Comprehensive Loss

	Fiscal Year	
	2017	2016
	(In millions)	
Beginning balance	\$ (134)	\$ (73)
Changes in accumulated other comprehensive loss:		
Other comprehensive income (loss) before reclassifications	63	(99)
Amounts reclassified out of accumulated other comprehensive loss	1	4
Tax effects	(21)	34
Other comprehensive income (loss)	43	(61)
Ending balance	<u>\$ (91)</u>	<u>\$ (134)</u>

The change in accumulated other comprehensive loss was entirely related to defined benefit pension plans and post-retirement benefit plans.

### Litigation Settlements

We reported an aggregate of \$122 million in litigation settlement expenses with respect to matters that existed at the balance sheet date of October 29, 2017, which primarily consists of expenses that became probable and reasonably estimable prior to the issuance of these consolidated financial statements. This amount does not take into consideration the receipt of any potential indemnity or contribution amounts we may become entitled to as a result of these settlements because such amounts are not probable or reasonably estimable as of the date hereof.

### Other Income, Net

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Other income	\$ 43	\$ 27	\$ 35
Interest income	44	10	8
Other expense	(25)	(27)	(7)
Other income, net	<u>\$ 62</u>	<u>\$ 10</u>	<u>\$ 36</u>

Other income, net includes interest income, gains (losses) on foreign currency remeasurement and other miscellaneous items.

### Discontinued Operations

During fiscal year 2016, we sold certain BRCM businesses for aggregate cash proceeds of \$830 million. During fiscal year 2015, we sold the Axxia networking business, which we acquired through the acquisition of LSI Corporation, or LSI, and related assets to Intel Corporation for \$650 million and the Emulex network visibility product business for an immaterial amount. In connection with these sales, we provided transitional services to the buyers as short-term assistance in assuming the operations of the purchased businesses. We do not have any material continuing involvement with these businesses and have presented their results in discontinued operations. The following table summarizes the selected financial information of discontinued operations:

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Net revenue	<u>\$ 15</u>	<u>\$ 103</u>	<u>\$ 65</u>
Income (loss) from discontinued operations before gain (loss) on disposals and income taxes	\$ (6)	\$ (216)	\$ 1
Gain (loss) on disposals of discontinued operations	—	42	(14)
Benefit from (provision for) income taxes	—	62	(14)
Loss from discontinued operations, net of income taxes	<u>\$ (6)</u>	<u>\$ (112)</u>	<u>\$ (27)</u>

## 5. Goodwill and Intangible Assets

### Goodwill

	Wired Infrastructure	Wireless Communications	Enterprise Storage	Industrial & Other	Total
(In millions)					
Balance as of November 1, 2015	\$ 287	\$ 261	\$ 990	\$ 136	\$ 1,674
Broadcom Merger	17,354	5,670	—	—	23,024
Other acquisitions	—	21	11	8	40
Reclassification of goodwill related to certain assets held-for-sale	—	—	(6)	—	(6)
Balance as of October 30, 2016	17,641	5,952	995	144	24,732
Broadcom Merger adjustments	(25)	(7)	—	—	(32)
Other acquisitions	6	—	—	—	6
Balance as of October 29, 2017	\$ 17,622	\$ 5,945	\$ 995	\$ 144	\$ 24,706

During fiscal year 2017, we made two immaterial acquisitions and adjustments to certain tax balances related to the Broadcom Merger, resulting in a \$26 million net decrease in goodwill. During fiscal year 2016, we made three immaterial acquisitions in addition to the Broadcom Merger.

During the fourth quarters of fiscal years 2017, 2016 and 2015, we completed our annual impairment assessments and we concluded that goodwill was not impaired in any of these years.

### Intangible Assets

	Gross Carrying Amount	Accumulated Amortization	Net Book Value
(In millions)			
<b>As of October 29, 2017:</b>			
Purchased technology	\$ 12,724	\$ (4,265)	\$ 8,459
Customer contracts and related relationships	4,240	(3,100)	1,140
Trade names	528	(117)	411
Other	135	(25)	110
Intangible assets subject to amortization	17,627	(7,507)	10,120
IPR&D	712	—	712
Total	\$ 18,339	\$ (7,507)	\$ 10,832

#### As of October 30, 2016:

Purchased technology	\$ 12,182	\$ (1,855)	\$ 10,327
Customer contracts and related relationships	4,231	(1,377)	2,854
Trade names	528	(77)	451
Other	107	(7)	100
Intangible assets subject to amortization	17,048	(3,316)	13,732
IPR&D	1,336	—	1,336
Total	\$ 18,384	\$ (3,316)	\$ 15,068

Based on the amount of intangible assets subject to amortization at October 29, 2017, the expected amortization expense for each of the next five fiscal years and thereafter is as follows:

Fiscal Year:	Expected Amortization Expense	
	(In millions)	
2018	\$	2,971
2019		2,207
2020		1,835
2021		1,446
2022		1,031
Thereafter		630
Total	\$	10,120

The weighted-average amortization periods remaining by intangible asset category were as follows:

Amortizable intangible assets:	October 29, 2017	October 30, 2016
	(In years)	
Purchased technology	5	6
Customer contracts and related relationships	4	3
Trade name	13	14
Other	10	12

## 6. Net Income (Loss) Per Share

### Broadcom

The following is a reconciliation of the numerators and denominators of the basic and diluted net income (loss) per share computations for the periods presented:

	Fiscal Year		
	2017	2016	2015
	(In millions, except per share data)		
<b>Numerator - Basic:</b>			
Income (loss) from continuing operations	\$ 1,790	\$ (1,749)	\$ 1,391
Less: Income (loss) from continuing operations attributable to noncontrolling interest	92	(116)	—
Income (loss) from continuing operations attributable to ordinary shares	1,698	(1,633)	1,391
Loss from discontinued operations, net of income taxes	(6)	(112)	(27)
Less: Loss from discontinued operations, net of income taxes, attributable to noncontrolling interest	—	(6)	—
Loss from discontinued operations, net of income taxes, attributable to ordinary shares	(6)	(106)	(27)
Net income (loss) attributable to ordinary shares	\$ 1,692	\$ (1,739)	\$ 1,364
<b>Numerator - Diluted:</b>			
Income (loss) from continuing operations	\$ 1,698	\$ (1,749)	\$ 1,391
Loss from discontinued operations, net of income taxes	(6)	(112)	(27)
Net income (loss)	\$ 1,692	\$ (1,861)	\$ 1,364

**Denominator:**

Weighted-average ordinary shares outstanding - basic	405	366	264
Dilutive effect of equity awards	16	—	9
Dilutive effect of Convertible Notes	—	—	8
Exchange of noncontrolling interest for ordinary shares	—	17	—
Weighted-average ordinary shares outstanding - diluted	<u>421</u>	<u>383</u>	<u>281</u>

**Basic income (loss) per share attributable to ordinary shares:**

Income (loss) per share from continuing operations	\$ 4.19	\$ (4.46)	\$ 5.27
Loss per share from discontinued operations, net of income taxes	(0.01)	(0.29)	(0.10)
Net income (loss) per share	<u>\$ 4.18</u>	<u>\$ (4.75)</u>	<u>\$ 5.17</u>

**Diluted income (loss) per share attributable to ordinary shares:**

Income (loss) per share from continuing operations	\$ 4.03	\$ (4.57)	\$ 4.95
Loss per share from discontinued operations, net of income taxes	(0.01)	(0.29)	(0.10)
Net income (loss) per share	<u>\$ 4.02</u>	<u>\$ (4.86)</u>	<u>\$ 4.85</u>

During fiscal year 2015, the Convertible Notes were converted in full and settled with a combination of cash and the issuance of 13.8 million Avago ordinary shares. The incremental Avago ordinary shares attributable to the conversion were a component of diluted shares for the period prior to settlement and a component of basic weighted-average shares outstanding subsequent to the conversion.

Diluted net income (loss) per share excluded the potentially dilutive effect of the exchange of Partnership REUs for up to 22 million ordinary shares for fiscal year 2017 and weighted-average outstanding equity awards to acquire 12 million ordinary shares for fiscal year 2016, as their effect was antidilutive.

**The Partnership**

Income (loss) per unit for the Partnership is not required to be presented as its Common Units and Partnership REUs are not publicly traded.

**7. Retirement Plans and Post-Retirement Benefits**
**Pension and Post-Retirement Benefit Plans**

**Defined Benefit Plans.** The U.S. defined benefit pension plans include a management plan and a represented plan. Benefits under the management plan are provided under either an adjusted career-average-pay program or a cash-balance program. Benefits under the represented plan are based on a dollar-per-month formula. Benefit accruals under the management plan were frozen in 2009. Participants in the adjusted career-average-pay program no longer earn service accruals. Participants in the cash-balance program no longer earn service accruals, but continue to earn 4% interest per year on their cash-balance accounts. There are no active participants under the represented plan. We also have a non-qualified supplemental pension plan in the United States that principally provides benefits based on compensation in excess of amounts that can be considered under the management plan. We also have pension plans covering certain non-U.S. employees.

**Post-Retirement Benefit Plans.** Certain of our U.S. employees who were age 49 or younger on January 1, 2005 and who meet the retirement eligibility requirements as of their termination dates, may receive post-retirement medical benefits under our retiree medical account program. Eligible employees receive a medical benefit spending account of \$55,000 upon retirement to pay premiums for medical coverage through the maximum age of 75 as retiree.

Our group life insurance plan offers post-retirement life insurance coverage for certain U.S. employees.

**Non-U.S Retirement Benefit Plans.** In addition to the defined benefit plans for certain employees in Taiwan, India, Japan, Israel, Italy and Germany, other eligible employees outside of the United States receive retirement benefits under various defined contribution retirement plans. Eligibility is generally determined based on the terms of our plans and local statutory requirements.

# **Net Periodic Benefit Income**

	Pension Benefits			Post-Retirement Benefits		
	Fiscal Year			Fiscal Year		
	2017	2016	2015	2017	2016	2015
	(In millions)					
Net periodic benefit income:						
Service cost	\$ 4	\$ 3	\$ 3	\$ —	\$ —	\$ —
Interest cost	53	59	61	3	3	3
Expected return on plan assets	(65)	(72)	(77)	(4)	(4)	(5)
Net actuarial loss and prior service cost	2	1	1	—	—	—
Curtailments	(1)	—	—	—	—	—
Settlements	—	3	—	—	—	—
Net periodic benefit income	<u>\$ (7)</u>	<u>\$ (6)</u>	<u>\$ (12)</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ (2)</u>
Net actuarial (income) loss	\$ (60)	\$ 88	\$ 36	\$ (3)	\$ 11	\$ 1

We expect to recognize \$2 million of net actuarial loss in net periodic benefit income in fiscal year 2018 related to our defined benefit pension plans.

## **Funded Status**

	Pension Benefits		Post-Retirement Benefits	
	October 29, 2017	October 30, 2016	October 29, 2017	October 30, 2016
	(In millions)			
<b>Change in plan assets:</b>				
Fair value of plan assets — beginning of period	\$ 1,050	\$ 1,052	\$ 78	\$ 78
Actual return on plan assets	108	64	7	1
Employer contributions	361	33	—	—
Payments from plan assets	(93)	(93)	(2)	(1)
Settlements	—	(11)	—	—
Plan assets acquired in acquisitions	—	5	—	—
Fair value of plan assets — end of period	1,426	1,050	83	78
<b>Change in benefit obligations:</b>				
Benefit obligations — beginning of period	\$ 1,566	\$ 1,511	\$ 79	\$ 69
Service cost	4	3	—	—
Interest cost	53	59	3	3
Actuarial (gain) loss	(13)	80	—	8
Benefit payments	(93)	(93)	(2)	(1)
Curtailments	(4)	—	—	—
Settlements	(8)	(11)	—	—
Benefit obligations assumed in acquisitions	—	17	—	—
Foreign currency impact	3	—	—	—
Benefit obligations — end of period	1,508	1,566	80	79
Overfunded (underfunded) status of benefit obligations	\$ (82)	\$ (516)	\$ 3	\$ (1)

*Plans with benefit obligations in excess of plan assets:*

	Pension Benefits		Post-Retirement Benefits	
	October 29, 2017	October 30, 2016	October 29, 2017	October 30, 2016
(In millions)				
Projected benefit obligations	\$ 701	\$ 1,565	\$ —	\$ —
Accumulated benefit obligations	\$ 696	\$ 1,557	\$ 15	\$ 16
Fair value of plan assets	\$ 603	\$ 1,048	\$ —	\$ —

*Plans with benefit obligations less than plan assets:*

	Pension Benefits		Post-Retirement Benefits	
	October 29, 2017	October 30, 2016	October 29, 2017	October 30, 2016
(In millions)				
Projected benefit obligations	\$ 807	\$ 1	\$ —	\$ —
Accumulated benefit obligations	\$ 805	\$ 1	\$ 65	\$ 63
Fair value of plan assets	\$ 823	\$ 2	\$ 83	\$ 78

The fair value of pension plan assets at October 29, 2017 and October 30, 2016 included \$20 million and \$21 million, respectively, of assets for our non-U.S. pension plans.

The projected benefit obligations as of October 29, 2017 and October 30, 2016 included \$106 million and \$118 million, respectively, of obligations related to our non-U.S. plans. The accumulated benefit obligations as of October 29, 2017 and October 30, 2016 included \$100 million and \$110 million, respectively, of obligations related to our non-U.S. plans.

The following table presents amounts recognized on the consolidated balance sheets:

	Pension Benefits		Post-Retirement Benefits	
	October 29, 2017	October 30, 2016	October 29, 2017	October 30, 2016
(In millions)				
Other long-term assets	\$ 17	\$ 1	\$ 18	\$ 15
Employee compensation and benefits	\$ 1	\$ 1	\$ 1	\$ 1
Pension and post-retirement benefit obligations	\$ 98	\$ 516	\$ 14	\$ 15
Amounts recognized in accumulated other comprehensive loss, net of taxes:				
Actuarial losses and prior service costs, net of taxes	\$ (85)	\$ (126)	\$ (6)	\$ (8)

We currently expect to make contributions of \$118 million to our defined benefit pension plans in fiscal year 2018. We do not expect to make any contributions to our post-retirement medical benefit plans in fiscal year 2018.

**Expected Future Benefit Payments**

The following table presents expected payments from our benefit plans over the next 10 fiscal years as of October 29, 2017:

Fiscal Years:	Pension Benefits	Post-Retirement Benefits
	(In millions)	
2018	\$ 92	\$ 3
2019	\$ 92	\$ 3
2020	\$ 91	\$ 3
2021	\$ 91	\$ 3
2022	\$ 90	\$ 3
2023-2027	\$ 451	\$ 19



### Defined Benefit Plan Investment Policy

Plan assets of the funded defined benefit pension plans are invested in funds held by third-party fund managers or are deposited into government-managed accounts in which we have no active involvement in and no control over investment strategy, other than establishing broad investment guidelines and parameters. The plan assets held by third-parties consist primarily of equities and fixed income funds. As of October 30, 2016, the plan assets also included commingled funds. The fund managers monitor the fund's asset allocation within the guidelines established by our plan's investment committee. In line with plan investment objectives and consultation with our management, our investment committee set an allocation benchmark among equity, bond and other assets based on the relative weighting of overall non-U.S. market indices. The overall investment objectives of the plan are 1) the acquisition of suitable assets of appropriate liquidity which will generate income and capital growth to meet current and future plan benefits, 2) to limit the risk of the assets failing to meet the long-term liabilities of the plan, and 3) to minimize the long-term costs of the plan by maximizing the return on the assets. Performance is regularly evaluated by the investment committee and is based on actual returns achieved by the fund manager relative to its benchmark.

For the defined benefit pension plans, the investment strategy for the U.S. plans is to allocate assets in a manner that seeks both to maximize the safety of promised benefits and to minimize the cost of funding those benefits. We direct the overall portfolio allocation and use a third-party investment consultant that has discretion to structure portfolios and select the investment managers within those allocation parameters. Multiple investment managers are utilized, including both active and passive management approaches. The plan assets are invested using a liability-driven investment strategy intended to minimize market and interest rate risks, and those assets are periodically rebalanced toward asset allocation targets.

The target asset allocation for U.S. plans reflects a risk/return profile that we believe is appropriate relative to the liability structure and return goals for the plans. We periodically review the allocation of plan assets relative to alternative allocation models to evaluate the need for adjustments based on forecasted liabilities and plan liquidity needs. The fixed-income allocation is primarily directed toward long-term core bond investments, with smaller allocations to Treasury Inflation-Protected Securities and high-yield bonds. As of October 29, 2017, there were no material equity investments in the plans.

The following table presents our defined benefit pension plans' weighted-average asset allocations by category:

	Defined Benefit Pension Plans			
	October 29, 2017		October 30, 2016	
	Actual	Target	Actual	Target
Equity investments	—%	—%	33%	40%
Fixed income	100	100	67	55
Real estate	—	—	—	5
Total	100%	100%	100%	100%

# Fair Value Measurement of Plan Assets

	October 29, 2017				
	Fair Value Measurements at Reporting Date Using				
	Level 1	Level 2	Level 3	Total	
	(In millions)				
Cash equivalents	\$ 943 (a)	\$ —	\$ —	\$ 943	
Equity securities:					
Non-U.S. equity securities	7 (b)	—	—	7	
Fixed-income securities:					
U.S. treasuries	—	39 (c)	—	39	
Corporate bonds	—	393 (c)	—	393	
Asset-backed and mortgage-backed securities	—	1 (c)	—	1	
Municipal bonds	—	25 (c)	—	25	
Government bonds	—	18 (c)	—	18	
Total plan assets	<u>\$ 950</u>	<u>\$ 476</u>	<u>\$ —</u>	<u>\$ 1,426</u>	

	October 30, 2016				
	Fair Value Measurements at Reporting Date Using				
	Level 1	Level 2	Level 3	Total	
	(In millions)				
Cash equivalents	\$ 38 (a)	\$ —	\$ —	\$ 38	
Equity securities:					
U.S. equity securities	155 (b)	—	—	155	
Non-U.S. equity securities	72 (b)	—	—	72	
Fixed-income securities:					
U.S. treasuries	—	39 (c)	—	39	
Corporate bonds	—	393 (c)	—	393	
Asset-backed and mortgage-backed securities	—	3 (c)	—	3	
Agency-backed bonds	—	3 (c)	—	3	
Municipal bonds	—	25 (c)	—	25	
Government bonds	—	11 (c)	—	11	
Total assets measured by fair value hierarchy	<u>\$ 265</u>	<u>\$ 474</u>	<u>\$ —</u>	739	
Assets measured at net asset value:					
Commingled funds - equities				116 (d)	
Commingled funds - bonds				195 (e)	
Total plan assets				\$ 1,050	

(a) Cash equivalents primarily included short-term investment funds which consisted of short-term money market instruments that were valued based on quoted prices in active markets.

(b) These equity securities were valued based on quoted prices in active markets.

(c) These amounts consisted of investments that were traded less frequently than Level 1 securities and were valued using inputs that included quoted prices for similar assets in active markets and inputs other than quoted prices that were observable for the asset, such as interest rates, yield curves, prepayment speeds, collateral performance, broker/dealer quotes and indices that were observable at commonly quoted intervals.

(d) The amount consisted of investments in funds not registered with the U.S. Securities and Exchange Commission, or SEC, with underlying investments primarily in publicly traded U.S. and non-U.S. equity securities, including securities with small and large market capitalization.

- (e) The amount consisted of investments in funds not registered with the SEC with underlying investments primarily in Treasury Inflation-Protected Securities and high-yield bonds.

### **Post-Retirement Benefit Plan Investment Policy**

Our overall investment strategy for the group life insurance plan is to allocate assets in a manner that seeks to both maximize the safety of promised benefits and minimize the cost of funding those benefits. The target asset allocation for plan assets reflects a risk/return profile that we believe is appropriate relative to the liability structure and return goals for the plan. We periodically review the allocation of plan assets relative to alternative allocation models to evaluate the need for adjustments based on forecasted liabilities and plan liquidity needs. We set the overall portfolio allocation and use an investment manager that directs the investment of funds consistent with that allocation. The investment manager invests the plan assets in index funds that it manages.

The following table presents the plan asset allocations by category:

	October 29, 2017		October 30, 2016	
	Actual	Target	Actual	Target
Commingled funds - U.S. equities	20%	20%	20%	20%
Commingled funds - Non-U.S. equities	20	20	20	20
Commingled funds - bonds	60	60	60	60
Total	100%	100%	100%	100%

### **Assumptions**

The assumptions used to determine the benefit obligations and net periodic benefit income from our defined benefit and post-retirement benefit plans are presented in the table below. The expected long-term return on assets shown in the table below represents an estimate of long-term returns on investment portfolios primarily consisting of combinations of debt, equity and other investments, depending on the plan. We consider long-term rates of return, which are weighted based on the asset classes (both historical and forecasted) in which we expect the pension and post-retirement funds to be invested. Discount rates reflect the current rate at which defined benefit and post-retirement benefit obligations could be settled based on the measurement dates of the plans, which in each case is our fiscal year end. The range of assumptions that are used for defined benefit pension plans reflects the different economic environments within various countries.

	Assumptions for Benefit Obligations as of		Assumptions for Net Periodic Benefit Income Fiscal Year		
	October 29, 2017	October 30, 2016	2017	2016	2015
<b>Defined benefit pension plans:</b>					
Discount rate	0.50%-7.00%	0.50%-7.00%	0.50%-7.00%	0.75%-7.75%	1.00%-4.10%
Average increase in compensation levels	2.00%-11.00%	2.00%-9.16%	2.00%-9.15%	2.50%-11.72%	2.50%-6.00%
Expected long-term return on assets	N/A	N/A	0.25%-8.00%	1.50%-9.00%	1.50%-7.30%

	Assumptions for Benefit Obligations as of		Assumptions for Net Periodic Benefit Income Fiscal Year		
	October 29, 2017	October 30, 2016	2017	2016	2015
<b>Post-retirement benefits plan:</b>					
Discount rate	3.40%-3.80%	3.30%-3.90%	3.30%-3.90%	3.90%-4.50%	3.80%-4.40%
Average increase in compensation levels	3.00%	3.50%	3.50%	3.50%	3.50%
Expected long-term return on assets	N/A	N/A	4.40%	5.10%	5.40%
Current health care cost trend rate	7.00%	7.33%	7.33%	7.67%	8.00%
Ultimate health care cost trend rate	3.50%	3.50%	3.50%	3.50%	3.50%
Health care cost trend rate decreases to ultimate trend rate in year	2031	2031	2031	2031	2031

Changes in the assumed health care cost trend rates could have a significant effect on the amounts reported for the U.S. post-retirement medical benefit plans. A one percentage point change in the assumed health care cost trend rates for fiscal year 2017 would have the following effects:

	1% Increase		1% Decrease	
	(Dollars in millions)			
Effect on U.S. post-retirement benefit obligation	\$	1	\$	(1)
Percentage effect on U.S. post-retirement benefit obligation		1%		(1)%

The effect of a one percentage point increase or decrease in our health care cost trend rates on the service and interest cost components of the net periodic benefit cost would have been immaterial.

#### **401(k) Defined Contribution Plans**

Our eligible U.S. employees participate in company-sponsored 401(k) plans. Under these plans, we provide matching contributions to employees up to 6% of their eligible earnings. All matching contributions vest immediately. During fiscal years 2017, 2016 and 2015, we made contributions of \$61 million, \$43 million and \$26 million, respectively, to the 401(k) plans.

## 8. Borrowings

	As of October 29, 2017:		As of October 30, 2016:	
	Effective Interest Rate	Aggregate Principal Amount	Effective Interest Rate	Aggregate Principal Amount
(In millions, except for percentages)				
<u>January 2017 Senior Notes</u>				
Fixed rate 2.375% notes due January 2020	2.615%	\$ 2,750		\$ —
Fixed rate 3.000% notes due January 2022	3.214%	3,500		—
Fixed rate 3.625% notes due January 2024	3.744%	2,500		—
Fixed rate 3.875% notes due January 2027	4.018%	4,800		—
		13,550		—
<u>October 2017 Senior Notes</u>				
Fixed rate 2.200% notes due January 2021	2.406%	750		—
Fixed rate 2.650% notes due January 2023	2.781%	1,000		—
Fixed rate 3.125% notes due January 2025	3.234%	1,000		—
Fixed rate 3.500% notes due January 2028	3.596%	1,250		—
		4,000		—
<u>2016 Term Loans</u>				
Term A Loan due February 2021		—	2.52%	7,090
Term B-3 Loan due February 2023		—	3.84%	6,578
		—		13,668
<u>Assumed Senior Notes</u>				
Fixed rate 2.70% notes due November 2018	2.70%	117	2.70%	117
Fixed rate 2.50% - 4.50% notes due August 2022 - August 2034	2.50% - 4.50%	22	2.50% - 4.50%	22
		139		139
Total principal amount outstanding		17,689		13,807
Less: Unaccreted discount and unamortized debt issuance costs		(141)		(165)
Carrying value of debt		\$ 17,548		\$ 13,642

### Senior Notes

On January 19, 2017, we completed the issuance and sale of senior unsecured notes, or the January 2017 Senior Notes, in an aggregate principal amount of \$13,550 million. We used the net proceeds, plus cash on hand, to repay all of the term loans outstanding under our guaranteed, collateralized credit agreement, or the 2016 Credit Agreement, dated February 1, 2016, in the aggregate amount of \$13,555 million and to pay \$127 million of related fees and expenses. Our January 2017 Senior Notes are fully and unconditionally guaranteed, jointly and severally, on an unsecured, unsubordinated basis by Broadcom and the Partnership, or Parent Guarantor, collectively the Guarantors, subject to certain release conditions described in the indenture governing the January 2017 Senior Notes. Each series of January 2017 Senior Notes pays interest semi-annually in cash in arrears on January 15 and July 15 of each year, which began on July 15, 2017.

As a result of the repayment of the outstanding term loans under the 2016 Credit Agreement, during fiscal year 2017, we wrote-off \$159 million of debt issuance costs, which were included in loss on extinguishment of debt in the consolidated statements of operations.

On October 17, 2017, we completed the issuance and sale of senior unsecured notes, or the October 2017 Senior Notes, in an aggregate principal amount of \$4,000 million. We used the net proceeds, plus cash on hand, to finance the acquisition of Brocade Communications Systems, Inc., or Brocade, which closed on November 17, 2017. Our October 2017 Senior Notes are fully and unconditionally guaranteed, jointly and severally, on an unsecured, unsubordinated basis by the Guarantors, subject to certain release conditions described in the indenture governing the October 2017 Senior Notes. Each series of October 2017 Senior Notes pays interest semi-annually in cash in arrears on January 15 and July 15 of each year, commencing on July 15, 2018.

We may redeem all or a portion of our January 2017 and October 2017 Senior Notes, collectively, the Senior Notes, at any time prior to their maturity, subject to a specified make-whole premium as set forth in the January 2017 Indenture and the October 2017 Indenture, collectively, the Indentures. In the event of a change of control triggering event, each holder of our Senior Notes will have the right to require us to purchase for cash all or a portion of their Senior Notes at a redemption price of 101% of the aggregate principal amount of such Senior Notes plus accrued and unpaid interest. The Indentures also contain covenants that restrict, among other things, the ability of Broadcom and its subsidiaries to incur certain secured debt and consummate certain sale and leaseback transactions, and the ability of BRCM and Broadcom Cayman Finance Limited, or the Subsidiary Issuers, Broadcom and the Guarantors, to merge, consolidate or sell all or substantially all of their assets. We were in compliance with all of the covenants related to the Senior Notes as of October 29, 2017.

#### ***2016 Term Loans and Amendment to 2016 Credit Agreement***

In connection with the completion of the Broadcom Merger, on February 1, 2016, we entered into the 2016 Credit Agreement, which originally provided for term loans: a Term A loan facility in the aggregate principal amount of \$4,400 million, or the Term A Loan, a Term B-1 dollar loan facility in the aggregate principal amount of \$9,750 million, or the Term B-1 Loan, a Term B-1 euro loan facility in the aggregate principal amount of €900 million, or the Term B-1 Euro Loan, equivalent to \$978 million as of February 1, 2016, and a Term B-2 loan facility in the aggregate principal amount of \$500 million, or the Term B-2 Loan, and together with the Term A Loan, Term B-1 Loan, and Term B-1 Euro Loan, referred to as the 2016 Term Loans. We recognized \$106 million of third-party financing costs related to the 2016 Credit Agreement in interest expense immediately in connection with a modification of debt related to a previous credit agreement which we repaid in full and terminated in connection with the 2016 Credit Agreement. We also recognized a \$34 million loss on extinguishment of debt.

During fiscal year 2016, we made principal prepayments totaling \$610 million on the Term B-1 Loan and fully repaid the €900 million Term B-1 Euro Loan and the \$500 million Term B-2 Loan. The payoff of the Term B-2 Loan was partially funded with \$325 million of additional Term A Loan borrowings. As a result, during fiscal year 2016, we wrote-off \$40 million of debt issuance costs, which was included in loss on extinguishment of debt in our consolidated statements of operations.

In August 2016, we amended the 2016 Credit Agreement, or the August 2016 Amendment, and refinanced all of the outstanding Term B-1 Loans into the Term B-3 dollar loan facility in the aggregate principal amount of \$6,595 million, or Term B-3 Loans, and increased the amount of outstanding Term A Loans. As a result of the August 2016 Amendment, we wrote-off \$49 million of debt issuance costs, which was included in loss on extinguishment of debt.

In connection with the issuance of the October 2017 Senior Notes, we terminated the 2016 Credit Agreement.

#### ***Revolving Credit Facility***

The 2016 Credit Agreement also provided for a revolving credit facility, or the 2016 Revolving Credit Facility, which was also terminated in connection with the issuance of the October 2017 Senior Notes. We wrote-off \$7 million of debt issuance costs, which were included in loss on extinguishment of debt in the consolidated statements of operations. Unamortized debt issuance costs related to the 2016 Revolving Credit Facility was \$9 million as of October 30, 2016, and were included in other long-term assets on the consolidated balance sheets.

#### ***Assumed Senior Notes***

As a result of the Broadcom Merger, we assumed \$1,614 million of BRCM's outstanding senior unsecured notes, or the Assumed Senior Notes, at fair value on the Acquisition Date. During fiscal year 2016, we tendered for and repaid \$1,475 million of the Assumed Senior Notes. We were in compliance with all of the covenants described in the indentures governing the Assumed Senior Notes as of October 29, 2017.

#### ***Fair Value of Debt***

As of October 29, 2017, the estimated aggregate fair value of the Senior Notes and the Assumed Senior Notes was \$17,953 million. The fair value of the Senior Notes and the Assumed Senior Notes was classified as Level 2 as we used quoted prices from less active markets.

### Future Principal Payments of Debt

The future scheduled principal payments for the outstanding Senior Notes and Assumed Senior Notes as of October 29, 2017 were as follows:

Fiscal Year:	Future Scheduled Principal Payments	
	(In millions)	
2018	\$	117
2019		—
2020		2,750
2021		750
2022		3,509
Thereafter		10,563
Total	\$	17,689

### 9. Shareholders' Equity

Prior to the Acquisition Date of BRCM, our shareholders' equity reflected Avago's outstanding ordinary shares, all of which were publicly traded on the NASDAQ stock market. As a result of the Broadcom Transaction, our ownership interest changed. Pursuant to the Avago Scheme, Broadcom issued 278 million ordinary shares to holders of Avago ordinary shares and issued 112 million ordinary shares to former BRCM shareholders pursuant to the Broadcom Merger. Consequently, the number of Broadcom ordinary shares outstanding increased from 278 million Avago ordinary shares on January 31, 2016 to 390 million Broadcom ordinary shares on February 1, 2016. Both Avago and BRCM became indirect subsidiaries of Broadcom and the Partnership, and Broadcom is the sole General Partner of the Partnership. As a result, the carrying amount of equity attributable to Broadcom was adjusted to reflect the change in our ownership interest of our subsidiaries. Additionally, Broadcom reflects a noncontrolling interest in its shareholders' equity, which represents the interest of the holders of the Limited Partners in the Partnership, as further discussed below.

In connection with the Broadcom Merger, Broadcom also issued 23 million non-economic voting preference shares, or the Special Voting Shares, which is equal to the number of issued Partnership REUs. The Special Voting Shares were issued to a voting trustee pursuant to a voting trust agreement dated February 1, 2016, among Broadcom, the Partnership and the voting trustee, or the Voting Trust Agreement.

#### Noncontrolling Interest

As of both October 29, 2017 and October 30, 2016, the Limited Partners held a noncontrolling interest of approximately 5% in the Partnership through their ownership of Partnership REUs.

Broadcom adjusts the net income (loss) in its consolidated statements of operations to exclude the noncontrolling interest's proportionate share of the results. In addition, Broadcom presents the proportionate share of equity attributable to the noncontrolling interest as a separate component of shareholders' equity within our consolidated balance sheets and statements of shareholders' equity.

Pursuant to the terms of the Partnership Agreement, each Partnership REU is entitled to distributions from the Partnership in an amount equal to any dividends or distributions that Broadcom declares and pays with respect to Broadcom ordinary shares. In addition, each holder of a Partnership REU is entitled to vote with respect to matters on which holders of Broadcom ordinary shares are entitled to vote by directing the voting trustee to vote one Special Voting Share for each Partnership REU they hold pursuant to the Voting Trust Agreement. On January 30, 2017, Broadcom registered 23 million ordinary shares to allow for Limited Partners to exchange their Partnership REUs pursuant to the Partnership Agreement. Effective February 1, 2017, subject to certain additional requirements and potential deferrals as set forth in the Partnership Agreement, Limited Partners have the right to require the Partnership to repurchase some or all of such Limited Partner's Partnership REUs for consideration, as determined by Broadcom in its sole discretion, of either one Broadcom ordinary share or a cash amount as determined under the Partnership Agreement for each Partnership REU submitted for repurchase.

During fiscal year 2017, the Partnership exchanged 1 million Partnership REUs, pursuant to exchange notices. In accordance with the terms of the Partnership Agreement, the exchange notices were satisfied by exchanging these Partnership REUs for the same number of newly issued Broadcom ordinary shares valued at \$86 million. The exchanges represented increases in our ownership interest in the Partnership and were accounted for as equity transactions, with no gain or loss recorded in Broadcom's consolidated statements of operations. Pursuant to the terms of the Partnership Agreement,



upon the exchange of Partnership REUs, each such Partnership REU was cancelled and the Partnership issued the same number of Common Units to the General Partner concurrently with the exchange.

### **Conversion of Convertible Notes**

During fiscal year 2015, the Convertible Notes were converted in full and the resulting conversion obligation was settled by a combination of \$1 billion in cash and the issuance of 13.8 million of Avago ordinary shares.

### **Dividends**

Broadcom paid cash dividends of \$4.08, \$1.94 and \$1.55 per ordinary share, or an aggregate of \$1,653 million, \$716 million and \$408 million, during fiscal years 2017, 2016 and 2015, respectively.

### **Equity Incentive Award Plans**

Share-based incentive awards are provided to employees and directors under the terms of various Broadcom equity incentive plans.

In July 2009, our Board of Directors adopted, and our shareholders approved, the Avago Technologies Limited 2009 Equity Incentive Award Plan, or the 2009 Plan, to authorize the grant of options, share appreciation rights, RSUs, dividend equivalents, performance awards, and other share-based awards. A total of 20 million ordinary shares were initially reserved for issuance under the 2009 Plan, subject to annual increases starting in fiscal year 2012. The amount of the annual increase is equal to the least of (a) 6 million shares, (b) 3% of the ordinary shares outstanding on the last day of the immediately preceding fiscal year and (c) such smaller number of ordinary shares as determined by our Board. However, no more than 90 million ordinary shares may be issued upon the exercise of equity awards issued under the 2009 Plan. The 2009 Plan became effective on July 27, 2009.

Options issued to employees under the 2009 Plan prior to March 2011 generally expire ten years following the date of grant. Since March 2011, options issued to employees under the 2009 Plan generally expire seven years after the date of grant. Options awarded to non-employees under this plan generally expire after five years. Options issued to both employees and non-employees under the 2009 Plan generally vest over a four-year period from the date of grant and are granted with an exercise price equal to the fair market value on the date of grant. Any share options cancelled or forfeited after July 27, 2009 under the equity incentive plans adopted prior to the 2009 Plan become available for issuance under the 2009 Plan.

RSU awards granted to employees under the 2009 Plan are generally time-based and vest over four years. An RSU is an equity award that is granted with an exercise price equal to zero and which represents the right to receive one of our ordinary shares immediately upon vesting. We also grant market-based RSUs with both a service condition and a market condition as part of our equity compensation programs under the 2009 Plan. During fiscal years 2017, 2016 and 2015, we granted market-based RSUs that vest over four years, subject to satisfaction of share price contingency conditions. During fiscal year 2017, we also granted market-based RSUs under which grantees may receive the number of shares ranging from 0% to 450% of the original grant at vesting based upon the total shareholder return, or TSR, on our ordinary share as compared to the TSR of an index group of companies. The market-based RSUs generally vest over four years, subject to satisfaction of market conditions.

As of October 29, 2017, 19 million ordinary shares remained available for issuance under the 2009 Plan.

In connection with the LSI acquisition, we assumed the LSI 2003 Equity Incentive Plan, or the 2003 Plan, and outstanding unvested stock options and RSUs originally granted by LSI under the 2003 Plan that were held by continuing employees. At the time of the acquisition, these awards were converted to Avago share options and RSUs, with adjustments made to the exercise price of stock options and the number of shares subject to stock options and RSU awards so that the intrinsic value of each award was approximately the same immediately before and immediately after the adjustment. These unvested options and RSUs will vest in accordance with their original terms, generally vesting in equal annual installments over a four-year period from the original grant date and expire seven years after the grant date. Under the 2003 Plan, we may grant to former employees of LSI and other employees who were not employees of Avago at the time of the acquisition restricted stock awards, RSUs, share options and share appreciation rights with an exercise price that is no less than the fair market value on the date of grant. No participant may be granted share options covering more than four million shares or more than an aggregate of one million shares of restricted stock and RSUs in any fiscal year. Equity awards granted under the 2003 Plan following the LSI acquisition are expected to be on similar terms and consistent with similar grants made pursuant to the 2009 Plan. As of October 29, 2017, four million ordinary shares remained available for issuance under the 2003 Plan.

In connection with the Broadcom Merger, we assumed the BRCM 2012 Stock Incentive Plan, or the 2012 Plan, and outstanding unvested RSUs originally granted by BRCM under the 2012 Plan that were held by continuing employees. At the time of the acquisition, these awards were converted to Broadcom RSUs, with adjustments made to the number of shares subject to RSU awards so that the intrinsic value of each award was approximately the same immediately before and immediately after the adjustment. These unvested RSUs will vest in accordance with their original terms, generally vesting in equal quarterly installments over a four-year period from the original grant date. Under the 2012 Plan, we may grant to former

employees of BRCM and other employees who were not employees of Avago at the time of the acquisition restricted stock awards, RSUs, share options and share appreciation rights with an exercise price that is no less than the fair market value on the date of grant. No participant may be granted share options, restricted stock or RSUs, covering more than an aggregate of four million shares in any fiscal year. Equity awards granted under the 2012 Plan following the Broadcom Merger are expected to be on similar terms and consistent with similar grants made pursuant to the 2009 Plan. As of October 29, 2017, 82 million ordinary shares remained available for issuance under the 2012 Plan. The number of shares available for issuance under the 2012 Plan is subject to an annual increase of 12 million shares.

The ESPP provides eligible employees with the opportunity to acquire an ownership interest in us through periodic payroll deductions, based on a 6-month look-back period, at a price equal to the lesser of 85% of the fair market value of the ordinary shares at either the beginning or ending of the relevant offering period. The ESPP is structured as a qualified employee stock purchase plan under Section 423 of the Internal Revenue Code of 1986. However, the ESPP is not intended to be a qualified pension, profit sharing or stock bonus plan under Section 401(a) of the Internal Revenue Code of 1986 and is not subject to the provisions of Employee Retirement Income Security Act of 1974. The ESPP will terminate on July 27, 2019 unless sooner terminated.

### Share-Based Compensation Expense

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Cost of products sold	\$ 64	\$ 48	\$ 26
Research and development	636	430	107
Selling, general and administrative	220	186	99
Total share-based compensation expense (a)	\$ 920	\$ 664	\$ 232

(a) Does not include \$1 million and \$15 million of share-based compensation related to discontinued operations recognized during fiscal years 2017 and 2016, respectively, which was included in loss from discontinued operations, net of income taxes in our consolidated statements of operations.

In connection with the Broadcom Merger, we assumed RSUs originally granted by BRCM. Share-based compensation expense reported in continuing operations in fiscal years 2017 and 2016 included \$179 million and \$222 million, respectively, related to the assumed BRCM RSUs.

We have assumed an annualized forfeiture rate for RSUs of 5% in each of fiscal years 2017 and 2016 and 3% in fiscal year 2015. We will recognize additional expense if actual forfeitures are lower than we estimated, and will recognize a benefit if actual forfeitures are higher than we estimated.

The income tax benefits for share-based compensation expense were \$273 million, \$89 million and \$130 million for fiscal years 2017, 2016 and 2015, respectively.

The following table summarizes the weighted-average assumptions utilized to calculate the fair value of market-based awards granted in the periods presented:

	Market-Based Awards		
	Fiscal Year		
	2017	2016	2015
Risk-free interest rate	1.7%	1.2%	1.4%
Dividend yield	1.8%	1.3%	1.2%
Volatility	32.3%	35.0%	36.3%
Expected term (in years)	4.0	3.8	4.4

The risk-free interest rate was derived from the average U.S. Treasury Strips rate during the period, which approximated the rate in effect at the time of grant.

The dividend yield was based on the historical and expected dividend payouts as of the respective award grant dates.

The expected volatility was based on Broadcom's own historical share price volatility over the period commensurate with the expected life of the awards and the implied volatility from its own traded ordinary shares with a term of 180 days measured at a specific date.

The expected term of market-based RSUs valued using Monte Carlo simulation techniques was commensurate with the awards' contractual terms.

### Restricted Stock Unit Awards

A summary of time- and market-based RSU activity is as follows:

	Number of Shares Outstanding	Weighted-Average Grant Date Fair Value Per Share
(In millions, except per share data)		
Balance as of November 2, 2014	4	\$ 48.82
Granted	3	\$ 119.30
Vested	(1)	\$ 57.29
Forfeited	(1)	\$ 79.51
Balance as of November 1, 2015	5	\$ 95.17
Assumed in Broadcom Merger	6	\$ 135.58
Granted	12	\$ 138.45
Vested	(4)	\$ 114.49
Forfeited	(2)	\$ 130.30
Balance as of October 30, 2016	17	\$ 130.71
Granted	8	\$ 199.33
Vested	(5)	\$ 126.81
Forfeited	(2)	\$ 142.78
Balance as of October 29, 2017	18	\$ 163.42

The aggregate fair value of time- and market-based RSUs that vested in fiscal years 2017, 2016 and 2015 was \$1,172 million, \$590 million and \$179 million, respectively. As of October 29, 2017, the total unrecognized compensation cost related to unvested RSUs was \$2,134 million, which is expected to be recognized over the remaining weighted-average service period of 3.0 years.

### Share Option Awards

A summary of time- and market-based share option activity is as follows:

	Number of Shares Outstanding	Weighted- Average Exercise Price Per Share	Weighted- Average Remaining Contractual Life (In years)	Aggregate Intrinsic Value
(In millions, except years and per share data)				
Balance as of November 2, 2014	29	\$ 44.97		
Granted	1	\$ 95.97		
Exercised	(7)	\$ 34.40		\$ 571
Cancelled	(2)	\$ 65.32		
Balance as of November 1, 2015	21	\$ 47.92		
Exercised	(5)	\$ 44.35		\$ 579
Cancelled	(1)	\$ 53.56		
Balance as of October 30, 2016	15	\$ 48.77		
Exercised	(4)	\$ 45.48		\$ 682
Cancelled	(1)	\$ 66.08		
Balance as of October 29, 2017	10	\$ 49.54	2.85	\$ 2,112
Fully vested as of October 29, 2017	9	\$ 46.49	2.75	\$ 1,847
Fully vested and expected to vest as of October 29, 2017	10	\$ 49.54	2.85	\$ 2,112

As of October 29, 2017, the total unrecognized compensation cost related to unvested time- and market-based share options was \$17 million, which is expected to be recognized over the remaining weighted-average service period of 0.7 years.

### **Employee Share Purchase Plan**

In fiscal years 2017, 2016 and 2015, under the ESPP, employees purchased 0.5 million, 0.4 million and 0.2 million ordinary shares for \$78 million, \$51 million and \$15 million, respectively. As of October 29, 2017, the total unrecognized compensation cost related to the ESPP purchase rights was \$12 million, which is expected to be recognized over the remaining four months of the current offering period under the ESPP.

### **10. Partners' Capital**

The partners' capital balance as of November 1, 2015 represented, and was equivalent to, the historical shareholders' equity balance of Avago. At the time of executing the Avago Scheme on February 1, 2016, the historical shareholders' equity balance of Avago belonged, and continues to belong, to Broadcom, as sole General Partner of the Partnership.

Pursuant to the terms of the Partnership Agreement, Broadcom, as the holder of the Common Units, is entitled to receive distributions from the Partnership in an amount equal to the aggregate dividends payable by Broadcom to the holders of Broadcom ordinary shares, and the Limited Partners, as holders of the Partnership REUs, are entitled to receive distributions from the Partnership in an amount per unit equal to the dividend payable by Broadcom per ordinary share. Additionally, if Broadcom proposes to redeem, repurchase, or otherwise acquire any Broadcom ordinary shares, the Partnership Agreement requires that the Partnership, immediately prior to such redemption, repurchase or acquisition, make a distribution to Broadcom on the Common Units in an amount sufficient for Broadcom to fund such redemption, repurchase or acquisition, as the case may be. Each Limited Partner is entitled to vote with respect to matters on which holders of Broadcom ordinary shares are entitled to vote by directing the voting trustee to vote one Special Voting Share for each Partnership REU held pursuant to the Voting Trust Agreement.

Effective February 1, 2017, subject to certain additional requirements and potential deferrals as set forth in the Partnership Agreement, Limited Partners have the right to require the Partnership to repurchase some or all of such Limited Partner's Partnership REUs for consideration, as determined by Broadcom in its sole discretion, of either one Broadcom ordinary share or a cash amount as determined under the Partnership Agreement for each Partnership REU submitted for repurchase.

During fiscal year 2017, the Partnership exchanged 1 million Partnership REUs, pursuant to exchange notices. In accordance with the terms of the Partnership Agreement, the exchange notices were satisfied by exchanging these Partnership REUs for the same number of newly issued Broadcom ordinary shares valued at \$86 million. The issuance of shares were accounted for as a capital contribution by Broadcom to the Partnership. The exchanges of Partnership REUs were recorded as increases to the Common Units balance and reductions to the Partnership REUs balance within the partners' capital of the Partnership's consolidated balance sheet and statement of partners' capital. Pursuant to the terms of the Partnership Agreement, upon the exchange of Partnership REUs, each such Partnership REU was cancelled and the Partnership issued the same number of Common Units to the General Partner concurrently with the exchange.

### **Share-Based Compensation Expense**

Share-based incentive awards are provided to employees and Broadcom's non-employee directors under the terms of various Broadcom equity incentive plans. Refer to Note 9. "Shareholders' Equity" for further details.

### **Capital Transactions with General Partner**

During fiscal years 2017 and 2016, the Partnership had capital transactions with the General Partner of \$257 million and \$405 million, respectively, which consisted of capital contributions made by the General Partner to the Partnership. For fiscal year 2016, the capital transactions also included RSUs originally granted by BRCM that were assumed by Broadcom in connection with the Broadcom Merger.

### **Distributions**

The following table summarizes distributions made by the Partnership for the periods presented.

	Fiscal Year	
	2017	2016
	(In millions, except per Partnership REU)	
Cash distributions paid to General Partner	\$ 1,756	\$ 594
Cash distributions paid per Partnership REU	\$ 4.08	\$ 1.50
Cash distributions paid to Limited Partners	\$ 92	\$ 34

During fiscal year 2017, these distributions included a \$103 million distribution to Broadcom, as General Partner, for reimbursement of expenses the General Partner incurred on behalf of the Partnership and its subsidiaries.

## 11. Income Taxes

### **Components of Income (Loss) from Continuing Operations Before Income Taxes**

Since we are incorporated in Singapore, domestic income reflects the results of operations based in Singapore. The following table presents the components of income (loss) from continuing operations before income taxes for financial reporting purposes:

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Domestic income	\$ 2,102	\$ 1,365	\$ 1,580
Foreign loss	(277)	(2,472)	(113)
Income (loss) from continuing operations before income taxes	<u>\$ 1,825</u>	<u>\$ (1,107)</u>	<u>\$ 1,467</u>

### **Components of Provision for Income Taxes**

We have obtained several tax incentives from the Singapore Economic Development Board, an agency of the Government of Singapore, which provide that qualifying income we earn in Singapore are subject to tax holidays or reduced rates of Singapore income tax. Each such tax incentive is separate and distinct from the others, and may be granted, withheld, extended, modified, truncated, complied with or terminated independently without any effect on the other incentives. Subject to our compliance with the conditions specified in these incentives and legislative developments, the Singapore tax incentives are presently expected to expire at various dates generally between 2020 and 2021, subject in certain cases to potential extensions, which we may or may not be able to obtain.

We also have tax incentives on our qualifying income in Malaysia, which are scheduled to expire between 2018 and 2028. The tax incentives that we have negotiated in Malaysia are also subject to our compliance with various operating and other conditions. If we cannot, or elect not to, comply with the conditions specified in these incentives, we will lose the related tax benefits and we could be required to refund previously realized material tax benefits.

The effect of all these tax incentives, in the aggregate, was to reduce the overall provision for income taxes by approximately \$237 million, \$169 million and \$207 million, for fiscal years 2017, 2016 and 2015, respectively, increase diluted net income per share by \$0.56 and \$0.74 for fiscal years 2017 and 2015, respectively, and reduce diluted net loss per share by \$0.44 for fiscal year 2016.

Significant components of the provision for income taxes are as follows:

	Fiscal Year		
	2017	2016	2015
	(In millions)		
<b>Current tax expense:</b>			
Domestic	\$ 112	\$ 59	\$ 59
Foreign	158	165	237
	<u>270</u>	<u>224</u>	<u>296</u>
<b>Deferred tax expense (benefit):</b>			
Domestic	(1)	9	4
Foreign	(234)	409	(224)
	<u>(235)</u>	<u>418</u>	<u>(220)</u>
Total provision for income taxes	<u>\$ 35</u>	<u>\$ 642</u>	<u>\$ 76</u>

The provision for income taxes in fiscal year 2017 was primarily due to an increase in profit before tax and a discrete expense of \$76 million resulting from entity reorganizations partially offset by the recognition of \$273 million of excess tax benefits from share-based awards that vested or were exercised during fiscal year 2017 and, to a lesser extent, the recognition of previously unrecognized tax benefits primarily as a result of audit settlements.

The income tax provision for the fiscal year 2016 was primarily the result of an increase in tax associated with our undistributed earnings, partially offset by income tax benefits from losses from continuing operations and the recognition of previously unrecognized tax benefits as a result of audit settlements.

## Rate Reconciliation

	Fiscal Year		
	2017	2016	2015
Statutory tax rate in Singapore	17.0 %	17.0 %	17.0 %
Foreign income taxed at different rates	(0.8)	(89.7)	1.8
Tax holidays and concessions	(13.0)	15.3	(14.1)
Other, net	(1.3)	(0.6)	0.2
Valuation allowance	—	—	0.3
Actual tax rate on income (loss) before income taxes	1.9 %	(58.0)%	5.2 %

## Summary of Deferred Income Taxes

	October 29, 2017	October 30, 2016
	(In millions)	
<b>Deferred income tax assets:</b>		
Depreciation and amortization	\$ 8	\$ 15
Inventory	6	6
Trade accounts	22	6
Employee benefits	145	216
Employee share awards	180	90
Net operating loss carryovers and credit carryovers	2,356	1,773
Other deferred income tax assets	42	172
Gross deferred income tax assets	2,759	2,278
Less valuation allowance	(1,447)	(1,003)
Deferred income tax assets	1,312	1,275
<b>Deferred income tax liabilities:</b>		
Depreciation and amortization	96	263
Other deferred income tax liabilities	12	37
Foreign earnings not indefinitely reinvested	11,202	10,954
Deferred income tax liabilities	11,310	11,254
Net deferred income tax liabilities	\$ (9,998)	\$ (9,979)

Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their basis for income tax purposes and the tax effects of net operating losses and tax credit carryforwards.

The following table presents net deferred income tax assets (liabilities) as reflected on the consolidated balance sheets:

	October 29, 2017	October 30, 2016
	(In millions)	
Other long-term assets	\$ 21	\$ 308
Other long-term liabilities	(10,019)	(10,287)
Net long-term income tax liabilities	\$ (9,998)	\$ (9,979)

The increase in the valuation allowance from \$1,003 million in fiscal year 2016 to \$1,447 million in fiscal year 2017 was primarily due to foreign losses not expected to be realized.

As of October 29, 2017, we had U.S. federal net operating loss carryforwards of \$575 million, U.S. state net operating loss carryforwards of \$3,067 million and other foreign net operating loss carryforwards of \$1,702 million. U.S. federal and state net operating loss carryforwards begin to expire in fiscal year 2018. The other foreign net operating losses expire in

various fiscal years beginning 2018. As of October 29, 2017, we had \$1,494 million and \$1,212 million of U.S. federal and state research and development tax credits, respectively, which if not utilized, begin to expire in fiscal year 2018.

The U.S. Tax Reform Act of 1986 limits the use of net operating loss and tax credit carryforwards in the case of an “ownership change” of a corporation or separate return loss year limitations. Any ownership changes, as defined, may restrict utilization of carryforwards. As of October 29, 2017, we had approximately \$575 million and \$1,222 million of federal net operating loss and tax credit carryforwards, respectively, in the U.S. subject to an annual limitation. We do not expect these limitations to result in any permanent loss of our tax benefits.

During fiscal year 2017, we early adopted an accounting standards update issued by the FASB that simplifies the accounting for certain aspects of stock-based payments to employees. As a result of adoption, we recognized a tax benefit of \$273 million as a discrete item for fiscal year 2017, a \$47 million cumulative-effect adjustment to reduce our accumulated deficit and a \$3 million cumulative-effect adjustment to increase our noncontrolling interest for previously unrecognized excess tax benefits as of October 30, 2016.

### Uncertain Tax Positions

Gross unrecognized tax benefits increased by \$273 million during fiscal year 2017, resulting in gross unrecognized tax benefits of \$2,256 million as of October 29, 2017. The increase in gross unrecognized tax benefits was primarily a result of restructuring activities in fiscal year 2017. During fiscal year 2017, we recognized \$121 million of previously unrecognized tax benefits as a result of the audit settlement with taxing authorities, and \$12 million as a result of the expiration of the statute of limitations for certain audit periods. During fiscal year 2016, gross unrecognized tax benefits increased by \$1,454 million resulting from the Broadcom Merger.

We recognize interest and penalties related to unrecognized tax benefits within provision for income taxes in the accompanying consolidated statements of operations. We recognized approximately \$30 million of expense related to interest and penalties in fiscal year 2017. Accrued interest and penalties were included within other long-term liabilities on the consolidated balance sheets. As of October 29, 2017 and October 30, 2016, the combined amount of cumulative accrued interest and penalties was approximately \$132 million and \$102 million, respectively. The increase in cumulative accrued interest and penalties was primarily a result of an increase in interest accrual from various unrecognized tax benefit items.

The following table reconciles the beginning and ending balance of gross unrecognized tax benefits:

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Beginning balance	\$ 1,983	\$ 578	\$ 487
Lapse of statute of limitations	(12)	(8)	(10)
Increases in balances related to tax positions taken during prior periods (including those related to acquisitions made during the year)	47	1,325	94
Decreases in balances related to tax positions taken during prior periods	(32)	(1)	(40)
Increases in balances related to tax positions taken during current period	391	138	47
Decreases in balances related to settlement with taxing authorities	(121)	(49)	—
Ending balance	<u>\$ 2,256</u>	<u>\$ 1,983</u>	<u>\$ 578</u>

A portion of our unrecognized tax benefits will affect our effective tax rate if they are recognized upon favorable resolution of the uncertain tax positions. As of October 29, 2017, approximately \$2,388 million of the unrecognized tax benefits including accrued interest and penalties would affect our effective tax rate. As of October 30, 2016, approximately \$2,085 million of the unrecognized tax benefits including accrued interest and penalties would have affected our effective tax rate.

We are subject to Singapore income tax examination for fiscal years 2012 and later. Certain of our acquired companies are subject to tax examinations in major jurisdictions outside Singapore for fiscal years 2010 and later. It is possible that we may recognize up to \$8 million of our existing unrecognized tax benefits within the next 12 months as a result of lapses of statute of limitations for certain audit periods.

## 12. Segment Information

### Reportable Segments

We have four reportable segments: wired infrastructure, wireless communications, enterprise storage and industrial &



other. These segments align with our principal target markets. The segments represent components for which separate financial information is available that is utilized on a regular basis by the Chief Executive Officer of Broadcom, who has been identified as the Chief Operating Decision Maker, or the CODM, as defined by authoritative guidance on segment reporting, in determining how to allocate resources and evaluate performance. The segments are determined based on several factors, including client base, homogeneity of products, technology, delivery channels and similar economic characteristics.

**Wired Infrastructure.** We provide semiconductor solutions for enabling all types of set-top boxes and the digital subscriber line, or DSL, cable and fiber broadband access markets. We also provide a wide variety of semiconductor solutions which manage the movement of data in data center, telecommunication, enterprise and Small-and-Medium size Business/Remote-Office-Branch-Office, or SMB/ROBO networking applications. We offer complete system-on-chip, or SoC, platform solutions for cable, satellite, Internet Protocol, over-the-top and terrestrial STBs and SoC platform solutions for DSL, cable and fiber for both central office deployments and consumer premise equipment and routing products that are optimized for data center implementations, service provider networks, enterprise, and SMB/ROBO. We offer a broad set of standard Ethernet switching technology to deliver SoCs for high performance compute applications, we supply high speed Serializer/Deserializer technology integrated into application specific integrated circuits, or ASICs. In addition we provide physical layer devices which are transceivers that enable the reception and transmission of Ethernet data packets over a physical medium such as copper wire or optical fibers. We also supply optical laser and receiver components to the storage, Ethernet networking, access, metro and long-haul telecommunication markets.

**Wireless Communications.** We support the wireless communications industry with a broad variety of radio frequency, or RF, semiconductor devices that amplify, as well as selectively filter, RF signals. In addition to RF devices, we provide a variety of optoelectronic sensors for mobile handset applications. We also provide connectivity solutions that include discrete and integrated Wi-Fi and Bluetooth solutions, location controllers and touch controllers.

**Enterprise Storage.** Our enterprise storage products enable secure movement of digital data to and from host machines such as servers, personal computers and storage systems to the underlying storage devices such as hard disk drives, or HDDs and solid state drives, or SSDs. We provide read channel-based SoCs and preamplifiers to HDD original equipment manufacturers, or OEMs. In addition, we sell preamplifiers, which are used to amplify the initial signal to and from the drive disk heads so the signal can be processed by the read channel. We provide custom flash controllers to SSD OEMs, and Serial attached small computer system interface and Redundant Array of Independent Disks controller and adapter solutions to server and storage system OEMs. We provide Fibre Channel Host Bus Adapters, which connect host computers such as servers to Fibre Channel Storage Area Networks, or FC SANs. FC SANs are networks dedicated to storage traffic and enable simultaneous high speed and secure connections among multiple host computers and multiple storage arrays. We also provide interconnect semiconductors that support the Peripheral Component Interconnect Express communication standards.

**Industrial & Other.** We provide a broad variety of products for the general industrial and automotive markets. We offer optical isolators, or optocouplers, which provide electrical insulation and signal isolation. For industrial motors and robotic motion control, we supply optical encoders, as well as integrated circuits for the controller and decoder functions. For electronic signs and signals, we supply Light Emitting Diode assemblies that offer high brightness and stable light output over thousands of hours, enabling us to support traffic signals, large commercial signs and other displays. For industrial networking, we provide faster optical transceivers using plastic optical fiber that enable quick and interoperable networking and factory automation.

Our CODM assesses the performance of each segment and allocates resources to those segments based on net revenue and operating results and does not evaluate operating segments using discrete asset information. Operating results by segment include items that are directly attributable to each segment. Operating results by segment also include shared expenses from global operations, including manufacturing support, logistics and quality control, in addition to expenses associated with selling and general administrative activities for the business, which are allocated primarily based on revenue, while facilities expenses are primarily allocated based on site-specific headcount.

### **Unallocated Expenses**

Unallocated expenses include amortization of acquisition-related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, acquisition-related costs, including charges related to inventory step-up to fair value, litigation settlement charges, and other costs, which are not used in evaluating the results of, or in allocating resources to, our segments. Acquisition-related costs also include transaction costs and any costs directly related to the acquisition and integration of acquired businesses.

Depreciation expense directly attributable to each reportable segment is included in operating results for each segment. However, the CODM does not evaluate depreciation expense by operating segment and, therefore, it is not separately presented. There was no inter-segment revenue. The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Net revenue:			
Wired infrastructure	\$ 8,549	\$ 6,582	\$ 1,479
Wireless communications	5,404	3,724	2,536
Enterprise storage	2,799	2,291	2,180
Industrial & other	884	643	629
Total net revenue	\$ 17,636	\$ 13,240	\$ 6,824

<b>Operating income (loss):</b>			
Wired infrastructure	\$ 3,853	\$ 2,664	\$ 478
Wireless communications	2,155	1,282	1,202
Enterprise storage	1,527	995	855
Industrial & other	447	327	310
Unallocated expenses	(5,599)	(5,677)	(1,213)
Total operating income (loss)	<u>\$ 2,383</u>	<u>\$ (409)</u>	<u>\$ 1,632</u>

The following tables present net revenue and long-lived asset information based on geographic region. Net revenue is based on the geographic location of the distributors, OEMs or contract manufacturers who purchased our products, which may differ from the geographic location of the end customers. Long-lived assets include property, plant and equipment and are based on the physical location of the assets.

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Net revenue:			
China	\$ 9,460	\$ 7,184	\$ 3,675
United States	1,266	1,124	755
Singapore	323	250	208
Other	6,587	4,682	2,186
	\$ 17,636	\$ 13,240	\$ 6,824

	October 29, 2017	October 30, 2016
	(In millions)	
Long-lived assets:		
United States	\$ 1,822	\$ 1,917
Taiwan	268	186
Singapore	79	78
Other	430	328
	\$ 2,599	\$ 2,509

### Significant Customer Information

We sell our products through our direct sales force and a select network of distributors globally. One direct customer accounted for 17% and 18% of our net accounts receivable balance at October 29, 2017 and October 30, 2016, respectively. During fiscal years 2017 and 2016, one direct customer represented 14% of our net revenue in each period. The majority of the revenue from this customer was included in our wireless communications and wired infrastructure segments. This customer is a contract manufacturer for a number of OEMs.

### 13. Related Party Transactions

#### *Silicon Manufacturing Partners Pte. Ltd.*

We have a 51% equity interest in Silicon Manufacturing Partners Pte. Ltd., or SMP, a joint venture with GlobalFoundries. We have a take-or-pay agreement with SMP under which we have agreed to purchase 51% of the managed wafer capacity from SMP's integrated circuit manufacturing facility and GlobalFoundries has agreed to purchase the remaining managed wafer capacity. SMP determines its managed wafer capacity each year based on forecasts provided by us and GlobalFoundries. If we fail to purchase our required commitments, we will be required to pay SMP for the fixed costs associated with the unpurchased wafers. GlobalFoundries is similarly obligated with respect to the wafers allotted to it. The agreement may be terminated by either party upon two years written notice. The agreement may also be terminated for material breach, bankruptcy or insolvency. We purchased \$59 million, \$41 million and \$60 million of inventory from SMP for fiscal years 2017, 2016 and 2015, respectively. As of October 29, 2017, the amount payable to SMP was \$7 million.

During fiscal years 2017, 2016 or 2015, in the ordinary course of business, we purchased from, or sold to, several entities, for which one of our directors also serves or served as a director or entities that are otherwise affiliated with one of our directors.

	Fiscal Year		
	2017	2016	2015
	(In millions)		
Total net revenue	\$ 346	\$ 335	\$ 183
Total costs and expenses including inventory purchases	\$ 145	\$ 81	\$ 80
	October 29, 2017		October 30, 2016
	(In millions)		
Total receivables	\$ 31	\$ 15	
Total payables	\$ 12	\$ 7	

### 14. Commitments and Contingencies

#### *Commitments*

The following table summarizes contractual obligations and commitments as of October 29, 2017:

	Total	Fiscal Year					Thereafter
		2018	2019	2020	2021	2022	
		(In millions)					
Debt principal and interest	\$ 21,560	\$ 657	\$ 566	\$ 3,283	\$ 1,242	\$ 3,940	\$ 11,872
Purchase commitments	909	841	68	—	—	—	—
Other contractual commitments	272	111	94	60	7	—	—
Operating lease obligations	745	119	75	51	42	37	421
Capital lease obligations	21	21	—	—	—	—	—
Pension plan contributions	118	118	—	—	—	—	—
Total	<u>\$ 23,625</u>	<u>\$ 1,867</u>	<u>\$ 803</u>	<u>\$ 3,394</u>	<u>\$ 1,291</u>	<u>\$ 3,977</u>	<u>\$ 12,293</u>

*Debt Principal and Interest.* Represents principal and interest on borrowings under the Senior Notes and Assumed Senior Notes.

*Purchase Commitments.* Represents unconditional purchase obligations that include agreements to purchase goods or services, primarily inventory, that are enforceable and legally binding on us and that specify all significant terms, including fixed or minimum quantities to be purchased, fixed, minimum or variable price provisions, and the approximate timing of the transaction. Purchase obligations exclude agreements that are cancelable without penalty. Cancellation for outstanding purchase orders for capital expenditures in connection with internal fabrication facility expansion and construction of our new campuses is generally allowed but requires payment of all costs incurred through the date of cancellation and, therefore, cancelable purchase orders for these capital expenditures are included in the table above.

*Other Contractual Commitments.* Represents amounts payable pursuant to agreements related to information technology, or IT, human resources, financial infrastructure outsourcing services and other service agreements.

*Operating Lease Obligations.* Represents real property and equipment leased from third parties under non-cancelable operating leases. Rent expense was \$253 million, \$229 million and \$77 million for fiscal years 2017, 2016 and 2015, respectively.

*Capital Lease Obligations.* Represents equipment leased from third parties under non-cancelable capital leases.

*Pension Plan Contributions.* Represents our planned contributions to our pension plans. Although additional future contributions will be required, the amount and timing of these contributions will be affected by actuarial assumptions, the actual rate of returns on plan assets, the level of market interest rates, legislative changes and the amount of voluntary contributions to the plans. The amount shown in the table represents our planned contributions to our pension plans within a year. Because any contributions for fiscal year 2019 and later will depend on the value of the plan assets in the future and thus are uncertain, we have not included any amounts for fiscal year 2019 and beyond in the above table.

Due to the inherent uncertainty with respect to the timing of future cash outflows associated with our unrecognized tax benefits at October 29, 2017, we are unable to reliably estimate the timing of cash settlement with the respective taxing authority. Therefore, \$1,011 million of unrecognized tax benefits and accrued interest classified within other long-term liabilities on our consolidated balance sheet as of October 29, 2017 have been excluded from the contractual obligations table above.

### ***Standby Letters of Credit***

As of both October 29, 2017 and October 30, 2016, we had outstanding obligations relating to standby letters of credit of \$12 million. Standby letters of credit are financial guarantees provided by third parties for leases, customs, taxes and certain self-insured risks. If the guarantees are called, we must reimburse the provider of the guarantees. The fair values of the letters of credit approximate the contract amounts. The standby letters of credit generally renew annually.

### ***Contingencies***

From time to time, we are involved in litigation that we believe is of the type common to companies engaged in our line of business, including commercial disputes, employment issues and disputes involving claims by third parties that our activities infringe their patent, copyright, trademark or other intellectual property rights. Legal proceedings are often complex, may require the expenditure of significant funds and other resources, and the outcome of litigation is inherently uncertain, with material adverse outcomes possible. Intellectual property claims generally involve the demand by a third-party that we cease the manufacture, use or sale of the allegedly infringing products, processes or technologies and/or pay substantial damages or royalties for past, present and future use of the allegedly infringing intellectual property. Claims that our products or processes infringe or misappropriate any third-party intellectual property rights (including claims arising through our contractual indemnification of our customers) often involve highly complex, technical issues, the outcome of which is inherently uncertain. Moreover, from time to time we pursue litigation to assert our intellectual property rights. Regardless of the merit or resolution of any such litigation, complex intellectual property litigation is generally costly and diverts the efforts and attention of our management and technical personnel.

### ***Lawsuits Relating to the Acquisition of Brocade Communications Systems, Inc.***

On December 13, 2016, December 15, 2016, December 21, 2016, January 5, 2017 and January 18, 2017, six putative class action complaints were filed in the United States District Court for the Northern District of California, or the U.S. Northern District Court, captioned *Steinberg v. Brocade Communications Systems, Inc., et al.*, No. 3:16-cv-7081-EMC, *Gross v. Brocade Communications Systems, Inc., et al.*, No. 3:16-cv-7173-EJD, *Jha v. Brocade Communications Systems, Inc., et al.*, No. 3:16-cv-7270-HRL, *Bragan v. Brocade Communications Systems, Inc., et al.*, No. 3:16-cv-7271-JSD, *Chuakay v. Brocade Communications Systems, Inc., et al.*, No. 3:17-cv-0058-PJH, and *Mathew v. Brocade Communications Systems, Inc., et al.*, No. 3:16-cv-7271-HSG, respectively. The Steinberg, Bragan and Mathew complaints name as defendants Brocade Communications Systems Inc., or Brocade, the members of Brocade's board of directors, Broadcom, BRCM, and Merger Sub. The Gross, Jha and Chuakay complaints name as defendants Brocade and the members of Brocade's board of directors. All of the complaints assert claims under Sections 14(a) and 20(a) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and Rule 14a-9 promulgated thereunder. The complaints allege, among other things, that the board of directors of Brocade failed to provide material information and/or omitted material information from the Preliminary Proxy Statement filed with the SEC on December 6, 2016 by Brocade. The complaints seek to enjoin the closing of the transaction between Brocade and Broadcom, as well as certain other equitable and declaratory relief and attorneys' fees and costs. On January 10, 2017, January 27, 2017 and February 15, 2017, the U.S. Northern District Court granted motions to relate the cases, all of which are now related to the Steinberg action and before the Honorable Judge Edward Chen. On January 11, 2017, Plaintiff Jha filed a motion for a preliminary injunction, which was subsequently withdrawn on January 18, 2017. On February 6, 2017, Plaintiff

Gross voluntarily dismissed the Gross action without prejudice, which was ordered by the U.S. Northern District Court on February 15, 2017. On April 14, 2017, the U.S. Northern District Court granted the Motion for Consolidation, Appointment as Lead Plaintiff and Approval of Lead Plaintiff's Selection of Counsel filed by Plaintiff Giulio D. Cessario, a plaintiff in the Steinberg action, which consolidated these actions under the caption *In re Brocade Communications Systems, Inc. Securities Litigation*, Case No. 3:16-cv-07081-EMC. The U.S. Northern District Court has set this matter for an initial hearing on January 18, 2018. We believe these claims are all entirely without merit and intend to vigorously defend these actions.

#### ***Lawsuits Relating to Tessera, Inc.***

On May 23, 2016, Tessera Technologies, Inc., Tessera, Inc., or Tessera, and Invensas Corp., an affiliate of Tessera, or Invensas or collectively, the Complainants, filed a complaint to institute an investigation with the U.S. International Trade Commission, or the ITC. The Complainants allege infringement by Broadcom and our subsidiaries, BRCM, Avago and Avago Technologies U.S. Inc., or Avago U.S., or collectively, the Respondents, of three patents relating to semiconductor packaging and semiconductor manufacturing technology. The downstream respondents, which are customers of the Respondents, are Arista Networks, Inc., ARRIS International plc, ARRIS Group, Inc., ARRIS Technology, Inc., ARRIS Enterprises LLC, ARRIS Solutions, Inc., Pace Ltd., Pace Americas, LLC, Pace USA, LLC, ASUSTeK Computer Inc., ASUS Computer International, Comcast Cable Communications, LLC, Comcast Cable Communications Management, LLC, Comcast Business Communications, LLC, HTC Corporation, HTC America, Inc., NETGEAR, Inc., Technicolor S.A., Technicolor USA, Inc., and Technicolor Connected Home USA LLC, or collectively, the Downstream Respondents. On July 20, 2016, the ITC instituted the investigation, or the ITC Investigation. Complainants seek the following relief: (1) a permanent limited exclusion order excluding from importation into the U.S. all of the Respondents' semiconductor devices and semiconductor device packages and Downstream Respondents' products containing Respondents' semiconductor devices and semiconductor device packages that infringe one or more of the three patents subject to the ITC Investigation and (2) a permanent cease and desist order prohibiting the Respondents and Downstream Respondents and related companies from importing, marketing, advertising, demonstrating, warehousing inventory for distribution, offering for sale, selling, qualifying for use in the products of others, distributing, or using the Respondents' semiconductor devices and semiconductor device packages and Downstream Respondents' products containing Respondents' semiconductor devices and semiconductor device packages that infringe one or more of the three patents subject to the ITC Investigation. The ITC held the hearing in March 2017. On June 30, 2017, the administrative law judge issued an initial determination finding a violation with respect to U.S. Patent No. 6,849,946 and no violation with respect to U.S. Patent Nos. 6,133,136 and 6,856,007. The administrative law judge recommended that the ITC issue limited exclusion and cease and desist orders and recommended that we post a 100% import bond during the presidential review period. Broadcom and Downstream Respondents are petitioning for ITC review of the initial determination, and the ITC announced what issues it intends to review on September 29, 2017.

On May 23, 2016, Tessera and Invensas filed a complaint against BRCM in the U.S. District Court for the District of Delaware, Case No. 1-16-cv-00379, alleging infringement of the three patents subject to the ITC Investigation. The complaint seeks compensatory damages in an unspecified amount, as well as an award of reasonable attorneys' fees, interest, and costs.

On May 23, 2016, Tessera and Tessera Advanced Technologies, Inc. filed a complaint against BRCM in the U.S. District Court for the District of Delaware, Case No. 1-16-cv-00380, alleging infringement of four patents relating to semiconductor packaging and circuit technologies. On June 19, 2016, the complaint was amended to add three more patents relating to semiconductor packaging technologies for a total of seven patents in this matter. The complaint seeks compensatory damages in an unspecified amount, as well as an award of reasonable attorneys' fees, interest, and costs.

On May 23, 2016, Invensas filed a Writ of Summons against Broadcom, BRCM, Broadcom Netherlands B.V. and Broadcom Communications Netherlands B.V. in the Hague District Court in the Netherlands, Case No. L1422381, alleging infringement of a single European patent that is a foreign counterpart to one of the patents subject to the ITC Investigation, or the European Patent. The named defendants also include distributors EBV Elektronik GmbH, Arrow Central Europe GmbH, and Mouser Electronics Netherlands B.V. The requested relief includes a cease-and-desist order and damages in an unspecified amount.

On May 23, 2016, Invensas also filed a complaint against each of (i) Broadcom Germany GmbH and Broadcom's German distributors, Case No. 7 O 97/16, and (ii) Broadcom and BRCM, Case No. 7 O 98/16, in the Mannheim District Court in Germany, alleging infringement of the European Patent. The required relief includes damages in an unspecified amount and an injunction preventing the sale of the accused products. On February 3, 2017, the Mannheim District Court held a hearing to determine infringement. On March 17, 2017, the Mannheim District Court issued its ruling. The court found infringement in both cases and granted injunctions preventing the commercialization of certain Broadcom products in Germany. Broadcom is appealing the decision. On March 27, 2017, Broadcom filed a brief with the appellate court in Germany in Case No. 7 O 98/16 seeking: (1) reversal on the merits, (2) a higher bond for enforcement of the injunction, and (3) a stay of enforcement pending the nullity action. On May 22, 2017, Broadcom filed its appeal of Case No. 7 O 97/16 seeking (1) reversal on the merits and (2) a stay of enforcement. On June 1, 2017, the German appellate court denied Broadcom's request for a stay of enforcement in Case No. 7 O 98/16, but has not yet ruled on our appeal of the decision on the merits or the higher bond amount. In October

2017, the German Federal Patent Court issued a preliminary ruling that the European Patent should be found null and void. Invensas has ceased its enforcement of the injunction related to the European Patent.

On November 7, 2016, Invensas filed a complaint against Avago, Avago U.S., Emulex, LSI and PLX Technology, Inc., a subsidiary of Broadcom, or PLX, in the U.S. District Court for the District of Delaware, Case No. 1-16-cv-01033, alleging infringement of two of the patents subject to the ITC Investigation. The complaint seeks compensatory damages in an unspecified amount, as well as an award of reasonable attorneys' fees, interest, and costs.

On November 7, 2016, Tessera and Invensas filed a complaint against Avago, Avago U.S., and Avago Technologies Wireless (U.S.A.) Manufacturing Inc. in the U.S. District Court for the District of Delaware, Case No. 1-16-cv-01034, alleging infringement of two patents relating to semiconductor packaging technology. On January 31, 2017, Tessera and Invensas amended the complaint in this matter and added three additional patents related to semiconductor packaging technology, which are also at issue in case No. 1-16-cv-00379 pending in Delaware. The complaint seeks compensatory damages in an unspecified amount, as well as an award of reasonable attorneys' fees, interest, and costs.

On December 18, 2017, Broadcom and its subsidiaries entered into comprehensive settlement agreements and a patent license agreement with Tessera and its affiliates resolving all outstanding litigation. Pursuant to the agreements between the parties, the ITC investigation will be terminated, and all of the other litigations will be dismissed.

#### ***Law suits Relating to the Acquisition of BRCM***

Following the announcement of the Broadcom Merger, 11 putative class action complaints were filed by and purportedly on behalf of alleged BRCM shareholders. Two putative class action complaints, or the Federal Actions, were filed in the United States District Court for the Central District of California, or the U.S. Central District Court. One putative class action complaint was filed in the Superior Court of the State of California, County of Santa Clara and eight putative class action complaints were filed in the Superior Court of the State of California, County of Orange, or the State Actions. The Federal Actions and State Actions name as defendants, among other parties, BRCM, members of BRCM's board of directors and Avago, and allege, among other things, breaches of fiduciary duties and aiding and abetting those alleged breaches. Additionally, the Federal Actions allege violations of Sections 14(a) and 20(a) of the Exchange Act and SEC Rule 14-a9.

On January 15, 2016, lead plaintiffs in the Federal Actions filed a Second Amended Consolidated Class Action Complaint, or the Federal Consolidated Complaint, which names as defendants, among other parties, members of BRCM's board of directors and Avago, and alleges breaches of fiduciary duties and aiding and abetting those alleged breaches, as well as violation of Sections 14(a) and 20(a) of the Exchange Act and SEC Rule 14-a9.

On September 23, 2016, the parties entered into a Stipulation and Agreement of Compromise and Settlement, or the Stipulation, which has been filed with the U.S. Central District Court. Pursuant to the Stipulation, BRCM agreed to confirm certain facts concerning the Broadcom Merger. Additionally, defendants agreed to pay or cause to be paid attorneys' fees and expenses as may be awarded by the U.S. Central District Court to plaintiffs' counsel for their efforts in prosecuting the litigation, as well as the costs of administering the settlement. The Stipulation includes a release of all claims against defendants relating to or arising from the litigation. On December 2, 2016, the U.S. Central District Court granted preliminary approval of the settlement. On February 27, 2017, the U.S. Central District Court granted final approval of the settlement. On March 16, 2017, the State Actions were dismissed with prejudice pursuant to the settlement. The settlement did not have an impact on our financial statements.

We believe that the claims in the litigation, including the Federal Consolidated Complaint, were without merit and that no misconduct or damages occurred. Defendants entered into the settlement to eliminate the burden, distraction, and expense of further litigation.

#### ***Law suits Relating to the Acquisition of Emulex***

On March 3, 2015, two putative shareholder class action complaints were filed in the Court of Chancery of the State of Delaware, or the Delaware Court of Chancery, against Emulex, its directors, Avago Technologies Wireless (U.S.A.) Manufacturing Inc., or AT Wireless, and Emerald Merger Sub, Inc., or Emerald Merger Sub, captioned as follows: James Tullman v. Emulex Corporation, et al., Case No. 10743-VCL (Del. Ch.); Moshe Silver ACF/Yehudit Silver U/NY/UTMA v. Emulex Corporation, et al., Case No. 10744-VCL (Del. Ch.). On March 11, 2015, a third complaint was filed in the Delaware Court of Chancery, captioned Hoai Vu v. Emulex Corporation, et al., Case No. 10776-VCL (Del. Ch.). The complaints alleged, among other things, that Emulex's directors breached their fiduciary duties by approving the Agreement and Plan of Merger, dated February 25, 2015, by and among AT Wireless, Emerald Merger Sub and Emulex and that AT Wireless and Emerald Merger Sub aided and abetted these alleged breaches of fiduciary duty. The complaints sought, among other things, either to enjoin the transaction or to rescind it following its completion, as well as damages, including attorneys' and experts' fees. The Delaware Court of Chancery has entered an order consolidating the three Delaware actions under the caption In re Emulex Corporation



Stockholder Litigation, Consolidated C.A. No. 10743-VCL. On May 5, 2015, we completed our acquisition of Emulex. On June 5, 2015, the Court of Chancery dismissed the consolidated action without prejudice.

On April 8, 2015, a putative class action complaint was filed in the U.S. Central District Court, entitled Gary Varjabedian, et al. v. Emulex Corporation, et al., No. 8:15-cv-554-CJC-JCG. The complaint names as defendants Emulex, its directors, AT Wireless and Emerald Merger Sub, and purported to assert claims under Sections 14(d), 14(e) and 20(a) of the Exchange Act. The complaint alleged, among other things, that the board of directors of Emulex failed to provide material information and/or omitted material information from the Solicitation/Recommendation Statement on Schedule 14D-9 filed with the SEC on April 7, 2015 by Emulex, together with the exhibits and annexes thereto. The complaint sought to enjoin the tender offer to purchase all of the outstanding shares of Emulex common stock, as well as certain other equitable relief and attorneys' fees and costs. On July 28, 2015, the U.S. Central District Court issued an order appointing the lead plaintiff and approving lead counsel for the putative class. On September 9, 2015, plaintiff filed a first amended complaint seeking rescission of the merger, unspecified money damages, other equitable relief and attorneys' fees and costs. On October 13, 2015, defendants moved to dismiss the first amended complaint, which the U.S. Central District Court granted with prejudice on January 13, 2016. Plaintiff filed a notice of appeal to the United States Court of Appeals for the Ninth Circuit, or the Ninth Circuit Court, on January 15, 2016. The appeal is captioned Gary Varjabedian, et al. v. Emulex Corporation, et al., No. 16-55088. On June 27, 2016, the Plaintiff-Appellant filed his opening brief, on August 17 and August 22, 2016, the Defendants-Appellees filed their answering briefs, and on October 5, 2016 Plaintiff-Appellant filed his reply brief. The Ninth Circuit Court heard oral argument on October 5, 2017. We are unable to predict the date on which the Ninth Circuit Court will issue any decision at this time.

We believe these claims are all entirely without merit and intend to vigorously defend these actions.

#### ***Lawsuits Relating to the Acquisition of PLX***

In June and July 2014, four lawsuits were filed in the Superior Court for the State of California, County of Santa Clara, or the Superior Court, challenging our acquisition of PLX. On July 22, 2014, the Superior Court consolidated these California actions under the caption In re PLX Technology, Inc. S'holder Litig., Lead Case No. 1-14-CV-267079 (Cal. Super. Ct., Santa Clara) and appointed lead counsel. That same day, the Superior Court also stayed the consolidated action, pending resolution of related actions filed in the Delaware Court of Chancery, described below.

Also in June and July 2014, five similar lawsuits were filed in the Delaware Court of Chancery. On July 21, 2014, the Delaware Court of Chancery consolidated these Delaware actions under the caption In re PLX Technology, Inc. Stockholders Litigation, Consol. C.A. No. 9880-VCL (Del. Ch.), appointed lead plaintiffs and lead counsel, and designated an operative complaint for the consolidated action. On July 31, 2014, counsel for lead plaintiffs in Delaware informed the Delaware Court of Chancery that they would not seek a preliminary injunction, but intend to seek damages and pursue monetary remedies through post-closing litigation. Our acquisition of PLX closed on August 12, 2014.

On October 31, 2014, lead plaintiffs filed a consolidated amended complaint. This complaint alleges, among other things, that PLX's directors breached their fiduciary duties to PLX's stockholders by seeking to sell PLX for an inadequate price, pursuant to an unfair process, and by agreeing to preclusive deal protections in the merger agreement. Plaintiffs also allege that Potomac Capital Partners II, L.P., Deutsche Bank Securities, AT Wireless and Pluto Merger Sub, Inc., the acquisition subsidiary, aided and abetted the alleged fiduciary breaches. Plaintiffs also allege that PLX's Solicitation/Recommendation statement on Schedule 14D-9, as filed with the SEC, contained false and misleading statements and/or omitted material information necessary to inform the shareholder vote. The plaintiffs seek, among other things, monetary damages and attorneys' fees and costs. On September 3, 2015, the Delaware Court of Chancery granted motions to dismiss filed by AT Wireless, the acquisition subsidiary and two PLX directors, and denied motions to dismiss filed by several other PLX directors, Potomac Capital Partners II, L.P. and Deutsche Bank Securities.

On August 17, 2016, the five remaining PLX director-defendants and Deutsche Bank Securities entered into a stipulation of partial settlement to resolve claims against all of the former PLX directors and Deutsche Bank Securities asserted in the Delaware class action. The partial settlement also provides for a release of all potential claims against AT Wireless, Pluto Merger Sub, Avago and PLX. Defendant Potomac Capital Partners II, L.P. is not a party to the settlement. This partial settlement was approved by the Delaware Court of Chancery on December 20, 2016.

The Delaware class litigation is on-going. On November 9, 2016, the sole remaining defendant, Potomac Capital Partners II, L.P., filed cross-claims against the named individual director defendants and Deutsche Bank Securities for contribution. Under various contracts and statutes, PLX may owe indemnification to each of these parties. The cross-claims are now barred according to the terms of the approved partial settlement, although Potomac Capital Partners II, L.P. might be entitled to an offset (based on contributory fault) of any damages it might owe to the class.

#### ***Other Matters***

In addition to the matters discussed above, we are currently engaged in a number of legal actions in the ordinary course



of our business.

We do not believe, based on currently available facts and circumstances, that the final outcome of any pending legal proceedings, taken individually or as a whole, will have a material adverse effect on our financial condition, results of operations or cash flows. However, lawsuits may involve complex questions of fact and law and may require the expenditure of significant funds and other resources to defend. The results of litigation are inherently uncertain, and material adverse outcomes are possible. From time to time, we may enter into confidential discussions regarding the potential settlement of such lawsuits. Any settlement of pending litigation could require us to incur substantial costs and other ongoing expenses, such as future royalty payments in the case of an intellectual property dispute.

During the periods presented, no material amounts have been accrued or disclosed in the accompanying consolidated financial statements with respect to loss contingencies associated with any other legal proceedings, as potential losses for such matters are not considered probable and ranges of losses are not reasonably estimable. These matters are subject to many uncertainties and the ultimate outcomes are not predictable. There can be no assurances that the actual amounts required to satisfy any liabilities arising from the matters described above will not have a material adverse effect on our results of operations, financial position or cash flows.

#### ***Other Indemnifications***

As is customary in our industry and as provided for in local law in the United States and other jurisdictions, many of our standard contracts provide remedies to our customers and others with whom we enter into contracts, such as defense, settlement, or payment of judgment for intellectual property claims related to the use of our products. From time to time, we indemnify customers, as well as our suppliers, contractors, lessors, lessees, companies that purchase our businesses or assets and others with whom we enter into contracts, against combinations of loss, expense, or liability arising from various triggering events related to the sale and the use of our products, the use of their goods and services, the use of facilities and state of our owned facilities, the state of the assets and businesses that we sell and other matters covered by such contracts, usually up to a specified maximum amount. In addition, from time to time we also provide protection to these parties against claims related to undiscovered liabilities, additional product liabilities or environmental obligations. In our experience, claims made under such indemnifications are rare and the associated estimated fair value of the liability is not material.

### **15. Restructuring, Impairment and Disposal Charges**

#### ***Restructuring Charges***

The following is a summary of significant restructuring expense recognized in continuing operations, primarily operating expenses, for the periods specified below:

- In connection with the Broadcom Merger, we began the implementation of cost reduction activities, including the elimination of a total of approximately 3,700 positions from our workforce across all business and functional areas on a global basis. During fiscal years 2017 and 2016, we recognized \$86 million and \$418 million of employee termination costs and \$38 million and \$29 million for lease and other exits costs, respectively. As of October 29, 2017, we were substantially complete with the restructuring activities related to the Broadcom Merger.
- In fiscal year 2015, we recognized \$60 million of employee termination costs and \$17 million for lease and other exit costs in connection with the Emulex and LSI acquisitions.

	Employee Termination Costs	Lease and Other Exit Costs	Total
	(In millions)		
Balance as of November 2, 2014	\$ 34	\$ 6	\$ 40
Restructuring charges (a)	65	30	95
Utilization	(86)	(23)	(109)
Balance as of November 1, 2015	13	13	26
Liabilities assumed in the Broadcom Merger	2	13	15
Restructuring charges (a)	445	37	482
Utilization	(344)	(28)	(372)
Balance as of October 30, 2016	116	35	151
Restructuring charges (a)	86	43	129
Utilization	(174)	(61)	(235)
Balance as of October 29, 2017 (b)	\$ 28	\$ 17	\$ 45

(a) Included \$5 million, \$35 million and \$12 million of restructuring charges related to discontinued operations recognized during fiscal years 2017, 2016 and 2015, respectively, which was included in loss from discontinued operations, net of income taxes in our consolidated statements of operations.

(b) The majority of the employee termination costs balance is expected to be paid by the first quarter of fiscal year 2018. The leases and other exit costs balance is expected to be paid during the remaining terms of the leases, which extend through fiscal year 2025.

### **Impairment and Disposal Charges**

During fiscal year 2017, we recorded impairment and disposal charges of \$56 million for the impairment of property, plant and equipment and IPR&D projects.

During fiscal year 2016, we recorded \$417 million of impairment charges in our wireless communications segment and wired infrastructure segment for IPR&D projects which were abandoned as a result of the integration of BRCM. In addition, we recorded impairment charges of \$173 million primarily for property, plant and equipment acquired through the Broadcom Merger and a \$16 million loss on disposal of these assets.

During fiscal year 2015, we realigned certain product groups within our wired infrastructure segment and agreed to sell certain fiber optics subsystem assets to a third party, resulting in a \$61 million loss to write these assets down to fair value less costs to sell.

### **16. Condensed Consolidating Financial Information**

On January 9, 2017, the Subsidiary Issuers, issued an aggregate principal amount of \$13,550 million of January 2017 Senior Notes, in a private placement transaction.

On October 17, 2017, the Subsidiary Issuers issued an aggregate principal amount of \$4,000 million of October 2017 Senior Notes, in a private placement transaction. The Senior Notes are discussed in further detail in Note 8. "Borrowings."

Each series of Senior Notes is fully and unconditionally guaranteed, jointly and severally, on an unsecured, unsubordinated basis by the Guarantors, subject to certain release conditions described in the respective Indentures and below.

The guarantee by Broadcom will be automatically and unconditionally released (solely in the case of clauses (1) or (2) below) and the guarantee by the Partnership may be unconditionally released in the events of (1) sale, exchange, disposition or other transfer of all or substantially all of Guarantors' assets, (2) the Issuers' exercise of their legal defeasance option or covenant defeasance options or if the Issuers' obligations under the indenture are satisfied and discharged or (3) release of obligations under the Senior Notes. The Parent Guarantor's guarantee may also be released under other circumstances described in the Indentures.

The Subsidiary Issuers are 100% owned by the Partnership. Our other subsidiaries, collectively, the Non-Guarantor Subsidiaries, do not guarantee the Senior Notes.

Under the terms of registration rights agreements entered into in connection with the Notes, the Subsidiary Issuers, Parent Guarantor, and Broadcom agreed to file a registration statement with the SEC for an offer to exchange new senior

notes of the Issuers which are registered with the SEC and guaranteed by the Guarantors for the Issuers' outstanding unregistered senior notes. This exchange is currently expected to be completed during the first half of fiscal year 2018.

The following information sets forth the consolidating financial information as of October 29, 2017 and October 30, 2016 and for the fiscal years ended October 29, 2017, October 30, 2016 and November 1, 2015 for the Parent Guarantor, Subsidiary Issuers, and Non-Guarantor Subsidiaries. Investments in subsidiaries are accounted for under the equity method; accordingly, entries necessary to consolidate the Parent Guarantor and all of our guarantor and non-guarantor subsidiaries are reflected in the eliminations column. In the opinion of management, separate complete financial statements of the Subsidiary Issuers would not provide additional material information that would be useful in assessing their financial composition.

**Condensed Consolidating Balance Sheet**

**October 29, 2017**

	<b>Parent Guarantor</b>	<b>Subsidiary Issuers</b>	<b>Non-Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated Totals</b>
<b>(in millions)</b>					
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 7	\$ 7,555	\$ 3,455	\$ —	\$ 11,017
Trade accounts receivable, net	—	—	2,448	—	2,448
Inventory	—	—	1,447	—	1,447
Intercompany receivable	33	279	309	(621)	—
Intercompany loan receivable	28	1,891	8,849	(10,768)	—
Other current assets	84	350	374	—	808
Total current assets	152	10,075	16,882	(11,389)	15,720
Property, plant and equipment, net	—	207	2,392	—	2,599
Goodwill	—	1,360	23,346	—	24,706
Intangible assets, net	—	—	10,832	—	10,832
Investment in subsidiaries	23,112	28,049	43,450	(94,611)	—
Intercompany loan receivable, long-term	—	41,547	—	(41,547)	—
Other long-term assets	—	213	245	—	458
Total assets	\$ 23,264	\$ 81,451	\$ 97,147	\$ (147,547)	\$ 54,315
<b>LIABILITIES AND PARTNERS' CAPITAL/SHAREHOLDERS' EQUITY</b>					
Current liabilities:					
Accounts payable	\$ 7	\$ 72	\$ 1,026	\$ —	\$ 1,105
Employee compensation and benefits	—	274	352	—	626
Current portion of long-term debt	—	117	—	—	117
Intercompany payable	124	186	311	(621)	—
Intercompany loan payable	50	8,799	1,919	(10,768)	—
Other current liabilities	—	254	427	—	681
Total current liabilities	181	9,702	4,035	(11,389)	2,529
Long-term liabilities:					
Long-term debt	—	17,431	—	—	17,431
Deferred tax liabilities	—	10,293	(274)	—	10,019
Pension and post-retirement benefit obligations	—	—	112	—	112
Intercompany loan payable, long-term	—	—	41,547	(41,547)	—
Unrecognized tax benefits	—	497	514	—	1,011
Other long-term liabilities	—	76	54	—	130
Total liabilities	181	37,999	45,988	(52,936)	31,232
Total partners' capital/shareholders' equity	23,083	43,452	51,159	(94,611)	23,083
Total liabilities and partners' capital/shareholders' equity	\$ 23,264	\$ 81,451	\$ 97,147	\$ (147,547)	\$ 54,315

**Condensed Consolidating Balance Sheet**

**October 30, 2016**

	<b>Parent Guarantor</b>	<b>Subsidiary Issuers</b>	<b>Non-Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated Totals</b>
<b>(in millions)</b>					
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ —	\$ 1,092	\$ 1,952	\$ —	\$ 3,044
Trade accounts receivable, net	—	96	2,085	—	2,181
Inventory	—	4	1,396	—	1,400
Intercompany receivable	32	1,170	259	(1,461)	—
Intercompany loan receivable	410	1,188	3,034	(4,632)	—
Other current assets	59	73	368	—	500
Total current assets	501	3,623	9,094	(6,093)	7,125
Property, plant and equipment, net	—	270	2,239	—	2,509
Goodwill	—	1,392	23,340	—	24,732
Intangible assets, net	—	606	14,462	—	15,068
Investment in subsidiaries	21,886	69,470	47,534	(138,890)	—
Intercompany loan receivable, long-term	—	62	7,964	(8,026)	—
Other long-term assets	—	32	500	—	532
Total assets	\$ 22,387	\$ 75,455	\$ 105,133	\$ (153,009)	\$ 49,966
<b>LIABILITIES AND PARTNERS' CAPITAL/SHAREHOLDERS' EQUITY</b>					
Current liabilities:					
Accounts payable	\$ 4	\$ 111	\$ 1,146	\$ —	\$ 1,261
Employee compensation and benefits	6	219	292	—	517
Current portion of long-term debt	—	318	136	—	454
Intercompany payable	72	216	1,173	(1,461)	—
Intercompany loan payable	429	2,748	1,455	(4,632)	—
Other current liabilities	—	267	579	—	846
Total current liabilities	511	3,879	4,781	(6,093)	3,078
Long-term liabilities:					
Long-term debt	—	5,470	7,718	—	13,188
Deferred tax liabilities	—	10,230	57	—	10,287
Pension and post-retirement benefit obligations	—	—	531	—	531
Intercompany loan payable, long-term	—	7,964	62	(8,026)	—
Unrecognized tax benefits	—	342	551	—	893
Other long-term liabilities	—	44	69	—	113
Total liabilities	511	27,929	13,769	(14,119)	28,090
Total partners' capital/shareholders' equity	21,876	47,526	91,364	(138,890)	21,876
Total liabilities and partners' capital/shareholders' equity	\$ 22,387	\$ 75,455	\$ 105,133	\$ (153,009)	\$ 49,966

Condensed Consolidating Statements of Operations and Comprehensive Income					
Fiscal Year Ended					
	October 29, 2017				
	Parent Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
	(in millions)				
Net revenue	\$ —	\$ 73	\$ 17,563	\$ —	\$ 17,636
Intercompany revenue	—	2,046	8	(2,054)	—
Total revenue	—	2,119	17,571	(2,054)	17,636
Cost of products sold:					
Cost of products sold	—	154	6,439	—	6,593
Intercompany cost of products sold	—	(12)	174	(162)	—
Purchase accounting effect on inventory	—	—	4	—	4
Amortization of acquisition-related intangible assets	—	7	2,504	—	2,511
Restructuring charges	—	5	14	—	19
Total cost of products sold	—	154	9,135	(162)	9,127
Gross margin	—	1,965	8,436	(1,892)	8,509
Research and development	—	1,490	1,802	—	3,292
Intercompany operating expense	—	(66)	1,958	(1,892)	—
Selling, general and administrative	23	339	425	—	787
Amortization of acquisition-related intangible assets	—	7	1,757	—	1,764
Restructuring, impairment and disposal charges	—	54	107	—	161
Litigation settlements	—	—	122	—	122
Total operating expenses	23	1,824	6,171	(1,892)	6,126
Operating income (loss)	(23)	141	2,265	—	2,383
Interest expense	—	(411)	(43)	—	(454)
Intercompany interest expense	(12)	(274)	(1,420)	1,706	—
Loss on extinguishment of debt	—	(59)	(107)	—	(166)
Other income, net	2	30	30	—	62
Intercompany interest income	1	1,425	280	(1,706)	—
Intercompany other income (expense), net	1,390	(589)	(801)	—	—
Income from continuing operations before income taxes and earnings in subsidiaries	1,358	263	204	—	1,825
Provision for (benefit from) income taxes	—	67	(32)	—	35
Income from continuing operations before earnings in subsidiaries	1,358	196	236	—	1,790
Earnings in (loss from) subsidiaries	426	(2,279)	(2,097)	3,950	—
Income (loss) from continuing operations and earnings (loss) in subsidiaries	1,784	(2,083)	(1,861)	3,950	1,790
Income (loss) from discontinued operations, net of income taxes	—	(13)	7	—	(6)
Net income (loss)	<u>\$ 1,784</u>	<u>\$ (2,096)</u>	<u>\$ (1,854)</u>	<u>\$ 3,950</u>	<u>\$ 1,784</u>
Net income (loss)	\$ 1,784	\$ (2,096)	\$ (1,854)	\$ 3,950	\$ 1,784
Other comprehensive income, net of tax:					
Unrealized gain on defined benefit pension plans and post-retirement benefit plans	—	—	42	—	42
Reclassification to net income (loss)	—	—	1	—	1
Other comprehensive income	—	—	43	—	43
Comprehensive income (loss)	<u>\$ 1,784</u>	<u>\$ (2,096)</u>	<u>\$ (1,811)</u>	<u>\$ 3,950</u>	<u>\$ 1,827</u>

**Condensed Consolidating Statements of Operations and Comprehensive Loss**

	Fiscal Year Ended				
	October 30, 2016				
	Parent Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
	(in millions)				
Net revenue	\$ —	\$ 402	\$ 12,838	\$ —	\$ 13,240
Intercompany revenue	—	353	55	(408)	—
Total revenue	—	755	12,893	(408)	13,240
Cost of products sold:					
Cost of products sold	—	237	5,058	—	5,295
Intercompany cost of products sold	—	(149)	557	(408)	—
Purchase accounting effect on inventory	—	15	1,170	—	1,185
Amortization of acquisition-related intangible assets	—	14	749	—	763
Restructuring charges	—	36	21	—	57
Total cost of products sold	—	153	7,555	(408)	7,300
Gross margin	—	602	5,338	—	5,940
Research and development	—	1,237	1,437	—	2,674
Intercompany operating expense	—	(1,337)	1,337	—	—
Selling, general and administrative	41	254	511	—	806
Amortization of acquisition-related intangible assets	—	82	1,791	—	1,873
Restructuring, impairment and disposal charges	—	309	687	—	996
Total operating expenses	41	545	5,763	—	6,349
Operating income (loss)	(41)	57	(425)	—	(409)
Interest expense	—	(312)	(273)	—	(585)
Intercompany interest expense	(3)	(262)	(3)	268	—
Loss on extinguishment of debt	—	(113)	(10)	—	(123)
Other income (expense), net	—	(27)	37	—	10
Intercompany interest income	1	2	265	(268)	—
Intercompany other income (expense), net	753	(277)	(476)	—	—
Income (loss) from continuing operations before income taxes	710	(932)	(885)	—	(1,107)
Provision for income taxes	—	447	195	—	642
Income (loss) from continuing operations, before earnings in subsidiaries	710	(1,379)	(1,080)	—	(1,749)
Loss from subsidiaries	(2,571)	(3,600)	(5,516)	11,687	—
Loss from continuing operations and loss from subsidiaries	(1,861)	(4,979)	(6,596)	11,687	(1,749)
Income (loss) from discontinued operations, net of income taxes	—	(158)	46	—	(112)
Net loss	<u>\$ (1,861)</u>	<u>\$ (5,137)</u>	<u>\$ (6,550)</u>	<u>\$ 11,687</u>	<u>\$ (1,861)</u>
Net loss	\$ (1,861)	\$ (5,137)	\$ (6,550)	\$ 11,687	\$ (1,861)
Other comprehensive loss, net of tax:					
Unrealized loss on defined benefit pension plans and post-retirement benefit plans	—	—	(65)	—	(65)
Reclassification to net loss	—	—	4	—	4
Other comprehensive loss	—	—	(61)	—	(61)
Comprehensive loss	<u>\$ (1,861)</u>	<u>\$ (5,137)</u>	<u>\$ (6,611)</u>	<u>\$ 11,687</u>	<u>\$ (1,922)</u>



	Condensed Consolidating Statements of Operations and Comprehensive Income					
	Fiscal Year Ended					
	November 1, 2015					
	Parent Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals	
	(in millions)					
Net revenue	\$ —	\$ —	\$ 6,824	\$ —	\$ 6,824	
Cost of products sold:						
Cost of products sold	—	—	2,750	—	2,750	
Purchase accounting effect on inventory	—	—	30	—	30	
Amortization of acquisition-related intangible assets	—	—	484	—	484	
Restructuring charges	—	—	7	—	7	
Total cost of products sold	—	—	3,271	—	3,271	
Gross margin	—	—	3,553	—	3,553	
Research and development	—	—	1,049	—	1,049	
Selling, general and administrative	—	—	486	—	486	
Amortization of acquisition-related intangible assets	—	—	249	—	249	
Restructuring, impairment and disposal charges	—	—	137	—	137	
Total operating expenses	—	—	1,921	—	1,921	
Operating income	—	—	1,632	—	1,632	
Interest expense	—	—	(191)	—	(191)	
Loss on extinguishment of debt	—	—	(10)	—	(10)	
Other income, net	—	—	36	—	36	
Income from continuing operations before income taxes	—	—	1,467	—	1,467	
Provision for income taxes	—	—	76	—	76	
Income from continuing operations	—	—	1,391	—	1,391	
Loss from discontinued operations, net of income taxes	—	—	(27)	—	(27)	
Net income	\$ —	\$ —	\$ 1,364	\$ —	\$ 1,364	
Net income	\$ —	\$ —	\$ 1,364	\$ —	\$ 1,364	
Other comprehensive loss, net of tax:						
Unrealized loss on defined benefit pension plans and post-retirement benefit plans	—	—	(24)	—	(24)	
Reclassification to net income	—	—	1	—	1	
Other comprehensive loss	—	—	(23)	—	(23)	
Comprehensive income	\$ —	\$ —	\$ 1,341	\$ —	\$ 1,341	

**Condensed Consolidating Statements of Cash Flows**

	Fiscal Year Ended				
	October 29, 2017				
	Parent Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
	(in millions)				
<b>Cash flows from operating activities:</b>					
Net income (loss)	\$ 1,784	\$ (2,096)	\$ (1,854)	\$ 3,950	\$ 1,784
Adjustments to reconcile net income (loss) to net cash provided by operating activities	(1,980)	4,804	5,729	(3,786)	4,767
<b>Net cash provided by (used in) operating activities</b>	<b>(196)</b>	<b>2,708</b>	<b>3,875</b>	<b>164</b>	<b>6,551</b>
<b>Cash flows from investing activities:</b>					
Intercompany contributions paid	(40)	—	(41)	81	—
Distributions received from subsidiaries	1,834	—	1,858	(3,692)	—
Net change in intercompany loans	410	(286)	5,664	(5,788)	—
Acquisitions of businesses, net of cash acquired	—	—	(40)	—	(40)
Proceeds from sale of businesses	—	—	10	—	10
Purchases of property, plant and equipment	—	(254)	(841)	26	(1,069)
Proceeds from disposals of property, plant and equipment	—	25	442	(26)	441
Purchases of investments	—	(200)	(7)	—	(207)
Proceeds from sales and maturities of investments	—	200	—	—	200
Other	—	—	(9)	—	(9)
<b>Net cash provided by (used in) investing activities</b>	<b>2,204</b>	<b>(515)</b>	<b>7,036</b>	<b>(9,399)</b>	<b>(674)</b>
<b>Cash flows from financing activities:</b>					
Intercompany contributions received	—	205	40	(245)	—
Dividends and distributions paid	(1,848)	(1,834)	(1,858)	3,692	(1,848)
Net intercompany borrowings	(379)	(5,797)	388	5,788	—
Proceeds from issuance of long-term debt	—	17,426	—	—	17,426
Repayment of debt	—	(5,704)	(7,964)	—	(13,668)
Payment of debt issuance costs	—	(24)	—	—	(24)
Capital transactions with General Partner	226	—	—	—	226
Payment of capital lease obligations	—	(2)	(14)	—	(16)
<b>Net cash provided by (used in) financing activities</b>	<b>(2,001)</b>	<b>4,270</b>	<b>(9,408)</b>	<b>9,235</b>	<b>2,096</b>
Net change in cash and cash equivalents	7	6,463	1,503	—	7,973
Cash and cash equivalents at the beginning of period	—	1,092	1,952	—	3,044
Cash and cash equivalents at end of period	<u>\$ 7</u>	<u>\$ 7,555</u>	<u>\$ 3,455</u>	<u>\$ —</u>	<u>\$ 11,017</u>

**Condensed Consolidating Statements of Cash Flows**

	Fiscal Year Ended				
	October 30, 2016				
	Parent Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
	(in millions)				
<b>Cash flows from operating activities:</b>					
Net loss	\$ (1,861)	\$ (5,137)	\$ (6,550)	\$ 11,687	\$ (1,861)
Adjustments to reconcile net loss to net cash provided by operating activities	1,818	4,869	9,931	(11,346)	5,272
<b>Net cash provided by (used in) operating activities</b>	<b>(43)</b>	<b>(268)</b>	<b>3,381</b>	<b>341</b>	<b>3,411</b>
<b>Cash flows from investing activities:</b>					
Intercompany contributions paid	(35)	(7,400)	(4,970)	12,405	—
Distributions received from subsidiaries	250	356	250	(856)	—
Net change in intercompany loans	—	(102)	(10,587)	10,689	—
Acquisitions of businesses, net of cash acquired	—	(10,965)	910	—	(10,055)
Proceeds from sale of businesses	—	58	840	—	898
Purchases of property, plant and equipment	—	(80)	(643)	—	(723)
Proceeds from disposals of property, plant and equipment	—	—	5	—	5
Purchases of investments	—	—	(58)	—	(58)
Proceeds from sales and maturities of investments	—	13	91	—	104
Other	—	(2)	(9)	—	(11)
<b>Net cash provided by (used in) investing activities</b>	<b>215</b>	<b>(18,122)</b>	<b>(14,171)</b>	<b>22,238</b>	<b>(9,840)</b>
<b>Cash flows from financing activities:</b>					
Intercompany contributions received	—	5,310	7,435	(12,745)	—
Dividends and distributions paid	(628)	(250)	(728)	856	(750)
Net intercompany borrowings	286	10,301	103	(10,690)	—
Proceeds from issuance of long-term debt	—	9,551	9,959	—	19,510
Debt repayments	—	(3,883)	(5,959)	—	(9,842)
Payment of assumed debt	—	(1,475)	—	—	(1,475)
Payment of debt issuance costs	—	(77)	(46)	—	(123)
Issuance of ordinary shares	—	—	72	—	72
Capital transactions with General Partner	170	—	—	—	170
Excess tax benefits from share-based compensation	—	5	84	—	89
<b>Net cash provided by (used in) financing activities</b>	<b>(172)</b>	<b>19,482</b>	<b>10,920</b>	<b>(22,579)</b>	<b>7,651</b>
Net change in cash and cash equivalents	—	1,092	130	—	1,222
Cash and cash equivalents at the beginning of period	—	—	1,822	—	1,822
Cash and cash equivalents at end of period	<u>\$ —</u>	<u>\$ 1,092</u>	<u>\$ 1,952</u>	<u>\$ —</u>	<u>\$ 3,044</u>

# Condensed Consolidating Statements of Cash Flows

	Fiscal Year Ended				
	November 1, 2015				
	Parent Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
	(in millions)				
<b>Cash flows from operating activities:</b>					
Net income	\$ —	\$ —	\$ 1,364	\$ —	\$ 1,364
Total adjustments to reconcile net income to net cash provided by operating activities	—	—	954	—	954
<b>Net cash provided by operating activities</b>	—	—	2,318	—	2,318
<b>Cash flows from investing activities:</b>					
Acquisitions of businesses, net of cash acquired	—	—	(394)	—	(394)
Proceeds from sales of businesses	—	—	650	—	650
Purchases of property, plant and equipment	—	—	(593)	—	(593)
Proceeds from disposals of property, plant and equipment	—	—	110	—	110
Purchases of investments	—	—	(14)	—	(14)
<b>Net cash used in investing activities</b>	—	—	(241)	—	(241)
<b>Cash flows from financing activities:</b>					
Debt repayments	—	—	(1,639)	—	(1,639)
Payments of assumed debt	—	—	(178)	—	(178)
Dividend and distribution payments	—	—	(408)	—	(408)
Issuance of ordinary shares	—	—	241	—	241
Excess tax benefits from share-based compensation	—	—	125	—	125
<b>Net cash used in financing activities</b>	—	—	(1,859)	—	(1,859)
Net change in cash and cash equivalents	—	—	218	—	218
Cash and cash equivalents at the beginning of period	—	—	1,604	—	1,604
Cash and cash equivalents at end of period	\$ —	\$ —	\$ 1,822	\$ —	\$ 1,822

## 17. Subsequent Events

### U.S. 2017 Tax Reform Act

On December 20, 2017, the Tax Cuts and Jobs Act, or the 2017 Tax Reform Act, was approved by Congress and is pending presidential approval. In general, the 2017 Tax Reform Act reduces the U.S. corporate income tax rate from 35% to 21%, effective in 2018. The 2017 Tax Reform Act moves from worldwide business taxation to a participation exemption regime. The 2017 Tax Reform Act also imposes base-erosion measures on non-U.S. earnings of U.S. entities, as well as a one-time mandatory deemed repatriation tax on accumulated non-U.S. earnings of U.S. entities. The base-erosion prevention measures will have the effect of subjecting non-U.S. earnings of U.S. entities to taxation in the United States at an effective rate that is expected to be substantially lower than 21%. The 2017 Tax Reform Act will affect the tax position and cash taxes of our U.S. entities and will have a corresponding impact on our consolidated financial results starting in the first quarter of our fiscal year 2018.

### Acquisition of Brocade Communications Systems, Inc.

On November 17, 2017, or the Brocade Acquisition Date, pursuant to the Agreement and Plan of Merger, by and among Broadcom, BRCM, Brocade, and Bobcat Merger Sub, Inc., or Merger Sub, which BRCM subsequently assigned to LSI on December 18, 2016, Merger Sub merged with and into Brocade with Brocade as the surviving corporation, or the Brocade Merger. As a result of the Brocade Merger, and Brocade stockholders who did not perfect their appraisal rights with respect to the Brocade Merger received, in aggregate, approximately \$5.3 billion in cash in exchange for all shares of Brocade common stock issued and outstanding immediately prior to the effective time of the Brocade Merger. We also paid \$701 million to retire Brocade's term loan. In addition, we assumed certain vested (to the extent not in-the-money) and all unvested Brocade stock options, RSUs, and performance stock units, or PSUs, held by continuing employees and service providers. All vested in-the-money Brocade stock options, after giving effect to any acceleration, and all other RSUs and PSUs were cashed out upon the Brocade Merger. As a result of the Brocade Merger, Brocade became an indirect subsidiary of the Partnership.

Brocade was a leading supplier of networking hardware, software and services, including FC SAN solutions and Internet Protocol Networking, or IP Networking, solutions. We acquired Brocade to enhance our position as a leading provider of enterprise storage connectivity solutions and, with a broader portfolio for enterprise storage, to increase our ability to address the evolving needs of our OEM customers.

The aggregate consideration for the Brocade Merger consisted of the following:

	(In millions)
Cash for outstanding Brocade common stock	\$ 5,298
Cash paid by Broadcom to retire Brocade's term loan	701
Cash for vested Brocade equity awards	28
Fair value of partially vested assumed equity awards	23
<b>Total purchase consideration</b>	<b>\$ 6,050</b>

We financed the Brocade Merger with the net proceeds from the issuance of the October 2017 Senior Notes, as discussed in further detail in Note 8. "Borrowings," as well as cash on hand of the combined companies.

We are currently evaluating the purchase price allocation following the consummation of the Brocade Merger. It is not practicable to disclose the preliminary purchase price allocation or unaudited pro forma combined financial information for this transaction, given the short period of time between the acquisition date and the issuance of these consolidated financial statements.

#### ***Divestiture of Brocade's IP Networking Business***

Following the Brocade Merger, on December 1, 2017, we sold Brocade's IP Networking business, including the Ruckus Wireless and ICX Switch businesses, to ARRIS International plc for cash consideration of \$800 million, plus unvested assumed employee stock awards.

#### ***Sale of Brocade's San Jose Headquarters***

On November 30, 2017, we completed the sale of Brocade's San Jose, California headquarters for \$225 million.

#### ***Proposed Acquisition of Qualcomm Incorporated***

On November 6, 2017, we announced a proposal to acquire Qualcomm Incorporated, or Qualcomm, for \$70 per share, consisting of \$60 in cash and \$10 in Broadcom ordinary shares. We stated that the proposal stands whether Qualcomm's pending acquisition of NXP Semiconductors N.V., or NXP, is consummated on the then-disclosed terms of \$110 per NXP share or is terminated. Including the assumption of net debt and giving effect to the pending NXP acquisition, the enterprise value of the proposed transaction is approximately \$130 billion.

On November 13, 2017, Qualcomm's board of directors rejected our proposal. In response, we announced that we remained fully committed to pursuing the acquisition of Qualcomm and reiterated our proposal.

On December 4, 2017, we announced that we had provided notice to Qualcomm of our intent to nominate 11 candidates for election to the Qualcomm board of directors at Qualcomm's 2018 annual meeting of stockholders.

On December 11, 2017, we filed preliminary proxy materials with the SEC in connection with our planned solicitation of proxies to elect 11 independent, highly qualified nominees to the Qualcomm board of directors at Qualcomm's 2018 annual meeting of stockholders, which Qualcomm has announced will be held on March 6, 2018.

We also filed a premerger notification under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 with the U.S. Department of Justice Antitrust Division and the Federal Trade Commission regarding our proposed acquisition of Qualcomm.

No agreement has been reached with Qualcomm and there can be no assurance that any transaction will result from our proposal.

#### ***Redomiciliation to the United States from Singapore***

On November 2, 2017, we announced our intention to initiate a process to change the parent company of the Broadcom group from a Singapore company to a U.S. corporation. The final form and timing of the redomiciliation has not yet been finalized and may be affected by the implementation of the 2017 Tax Reform Act. In addition, the redomiciliation is subject to the approval of our shareholders.

If we do not complete our redomiciliation within one year from the Brocade Acquisition Date, we agreed to initiate a process to separate and divest the Brocade FC SAN business.

***Cash Dividends/Distribution Declared***

On December 4, 2017, Broadcom's Board of Directors declared an interim cash dividend of \$1.75 per Broadcom ordinary share, payable on December 29, 2017 to shareholders of record at the close of business (Eastern Time) on December 19, 2017, or the Broadcom Dividend.

As a result of the Broadcom Dividend, and pursuant to the Partnership Agreement, the Partnership will pay a cash distribution in an amount equal to the aggregate amount of the Broadcom Dividend to Broadcom, as General Partner, and a \$1.75 distribution per Partnership REU, payable on December 29, 2017, to Limited Partners of record at the close of business (Eastern Time) on December 19, 2017.

## Supplementary Financial Data — Quarterly Data (Unaudited)

	Fiscal Quarter Ended							
	October 29, 2017 (1)	July 30, 2017 (2)	April 30, 2017 (3)	January 29, 2017 (4)	October 30, 2016 (5)	July 31, 2016 (6)	May 1, 2016 (7)	January 31, 2016
(In millions, except per share data)								
Net revenue	\$ 4,844	\$ 4,463	\$ 4,190	\$ 4,139	\$ 4,136	\$ 3,792	\$ 3,541	\$ 1,771
Gross margin	\$ 2,383	\$ 2,149	\$ 1,976	\$ 2,001	\$ 2,171	\$ 1,782	\$ 1,046	\$ 941
Operating income (loss)	\$ 755	\$ 648	\$ 474	\$ 506	\$ 381	\$ (264)	\$ (1,001)	\$ 475
Income (loss) from continuing operations	\$ 556	\$ 509	\$ 468	\$ 257	\$ (606)	\$ (303)	\$ (1,217)	\$ 377
Income (loss) from discontinued operations, net of income taxes	5	(2)	(4)	(5)	(62)	(12)	(38)	—
Net income (loss)	561	507	464	252	(668)	(315)	(1,255)	377
Net income (loss) attributable to noncontrolling interest	29	26	24	13	(36)	(17)	(69)	—
Net income (loss) attributable to ordinary shares	\$ 532	\$ 481	\$ 440	\$ 239	\$ (632)	\$ (298)	\$ (1,186)	\$ 377
Diluted income (loss) per share attributable to ordinary shares:								
Income (loss) per share from continuing operations	\$ 1.24	\$ 1.14	\$ 1.06	\$ 0.58	\$ (1.44)	\$ (0.72)	\$ (2.93)	\$ 1.30
Income (loss) per share from discontinued operations, net of income taxes	0.01	—	(0.01)	(0.01)	(0.15)	(0.03)	(0.09)	—
Net income (loss) per share	\$ 1.25	\$ 1.14	\$ 1.05	\$ 0.57	\$ (1.59)	\$ (0.75)	\$ (3.02)	\$ 1.30
Dividends declared and paid per share	\$ 1.02	\$ 1.02	\$ 1.02	\$ 1.02	\$ 0.51	\$ 0.50	\$ 0.49	\$ 0.44
Dividends declared and paid per share-full year	\$ 4.08				\$ 1.94			

- (1) Includes amortization of acquisition-related intangible assets of \$1,099 million and \$110 million of litigation settlement charges.
- (2) Includes amortization of acquisition-related intangible assets of \$1,096 million.
- (3) Includes amortization of acquisition-related intangible assets of \$1,081 million.
- (4) Includes amortization of acquisition-related intangible assets of \$999 million and a loss on debt extinguishment of \$159 million.
- (5) Includes amortization of acquisition-related intangible assets of \$402 million, restructuring, impairment and disposal charges of \$420 million, a purchase accounting effect on inventory charge of \$86 million and a loss on debt extinguishment of \$49 million.
- (6) Includes amortization of acquisition-related intangible assets of \$760 million, restructuring, impairment and disposal charges of \$282 million and a purchase accounting effect on inventory charge of \$271 million.
- (7) Includes the results of BRCM beginning with the fiscal quarter ended May 1, 2016 in connection with the completion of the Broadcom Merger on February 1, 2016. The results of BRCM include amortization of acquisition-related intangible assets of \$749 million, a purchase accounting effect on inventory charge of \$828 million, restructuring, impairment and disposal charges of \$319 million and a loss on debt extinguishment of \$53 million.



## Schedule II — Valuation and Qualifying Accounts

	Balance at Beginning of Period		Additions to Allowances		Charges Utilized/ Write-offs		Balance at End of Period
(In millions)							
<b>Accounts receivable allowances:</b>							
Distributor credit allowance <sup>(1)</sup>							
Fiscal year ended October 29, 2017	\$ 252		\$ 1,176		\$ (1,251)		\$ 177
Fiscal year ended October 30, 2016	\$ 66		\$ 1,216		\$ (1,030)		\$ 252
Fiscal year ended November 1, 2015	\$ 58		\$ 339		\$ (331)		\$ 66
<b>Other accounts receivable allowances <sup>(2)</sup></b>							
Fiscal year ended October 29, 2017	\$ 40		\$ 49		\$ (58)		\$ 31
Fiscal year ended October 30, 2016	\$ 9		\$ 142		\$ (111)		\$ 40
Fiscal year ended November 1, 2015	\$ 7		\$ 20		\$ (18)		\$ 9
<b>Income tax valuation allowance <sup>(3)</sup></b>							
Fiscal year ended October 29, 2017	\$ 1,003		\$ 460		\$ (16)		\$ 1,447
Fiscal year ended October 30, 2016	\$ 147		\$ 882		\$ (26)		\$ 1,003
Fiscal year ended November 1, 2015	\$ 120		\$ 28		\$ (1)		\$ 147

(1) Distributor credit allowance relates to price adjustments.

(2) Other accounts receivable allowances primarily include sales returns and allowance for doubtful accounts.

(3) The change in the fiscal year 2017 valuation allowance was a result of an increase in foreign deferred tax assets arising from foreign losses not expected to be realized. The change in the fiscal year 2016 valuation allowance includes \$856 million as a result of the Broadcom Merger and an increase in state deferred tax assets not expected to be realized.

### ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

### ITEM 9A. CONTROLS AND PROCEDURES

#### Broadcom Limited

##### *Evaluation of Disclosure Controls and Procedures.*

Our management, with the participation of our Chief Executive Officer, or CEO, and Chief Financial Officer, or CFO, evaluated the effectiveness of Broadcom's disclosure controls and procedures as of October 29, 2017. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of October 29, 2017, our CEO and CFO concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

**Management's Report on Internal Control Over Financial Reporting.**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for Broadcom Limited. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by the Board, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of us;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of us are being made only in accordance with authorizations of management and directors of us; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of October 29, 2017. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework* (2013). Based on this assessment, our management concluded that, as of October 29, 2017, our internal control over financial reporting is effective based on those criteria.

The effectiveness of our internal control over financial reporting, as of October 29, 2017 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which is included in Part II, Item 8. of this Annual Report on Form 10-K.

**Changes in Internal Controls over Financial Reporting.**

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended October 29, 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**Broadcom Cayman L.P.****Evaluation of Disclosure Controls and Procedures.**

An evaluation was conducted under the supervision and with the participation of the management of Broadcom, as our General Partner, including the CEO and CFO of Broadcom as authorized representative in its capacity as the General Partner of the Partnership, of the effectiveness of Partnership's disclosure controls and procedures as of October 29, 2017. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the management of Broadcom, as our General Partner, including its principal executive and principal financial officers, of Broadcom, as appropriate to allow timely decisions regarding required disclosure. Our General Partner, as our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of October 29, 2017, the management of Broadcom, as our General Partner, including the CEO and CFO concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

***Management's Report on Internal Control Over Financial Reporting.***

The management of our General Partner is responsible for establishing and maintaining adequate internal control over financial reporting for the Partnership. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by the Board, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of us;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of us are being made only in accordance with authorizations of management and directors of us; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The management of our General Partner assessed the effectiveness of our internal control over financial reporting as of October 29, 2017. In making this assessment, the management of our General Partner used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework* (2013). Based on this assessment, the management of our General Partner concluded that, as of October 29, 2017, our internal control over financial reporting is effective based on those criteria.

The effectiveness of our internal control over financial reporting, as of October 29, 2017 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which is included in Part II, Item 8. of this Annual Report on Form 10-K.

***Changes in Internal Controls over Financial Reporting.***

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended October 29, 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

As previously disclosed in our periodic reports, in 2016, Tessera Technologies, Inc. and certain of its affiliates filed complaints against Broadcom and certain of its subsidiaries alleging infringement of certain patents. On December 18, 2017, the parties entered into comprehensive settlement agreements and a patent license agreement to settle and resolve all outstanding litigation.

In accordance with GAAP, we are required to reflect related settlement expenses in our financial statements for the year ended October 29, 2017 because (i) the settlement is related to litigation that existed at the balance sheet date of October 29, 2017 and (ii) the incurrence of such expenses became probable and estimable after December 6, 2017, the date on which we reported our preliminary financial results for the fiscal year, but prior to the filing this Annual Report on Form 10-K. As a result, our financial results for the quarter and year ended October 29, 2017, which were summarized in our prior earnings release, have been updated to reflect the settlement expenses. This amount does not take into consideration the receipt of any potential indemnity or contributions amounts we may become entitled to as a result of the settlement because such amounts are not probable or reasonably estimable as of the date hereof.

The settlement expenses reduced our net income and diluted net income per share for each of the fiscal quarter and year ended October 29, 2017 on a GAAP basis compared to the results reported in our December 6, 2017 earnings release. These adjustments are reflected in this Annual Report on Form 10-K.

## PART III

### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information regarding our directors, executive officers and compliance with Section 16(a) of the Exchange Act, set forth in the sections entitled "Proposal 1 — Election of Directors," "Executive Officers," "Corporate Governance" and "Section 16(a) Beneficial Ownership Reporting Compliance," in Broadcom's definitive Proxy Statement for our 2018 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the end of our 2017 fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

We have adopted a written Code of Ethics and Business Conduct that applies to all of our employees and directors, including our principal executive officer, principal financial officer and principal accounting officer, or persons performing similar functions and have posted it in the "Investors Center — Governance" section of our website, which is located at [www.broadcom.com](http://www.broadcom.com). We intend to satisfy any disclosure requirement under Item 5.05 of Form 8-K regarding any amendments to, or waivers from, our Code of Ethics and Business Conduct by posting such information on our website at the internet address and location above.

### ITEM 11. EXECUTIVE COMPENSATION

The information regarding executive compensation required by this Item 11 set forth in the sections entitled "Director Compensation", "Compensation Discussion and Analysis," "Executive Compensation," "Compensation Committee Report" and "Corporate Governance — Compensation Committee Interlocks and Insider Participation" in Broadcom's definitive Proxy Statement for our 2018 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the end of our 2017 fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section. However, the Compensation Committee Report included in such definitive Proxy Statement shall not be deemed "filed" with the SEC for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by us with the SEC, regardless of any general incorporation language in such filing.

### ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information regarding security ownership of certain beneficial owners and management and related shareholder matters required by this Item 12 set forth in the section entitled "Security Ownership of Certain Beneficial Owners, Directors and Executive Officers" and "Equity Compensation Plan Information" in Broadcom's definitive Proxy Statement for our 2018 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the end of our 2017 fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

### ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information regarding certain relationships, related transactions and director independence required by this Item 13 set forth in the sections entitled "Corporate Governance" and "Certain Relationships and Related Party Transactions" in Broadcom's definitive Proxy Statement for our 2018 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the end of our 2017 fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

### ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information regarding principal accounting fees and services required by this Item 14 set forth in the proposal relating to the re-appointment of our independent registered public accounting firm in Broadcom's definitive Proxy Statement for our 2018 Annual General Meeting of Shareholders to be filed with the SEC within 120 days of the end of our 2017 fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

## PART IV

### ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following are filed as part of this Annual Report on Form 10-K:

#### 1. Financial Statements

The following consolidated financial statements are included in Item 8 of this Annual Report on Form 10-K:

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#### 2. Financial Statement Schedules

The financial statement schedule required by Item 15(a) (Schedule II, Valuation and Qualifying Accounts) is included in Item 8 of this Annual Report on Form 10-K.

Schedules not filed have been omitted because they are not applicable, are not required or the information required to be set forth therein is included in the financial statements or notes thereto.

#### 3. Exhibits

The documents set forth below are filed herewith or incorporated by reference to the location indicated.

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
2.1#	<a href="#">Agreement and Plan of Merger, dated as of April 10, 2013, by and among CyOptics, Inc., Avago Technologies Wireless (U.S.A.) Manufacturing Inc., Celsus Acquisition Corp., Avago Technologies Limited, Avago Technologies Finance Pte. Ltd. and Shareholder Representative Services LLC.</a>	Avago Technologies Limited Current Report on Form 8-K (Commission File No. 001-34428)	April 11, 2013	
2.2#	<a href="#">Agreement and Plan of Merger, dated December 15, 2013, by and among LSI Corporation, Avago Technologies Limited, Avago Technologies Wireless (U.S.A.) Manufacturing, Inc. and Leopold Merger Sub, Inc.</a>	Avago Technologies Limited Current Report on Form 8-K/A (Commission File No. 001-34428)	December 16, 2013	

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
2.3#	<a href="#">Agreement and Plan of Merger, dated May 28, 2015, by and among Pavonia Limited, Avago Technologies Limited, Safari Cayman L.P., Avago Technologies Cayman Holdings Ltd., Avago Technologies Cayman Finance Limited, Buffalo CS Merger Sub, Inc., Buffalo UT Merger Sub, Inc. and Broadcom Corporation.</a>	Avago Technologies Limited Current Report on Form 8-K (Commission File No. 001-34428)	May 29, 2015	
2.4	<a href="#">Amendment No. 1 to Agreement and Plan of Merger, dated July 29, 2015, by and between Avago Technologies Limited and Broadcom Corporation.</a>	Avago Technologies Limited Current Report on Form 8-K (Commission File No. 001-34428)	July 31, 2015	
2.5	<a href="#">Agreement and Plan of Merger, dated November 2, 2016, by and among Brocade Communications Systems, Inc., Broadcom Limited, Broadcom Corporation and Bobcat Merger Sub, Inc.</a>	Broadcom Limited Current Report on Form 8-K/A (Commission File No. 001-37690)	November 2, 2016	
3.1	<a href="#">Constitution of Broadcom Limited.</a>	Broadcom Limited Current Report on Form 8-K12B (Commission File No. 001-37690)	February 2, 2016	
3.2	<a href="#">Amended and Restated Exempted Limited Partnership Agreement of Broadcom Cayman L.P. (f/k/a Safari Cayman L.P.), dated February 1, 2016.</a>	Broadcom Limited Current Report on Form 8-K12B (Commission File No. 001-37690)	February 2, 2016	
3.3	<a href="#">Voting Trust Agreement, dated as of February 1, 2016, by and among Broadcom Limited, Broadcom Cayman L.P. and Computershare Trust Company, N.A., as Trustee.</a>	Broadcom Limited Current Report on Form 8-K12B (Commission File No. 001-37690)	February 2, 2016	
4.1	<a href="#">Form of Specimen Share Certificate for Registrant's Ordinary Shares.</a>	Broadcom Limited Registration Statement on Form S-3 (Commission File No. 333-209923)	March 4, 2016	
4.2	<a href="#">Indenture, dated as of January 19, 2017, by and among the Broadcom Corporation and Broadcom Cayman Finance Limited("Co-Issuers"), the Company, Broadcom Cayman L.P., and BC Luxembourg S.à r.l.(the "Guarantors") and Wilmington Trust, National Association, as trustee.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	January 20, 2017	
4.3	<a href="#">Form of 2.375% Senior Note due 2020 (included in Exhibit 4.2).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	January 20, 2017	
4.4	<a href="#">Form of 3.000% Senior Note due 2022 (included in Exhibit 4.2).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	January 20, 2017	
4.5	<a href="#">Form of 3.625% Senior Note due 2024 (included in Exhibit 4.2).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	January 20, 2017	
4.6	<a href="#">Form of 3.875% Senior Note due 2027 (included in Exhibit 4.2).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	January 20, 2017	



Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
4.7	<a href="#">Registration Rights Agreement, dated as of January 19, 2017, by and among the Co-Issuers, the Guarantors and Merrill Lynch, Pierce, Fenner &amp; Smith Incorporated and Barclays Capital Inc., as representatives of the several initial purchasers of the Senior Notes.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	January 20, 2017	
4.8	<a href="#">Indenture, dated as of October 17, 2017, by and among the Co-Issuers, the Company and Broadcom Cayman L.P., (the "October Guarantors") and Wilmington Trust, National Association, as trustee.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.9	<a href="#">Form of 2.200% Senior Note due 2021 (included in Exhibit 4.8).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.10	<a href="#">Form of 2.650% Senior Note due 2023 (included in Exhibit 4.8).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.11	<a href="#">Form of 3.125% Senior Note due 2025 (included in Exhibit 4.8).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.12	<a href="#">Form of 3.500% Senior Note due 2028 (included in Exhibit 4.8).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.13	<a href="#">Registration Rights Agreement, dated as of October 17, 2017, by and among the Co-Issuers, the October Guarantors and Merrill Lynch, Pierce, Fenner &amp; Smith Incorporated and J.P. Morgan Securities LLC, as representatives of the several initial purchasers of the October 2017 Senior Notes.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
10.1	<a href="#">Form of Indemnification Agreement (Directors) (effective June 1, 2016).</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	June 9, 2016	
10.2	<a href="#">Form of Indemnification Agreement (Officers) (effective June 1, 2016).</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	June 9, 2016	

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
10.3	<a href="#">Form of Indemnification Agreement (Directors) (effective February 1, 2016).</a>	Broadcom Limited Current Report on Form 8-K12B (Commission File No. 001-37690)	February 2, 2016	
10.4	<a href="#">Form of Indemnification Agreement (Officers) (effective February 1, 2016).</a>	Broadcom Limited Current Report on Form 8-K12B (Commission File No. 001-37690)	February 2, 2016	
10.5	<a href="#">Form of Indemnification Agreement (Directors) (effective prior to February 1, 2016).</a>	Avago Technologies Limited Quarterly Report on Form 10-Q (Commission File No. 001-34428)	September 13, 2013	
10.6	<a href="#">Form of Indemnification Agreement (Officers) (effective prior to February 1, 2016).</a>	Avago Technologies Finance Pte. Ltd. Amendment No. 1 to Annual Report on Form 20-F/A (Commission File No. 333-137664)	February 27, 2008	
10.7	<a href="#">Credit Agreement, dated as of February 1, 2016, by and among Avago Technologies Cayman Holdings Ltd., Avago Technologies Cayman Finance Limited, BC Luxembourg S.à r.l., the lenders named therein, and Bank of America, N.A., as administrative agent.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	February 2, 2016	
10.8	<a href="#">First Incremental Term A Facility Amendment, dated as of April 1, 2016, to the Credit Agreement among Avago Technologies Cayman Holdings Ltd., Avago Technologies Cayman Finance Limited, BC Luxembourg S.à r.l. and the additional Term A lender.</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	June 9, 2016	
10.9	<a href="#">Second Incremental Term A Facility Amendment, dated as of August 2, 2016, to the Credit Agreement among Avago Technologies Cayman Holdings Ltd., Avago Technologies Cayman Finance Limited, BC Luxembourg S.à r.l., Bank of America, N.A., as administrative agent and the lenders party thereto.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	August 3, 2016	
10.10	<a href="#">First Amendment, dated as of August 2, 2016, to the Credit Agreement among Avago Technologies Cayman Holdings Ltd., Avago Technologies Cayman Finance Limited, BC Luxembourg S.à r.l., Bank of America, N.A., as administrative agent and the lenders party thereto.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	August 3, 2016	
10.11	<a href="#">Second Amendment, dated as of August 2, 2016, to the Credit Agreement among Avago Technologies Cayman Holdings Ltd., Avago Technologies Cayman Finance Limited, BC Luxembourg S.à r.l., Bank of America, N.A., as administrative agent and the lenders party thereto.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	August 3, 2016	

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
10.12	<a href="#">Third Amendment, dated as of January 19, 2017, to the Credit Agreement among Avago Technologies Cayman Holdings Ltd., Broadcom Cayman Finance Limited, BC Luxembourg S.à r.l., Bank of America, N.A., as administrative agent and the lenders party thereto.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	January 20, 2017	
10.13	<a href="#">Sublease Agreement, dated June 5, 2009, between Agilent Technologies Singapore Pte. Ltd. and Avago Technologies Manufacturing (Singapore) Pte. Ltd., relating to Avago's facility at 1 Yishun Avenue 7, Singapore 768923.</a>	Avago Technologies Limited Registration Annual Report on Form 10-K (Commission File No. 001-33428)	December 15, 2010	
10.14	<a href="#">Amendments of Sublease Agreement between Agilent Technologies Singapore Pte. Ltd. and Avago Technologies Manufacturing (Singapore) Pte. Ltd., relating to Avago's facility at 1 Yishun Avenue 7 Singapore 768923.</a>	Avago Technologies Limited Registration Annual Report on Form 10-K (Commission File No. 001-33428)	December 17, 2015	
10.15	<a href="#">Amendment No. 3 of Sublease Agreement between Agilent Technologies Singapore Pte. Ltd. and Avago Technologies Manufacturing (Singapore) Pte. Ltd., relating to Avago's facility at 1 Yishun Avenue 7 Singapore 768923.</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 10, 2016	
10.16	<a href="#">Lease No. I/33183P issued by Singapore Housing and Development Board to Compag Asia Pte Ltd in respect of the land and structures comprised in Lot 1935X of Mukim 19, dated September 26, 2000, and includes the Variation of Lease I/49501Q registered January 15, 2002, relating to Avago's facility at 1 Yishun Avenue 7, Singapore 768923.</a>	Avago Technologies Finance Pte. Ltd. Registration Statement on Form F-4 (Commission File No. 333-137664)	November 15, 2006	
10.17	<a href="#">Lease No. I/31607P issued by Singapore Housing and Development Board to Compag Asia Pte Ltd in respect of the land and structures comprised in Lot 1937C of Mukim 19, dated September 26, 2000, and includes the Variation of Lease I/49499Q registered January 15, 2002, relating to Avago's facility at 1 Yishun Avenue 7, Singapore 768923.</a>	Avago Technologies Finance Pte. Ltd. Registration Statement on Form F-4 (Commission File No. 333-137664)	November 15, 2006	
10.18	<a href="#">Lease No. I/33182P issued by Singapore Housing and Development Board to Compag Asia Pte Ltd in respect of the land and structures comprised in Lot 2134N of Mukim 19, dated September 26, 2000, and includes the Variation of Lease I/49500Q registered January 15, 2002, relating to Avago's facility at 1 Yishun Avenue 7, Singapore 768923.</a>	Avago Technologies Finance Pte. Ltd. Registration Statement on Form F-4 (Commission File No. 333-137664)	November 15, 2006	

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
10.19	<a href="#">Lease No. I/33160P issued by Singapore Housing and Development Board to Compag Asia Pte Ltd in respect of the land and structures comprised in Lot 1975P of Mukim 19, dated September 26, 2000, and includes the Variation of Lease I/49502Q registered January 15, 2002, relating to Avago's facility at 1 Yishun Avenue 7, Singapore 768923.</a>	Avago Technologies Finance Pte. Ltd. Registration Statement on Form F-4 (Commission File No. 333-137664)	November 15, 2006	
10.20	<a href="#">Lease Agreement dated as of April 29, 2005 by and between TriQuint Optoelectronics, Inc. and CyOptics, Inc. and related amendments and renewals.</a>	Avago Technologies Limited Quarterly Report on Form 10-Q (Commission File No. 001-34428)	September 13, 2013	
10.21	<a href="#">Lease Agreement dated May 18, 2000 between M-D Downtown Sunnyvale, LLC and the Broadcom Corporation.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	March 31, 2003	
10.22	<a href="#">Amendment dated September 30, 2005 to Lease Agreement dated May 18, 2000 between M-D Downtown Sunnyvale, LLC and Broadcom Corporation.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	February 4, 2009	
10.23	<a href="#">Second Amendment dated October 15, 2010 to Lease Agreement dated May 18, 2000 between M-D Downtown Sunnyvale, LLC and Broadcom Corporation.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	February 2, 2011	
10.24*	<a href="#">Lease Agreement dated December 29, 2004 between Irvine Commercial Property Company and Broadcom Corporation.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	March 1, 2005	
10.25	<a href="#">First Amendment, Second Amendment, and Third Amendment dated June 7, 2005, April 9, 2007 and April 9, 2007, respectively, to Lease dated December 29, 2004 between Irvine Commercial Property Company LLC and Broadcom Corporation.</a>	Broadcom Corporation Quarterly Report on Form 10-Q (Commission File No. 000-23993)	October 24, 2007	
10.26	<a href="#">Fourth Amendment dated November 19, 2007 to Lease dated December 29, 2004 between Irvine Commercial Property Company LLC and Broadcom Corporation.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	January 28, 2008	
10.27	<a href="#">Lease Agreement dated October 31, 2007 between Irvine Commercial Property Company LLC and Broadcom Corporation.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	January 28, 2008	
10.28	<a href="#">Fifth and Sixth Amendment dated April 24, 2011 and August 2, 2011, respectively to Lease Agreement dated October 31, 2007 between Irvine Commercial Property Company LLC and Broadcom Corporation.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	February 1, 2012	
10.29	<a href="#">Lease Agreement dated August 10, 2017 between Five Point Office Venture I, LLC and Broadcom Corporation.</a>			X

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
10.30*	<a href="#">Settlement and Patent License and Non-Assert Agreement by and between Qualcomm Incorporated and Broadcom Corporation.</a>	Broadcom Corporation Current Report on Form 8-K/A (Commission File No. 000-23993)	July 23, 2009	
10.31+	<a href="#">Avago Technologies Limited 2009 Equity Incentive Award Plan.</a>	Avago Technologies Limited Registration Statement on Form S-1 (Commission File No. 333-153127)	July 27, 2009	
10.32+	<a href="#">Second Amended and Restated Employee Share Purchase Plan.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	February 2, 2016	
10.33+	<a href="#">LSI Corporation 2003 Equity Incentive Plan, as amended.</a>	Avago Technologies Limited Registration Statement on Form S-8 (Commission File No. 333-195741)	May 6, 2014	
10.34+	<a href="#">Amendment to the LSI Corporation 2003 Equity Incentive Plan.</a>	Broadcom Limited Annual Report on Form 10-K (Commission File No. 001-37690)	December 23, 2016	
10.35+	<a href="#">Emulex Corporation 2005 Equity Incentive Plan.</a>	Avago Technologies Limited Registration Statement on Form S-8 (Commission File No. 333-203858)	May 5, 2015	
10.36+	<a href="#">Amendment to the Amended and Restated Emulex Corporation 2005 Equity Incentive Plan.</a>	Broadcom Limited Annual Report on Form 10-K (Commission File No. 001-37690)	December 23, 2016	
10.37+	<a href="#">Broadcom Corporation 2012 Stock Incentive Plan.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	January 29, 2015	
10.38+	<a href="#">Amendment to the Broadcom Corporation 2012 Stock Incentive Plan.</a>	Broadcom Limited Annual Report on Form 10-K (Commission File No. 001-37690)	December 23, 2016	
10.39+	<a href="#">Broadcom Corporation 1998 Stock Incentive Plan, as amended and restated November 11, 2010.</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	February 2, 2011	
10.40+	<a href="#">Amendment to the Broadcom Corporation 1998 Stock Incentive Plan.</a>	Broadcom Limited Annual Report on Form 10-K (Commission File No. 001-37690)	December 23, 2016	
10.41+	<a href="#">Brocade Communication Systems, Inc. 2009 Stock Plan, as amended and restated April 11, 2017.</a>	Brocade Communication Systems, Inc. Current Report on Form 8-K (Commission File No. 000-25601 )	April 12, 2017	
10.42+	<a href="#">Amendment to the Brocade Communication Systems, Inc. 2009 Stock Plan.</a>	Broadcom Limited Registration Statement on Form S-8 (Commission File No. 333-221654)	November 11, 2017	
10.43+	<a href="#">Brocade Communications Systems, Inc. Amended and Restated Inducement Award Plan, effective as of May 24, 2016.</a>	Brocade Communication Systems, Inc. Post-Effective Amendment No. 1 to Form S-4 on Form S-8 Registration Statement (Commission File No. 333-211823)	June 3, 2016	

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
10.44+	<a href="#">Amendment to the Brocade Communication Systems, Inc. Amended and Restated Inducement Award Plan.</a>	Broadcom Limited Registration Statement on Form S-8 (Commission File No. 333-221654)	November 11, 2017	
10.45+	<a href="#">Form of Annual Bonus Plan for Executive Employees.</a>	Broadcom Limited Annual Report on Form 10-K (Commission File No. 001-37690)	December 23, 2016	
10.46+	<a href="#">Form of Option Agreement Under Avago Technologies Limited 2009 Equity Incentive Award Plan.</a>	Amendment No. 5 to Avago Technologies Limited Registration Statement on Form S-1 (Commission File No. 333-153127)	July 27, 2009	
10.47+	<a href="#">Form of Restricted Share Unit Agreement (Sell to Cover) Under Avago Technologies Limited 2009 Equity Incentive Award Plan.</a>	Avago Technologies Limited Quarterly Report on Form 10-Q (Commission File No. 001-34428)	June 7, 2013	
10.48+	<a href="#">Form of Restricted Share Unit Agreement (Sell to Cover) Under Avago Technologies Limited 2009 Equity Incentive Award Plan (effective February 1, 2016).</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 10, 2016	
10.49+	<a href="#">Form of Restricted Share Unit Agreement (Sell to Cover) Under Avago Technologies Limited 2009 Equity Incentive Award Plan (effective December 5, 2017).</a>			X
10.50+	<a href="#">Form of Performance Share Unit Agreement (Relative TSR) under Avago Technologies Limited 2009 Equity Incentive Award Plan.</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 9, 2017	
10.51+	<a href="#">Form of Performance Share Unit Agreement (Relative TSR) under Avago Technologies Limited 2009 Equity Incentive Award Plan (effective December 5, 2017).</a>			X
10.52+	<a href="#">Form of Option Agreement under LSI Corporation 2003 Equity Incentive Plan, as amended.</a>	Avago Technologies Limited Registration Statement on Form S-8 (Commission File No. 333-196438)	June 2, 2014	
10.53+	<a href="#">Form of Restricted Stock Unit Award Agreement under LSI Corporation 2003 Equity Incentive Plan, as amended.</a>	Avago Technologies Limited Registration Statement on Form S-8 (Commission File No. 333-196438)	June 2, 2014	
10.54+	<a href="#">Form of Restricted Stock Unit Award Agreement under LSI Corporation 2003 Equity Incentive Plan, as amended (effective February 1, 2016).</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 10, 2016	
10.55+	<a href="#">Form of Restricted Stock Unit Award Agreement under LSI Corporation 2003 Equity Incentive Plan, as amended (effective December 5, 2017).</a>			X
10.56+	<a href="#">Broadcom Corporation Amended and Restated Restricted Stock Units Incentive Award Program.</a>	Broadcom Corporation Quarterly Report on Form 10-Q (Commission File No. 000-23993)	April 24, 2014	
10.57+	<a href="#">Amendment to Broadcom Corporation Amended and Restated Restricted Stock Units Incentive Award Program.</a>	Broadcom Corporation Quarterly Report on Form 10-Q (Commission File No. 000-23993)	July 30, 2015	

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
10.58+	<a href="#">Form of Restricted Stock Unit Issuance Agreement for executive officers under the Broadcom Corporation 2012 Stock Incentive Plan (for RSUs governed by the RSU Incentive Award Program (3 year cliff vesting)).</a>	Broadcom Corporation Annual Report on Form 10-K (Commission File No. 000-23993)	January 30, 2014	
10.59+	<a href="#">Form of Award Letter under the Broadcom Corporation Restricted Stock Units Incentive Award Program.</a>	Broadcom Corporation Quarterly Report on Form 10-Q (Commission File No. 000-23993)	April 24, 2014	
10.60+	<a href="#">Form of Restricted Stock Unit Award Agreement under Broadcom Corporation 2012 Stock Incentive Plan (effective February 1, 2016).</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 10, 2016	
10.61+	<a href="#">Form of Restricted Stock Unit Award Agreement under Broadcom Corporation 2012 Stock Incentive Plan (effective December 5, 2017).</a>			X
10.62+	<a href="#">Form of Performance Share Unit Agreement (Relative TSR) under Broadcom Corporation 2012 Stock Incentive Plan.</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 9, 2017	
10.63+	<a href="#">Form of Performance Share Unit Agreement (Relative TSR) under Broadcom Corporation 2012 Stock Incentive Plan (December 5, 2017).</a>			X
10.64+	<a href="#">Performance Share Unit Award Agreement, dated June 15, 2016, between Broadcom Limited and Hock E. Tan.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	June 16, 2016	
10.65+	<a href="#">Performance Share Unit Award Agreement, dated June 15, 2017, between Broadcom Limited and Hock E. Tan.</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	June 19, 2017	
10.66+	<a href="#">Policy on Acceleration of Executive Staff Equity Awards in the Event of Death or Permanent Disability.</a>	Avago Technologies Limited Current Report on Form 10-Q (Commission File No. 001-34428)	September 10, 2015	
10.67+	<a href="#">Severance Benefits Agreement, dated January 23, 2014, between Avago Technologies Limited and Hock E. Tan.</a>	Avago Technologies Limited Quarterly Report on Form 10-Q (Commission File No. 001-34428)	March 13, 2014	
10.68+	<a href="#">Severance Benefits Agreement, dated October 17, 2017, between Broadcom Limited and Thomas H. Krause, Jr.</a>	Broadcom Limited Annual Report on Form 10-K (Commission File No. 001-37690)	December 23, 2016	
10.69+	<a href="#">Severance Benefits Agreement, dated June 3, 2015, between Avago Technologies Limited and Charlie Kawwas.</a>	Avago Technologies Limited Quarterly Report on Form 10-Q (Commission File No. 001-34428)	June 10, 2015	
10.70+	<a href="#">Severance Benefits Agreement, dated January 30, 2014, between Avago Technologies Limited and Bryan Ingram.</a>	Avago Technologies Limited Quarterly Report on Form 10-Q (Commission File No. 001-34428)	March 13, 2014	
10.71+	<a href="#">Severance Benefits Agreement, dated September 26, 2017, between Broadcom Limited and Mark Brazeal.</a>			X



Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
10.72+*	<a href="#">Offer of Continuing Employment, dated October 15, 2015, by and between Avago Technologies Limited and Bryan T. Ingram.</a>	Avago Technologies Limited Annual Report on Form 10-K (Commission File No. 001-34428)	December 17, 2015	
10.73+	<a href="#">Continuing Employment Offer Letter, dated June 3, 2015, between Avago Technologies Limited and Charlie Kawwas.</a>	Avago Technologies Limited Quarterly Report on Form 10-Q (Commission File No. 001-34428)	June 10, 2015	
10.74+	<a href="#">Offer of Continuing Employment, dated February 2, 2016, by and between Broadcom Limited and Henry Samuelli.</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 10, 2016	
12.1	<a href="#">Ratio of Earnings to Fixed Charges</a>			X
21.1	<a href="#">List of Subsidiaries.</a>			X
23.1	<a href="#">Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm.</a>			X
24.1	<a href="#">Power of Attorney (see signature page to this Form 10-K).</a>			X
31.1	<a href="#">Certification of Principal Executive Officer of Broadcom Limited Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>			X
31.2	<a href="#">Certification of Principal Financial Officer of Broadcom Limited Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>			X
31.3	<a href="#">Certification of Principal Executive Officer of Broadcom Cayman L.P. Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>			X
31.4	<a href="#">Certification of Principal Financial Officer of Broadcom Cayman L.P. Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>			X
32.1	<a href="#">Certification of Principal Executive Officer of Broadcom Limited Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>			X
32.2	<a href="#">Certification of Principal Financial Officer of Broadcom Limited Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>			X
32.3	<a href="#">Certification of Principal Executive Officer of Broadcom Cayman L.P. Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>			X

Exhibit No.	Description	Incorporated by Referenced Herein		Filed Herewith
		Form	Filing Date	
32.4	<a href="#">Certification of Principal Financial Officer of Broadcom Cayman L.P. Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>			X
101.INS	XBRL Instance Document			X
101.SCH	XBRL Schema Document			X
101.CAL	XBRL Calculation Linkbase Document			X
101.DEF	XBRL Definition Linkbase Document			X
101.LAB	XBRL Labels Linkbase Document			X
101.PRE	XBRL Presentation Linkbase Document			X

Notes:

- + Indicates a management contract or compensatory plan or arrangement.
- # Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Broadcom Limited hereby undertakes to furnish supplementally copies of any omitted schedules upon request by the SEC.
- \* Certain information omitted pursuant to a request for confidential treatment filed with the SEC.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BROADCOM LIMITED

By: /s/ Hock E. Tan

**Name: Hock E. Tan**

**Title: President and Chief Executive Officer**

Date: December 21, 2017

BROADCOM CAYMAN L.P.,  
by its General Partner, Broadcom Limited

By: /s/ Hock E. Tan

**Name: Hock E. Tan**

**Title: President and Chief Executive Officer**

Date: December 21, 2017

## POWER OF ATTORNEY

Each person whose individual signature appears below hereby authorizes and appoints Hock E. Tan, Thomas H. Krause, Jr., Mark D. Brazeal and Kirsten M. Spears, and each of them, with full power of substitution and resubstitution and full power to act without the other, as his or her true and lawful attorney-in-fact and agent to act in his or her name, place and stead and to execute in the name and on behalf of each person, individually and in each capacity stated below, and to file any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing, ratifying and confirming all that said attorneys-in-fact and agents or any of them or their or his substitute or substitutes may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the Registrant in the capacities indicated and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Hock E. Tan</u> Hock E. Tan	President and Chief Executive Officer and Director (Principal Executive Officer)	December 21, 2017
<u>/s/ Thomas H. Krause, Jr.</u> Thomas H. Krause, Jr.	Chief Financial Officer (Principal Financial Officer)	December 21, 2017
<u>/s/ Kirsten M. Spears</u> Kirsten M. Spears	Principal Accounting Officer	December 21, 2017
<u>/s/ James Diller Sr.</u> James Diller Sr.	Chairman of the Board of Directors	December 21, 2017
<u>/s/ Gayla J. Delly</u> Gayla J. Delly	Director	December 21, 2017
<u>/s/ Lewis C. Eggebrecht</u> Lewis C. Eggebrecht	Director	December 21, 2017
<u>/s/ Kenneth Y. Hao</u> Kenneth Y. Hao	Director	December 21, 2017
<u>/s/ Eddy W. Hartenstein</u> Eddy W. Hartenstein	Director	December 21, 2017
<u>/s/ Check Kian Low</u> Check Kian Low	Director	December 21, 2017
<u>/s/ Donald Macleod</u> Donald Macleod	Director	December 21, 2017
<u>/s/ Peter J. Marks</u> Peter J. Marks	Director	December 21, 2017
<u>/s/ Henry Samueli</u> Henry Samueli	Director	December 21, 2017

## LEASE AGREEMENT

This Lease Agreement (the "**Lease**"), dated as of the date set forth in Section 1 of the Summary of Basic Lease Information (the "**Summary**"), below, is made by and between FIVE POINT OFFICE VENTURE I, LLC, a Delaware limited liability company ("**Landlord**"), and BROADCOM CORPORATION, a California corporation ("**Tenant**").

### SUMMARY OF BASIC LEASE INFORMATION

#### TERMS OF LEASE

#### DESCRIPTION

• Date:

August 10, 2017

#### 2. Premises:

##### 2.1. Buildings:

Those certain two (2) five-story buildings currently under construction and situated in the City of Irvine, County of Orange, California, as depicted on Exhibit A-1, attached hereto.

##### 2.2. Premises:

All of the approximately 660,893 square feet of space located in the Buildings.

##### 2.3. Project

The Buildings are part of the project known as "*Five Point Gateway*", as further set forth in Section 1.1.2 of this Lease.

#### 3. Lease Term

##### (Article 2):

##### 3.1. Length of Term:

Twenty (20) years, subject to one (1) ten (10)-year extension option pursuant to Section 2.2 below.

##### 3.2. Lease Commencement Date:

August 10, 2017

##### 3.3. Lease Expiration Date:

August 9, 2037, as may be extended by the extension option described in Section 2.2 below.

4. Base Rent (Article 3):

<u>Period During Lease Term</u>		<u>Annualized Base Rent</u>		<u>Monthly Installment of Base Rent</u>
Months 1-12	\$	17,305,488.00	\$	1,442,124.00
Months 13-24	\$	17,738,125.20	\$	1,478,177.10
Months 25-36	\$	18,181,578.33	\$	1,515,131.53
Months 37-48	\$	18,636,117.79	\$	1,553,009.82
Months 49-60	\$	19,102,020.73	\$	1,591,835.06
Months 61-72	\$	19,579,571.25	\$	1,631,630.94
Months 73-84	\$	20,069,060.53	\$	1,672,421.71
Months 85-96	\$	20,570,787.05	\$	1,714,232.25
Months 97-108	\$	21,085,056.72	\$	1,757,088.06
Months 109-120	\$	21,612,183.14	\$	1,801,015.26
Months 121-132	\$	22,152,487.72	\$	1,846,040.64
Months 133-144	\$	22,706,299.91	\$	1,892,191.66
Months 145-156	\$	23,273,957.41	\$	1,939,496.45
Months 157-168	\$	23,855,806.34	\$	1,987,983.86
Months 169-180	\$	24,452,201.50	\$	2,037,683.46
Months 181-192	\$	25,063,506.54	\$	2,088,625.55
Months 193-204	\$	25,690,094.20	\$	2,140,841.18
Months 205-216	\$	26,332,346.56	\$	2,194,362.21
Months 217-228	\$	26,990,655.22	\$	2,249,221.27
Months 229-240	\$	27,665,421.60	\$	2,305,451.80

5. Triple Net Lease
- Article (4):
- This is a "**TRIPLE NET**" lease and as such, the provisions contained in this Lease are intended to pass on to Tenant one hundred percent (100%) of the costs and expenses associated with this Lease and the Premises, and Tenant's use, occupancy, and operation thereof.
6. Tenant's Share
- (Article 4):
- Initially, 64%+/-, as determined in accordance with Section 4.2.3. Landlord and Tenant hereby agree that the square footage of space in the Premises is 660,893 square feet, and the total square footage of the Project is currently 1,039,021 square feet.
7. Permitted Use
- (Article 5):
- Tenant shall use the Premises solely for (i) research and development, and (ii) other uses (including ancillary office use) which are incidental to the foregoing (the "**Permitted Use**"); *provided, however*, that notwithstanding anything to the contrary set forth hereinabove, and as more particularly set forth in the Lease, Tenant shall be responsible for operating and maintaining the Premises pursuant to, and in no event may Tenant's Permitted Use violate, (A) Landlord's "Rules and Regulations", as that term is set forth in Section 5.2 of this Lease, (B) all "Applicable Laws", as that term is set forth in Article 24 of this Lease, (C) all applicable zoning, building codes and the "CC&Rs", as that term is set forth in Section 5.3 of this Lease, and (D) the character of the Project as a first-class office and research and development building Project.
8. Security Deposit:
- None.
9. Tenant's Parking Areas
- (Article 28):
- Tenant shall have the exclusive use of certain surface parking lots located within the Project, all as more particularly described in Article 28 of the Lease.
10. Address of Tenant
- Section 29.19):
- CBRE | Global Workplace Solutions - Broadcom  
5300 California Avenue, Building II  
Irvine, CA 92617  
Attention: Bert Moreira | Analyst, Senior Lease Administrator
- With a copy to:
- Broadcom  
c/o CBRE, Inc.  
P.O. Box 82567  
Goleta, CA 93118-2567
11. Address of Landlord
- See Section 29.18 of the Lease.
- Section 29.18):
12. Brokers
- (Section 29.24):
- Representing Tenant:*
- CBRE, Inc.
- Representing Landlord:*
- None

## ARTICLE 1

### **PREMISES, BUILDINGS, PROJECT, AND COMMON AREAS**

#### **1.1 Premises, Buildings, Project and Common Areas.**

1.1.1 **The Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the premises set forth in Section 2.2 of the Summary (the "**Premises**"). The location of the Premises is set forth in **Exhibit A-1** attached hereto and the Premises contains approximately the number of square feet as set forth in Section 2.2 of the Summary. The parties hereto agree that the lease of the Premises is upon and subject to the terms, covenants and conditions (the "**TCCs**")





herein set forth, and Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all of such TCCs by it to be kept and performed and that this Lease is made upon the condition of such performance. The parties hereto hereby acknowledge that the purpose of **Exhibit A-1** is to show the approximate location of the Premises in the "**Project**", as that term is defined in **Section 1.1.2**, below, only, and such Exhibit is not meant to constitute an agreement, representation or warranty as to the construction of the Premises, the precise area thereof or the specific location of the "**Common Areas**", as that term is defined in **Section 1.1.3**, below, or the elements thereof or of the accessways to the Premises or the Project. Tenant shall accept the Premises in its otherwise existing "as-is" condition and Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Premises. Tenant acknowledges that pursuant to the TCCs of **Article 21** hereof, Tenant is solely responsible for the Completion of the Premises. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the size, construction or condition of the Premises, the Buildings or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business. Tenant shall be entitled to the exclusive use the following amenities to be constructed by Tenant within the Buildings (the "**Amenities**"), and such Amenities shall be a portion of the Premises for all purposes hereunder: the gym, the cafe and the Buildings' exterior common areas as depicted on **Exhibit A-1** attached hereto. In addition to the Premises, subject to the TCCs, the CC&Rs and/or any Future CC&Rs, commencing on the Lease Commencement Date Tenant shall be entitled to the non-exclusive use, together with other tenants and owners within the Project, of the sports courts and bike storage areas located on Lot 8 ("**Court and Bike Areas**").

1.1.2 **The Buildings and The Project.** The Premises include the entirety of the two (2) buildings set forth in **Section 2.1** of the Summary (the "**Buildings**"). The Buildings are part of the Project. The term "**Project**", as used in this Lease, shall mean (i) the Buildings and the Common Areas, (ii) the land (which is to be improved with landscaping, parking facilities and other improvements) upon which the Buildings and the Common Areas are located, (iii) two (2) vacant buildings located on certain lots, which as of the Commencement Date, are currently designated as Lots 4 and 5, and (iv) those parcels of land which as of the Commencement Date, are as described on **Exhibit A-2**, attached hereto, and any and all improvements located, or to be located, thereon.

1.1.3 **Common Areas.** Tenant shall have the non-exclusive right to use in common with other tenants in the Project, and subject to the rules and regulations referred to in **Article 5** of this Lease, and such other rules and regulations as the owner(s) of the applicable areas of the Project may reasonably designate from time to time, those portions of the Project which are provided, from time to time, for use in common by Landlord, the other owner(s) of the applicable areas of the Project, Tenant and any other tenants of the Project, and any association or associations or other entity(ies) that may be set up from time to time to deal with such areas (the "**Association**") (such areas are collectively referred to herein as the "**Common Areas**"). Tenant acknowledges and agrees that the manner in which the Common Areas are maintained and operated shall be at the reasonable discretion of the Association, and the use thereof shall be subject to such reasonable and non-discriminatory rules, regulations and restrictions as Landlord, the Association and such other owner(s) may make from time to time. Landlord reserves, on behalf of itself, the Association and any subsequent owner(s), the right to close temporarily, make alterations or additions to, or change the location of elements of the Project and the Common Areas; *provided*, that no such changes shall be permitted which materially interfere with Tenant's Permitted Use, enjoyment of the Premises, or rights or access hereunder; *provided, further*, that, in no event shall such actions taken by Landlord or the Association be construed as an eviction of Tenant, give rise to any right of abatement of Rent or relieve Tenant from fulfillment of any obligation and/or covenant in this Lease. Except when and where Tenant's right of access is specifically excluded as a result of (a) an emergency, (b) a requirement of law, or (c) an express provision set forth in this Lease, Tenant shall have the right of access to the Premises twenty-four (24) hours per day, seven (7) days per week during the "**Lease Term**", as that term is defined in **Section 2.1** below. In the event that at any time there is no Association in place, Landlord shall have the right to appoint any person or entity in its sole good faith discretion (which may, without limitation, include Landlord or its affiliate(s)) to perform the functions of such Association as contemplated in this Lease, provided (1) such appointed person or entity shall be known as the "Association" for all purposes hereunder, and (2) such appointed person or entity shall be reputable and experienced in the management and operation of projects of comparable size, scale and complexity as the Project.

## **ARTICLE 2**

### **LEASE TERM**

2.1 **Lease Term.** The TCCs and provisions of this Lease shall be effective as of the date of this Lease. The term of this Lease (the "***Lease Term***") shall be as set forth in Section 3.1 of the Summary, shall commence on the date set forth in Section 3.2 of the Summary (the "***Lease Commencement Date***"), and shall terminate on the date set forth in Section 3.3 of the Summary (the "***Lease Expiration Date***") unless this Lease is sooner terminated as expressly provided herein. For purposes of this Lease, the term "***Lease Year***" shall mean each consecutive twelve (12) month period during the Lease Term; *provided, however*, that the first Lease Year shall commence on the Lease Commencement Date and end on the last day of the month in which the first anniversary of the Lease Commencement Date occurs (or if the Lease Commencement Date is the first day of a calendar month, then the first Lease Year shall commence on the Lease Commencement Date and end on the day immediately preceding the first anniversary of the Lease Commencement Date), and the second and each succeeding Lease Year shall commence on the first day of the next calendar month; and further provided that the last Lease Year shall end on the Lease Expiration Date. For purposes of this Lease, the term "***Lease Month***" shall mean each succeeding calendar month during the Lease Term; provided that the first Lease Month shall commence on the Lease Commencement Date and shall end on the last day of the first (1<sup>st</sup>) full calendar month of the Lease Term and that the last Lease Month shall expire on the Lease Expiration Date.

2.2 **Extension Term.** Tenant may extend the term of this Lease beyond the initial Lease Term for one (1) period of ten (10) years (the "***Extension Term***"), provided that (a) at least nine (9) months prior to the scheduled expiration of the initial Lease Term, Tenant notifies Landlord in writing (the "***Extension Notice***") of its intention to extend the initial Lease Term, and (b) on the date of the Extension Notice, no Event of Default is then continuing. The extension of this Lease shall be on the same terms and conditions contained in this Lease, except that (i) Tenant may exercise its extension option with respect to either or both of the Buildings (the "***Extension Premises***") and the Common Areas applicable to the Extension Premises; and (ii) Base Rent payable during the Extension Term shall be the Fair Market Rate (hereinafter defined) per square foot of the Extension Premises.

2.2.1 **Determination of Fair Market Rate.** Within thirty (30) days after receipt of Tenant's Extension Notice, Landlord shall advise Tenant of Landlord's determination of the Fair Market Rate for the Extension Premises for the Extension Term. Tenant, within thirty (30) days after receipt of such determination, shall either (a) give Landlord written notice of Tenant's acceptance ("***Acceptance Notice***"), or (b) if Tenant disagrees with Landlord's determination, provide Landlord with written notice of rejection (the "***Rejection Notice***"). If Tenant provides Landlord with a Rejection Notice, Landlord and Tenant shall work together to agree upon the Fair Market Rate for the Extension Premises during the Extension Term. If Landlord and Tenant are unable to agree upon the Fair Market Rate for the Extension Premises within thirty (30) days after the date Tenant provides Landlord with the Rejection Notice (the "***Initial FMR Period***"), then Tenant, by written notice to Landlord (the "***Arbitration Notice***"), shall have the right to have the Fair Market Rate determined in accordance with the arbitration procedures described below, by delivering the Arbitration Notice to Landlord within ten (10) days following expiration of the Initial FMR Period. If Tenant fails to deliver the Arbitration Notice to Landlord within ten (10) days following expiration of the Initial FMR Period, then Tenant's election to extend the Term of the Lease shall be null, void and of no further force and effect.

2.2.2 **Arbitration Procedures.** If Tenant timely provides Landlord with an Arbitration Notice, Landlord and Tenant, within ten (10) days after the date of the Arbitration Notice, shall each simultaneously submit to the other its good faith estimate of the Fair Market Rate for the Extension Premises during the Extension Term (collectively referred to as the "***Estimates***") and shall each select a broker (hereinafter, a "***broker***") to determine which of the two Estimates most closely reflects the Fair Market Rate for the Extension Premises during the Extension Term. Each broker so selected shall (a) be a licensed commercial real estate broker and (b) have not less than ten (10) years' experience in the field of commercial brokerage in connection with Comparable Buildings (as defined below). Upon selection, Landlord's and Tenant's brokers shall work together in good faith to agree upon which of the two Estimates most closely reflects the Fair Market Rate for the Extension Premises. The Estimate chosen by such brokers shall be binding on both Landlord

and Tenant as the Base Rent rate for the Extension Premises during the Extension Term. If either Landlord or Tenant fails to appoint a broker within the ten (10) day period referred to above, the broker appointed by the other party shall be the sole broker for the purposes hereof. If the two brokers cannot agree upon which of the two Estimates most closely reflects the Fair Market Rate within thirty (30) days after their appointment, then, within ten (10) days after the expiration of such thirty (30) day period, the two brokers shall select a third broker meeting the aforementioned criteria. Once the third broker (*i.e.*, arbitrator) has been selected as provided for above, then, as soon thereafter as practicable but in any case within fourteen (14) days, the arbitrator shall make his or her determination of which of the two Estimates most closely reflects the Fair Market Rental rate and such Estimate shall be binding on both Landlord and Tenant as the Base Rent rate for the Extension Premises. The parties shall share equally in the costs of the arbitrator. Any fees of any broker, counsel or experts engaged directly by Landlord or Tenant shall be borne by the party retaining such broker, counsel or expert.

2.2.3 **Adjustments.** If the Fair Market Rate has not been determined by the commencement date of the Extension Term, Tenant shall pay Base Rent upon the terms and conditions in effect during the last month of the initial Lease Term until such time as the Fair Market Rate has been determined. Upon such determination, the Base Rent for the Extension Premises shall be retroactively adjusted to the commencement of the Extension Term. If such adjustment results in an underpayment of Base Rent by Tenant, Tenant shall pay Landlord the amount of such underpayment within thirty (30) days after the determination thereof. If such adjustment results in an overpayment of Base Rent by Tenant, Landlord shall credit such overpayment against the next installment of Base Rent due under this Lease and, to the extent necessary, any subsequent installments, until the entire amount of such overpayment has been credited against Base Rent.

2.2.4 **Fair Market Rate.** For purpose hereof, "***Fair Market Rate***" rate shall mean the arm's length fair market annual rental rate per square foot under new and renewal leases and amendments entered into on or about the date on which the Fair Market Rate is being determined hereunder for space comparable to the Extension Premises in Comparable Buildings. The determination of Fair Market Rate shall take into account items that professional real estate brokers customarily consider, including, but not limited to, rental rates, space availability, tenant size, tenant improvement allowances, parking charges and any other lease considerations, if any, then being charged or granted by landlords of similar buildings, such as rent abatements, construction costs and other concessions and the manner, if any, in which operating expenses, insurance and taxes are paid or reimbursed.

### **ARTICLE 3** **BASE RENT**

3.1 **In General.** Tenant shall pay, without prior notice or demand, to Landlord, or, at Landlord's option, at such other place as Landlord may from time to time designate in writing, by a wire transfer of United States Federal funds which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent ("***Base Rent***") as set forth in Section 4 of the Summary, payable in equal monthly installments as set forth in Section 4 of the Summary in advance on or before the first day of each and every calendar month during the Lease Term, without any setoff or deduction whatsoever. The Base Rent for the first (1<sup>st</sup>) full month of the Lease Term shall be paid at the time of Tenant's execution of this Lease, together with the anticipated monthly amount of Additional Rent corresponding to such first (1<sup>st</sup>) full month of the Lease Term. If any Rent (as hereinafter defined) payment date (including the Lease Commencement Date) falls on a day of the month other than the first day of such month or if any payment of Rent is for a period which is shorter than one month, the Rent for any such fractional month shall accrue on a daily basis during such fractional month and shall total an amount equal to the product of (i) a fraction, the numerator of which is the number of days in such fractional month and the denominator of which is the actual number of days occurring in such calendar month, and (ii) the then-applicable Monthly Installment of Base Rent. All other payments or adjustments required to be made under the TCCs of this Lease that require proration on a time basis shall be prorated on the same basis.

3.2 **Triple Net; No Setoff; No Termination.** Tenant acknowledges and agrees that this is a triple net Lease and Tenant is responsible to pay all rental amounts and one hundred percent (100%) of all other costs and expenses related to the operation, use, occupancy, maintenance, management, and replacements concerning the Premises (including, without limitation, the

Buildings and the Amenities), including, without limitation, all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary (including, without limitation, real estate taxes, general and special assessments (collectively, "**Premises RE Taxes**") levied against the Premises (collectively, the "**Premises Expenses**"), and that, in addition, Tenant is one hundred percent (100%) responsible for Tenant's Share of all "CAM Expenses", as that term is defined in Section 4.2.2, below. To the extent, if any, that Landlord determines that such Premises Expenses payable by Tenant cannot be charged directly to, and paid by, Tenant, such costs and expenses shall be paid by the Association but reimbursed by Tenant upon demand therefor by Landlord and shall be deemed to be Additional Rent hereunder. In connection with the foregoing, Tenant shall pay the Premises RE Taxes before delinquency, and provide Landlord with satisfactory evidence that such Premises RE Taxes have been timely paid. Tenant acknowledges and agrees that this Lease shall not terminate and Tenant may not quit, terminate or surrender this Lease and that Tenant shall perform all obligations hereunder, including the payment of all Base Rent and Additional Rent, without notice, demand, counterclaim, set-off, deduction, defense or recoupment, and without abatement, suspension, deferment or reduction for any reason, including, without limitation, (i) any past, present or future claims which Tenant may have against Landlord, any Landlord Mortgagee, their respective successors and assigns or any other person for any reason whatsoever; (ii) any defect in the Premises, or in the condition, design, construction, durability or fitness for a particular use thereof; (iii) any casualty or condemnation; (iv) any restriction, deprivation (including eviction) or prevention of, or any interference with or interruption of, any use or occupancy of the Premises (whether due to any defect in or failure of Landlord's title to the Premises, any lien or encumbrance, or otherwise); (v) any action, omission, default or breach on Landlord's part under this Lease or under any other agreement between Landlord and Tenant, or under any other indebtedness or liability, howsoever and whenever arising, of Landlord, any assignee of Landlord, or Tenant to any other person, or because of insolvency, bankruptcy or similar proceedings by or against Landlord, or any assignee of Landlord or Tenant; (vi) the inadequacy or inaccuracy of the description of the Premises; (vii) Tenant's acquisition of ownership of the Premises (as to any obligation arising before or incident to such acquisition and any obligation intended to survive such acquisition including, the payment of the full purchase price in strict accordance with the terms hereof); (viii) any sale or other disposition of the Premises; (ix) the impossibility or illegality of performance by Landlord or Tenant or both; (x) any action of any governmental authority; (xi) any failure to complete the Tenant's Building Work Project by the Target Completion Date; or (xii) any other cause or circumstance, whether similar or dissimilar to the foregoing, any present or future Applicable Laws notwithstanding and whether or not Tenant may have notice or knowledge of any of the foregoing. Landlord and Tenant intend that Tenant's obligations under this Lease to pay Rent are separate and independent covenants and agreements, and that Tenant shall pay all Base Rent and Additional Rent in accordance with the terms of this Lease, without notice or demand, unless the obligation to pay the same shall be terminated in accordance with the terms of this Lease. This Lease is Tenant's absolute and unconditional obligation. Tenant waives all rights at any time conferred by any Applicable Law, to extent that it may waive such rights, or otherwise to avail itself of any right (i) terminate this Lease, or (ii) to abate, reduce or defer any Base Rent or Additional Rent because Tenant incurs any damage, loss or expense, because of any cause referred to in this Section 3.2.

#### **ARTICLE 4** **ADDITIONAL RENT**

4.1 **General Terms.** Tenant acknowledges and agrees that Landlord is delegating, or has delegated, to the Association certain Common Area obligations (including relating to the Tenant's Parking Areas and the Court and Bike Areas) relating to the CC&Rs and/or any Future CC&Rs. In addition to paying the Base Rent specified in Article 3 of this Lease and the Premises Expenses, Tenant shall pay Tenant's Share of the annual CAM Expenses for each Expense Year (as those terms are defined in Section 4.2 below) directly to the Association in accordance with Section 4.3 below. Such payments by Tenant to the Association, together with any and all other amounts payable by Tenant to Landlord pursuant to the TCCs of this Lease are hereinafter collectively referred to as the "**Additional Rent**", and the Base Rent, Premises Expenses, and the Additional Rent are herein collectively referred to as "**Rent**". All amounts due under this Article 4 as Additional Rent shall be payable for the same periods and in the same manner as the Base Rent. Without limitation on other obligations of Tenant which survive the expiration of the Lease Term, the obligations of Tenant to pay the Additional Rent provided for in this Article 4 shall survive the expiration of the Lease Term.

4.2 **Definitions of Key Terms Relating to CAM Expenses.** As used in this Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1 **"Expense Year"** shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires.

4.2.2 **"CAM Expenses"** shall mean all expenses, costs and amounts of every kind and nature which the Association pays or accrues, or is required to pay or accrue, or which the Premises are otherwise responsible for, during any Expense Year because of or in connection with the use, management, maintenance, security, repair, replacement, restoration and/or operation of the Common Areas (*i.e.*, and not related specifically to the Premises, which expenses are the sole and exclusive responsibility of Tenant to pay directly as Premises Expenses as provided above), including, without limitation, all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary, (including, without limitation, real estate taxes, general and special assessments) in connection with the Common Area (or any portion thereof), which shall be paid or accrued during any Expense Year (without regard to any different fiscal year used by such governmental or municipal authority) because of or in connection with the ownership, leasing and operation of the Common Area (or any portion thereof); *provided, however*, all Excluded CAM Expenses shall be excluded from the definition and calculation of CAM Expenses.

4.2.3 **"Tenant's Share"** shall mean a fraction, expressed as a percentage, the numerator of which shall be the square feet of the space from time to time included in the Premises and the denominator of which shall be the square footage of the Project, consistently applied. If the square footage of the Project increases, then Tenant's Share shall be reduced accordingly. As of the Lease Commencement Date, Tenant's share shall be the percentage set forth in Section 6 of the Summary.

4.2.4 **"Excluded CAM Expenses"** means the following, which shall be excluded from CAM Expenses:

4.2.4.1 costs incurred in connection with the initial development or improvement of the Project;

4.2.4.2 the cost of capital improvements other than capital improvements that are (a) performed primarily to reduce current or future operating costs, (b) required to comply with any Applicable Laws that are enacted after the date of this Lease, or (c) for repair or replacement of any equipment or improvements needed to operate and/or maintain the Common Areas and/or the Project at the same quality levels as prior to the repair or replacement; provided, however, that any such permitted capital expenditure shall be amortized over its useful life as reasonably determined by the Association and only the amortized portion shall be included in CAM Expenses for such year;

4.2.4.3 any charge for depreciation of the Project or equipment and any interest or other financing charge;

4.2.4.4 debt service related to mortgages, deeds of trust or similar instruments encumbering the Project, or points, prepayment penalties or refinancing costs for such indebtedness;

4.2.4.5 expenses incurred in connection with the marketing, negotiation, execution or enforcement of leases, including, without limitation, brokerage commissions, attorneys' fees, advertising or promotional expenses or rent concessions, or expenses incurred in the relocation or movement of any tenant in the Project, or the preparation of any leased space or other tenant improvement work that any owner performs for any tenant or prospective tenant of the Project;

4.2.4.6 items for which the Association is otherwise reimbursed or entitled to be reimbursed, including, without limitation, by insurance or condemnation proceeds;

4.2.4.7 any management fee, whether paid to the Association or an outside managing agent, to the extent in excess of three percent (3%) of the actual amount of gross revenues for the Project;

4.2.4.8 expenses resulting from the violation of any Applicable Laws by the Association, the Association's employees, agents or contractors or other tenants of the Project;

4.2.4.9 penalties or interest for late payment by the Association;

4.2.4.10 the Association's income, franchise, capital stock, inheritance, estate, gift, sales, capital levy, excess profits, transfer, revenue or other taxes, assessments or charges imposed on or measured by gross income or the Association's general corporate overhead, or leasehold taxes on other tenants' personal property;

4.2.4.11 to the extent of such excess, any expense paid to an affiliate of the Association that is in excess of the amount that would be paid in the absence of such relationship;

4.2.4.12 expenses incurred by the Association for repairs or other work to the Common Areas caused by (a) the failure of the Project to comply as of the date of this Lease with any Applicable Laws existing as of the date of this Lease, (b) the exercise of the right of eminent domain, or (c) fire, windstorm or other insured casualty, or any uninsured or under-insured casualty;

4.2.4.13 expenses incurred by the Association as a result of the presence of Hazardous Materials in, on, or under the Project;

4.2.4.14 expenses in connection with services or other benefits provided on an ongoing basis to other Project tenants that are not available to Tenant;

4.2.4.15 costs incurred by the Association as a result of (a) the negligence or willful misconduct of Landlord or Landlord's employees, agents or contractors, or (b) the breach by Landlord of any lease in the Project;

4.2.4.16 costs for which the Association is entitled to bill other tenants directly (other than as a part of CAM Expenses) under the provisions of such tenants' leases, or the cost of any item or service for which Tenant separately reimburses Landlord or pays third parties;

4.2.4.17 rental under any ground or underlying lease or under any lease or sublease assumed, directly or indirectly, by the Association;

4.2.4.18 charitable or political contributions or professional dues;

4.2.4.19 costs for the acquisition, leasing, maintenance or insurance of paintings, sculptures or other objects of art located in the Project;

4.2.4.20 costs (including in connection therewith all attorneys' fees and costs of settlement and judgments or payments in lieu thereof) arising from claims, disputes or potential disputes in connection with actual or potential claims, litigation or arbitration pertaining to the Association or the Project;

4.2.4.21 any additional expenses incurred by the Association for the use of any portion of the Project to accommodate events including, without limitation, shows, promotions, filming, photography, private events or parties, ceremonies or advertising;

4.2.4.22 costs of selling, syndicating or otherwise transferring the Project (or any portion thereof) or Landlord's interest in the Project (or any portion thereof), including, without limitation, brokerage commissions, appraisals, attorneys' or accountants' fees, closing costs, title insurance premiums or transfer or other similar taxes or charges;

4.2.4.23 the cost of traffic studies, environmental impact reports, transportation system management plans or reports, traffic mitigation measures or other similar matters;

4.2.4.24 auditing fees other than those incurred by Landlord in connection with the performance of its obligations under this Lease or the other leases in the Project;

4.2.4.25 rentals for items which if purchased, rather than rented, would constitute a capital improvement or equipment;



4.2.4.26 any improvement installed or work performed or any other cost or expense incurred by Landlord in order to comply with the requirements for obtaining or renewal of a certificate of occupancy for the Project or any space therein;

4.2.4.27 all costs associated with the operation of the business of the entity which constitutes "Landlord" including, but not limited to, the general corporate overhead and general administrative expenses of Landlord, Landlord's managing agent or affiliates or partners of Landlord or Landlord's managing agent, costs incurred by Landlord for trustee's fees, partnership and corporate organizational expenses, organizational expenses associated with the creation and operation of the entity which constitutes Landlord, and accounting and legal fees to the extent relating to Landlord's general corporate overhead and general administrative expenses;

4.2.4.28 costs incurred by the Association for trustee's fees, partnership and corporate organizational expenses, organizational expenses associated with the creation and operation of the entity which constitutes the Association;

4.2.4.29 expenses for the replacement of any item covered under any warranty;

4.2.4.30 key man and other life insurance, long-term disability insurance and health, accident and sickness insurance, except only for group plans providing reasonable benefits to persons of the grade of building manager and below who are employed and engaged in operating and managing the Building;

4.2.4.31 reserves of any kind, including but not limited to replacement reserves, and all bad debt loss, rent loss, or reserves for bad debt or rent loss; and

4.2.4.32 any costs recovered by the Association to the extent such cost recovery allows the Association to recover more than one hundred percent (100%) of CAM Expenses for any year from tenants of the Project.

#### 4.3 **Payment of CAM Expenses.**

4.3.1 **Estimate Statement.** Landlord shall use commercially reasonable efforts to cause the Association to deliver to Tenant, by no later than the first day of April (or as soon as practicable thereafter) of each Expense Year, a statement ("***Estimate Statement***") estimating Tenant's Share of CAM Expenses for the current Expense Year payable by Tenant. Tenant's Share of CAM Expenses shown on the Estimate Statement shall be divided into twelve (12) equal monthly installments, and Tenant shall pay to the Association on the first (1<sup>st</sup>) day of the calendar month following the receipt of the Estimate Statement, an amount equal to one (1) monthly installment of Tenant's Share of CAM Expenses. Subsequent installments shall be paid on the first (1<sup>st</sup>) day of each and every calendar month for the balance of the calendar year and shall continue until the next calendar year's Estimate Statement is received.

4.3.2 **Actual Statement.** Landlord shall use commercially reasonable efforts to cause the Association to deliver to Tenant, by no later than the first (1<sup>st</sup>) day of June (or as soon as practicable thereafter) of each subsequent year following an Expense Year, a statement ("***Actual Statement***") which states Tenant's Share of CAM Expenses payable by Tenant for the immediately preceding Expense Year. If the Actual Statement reveals that Tenant's Share of CAM Expenses was under-stated in any Estimate Statement previously delivered to Tenant, then within thirty (30) days after delivery of the Actual Statement to Tenant, Tenant shall pay to the Association the amount of any such under-payment. Such obligation will be a continuing one which will survive the expiration or earlier termination of this Lease; *provided, however*, Tenant shall have no obligation to make such under-payment with respect to Actual Statements delivered more than two (2) years after the expiration or sooner termination of this Lease. If the Actual Statement reveals that Tenant's Share of CAM Expenses was over-stated in any Estimate Statement, Landlord shall use commercially reasonable efforts to request that the Association pay such amounts directly to Tenant.

#### 4.4 **Taxes and Other Charges for Which Tenant Is Directly Responsible.**

4.4.1 Tenant shall be liable for and shall pay before delinquency, taxes levied against Tenant's equipment, furniture, fixtures and any other personal property located in or about

the Premises, and Tenant shall provide Landlord with satisfactory evidence that such taxes have been paid before delinquency.

4.4.2 In addition to the terms of Section 4.4.1 above, Tenant shall pay prior to delinquency any (i) rent tax or sales tax, service tax, transfer tax or value added tax, or any other applicable tax on the rent or services herein or otherwise respecting this Lease, (ii) taxes assessed upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises; or (iii) taxes assessed upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises.

4.4.3 a Tenant shall have the right to contest any increase in any taxes levied against the Premises, and Landlord shall cooperate with any reasonable request by Tenant in connection with such contest and permit Landlord's name to be used in such contest, to the extent reasonably necessary, provided that there is no threat of penalties, forfeiture or other harm to the Premises as a result of such contest and that Landlord shall have the right to approve any settlement related to such contest.

4.5 **Tenant's Audit Right.** Within sixty (60) days after receiving the Actual Statement, Tenant may, upon advance written notice to Landlord and the Association and during reasonable business hours, cause an audit of the Association's books and records with respect to the preceding Expense Year to determine the accuracy of the Actual Statement. Landlord shall cause the Association to make all pertinent records available for inspection that are reasonably necessary for Tenant to conduct its review. If Tenant retains an agent, at Tenant's sole cost and expense, to review the Association's records, the agent shall be an independent accountant of national standing, which is not compensated on a contingency basis and is also subject to a commercially reasonable confidentiality agreement. Within sixty (60) days after the records are made available to Tenant, Tenant shall have the right to give the Association written notice (an "**Objection Notice**") stating in reasonable detail any objection to the Actual Statement of CAM Expenses for that year. If Tenant provides the Association with a timely Objection Notice, the Association and Tenant shall work together in good faith to resolve any issues raised in Tenant's Objection Notice. If Tenant fails to provide the Association with a timely Objection Notice, the Actual Statement shall be deemed final and binding, and Tenant shall have no further right to audit or object to such statement. If the Association and Tenant determine that CAM Expenses for the calendar year are less than reported, Landlord shall cause the Association to pay such overpayment directly to Tenant. Likewise, if the Association and Tenant determine that CAM Expenses for the Expense Year are greater than reported, Tenant shall pay the Association the amount of any underpayment within thirty (30) days. If such audit proves that Tenant's Share of CAM Expenses set forth in the Actual Statement were overstated by more than five percent (5%), then the cost of such audit shall be paid for by the Association. Landlord shall cause the Association to maintain records of the CAM Expenses for the three (3) year period following each Actual Statement.

## **ARTICLE 5**

### **USE OF PREMISES**

5.1 **Permitted Use.** Tenant shall use the Premises solely for the Permitted Use set forth in Section 7 of the Summary and Tenant shall not use or permit the Premises or the Project to be used for any other purpose or purposes whatsoever without the prior written consent of Landlord, which may be withheld in Landlord's sole but reasonable discretion.

5.2 **Prohibited Uses.** The uses prohibited under this Lease shall include, without limitation, use of the Premises or a portion thereof for (i) offices of any agency or bureau of the United States or any state or political subdivision thereof; (ii) offices or agencies of any foreign governmental or political subdivision thereof; (iii) offices of any bank, healthcare professionals or service organization; (iv) schools or other training facilities which are not ancillary to corporate, executive or professional research and development use; or (v) communications firms such as radio and/or television stations. Tenant further covenants and agrees that Tenant shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose contrary to the provisions of the "Rules and Regulations" set forth in **Exhibit C**, attached hereto, or in violation of the laws of the United States of America, the State of California, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful

authorities having jurisdiction over the Project) including, without limitation, any such laws, ordinances, regulations or requirements relating to hazardous materials or substances, as those terms are defined by applicable laws now or hereafter in effect; *provided, however*, Landlord shall not enforce, change or modify the Rules and Regulations in a discriminatory manner and Landlord agrees that the Rules and Regulations shall not be unreasonably modified or enforced in a manner which will unreasonably interfere with the normal and customary conduct of Tenant's business. Tenant shall not do or permit anything to be done in or about the Premises which will in any way damage the reputation of the Project or materially obstruct or interfere with the rights of other tenants or occupants of the Project, or injure them or use or allow the Premises to be used for any unlawful purpose, nor shall Tenant cause, maintain or permit any nuisance or adverse health or life safety issue in, on or about the Premises.

5.3 **CC&Rs.** To the extent not inconsistent with the express terms and conditions of this Lease, Tenant shall comply in all material respects with all recorded covenants, conditions, and restrictions now or hereafter affecting the Project, including, without limitation (i) that certain Master Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Great Park Neighborhoods (SOBARR and Potential Future Neighborhoods), dated March 10, 2015 and recorded in the Official Records on March 10, 2015 as Document No. 2015000121147 (as amended and as may be amended from time to time, the "**Master CC&Rs**"), (ii) that certain Declaration of Development Covenants, Conditions and Restrictions and Reservation of Easements (R&D Corporate Campus), dated March 15, 2015 and recorded in the Official Records as of March 15, 2015 as Document No. 2015000123209 (the "**Development CC&Rs**"), and (iii) that certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements recorded in connection with Landlord's acquisition of the Project from Tenant ("**Amended and Restated Declaration**" and collectively with the Master CC&Rs and the Development CC&Rs, the "**CC&Rs**", in each case as the same may be revised, amended and replaced in accordance with this Section below). Additionally, Tenant acknowledges that the Project may be subject to future covenants, conditions, and restrictions and/or revisions, amendments and replacements to the CC&Rs (the "**Future CC&Rs**") which Landlord, in Landlord's reasonable discretion, deems necessary or desirable. Tenant agrees that this Lease shall be subject and subordinate to such Future CC&Rs, provided the same shall (i) not materially decrease Tenant's rights under this Lease, materially increase Tenant's obligations or liabilities under this Lease, or materially decrease Landlord's liabilities or obligations under this Lease, and (ii) be subject to Tenant's reasonable prior approval if such Future CC&Rs would be reasonably likely to have a material adverse effect on Tenant or Tenant's occupancy of the Premises, or materially increase Tenant's costs under the CC&Rs. Landlord shall have the right to require Tenant to execute and acknowledge, within fifteen (15) business days of a request by Landlord, a "Recognition of Covenants, Conditions, and Restriction", in a form substantially similar to that attached hereto as Exhibit E, agreeing to and acknowledging the CC&Rs and/or any Future CC&Rs.

## ARTICLE 6

### **SERVICES AND UTILITIES**

6.1 **Services and Utilities.** Tenant alone shall be responsible for and shall pay all electrical, water, gas, heating and air conditioning ("**HVAC**"), light, power, telephone, internet, Wi-Fi, sewer, sprinkler charges and any fees, charges, certifications, costs for inspections and other costs related thereto and other utilities and services used on or from the Premises (including, without limitation, janitorial and security services for the Premises), together with any taxes, penalties, surcharges or the like pertaining hereto and any maintenance charges for all utilities. The Premises shall be separately metered and if the Premises is not separately metered the Tenant shall, at its sole cost and expense, install such meters. All such utility, janitorial and security payments for the Premises shall be excluded from CAM Expenses and shall be paid directly by Tenant prior to the date on which the same are due to the utility provider, janitorial company and/or security company, as applicable. Landlord shall have no obligation to provide any such services, and any cessation thereof shall not render Landlord in default under this Lease, liable in any respect for damages or otherwise to either person or property, be construed as an eviction of Tenant, give rise to any right of abatement of Rent or relieve Tenant from fulfillment of any obligation and/or covenant in this Lease.

6.2 **Tenant Maintained Security.** Tenant hereby acknowledges that Landlord shall have no obligation to provide, or otherwise pay for, any guard service or other security measures for the benefit of the Premises, the Buildings or the Project. Tenant hereby assumes all responsibility for the protection of Tenant and its agents, employees, contractors, invitees and guests, and the property thereof, from acts of third parties, including keeping doors locked and other means of entry to the Premises closed. In accordance with the TCCs of Article 8 of this Lease, Tenant shall be allowed, at Tenant's sole cost and expense, to install its own integrated security systems for the Premises, provided that Landlord shall be granted access to such security system so that Landlord is able to exercise its access rights to the Premises provided for in this Lease.

## **ARTICLE 7** **REPAIRS**

7.1 **In General.** During the entire Lease Term, Tenant shall, at its sole cost and expense, maintain and operate in first-class condition and operating order and keep in good repair and condition consistent with comparable buildings (of comparable age, size and quality) in the Irvine, California area ("***Comparable Buildings***") and in compliance with Applicable Laws, the Building Specifications, the Permit Set, the CC&Rs and any Future CC&Rs (reasonable wear and tear, casualty, and condemnation excepted), the Premises and all components thereof, including, without limitation, the structural portions of the Buildings, including, without limitation, the foundation, floor/ceiling slabs, roof, curtain wall, exterior glass and mullions, columns, beams, shafts (including elevator shafts), stairs, stairwells, elevator cab, men's and women's washrooms, Buildings' mechanical, electrical and telephone closets, and all common and public areas servicing the Buildings, landscaping and exterior Buildings' signage (collectively, "***Building Structure***") and the Base Building mechanical, electrical, life safety, building access, plumbing, sprinkler systems and HVAC systems (collectively, the "***Building Systems***"). Tenant shall, at Tenant's own expense, keep the Premises, including all improvements, fixtures and furnishings therein, and the floors of the Buildings, in good order, repair and condition and in compliance with Applicable Laws and the Permit Set at all times during the Lease Term (reasonable wear and tear, casualty, and condemnation excepted), including, without limitation, making any necessary repairs and replacements to ensure such compliance at all times. In addition, Tenant shall, at Tenant's own expense, and within any reasonable period of time, promptly and adequately repair all damage to the Premises and replace or repair all damaged, broken, or worn fixtures and appurtenances (including the Building Structure and the Building Systems); *provided, however*, that if Tenant fails to make such repairs, Landlord may, after written notice to Tenant and Tenant's failure to repair within ten (10) business days thereafter, but need not nor have any obligation to, make such repairs and replacements, and Tenant shall pay Landlord the reasonable cost thereof upon being billed for same. Tenant shall keep accurate books and records in connection with its repair and maintenance of the Building Systems pursuant to the terms hereof, and shall furnish copies of same to Landlord upon request. Subject to Article 27 below, Landlord may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, improvements or additions to the Premises as Landlord shall desire or deem necessary or as Landlord may be required to do by governmental or quasi-governmental authority or court order or decree; *provided, however*, except for (i) emergencies, or (ii) repairs, alterations, improvements or additions required by governmental or quasi-governmental authorities or court order or decree, any such entry into the Premises by Landlord shall be performed in a manner so as not to materially interfere with Tenant's use of, or access to, the Premises; *provided, that*, with respect to item (ii) above, Landlord shall use commercially reasonable efforts to not materially interfere with Tenant's use of, or access to, the Premises.

7.2 **No Landlord Premises Obligations.** Landlord shall not be required to make any structural or non-structural improvements, replacements, modifications or repairs of any kind or character to the Premises (including, without limitation, the Building Structure and the Building Systems) during the Lease Term, except to the extent caused by the gross negligence or willful misconduct of Landlord or the Landlord Parties. Tenant acknowledges and agrees that: (i) Landlord has no obligation whatsoever to perform any modification, alteration or improvements to the Premises; (ii) Tenant further waives any claims against Landlord for any patent and/or latent defects in the Premises; and (iii) any and all capital repairs, replacements and/or improvements to the Premises and costs related thereto are the sole responsibility and obligation of Tenant.

7.3 **Common Area Obligations.** As part of CAM Expenses, Landlord shall use commercially reasonable efforts to cause the Association to keep the Common Areas (including, without limitation, Tenant's Parking Areas and the Court and Bike Areas), as the same may exist from time to time, in good condition, repair and operating order.

## **ARTICLE 8**

### **ADDITIONS AND ALTERATIONS**

8.1 **Alterations.** Tenant may not make any improvements, alterations, additions or changes to the Premises or any mechanical, plumbing or HVAC facilities or systems pertaining to the Premises (collectively, the "***Alterations***") without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) business days prior to the commencement thereof, and which consent shall not be unreasonably withheld by Landlord, provided it shall be deemed reasonable for Landlord to withhold its consent to any Alteration which adversely affects the value, exterior appearance, structural portions or the systems or equipment of either Building. Notwithstanding the foregoing, Tenant shall be permitted to make Alterations following ten (10) business days' notice to Landlord, but without Landlord's prior consent, to the extent that such Alterations are performed in a first-class manner materially consistent with the Comparable Buildings and in compliance with the CC&Rs and any Future CC&Rs and do not (i) adversely affect the systems and equipment of the Buildings, exterior appearance of the Buildings, or structural aspects of the Buildings, (ii) adversely affect the value of the Premises or Buildings, (iii) reduce the usable or rentable square footage of the Buildings, and (iv) cost in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00) (the "***Cosmetic Alterations***"). The initial construction of the Premises and completion of the Buildings shall be governed by the terms of Article 21 and not the terms of this Article 8.

8.2 **Manner of Construction.** Landlord may impose, as a condition to any and all Alterations or repairs of the Premises or about the Premises, such requirements as Landlord in its reasonable discretion may deem desirable, including, but not limited to, the requirement that Tenant utilize for such purposes only contractors reasonably approved by Landlord, and the requirement that upon Landlord's timely request (as more particularly set forth in Section 8.5, below), Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any early termination of the Lease Term and return the affected portion of the Premises to a building standard tenant improved condition as reasonably determined by Landlord; *provided, however*, that Tenant shall only be required to remove non-general office use Alterations, and only to the extent Landlord provides Tenant with notice of such removal obligation at the time its consent is given (*i.e.*, as more particularly set forth in Section 8.5 below). Tenant shall construct such Alterations and perform such repairs in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations and pursuant to a valid building permit (if applicable), issued by the City of Irvine (the "***City***"), all in conformance with Landlord's reasonable, written construction rules and regulations. In the event Tenant performs any Alterations in the Premises which require or give rise to governmentally required changes to the "Base Building", as that term is defined below, then Tenant shall, at Tenant's expense, make such changes to the Base Building. The "***Base Building***" shall include the structural portions of either Building, and the public restrooms, elevators, exit stairwells and the systems and equipment located in the internal core of either Building. In performing the work of any such Alterations, Tenant shall use diligent efforts to have the work performed in such manner so as not to obstruct access to the Project or any portion thereof, by any other tenant of the Project, and so as not to obstruct the business of Landlord or other tenants or owners in the Project. In addition to Tenant's obligations under Article 9 of this Lease, upon completion of any Alterations, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of Orange County in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, and Tenant shall deliver to Landlord a reproducible copy of the "as-built" drawings of the Alterations, to the extent applicable, as well as all permits, approvals and other documents issued by any governmental agency in connection with the Alterations.

8.3 **Payment for Improvements.** With respect to payments to be made directly to contractors, Tenant shall (i) comply with Landlord's reasonable requirements for periodic and final lien releases and waivers in connection with Tenant's payment for work to contractors, and

(ii) request that contractors comply with Landlord's standard contractor's rules and regulations, including any insurance required by Landlord.

#### 8.4 **Intentionally Omitted.**

8.5 **Landlord's Property.** Landlord and Tenant hereby acknowledge and agree that all Alterations, improvements, and/or appurtenances which may be permanently installed in or about the Premises, from time to time, shall be at the sole cost of Tenant and shall be and become part of the Premises and the property of Landlord; *provided, however*, that notwithstanding the foregoing, Tenant may remove any Alterations, furniture, fixtures and/or equipment (regardless of whether the same is built-in or free standing) (which removal items shall include, but not be limited to, any of Tenant's movable furniture, furnishings, trade fixtures and equipment at the Premises (collectively, "***Tenant's Property***"), provided Tenant repairs any damage to the Premises caused by such removal and returns the affected portion of the Premises to a condition consistent with the Building Specifications (as hereinafter defined). Furthermore, Landlord may, by written notice to Tenant (provided such notice is given to Tenant at the time of Landlord's consent to the subject Alterations), require Tenant, at Tenant's expense, upon the expiration or sooner termination of this Lease, to (i) remove any non-general office use Alterations in the Premises, and (ii) return the affected portion of the Premises to a condition consistent with the Building Specifications.

### ARTICLE 9 **COVENANT AGAINST LIENS**

9.1 **Covenant Against Liens.** Tenant shall keep the Project and Premises free from any liens or encumbrances arising out of the work performed, materials furnished or obligations incurred by or on behalf of Tenant, and shall protect, defend, indemnify and hold Landlord and any Landlord Mortgagee harmless from and against any claims, liabilities, judgments or costs (including, without limitation, reasonable attorneys' fees and costs) arising out of same or in connection therewith. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any such work on the Premises (or such additional time as may be necessary under Applicable Laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Tenant shall remove any such lien or encumbrance by bond or otherwise within thirty (30) days after notice by Landlord, and if Tenant shall fail to do so, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof. The amount so paid shall be deemed Additional Rent under this Lease payable upon demand, without limitation as to other remedies available to Landlord under this Lease. Nothing contained in this Lease shall authorize Tenant to do any act which shall subject Landlord's title to the Premises or Landlord's interest in this Lease to any liens or encumbrances whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the Premises or any portion thereof arising in connection with any such work or respecting the Premises not performed by or at the request of Landlord shall be null and void, or at Landlord's option shall attach only against Tenant's interest in the Premises and shall in all respects be subordinate to Landlord's title to the Premises.

### ARTICLE 10 **INSURANCE**

10.1 **Indemnification and Waiver.** Except to the extent caused by the gross negligence or willful misconduct of Landlord or any of the Landlord Parties, Tenant hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause whatsoever and agrees that Landlord, its partners, members, subpartners or other equity holders and their respective officers, agents, servants, employees, and independent contractors, the Association, and any Landlord Mortgagee (collectively, "***Landlord Parties***") shall not be liable for, and are hereby released from any responsibility for, any damage either to person or property or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all loss, cost, damage, expense and liability (including, without limitation, court costs and reasonable attorneys' fees) incurred in connection with or arising from: (a) the use or occupancy of the Premises or Common Areas by Tenant or any person claiming under Tenant; (b) any activity, work, or thing done by Tenant in or about the Premises or Common Areas; (c) any negligence or willful misconduct of Tenant or any person claiming under Tenant, or the contractors, agents,

employees, invitees, or visitors of Tenant or any such person; (d) any breach, violation, or non-performance by Tenant or any person claiming under Tenant or the employees, agents, contractors, invitees, or visitors of Tenant or any such person of any term, covenant, or provision of this Lease or any Applicable Law relating to Tenant's use or occupancy of the Premises; (e) any injury or damage to the person, property, or business of Tenant, its employees, agents, contractors, invitees, visitors, or any other person entering upon the Premises or Common Areas under the express or implied invitation of Tenant; or (f) the placement of any personal property or other items within the Premises or Common Areas; *provided*, that the foregoing indemnity shall not apply to the extent caused by the gross negligence or willful misconduct of Landlord or any of the Landlord Parties. Subject to Tenant's indemnity and the waiver of subrogation provided below, Landlord shall indemnify, defend, protect, and hold harmless Tenant, its partners, and their respective officers, agents, servants, employees, and independent contractors (collectively, "**Tenant Parties**") from any and all loss, cost, damage, expense and liability (including, without limitation, court costs and reasonable attorneys' fees) arising from the gross negligence or willful misconduct of Landlord or the Landlord Parties either prior to or during the Lease Term, and/or as a result of Landlord's breach of this Lease, except to the extent caused by the negligence or willful misconduct of Tenant or the Tenant Parties. Further, Tenant's agreement to indemnify Landlord, and Landlord's agreement to indemnify Tenant, in either case pursuant to this Section 10.1 is not intended and shall not relieve any insurance carrier of its obligations under policies required to be carried pursuant to the provisions of this Lease, to the extent such policies cover the matters subject to the parties' indemnification obligations; nor shall they supersede any inconsistent agreement of the parties set forth in any other provision of this Lease. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease with respect to any claims or liability arising in connection with any event occurring prior to such expiration or termination.

10.2 **Tenant's Compliance With Landlord's Fire and Casualty Insurance.** If Tenant's conduct or use of the Premises is the cause of any increase in the premium for Landlord's insurance policies then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply in all material respects with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body with respect to the Premises.

10.3 **Tenant's Insurance.** Tenant shall maintain the following coverages in the following amounts ("**Tenant's Insurance**"). Such policies shall be for a term of at least one (1) year, or the length of the remaining term of this Lease, whichever is less.

10.3.1 Commercial General Liability Insurance, including Broad Form contractual liability covering the insured against claims of bodily injury, personal injury and property damage (including loss of use thereof) based upon or arising out of Tenant's operations, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be written on an "occurrence" basis. Landlord and any other party the Landlord so specifies that has a material financial interest in the Premises, including Landlord's managing agent, ground lessor and/or any Landlord Mortgagee, if any, shall be named as additional insureds using Insurance Service Organization's form CG2011 or Acord 25, as applicable, or a comparable form approved by Landlord. Tenant shall provide an endorsement or policy excerpt showing that Tenant's coverage is primary and any insurance carried by Landlord shall be excess and non-contributing. The Commercial General Liability Insurance carried by Tenant shall not exclude damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations. This policy shall include coverage for all liabilities assumed under this Lease as an insured contract for the performance of all of Tenant's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Tenant nor relieve Tenant of any obligation hereunder. Limits of liability insurance shall not be less than the following; *provided, however*, such limits may be achieved through the use of an Umbrella/Excess Policy:



Bodily Injury and Property Damage Liability	\$10,000,000 each occurrence
Personal Injury and Advertising Liability	\$10,000,000 each occurrence
Tenant Legal Liability/Damage to Rented Premises Liability	\$2,000,000.00

10.3.2 Property Insurance covering (i) all office furniture, personal property, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's business personal property on the Premises installed by, for, or at the expense of Tenant, (ii) the Premises, including, without limitation, the "Improvements", as that term is defined in the Building Specifications, and any other improvements which exist in the Premises as of the Lease Commencement Date, and (iii) all Alterations performed in the Premises. Such insurance shall be written on a Special Form basis, for the full replacement cost value (subject to reasonable deductible amounts), without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance, shall name Landlord and any other party the Landlord so specifies that has a material financial interest in the Premises, including Landlord's managing agent, ground lessor and/or any Landlord Mortgagee, if any, as loss payees, and shall include coverage for (a) all perils included in the CP 10 30 04 02 Coverage Special Form, (b) water damage from any cause whatsoever, including, but not limited to, backup or overflow from sprinkler leakage, bursting, leaking or stoppage of any pipes, explosion, and backup of sewers and drainage, (c) terrorism (to the extent such terrorism insurance is available as a result of the Terrorism Risk Insurance Act of 2002 (Pub. L. 107-297, 116 Stat. 2322), the Terrorism Risk Insurance Program Reauthorization Act of 2005 (Pub. L. 109-144), and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (Pub. L. 110-160, 121 Stat. 183), any successor statute or regulation, or is otherwise available at commercially reasonable rates), and (d) the risks of earthquakes.

10.3.2.1 **Adjacent Premises.** Tenant shall pay as part of the CAM Expenses for any increase in the premiums for the property insurance of the Common Areas to the extent said increase is caused by Tenant's acts, omissions, use or occupancy of the Premises.

10.3.2.2 **Tenant's Self Insurance.** In lieu of the insurances described in Sections 10.3 through and including 10.5, and at Tenant's sole and absolute discretion, Tenant's insurance coverages as required under this Lease may be satisfied through a "self-insurance" structure, so long as Tenant (together with its affiliates) maintains a financial profile whereby their cumulative market capitalization is no less than Ten Billion Dollars (\$10,000,000,000.00). Tenant shall be under no obligation to disclose or provide any evidence of, or information related to, the structure and limits of its elected self-insured or insured exposures. Tenant shall notify Landlord if Tenant elects to discontinue its self-insurance program.

10.3.2.3 **No Representation of Adequate Coverage.** Landlord makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Tenant's property, business operations or obligations under this Lease.

10.3.3 Business Income Interruption for one year (1) plus Extra Expense insurance in such amounts as will reimburse Tenant for actual direct or indirect loss of earnings attributable to the risks outlined in Section 10.3.2 above.

10.3.4 Workers' Compensation or other similar insurance pursuant to all applicable state and local statutes and regulations, and Employer's Liability with minimum limits of not less than One Million Dollars (\$1,000,000.00) each accident/employee/disease.

10.3.5 Commercial Automobile Liability Insurance covering all Owned (if any), Hired, or Non-owned vehicles (i.e., any and all vehicles used or operated by Tenant) with limits not less than One Million Dollars (\$1,000,000.00) combined single limit for bodily injury and property damage.

10.3.6 **Property Insurance Subrogation.** Landlord and Tenant intend that their respective property loss risks shall be borne by insurance carriers to the extent above provided (and, in the case of Tenant, by an insurance carrier satisfying the requirements of Section 10.4(i) below), and Landlord and Tenant hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a property loss to the extent that such coverage is agreed to be provided hereunder. The parties each hereby waive all rights and claims against each other for such losses, and waive all rights of subrogation of their respective insurers. Landlord and Tenant hereby represent and warrant that their respective "all risk" property insurance policies include a waiver of (i) subrogation by the insurers, and (ii) all rights based upon an assignment from its insured, against Landlord and/or any of the Landlord Parties or Tenant and/or any of the Tenant Parties (as the case may be) in connection with any property loss risk thereby insured against. Tenant will cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section 10.3.6 and to obtain such waiver of subrogation rights endorsements. If either party hereto fails to maintain the waivers set forth in items (i) and (ii) above, the party not maintaining the requisite waivers shall indemnify, defend, protect, and hold harmless the other party for, from and against any and all claims, losses, costs, damages, expenses and liabilities (including, without limitation, court costs and reasonable attorneys' fees) arising out of, resulting from, or relating to, such failure.

10.4 **Form of Policies.** The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall (i) be issued by an insurance company having a rating of "A" or higher from Moody's Investors Service, Inc. or Standard & Poor's Rating Service or their respective successors, or which is otherwise acceptable to Landlord and licensed to do business in the State of California, (ii) be in form and content reasonably acceptable to Landlord and complying with the requirements of Section 10.3 (including, Sections 10.3.1 through 10.3.6), (iii) Tenant shall not do or permit to be done anything which invalidates the required insurance policies, and (iv) provide that said insurance shall not be canceled (including, without limitation, for nonpayment of premium) or coverage changed (including, without limitation, increase in deductible, self-insurance or co-insurance) unless thirty (30) days' prior written notice shall have been given to Landlord and any Landlord Mortgagee, the identity of whom has been provided to Tenant in writing. Tenant shall deliver full copies of said policy or policies and applicable endorsements which meet the requirements of this Article 10 to Landlord on or before (I) the earlier to occur of: (x) the Lease Commencement Date, and (y) the date Tenant and/or its employees, contractors and/or agents first enter the Premises for occupancy, construction of improvements, alterations, or any other move-in activities, and (II) five (5) business days after the renewal of such policies, but in any event no less frequently than annually. In the event Tenant shall fail to procure such insurance, or to deliver such policies and applicable endorsements, Landlord may, at its option, after written notice to Tenant and Tenant's failure to obtain such insurance within five (5) days thereafter, procure such policies for the account of Tenant and the sole benefit of Landlord, and the cost thereof shall be paid to Landlord after delivery to Tenant of bills therefor.

10.5 **Additional Insurance Obligations.** Tenant shall carry and maintain during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10 and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord or any Landlord Mortgagee, but in no event shall such increased amounts of insurance or such other reasonable types of insurance be materially in excess of that generally required by landlords of Comparable Buildings.

10.6 **Third-Party Contractors.** Upon notification by Landlord, Tenant shall request Third-Party Contractors to obtain and deliver to Landlord certificates of insurance and applicable endorsements at least five (5) business days prior to the commencement of work in or about the Premises by any third-party contractor (a "**Third-Party Contractor**"). All such insurance shall (a) name Landlord as an additional insured under such party's liability policies as required by Section 10.3.1 above and this Section 10.6, (b) provide a waiver of subrogation in favor of Landlord under such Third-Party Contractor's commercial general liability insurance, (c) be primary and any insurance carried by Landlord shall be excess and non-contributing, and (d) comply with Landlord's minimum insurance requirements as the same relate to Commercial General Liability Insurance, Workers' Compensation or other similar insurance, and Commercial Automobile Liability

Insurance; *provided, however*, with respect to any Commercial General Liability Insurance policy covering liability for bodily injury and property damage required to be maintained by a Third-Party Contractor (the "**Third-Party CGL**"), such insurance shall be in the amount of not less than Two Million Dollars (\$2,000,000.00) per occurrence, and aggregate limits shall not be less than Two Million Dollars (\$2,000,000.00) annual aggregate to the extent such Third-Party Contractor is either (a) an electrical, mechanical, plumbing, or sprinkler system contractor, or (b) a contractor engaged in the performance of Alterations, repair or maintenance which affects the Building Systems (to extent permitted under this Lease); *provided, further* however, any Third-Party Contractor which is not identified in the foregoing items (a) or (b) shall be entitled to carry Third-Party CGL in the amount of not less than One Million Dollars (\$1,000,000.00) per occurrence, and aggregate limits shall not be less than One Million Dollars (\$1,000,000.00) annual aggregate. Notwithstanding anything in this Lease to the contrary, the requirements of this Section 10.6 shall only apply to Alterations performed after the completion of Tenant's Building Work.

10.7 **No Consequential Damages.** Notwithstanding any provision to the contrary contained in this Lease, nothing in this Lease shall impose any obligations on Tenant or Landlord to be responsible or liable for, and each hereby releases the other from all liability for, consequential or special damages other than as set forth in Article 16.

10.8 **Landlord's Insurance.** Landlord shall have the right (but not the obligation) to maintain property insurance, for some or all of the Premises' replacement value, as Landlord may elect, covering such risks as Landlord so chooses ("**Landlord's Property Insurance**"). Any Landlord's Property Insurance policy carried by Landlord shall be for the sole benefit of Landlord and under Landlord's sole control, and Tenant shall have no right or claim to any proceeds thereof or any other rights thereunder. Notwithstanding the foregoing provisions of this Section 10.8, Landlord shall obtain and maintain the insurance as may be required of owners of the Premises under the CC&Rs and Future CC&Rs (the "**CC&Rs Insurance**"). Tenant shall pay the cost of the CC&Rs Insurance, and any Landlord's Property Insurance Landlord shall elect to carry, within thirty (30) days after receipt of an invoice from Landlord therefor, as Additional Rent.

## **ARTICLE 11**

### **DAMAGE AND DESTRUCTION**

11.1 **Repair of Damage to Premises by Tenant.** Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises shall be damaged by fire or other casualty, Tenant shall promptly and diligently, subject to all other terms of this Article 11, restore the Premises, including the Base Building, as well as the Improvements and any Alterations; *provided*, that if Tenant fails to make such repairs and complete the restoration within a reasonable period of time, Landlord may, after written notice to Tenant, but need not, make such repairs and complete the restoration, and Tenant shall pay Landlord the reasonable cost thereof. Such restoration shall be to substantially the same condition prior to the casualty, except for modifications required by zoning and building codes and other Applicable Laws, the CC&Rs, any Future CC&Rs, or by any Landlord Mortgagee. Any insurance proceeds received by Landlord as a result of the casualty shall be retained by Landlord, but Landlord shall reasonably make such proceeds available to Tenant in connection with its repair and restoration obligations under this Section 11.1, subject to reasonable disbursement conditions and any other conditions or consent rights of any Landlord Mortgagee. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the Tenant's undertaking of the repair, reconstruction or restoration thereof, and there shall be no abatement of Rent or right of termination as a result of such damage or during the repair, reconstruction or restoration thereof. In connection with the foregoing, Tenant hereby waives any rights to terminate this Lease or to abate, offset, diminish or otherwise reduce Rent payable under this Lease as a result of any damage to the Premises by fire or other casualty. Landlord shall have no obligation to carry insurance of any kind on the Improvements, any Alterations or upon Tenant's Property or Tenant's other goods, furniture or furnishings located at the Premises, and Landlord shall not be obligated to repair any damage thereto or to replace the same. Tenant hereby waives, in addition to the waiver under Section 11.2, the provisions of any California law which is in conflict with the provisions of this Article 11. Notwithstanding the terms of this Section 11.1, in the event of a fire or other casualty, Tenant may elect not to rebuild and/or restore the Premises, provided Tenant continues to pay Rent under this Lease, *provided, further*, that (a) if Landlord does elect to

rebuild and/or restore the Premises pursuant to the terms of this Section 11.1, upon completion of such restoration, Tenant shall reoccupy the Premises (subject to Tenant's rights to assign and sublet under Article 14 hereof), and (b) if Landlord does not elect to rebuild and/or restore the Premises pursuant to the terms of this Section 11.1, Landlord may elect to terminate the Lease (effective as of the date of such fire or other casualty), in its sole and absolute discretion.

11.2 **Waiver of Statutory Provisions.** The provisions of this Lease, including this Article 11, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises or the Project, and any statute or regulation of the State of California, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises or the Project.

## **ARTICLE 12**

### **NON-WAIVER**

No provision of this Lease shall be deemed waived by either party hereto unless expressly waived in a writing signed thereby. The waiver by either party hereto of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No acceptance of a lesser amount than the Rent herein stipulated shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit, or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

## **ARTICLE 13**

### **CONDEMNATION**

If any portion of the Premises shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any portion of the Premises, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Tenant shall promptly and diligently, subject to all other terms of this Article 13, restore the Premises if necessary, including the Base Building, as well as the Improvements; *provided*, that if Tenant fails to complete the restoration within a reasonable period of time, Landlord may, after written notice to Tenant, but need not, complete the restoration, and Tenant shall pay Landlord the reasonable cost thereof. Such restoration shall be to substantially the same condition prior to the casualty (taking into account the portion of the Premises taken), except for modifications required by zoning and building codes and Applicable Laws, the CC&Rs, any Future CC&Rs, or by any Landlord Mortgagee. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such taking or the Tenant's undertaking of the repair, reconstruction or restoration resulting therefrom, and there shall be no abatement of Rent or right of termination as a result of such taking or during the repair, reconstruction or restoration resulting therefrom. In connection with the foregoing, Tenant hereby waives any rights to terminate this Lease or to abate, offset, diminish or otherwise reduce Rent payable under this Lease as a result of any taking of any portion of the Premises. Tenant shall not because of such taking assert any claim against Landlord or the authority for any compensation because of such taking and Landlord shall be entitled to the entire award or payment in connection

therewith, except that (i) Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's Building Work, Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claims do not diminish the award available to Landlord, any ground lessor or any Landlord Mortgagee, and such claim is payable separately to Tenant, and (ii) Landlord shall reasonably make such award or payment available to Tenant in connection with its repair and restoration obligations under this Article 13, subject to reasonable disbursement conditions and any other conditions or consent rights of any Landlord Mortgagee. Landlord and Tenant hereby each waive any and all rights it might otherwise have pursuant to Section 1265.130 of The California Code of Civil Procedure.

## **ARTICLE 14**

### **ASSIGNMENT AND SUBLETTING**

14.1 **Transfers.** Tenant shall not, without the prior written consent of Landlord, not to be unreasonably withheld, effectuate, suffer or permit any Transfer, and any Transfer without such prior written consent shall be invalid and without force and effect. "***Transfer***" shall mean and include, without limitation, any of the following, in each case, whether by operation of law or otherwise, whether voluntarily or involuntarily and whether directly or indirectly: (i) any sale, assignment, conveyance, encumbrance, pledge, hypothecation, or agreement or grant of an option with respect to, or other transfer of, all or any portion of this Lease or the Tenant's interest therein, (ii) the entering into of any sublease or sublicense or other agreement with respect to use and/or occupancy of the Premises, or the use or occupancy (or granting permission for any use or occupancy) by any person (other than the Tenant) of the Premises or any portion thereof or any equipment therein, and (iii) any sale, assignment, conveyance, encumbrance, pledge, hypothecation, agreement to or grant of an option with respect to, or other transfer of, the membership, shares, partnership or other beneficial interests in, or the creation of any beneficial interest in, the Tenant or any person that directly or indirectly owns the Tenant (including any assignment, transfer, conveyance, issuance or redemption of any ownership interest, or any merger, consolidation, dissolution). "***Transfer***" shall also include, without limitation, any other transaction or series of transactions to the same transferee or to transferees that are affiliates of each other that form part of a coordinated plan, the net substantive and/or economic effect of which is the equivalent of an assignment of this Lease, and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "***Transferee***". If Tenant desires Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "***Transfer Notice***") shall include (i) the proposed effective date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "***Subject Space***"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including calculation of the "***Transfer Premium***", as that term is defined in Section 14.3 below, in connection with such Transfer, the name and address of the proposed Transferee, and a copy of all existing executed and/or proposed assignment or sublease documentation pertaining to the proposed Transfer, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, and any other information reasonably required by Landlord which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space and (v) an executed estoppel certificate from Tenant in the form attached hereto as **Exhibit D**. Subject to Section 14.5 below, any Transfer made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under this Lease. Whether or not Landlord consents to any proposed Transfer, Tenant shall pay Landlord's reasonable review and processing fees, as well as any reasonable professional fees (including, without limitation, attorneys', accountants', architects', engineers' and consultants' fees) incurred by Landlord, within thirty (30) days after written request by Landlord; *provided, however*, the foregoing fees shall not exceed Three Thousand Five Hundred Dollars (\$3,500.00) for a Transfer in the ordinary course of business. Landlord and Tenant hereby agree that a proposed Transfer shall not be considered "in the ordinary course of business" if such particular proposed Transfer involves the review of documentation by Landlord on more than two (2) occasions.

14.2 **Landlord's Consent.** Landlord shall deliver written notice to Tenant of Landlord's determination to grant or withhold its consent to any proposed Transfer of the Subject Space to the

Transferee on the terms specified in the Transfer Notice, within fifteen (15) business days following Landlord's receipt of a complete Transfer Notice. In the event Landlord has not granted or withheld its consent to the subject Transfer within such fifteen (15) business day period, Tenant shall deliver to Landlord a second Transfer Notice, and if Landlord does not notify Tenant of its decision to consent or not to consent to the Transfer within fifteen (15) business days following its receipt of such second Transfer Notice, Landlord shall be deemed to have disapproved such Transfer. If Landlord consents to any Transfer pursuant to the terms of this Section 14.2, Tenant may within six (6) months after Landlord's consent, but not later than the expiration of said six (6)-month period, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 14.1 of this Lease, provided that if there are any material changes in the terms and conditions from those specified in the Transfer Notice (including any changes which would cause the proposed Transfer to be materially more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, i.e., economic terms and fundamental non-economic terms which are more than five percent (5%) more beneficial to the Transferee than those set forth in the Transfer Notice), Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14. Tenant hereby waives the provisions of Section 1995.310 of the California Civil Code, or any successor statute, and all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all Applicable Laws, on behalf of the proposed Transferee.

**14.3 Transfer Premium.** If Landlord consents to a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any "Transfer Premium", as that term is defined in this Section 14.3, received by Tenant from such Transferee. "***Transfer Premium***" shall mean all rent, additional rent and other consideration if and when received by Tenant in connection with the Transfer in excess of the Rent and Additional Rent payable by Tenant under this Lease during the term of the Transfer on a per rentable square foot basis if less than all of the Premises is transferred, after deducting the reasonable and documented out-of-pocket expenses incurred by Tenant for (i) any changes, alterations and improvements to the Premises in connection with the Transfer, (ii) any improvement allowance, free base rent or other economic concessions provided to the Transferee, (iii) any brokerage commissions in connection with the Transfer, (iv) any space planning, architectural or design fees or other expenses incurred in marketing such space or in connection with such Transfer, (v) any attorneys' fees incurred by Tenant in connection with the Transfer, (vi) any lease takeover costs incurred by Tenant in connection with the Transfer, (vii) any costs of advertising the space which is the subject of the Transfer, (viii) any review and processing fees paid to Landlord in connection with such Transfer, and (ix) the amortization of the fair market value of any new furniture which is included as part of the Transfer (collectively, "***Subleasing Costs***"). "***Transfer Premium***" shall also include, but not be limited to, key money, bonus money or other cash consideration paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer. Notwithstanding the foregoing, goodwill and any other tangible personal property associated with Tenant's business shall not be included as part of the consideration Tenant receives as a result of such sublease or assignment for purposes of calculating Landlord's share of any Transfer Premium. Tenant shall not be required to pay Transfer Premiums in connection with any Permitted Transfer.

**14.4 Effect of Transfer.** If Landlord consents to a Transfer, (i) the TCCs of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all assignment or sublease documentation pertaining to the Transfer in form reasonably acceptable to Landlord, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, and (v) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of the Lease from liability under this Lease, including, without limitation, in connection with the Subject Space. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof, subject to Landlord executing a

commercially reasonable confidentiality agreement. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency, and if understated by more than five percent (5%), Tenant shall pay Landlord's reasonable costs of such audit.

14.5 **Permitted Transfers.** Notwithstanding anything contained in this Lease to the contrary, Tenant may, without the consent of Landlord, assign this Lease or sublease all or any portion of the Premises (herein, a "**Permitted Transfer**") to any affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant), any person or entity that acquires all or substantially all of the assets or ownership interests of Tenant, any person or entity that acquires all or substantially all of the assets or ownership interests of any of Tenant's business divisions, or any entity resulting from a merger or consolidation with Tenant (each, a "**Permitted Transferee**"), provided that (a) Tenant gives Landlord notice of such assignment or sublease within thirty (30) business days thereafter, accompanied by an executed counterpart of any assignment or sublease agreement concerned (from which any financial terms may be redacted) if such an assignment or sublease agreement exists within thirty (30) days after consummation of the Permitted Transfer, and (b) such Permitted Transfer is not a subterfuge by Tenant to avoid its obligations under this Lease or otherwise effectuate any "release" by Tenant of such obligations and such Permitted Transferee shall thereafter become liable under this Lease, on a joint and several basis, with Tenant. The infusion of additional equity capital in Tenant or an initial public offering of equity securities of Tenant under the Securities Act of 1933, as amended, which results in Tenant's stock being traded on a national securities exchange, including, but not limited to, the NYSE, the NASDAQ Stock Market or the NASDAQ Small Cap Market System shall not be deemed to be an assignment requiring Landlord's consent. Any transfer, assignment, conveyance or agreement with respect to the membership, shares, partnership or other ownership or beneficial interests in, or the creation of any ownership or beneficial interest in or among the direct or indirect shareholders, partners or members of Tenant, or other corporate reorganizations or restructurings involving the direct and indirect owners of Tenant and its affiliates shall not require Landlord's prior consent. "**Control**", as used in this Section 14.5, shall mean (A) the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51 %) of the voting interest in, any person or entity, or (B) the power to direct or cause the direction of the management and policies of such entity.

14.6 **Transferee Requirements.** Notwithstanding anything herein to the contrary, in no event shall a Transferee, or the parties that control such Transferee (whether pursuant to a Permitted Transfer or otherwise) be a Prohibited Party. For purposes of this Lease, the term "**Prohibited Party**" shall mean (a) an individual, an estate, a trust, a corporation, a partnership, a limited liability company or any other organization or entity (whether governmental or private) (each herein a "**Person**") named on the list of "Specially Designated Nationals and Blocked Persons" maintained by United States Treasury Department, Office of Foreign Assets Control ("**OFAC**"), available at <http://www.treasury.gov/resource-center/sanctions/SDNList/Pages/default.aspx>, or as otherwise published from time to time; (b) (1) an agency of the government of a country subject to a comprehensive country-wide sanctions program administered and enforced by OFAC, which list is updated from time to time (a "**Sanctioned Country**"), (2) an organization controlled by a Sanctioned Country, or (3) a Person resident in a Sanctioned Country, to the extent any Person described in clauses (1), (2) or (3) is the subject of a sanctions program administered by OFAC; and, (c) a Person whose property and interests in property are blocked pursuant to an Executive Order or regulations administered by OFAC consistent with the guidance issued by OFAC.

14.7 **Occurrence of Default.** Any Transfer hereunder shall be subordinate and subject to the provisions of this Lease, and if this Lease shall be terminated during the term of any Transfer, Landlord shall have the right to: (i) treat such Transfer as cancelled and repossess the Subject Space by any lawful means, or (ii) require that such Transferee attorn to and recognize Landlord as its landlord under any such Transfer. Such Transferee shall rely on any representation by Landlord that Tenant is in default hereunder, without any need for confirmation thereof by Tenant. Upon any assignment, the assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease. No collection or acceptance of rent by Landlord from any Transferee shall be deemed a waiver of any provision of this Article 14 or the approval of any Transferee or a release of Tenant from any obligation under this Lease, whether theretofore or thereafter accruing. In no event shall Landlord's enforcement of any provision of this Lease

against any Transferee be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person. If Tenant's obligations hereunder have been guaranteed, Landlord's consent to any Transfer shall not be effective unless the guarantor also consents to such Transfer.

**ARTICLE 15**  
**SURRENDER OF PREMISES; OWNERSHIP AND**  
**REMOVAL OF TRADE FIXTURES**

15.1 **Surrender of Premises.** The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises or terminate any or all such sublessees or subtenancies.

15.2 **Removal of Tenant Property by Tenant.** Upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, casualty, condemnation, reasonable wear and tear and repairs which are specifically made the responsibility of Landlord hereunder excepted. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, business and trade fixtures, freestanding cabinet work, movable partitions and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises resulting from such removal.

**ARTICLE 16**  
**HOLDING OVER**

If Tenant holds over after the expiration of the Lease Term with or without the express written consent of Landlord, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Rent shall be payable at a monthly rate equal to the product of (i) the Rent applicable during the last rental period of the Lease Term under this Lease, and (ii) a percentage equal to either (A) one hundred twenty-five percent (125%) during the first three (3) months of any such month-to-month holdover, and (B) thereafter, one hundred fifty percent (150%). Such month-to-month tenancy shall be subject to every other applicable term, covenant and agreement contained herein. Nothing contained in this Article 16 shall be construed as consent by Landlord to any holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant holds over without Landlord's express written consent, and tenders payment of rent for any period beyond the expiration of the Lease Term by way of check (whether directly to Landlord, its agents, or to a lock box) or wire transfer, Tenant acknowledges and agrees that the cashing of such check or acceptance of such wire shall be considered inadvertent and not be construed as creating a month-to-month tenancy, provided Landlord refunds such payment to Tenant promptly upon learning that such check has been cashed or wire transfer received. Tenant acknowledges that any holding over without Landlord's express written consent may compromise or otherwise affect Landlord's ability to enter into new leases with prospective tenants regarding the Premises. Therefore, if Tenant fails to vacate and deliver the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom; *provided, however*, upon entering into a third-party lease which affects all or any portion of the Premises, Landlord



shall deliver written notice (the "**New Lease Notice**") of such lease to Tenant, following which the terms of the foregoing indemnity shall only become effective upon the later of (i) the date that occurs sixty (60) days following the date Landlord delivers such New Lease Notice to Tenant, and (ii) the date which occurs thirty (30) days after the termination or expiration of this Lease.

## **ARTICLE 17**

### **ESTOPPEL CERTIFICATES**

Within ten (10) business days following a request in writing by Landlord, Tenant shall execute, acknowledge and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be substantially in the form of **Exhibit D**, attached hereto (and/or such other commercially reasonable form as may be required by any prospective Landlord Mortgagee or purchaser of the Premises, or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or any Landlord Mortgagee or prospective Landlord Mortgagee. Any such certificate may be relied upon by any prospective Landlord Mortgagee or purchaser of all or any portion of the Premises. Failure of Tenant to timely execute, acknowledge and deliver such estoppel certificate or other instruments shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception.

## **ARTICLE 18**

### **SUBORDINATION**

This Lease, and the Tenant's rights hereunder, shall be subject and subordinate to all present and future ground or underlying leases of the Premises and to the lien of any mortgage, trust deed or other encumbrances now or hereafter in force against the Premises or any part thereof, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages, trust deeds or other encumbrances (each, a "**Landlord Mortgagee**"), or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto (collectively, the "**Superior Holders**"); *provided, however*, as a condition to Tenant's agreement to subordinate this Lease, Tenant shall receive a subordination non-disturbance and attornment agreement in the then applicable lender's form, which requires such Superior Holder to accept this lease, and not to disturb tenant's possession, so long as an Event of Default has not occurred and be continuing, all in form and substance reasonably acceptable to Tenant (a "**SNDA**") executed by Landlord and the appropriate Superior Holder. Subject to Tenant's receipt of an SNDA, Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed in lieu thereof (or if any ground lease is terminated), to attorn, without any deductions or set-offs whatsoever, to the lienholder or purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof (or to the ground lessor), if so requested to do so by such purchaser or lienholder or ground lessor, and to recognize such purchaser or lienholder or ground lessor as the lessor under this Lease, provided such lienholder or purchaser or ground lessor shall agree to accept this Lease and not disturb Tenant's occupancy, so long as Tenant timely pays the rent and observes and performs the TCCs of this Lease to be observed and performed by Tenant. Landlord's interest herein may be assigned as security at any time to any lienholder. Tenant shall, within five (5) business days of request by Landlord, execute such further commercially reasonable instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases, provided none of the same materially decrease Tenant's rights under this Lease, materially increase Tenant's obligations or liabilities under this Lease, or materially decrease Landlord's liabilities or obligations under this Lease. Such cooperation with Landlord and its lender shall be at no cost or expense to Tenant, and Landlord shall cover all attorneys' fees and costs Tenant incurs in connection with negotiating any such requested amendment. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale.

## **ARTICLE 19**

### **DEFAULTS; REMEDIES**

19.1 **Events of Default.** The occurrence of any of the following shall constitute an "***Event of Default***" of this Lease by Tenant:

19.1.1 Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, within five (5) business days following Tenant's receipt of written notice that said amount was not paid when due; or

19.1.2 Except where a specific time period is otherwise set forth for Tenant's performance in this Lease, in which event the failure to perform by Tenant within such time period shall be a default by Tenant under this Section 19.1.2, any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; *provided*, that if the nature of such default is such that the same cannot reasonably be cured within a thirty (30) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure such default, but in no event exceeding a period of time in excess of ninety (90) days after written notice thereof from Landlord to Tenant; or

19.1.3 To the extent permitted by law, (i) Tenant or any guarantor of this Lease being placed into receivership or conservatorship, or becoming subject to similar proceedings under Federal or State law, or (ii) a general assignment by Tenant or any guarantor of this Lease for the benefit of creditors, or (iii) intentionally omitted, or (iv) the filing by or against Tenant or any guarantor of any proceeding under an insolvency or bankruptcy law, unless in the case of such a proceeding filed against Tenant or any guarantor the same is dismissed within ninety (90) days, or (v) the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is restored to Tenant or such guarantor within thirty (60) days, or (vi) any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (60) days; or

19.1.4 Abandonment pursuant to the terms of California Civil Code Section 1951.3 of the Premises by Tenant; or

19.1.5 The failure by Tenant to observe or perform according to the provisions of Articles 17 or 18 of this Lease where such failure continues for more than five (5) business days after notice from Landlord; or

19.1.6 The failure by Tenant to observe or perform according to the provisions of Articles 5 or 14 of this Lease where such failure continues for more than fifteen (15) business days after notice from Landlord; or

19.1.7 Tenant fails to either (i) procure, maintain and deliver to Landlord evidence of the insurance policies and coverages as required under Sections 10.3 through and including 10.5 above, or (ii) self-insure pursuant to Section 10.3.2.2 above; or

19.1.8 Tenant fails to pay and release of record, or diligently contest and bond around, any mechanic's or construction lien filed against the Premises for any work performed, materials furnished, or obligation incurred by or at the request of a Tenant Party, within the time and in the manner required by Article 9 above.

The notice periods provided herein are in lieu of, and not in addition to, any notice periods provided by law.

19.2 **Remedies Upon Event of Default.** Upon the occurrence of any Event of Default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession, enter upon and take possession of the Premises and expel

or remove Tenant and any other person who may be occupying the Premises or any part thereof, all in accordance with Applicable Law; and Landlord may recover from Tenant the following:

(a) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(b) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(c) The worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(d) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant.

The term "**rent**" as used solely in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease (including, without limitation, Rent), whether to Landlord or to others. As used in Sections 19.2.1(a) and (b), above, the "worth at the time of award" shall be computed by allowing interest at the Interest Rate. As used in Section 19.2.1(c), above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

19.2.2 Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.3 Landlord shall at all times have the rights and remedies (which shall be cumulative with each other and cumulative and in addition to those rights and remedies available under Sections 19.2.1 and 19.2.2, above, or any law or other provision of this Lease), without prior demand or notice except as required by Applicable Law, to seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease, or restrain or enjoin a violation or breach of any provision hereof.

19.3 **Subleases of Tenant.** Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.4 **Form of Payment After Event of Default.** Following the occurrence of an Event of Default by Tenant, Landlord shall have the right to require that any or all subsequent amounts paid by Tenant to Landlord hereunder, whether to cure the default in question or otherwise, be paid in the form of cash, money order, cashier's or certified check drawn on an institution acceptable to Landlord, or by other means approved by Landlord, notwithstanding any prior practice of accepting payments in any different form.

19.5 **Efforts to Relet.** No re-entry or repossession, repairs, maintenance, changes, alterations and additions, reletting, appointment of a receiver to protect Landlord's interests

hereunder, or any other action or omission by Landlord shall be construed as an election by Landlord to terminate this Lease or Tenant's right to possession, or to accept a surrender of the Premises, nor shall same operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord to Tenant. Tenant hereby irrevocably waives any right otherwise available under any law to redeem or reinstate this Lease.

19.6 **Landlord Default.** In the event of any default by Landlord under this Lease, Tenant may, but shall not be obligated to, cure such default if Landlord shall fail to cure the same within thirty (30) days after receipt of notice of such default, and Landlord continues to fail to cure such default within five (5) days after receipt of a second notice of such default (delivered following the expiration of the first thirty (30) day notice period), *provided*, that if more time is required to cure such default, Landlord shall be allowed such additional time as may be reasonably necessary if Landlord commences performance within the thirty (30) day period and thereafter diligently pursues its completion, or, in the case of emergency, immediately and without notice. If Tenant so elects to cure any such default, Landlord shall reimburse Tenant for the reasonable costs and expenses (including reasonable attorney's fees) incurred in connection therewith within thirty (30) days following written invoice delivered by Tenant to Landlord. Such amounts shall accrue interest at the Interest Rate if Landlord fails to reimburse Tenant for such payments within such thirty (30) day period from the expiration of such thirty (30) day period to the date of recovery of the same. If Landlord fails to reimburse Tenant for such amounts within such thirty (30) day period, then, as its sole and exclusive remedy, Tenant shall be entitled to seek specific performance.

## **ARTICLE 20**

### **COVENANT OF QUIET ENJOYMENT**

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other TCCs, provisions and agreements herein contained on the part of Tenant to be kept, observed and performed, all subject to applicable notice and cure periods, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the TCCs, provisions and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied, except for those covenants expressly set forth in this Lease.

## **ARTICLE 21**

### **COMPLETION OF THE PREMISES**

21.1 Prior to the date hereof, Tenant has submitted to Landlord, and Landlord has approved, copies of permits listed on attached **Exhibit F** (the "***Permit Set***"), approved by all appropriate governmental authorities, which includes the plans and specifications for all remaining aspects of the construction and Completion of the Buildings to a "***warm shell***" condition (including, without limitation, stubbing out for heating, ventilation and air conditioning) as described therein, including, to the extent provided in the Permit Set, the Buildings' exterior common areas and related site work (the "***Building Specifications***"), with such improvements being, collectively, referred to as the "***Tenant's Building Work***". Any revisions to the Building Specifications related to the exterior appearance of the Buildings or the Common Areas or the core and shell of the Buildings, including any structural portions of the Buildings or the systems of the Buildings, from and after the Commencement Date shall be subject to Landlord's approval in its sole and absolute discretion. For the sake of clarity, Landlord's approval shall not be required for any changes to the Building Specifications with respect to the tenant improvements for the Buildings that do not impact the exterior appearance of the Buildings or the core and shell of the Buildings as described above.

21.2 Tenant hereby covenants and agrees that it shall, at Tenant's sole cost and expense, forthwith proceed promptly and diligently to (i) obtain the approval of all governmental authorities of the Building Specifications, to the extent not already obtained, and (ii) perform Tenant's Building Work in accordance with the Building Specifications and that certain contract with DPR Construction (the "***Contractor***"), to construct Tenant's Building Work in accordance with the Building Specifications, subject to a guaranteed maximum price (as amended as of the Commencement Date, the "***GC Contract***"). Any work necessary to complete the construction of Tenant's Building Work in accordance with such requirements shall be performed and Completed by the Tenant at its sole cost and expense. If any changes in the Building Specifications or GC

Contract shall be required by any governmental authorities, or are otherwise deemed appropriate or necessary by Tenant, or if supplemental work (such as, without limitation, tenant improvement work not initially included therein) is proposed by Tenant, such changes or supplemental work shall first be submitted to the Landlord for written approval, which shall not be unreasonably withheld, delayed or conditioned, but in any event such approval or disapproval shall be given within ten (10) business days after Tenant's submission thereof to Landlord.

21.3 As a precondition to the satisfaction of its obligations under this Article 21, Tenant shall procure and deliver to the Landlord, at Tenant's sole cost and expense, (i) a certificate duly executed by M. Arthur Gensler Jr. & Associates, Inc. (the "**Architect**") (which shall be in charge of monitoring the construction of Tenant's Building Work) attesting to the fact that Tenant's Building Work have been Completed in accordance with the Building Specifications; (ii) copies of any interim permit sign-offs obtained from the City with respect to Tenant's Building Work as of the date of the Architect's certificate (and Tenant shall be in a position to request final permit sign-off from the City with respect to Tenant's Building Work); and (iii) such other certificates and approvals listed on attached Schedule 21.3 which are those customarily issued in the locality upon the completion of building construction similar to the Tenant's Building Work. When all of the requirements described in this Section 21.3 are satisfied, Tenant's Building Work shall be deemed to be "Complete" and "Completion" shall be deemed to have occurred.

## **ARTICLE 22**

### **INTENTIONALLY OMITTED**

## **ARTICLE 23**

### **SIGNS**

23.1 **Premises Interior Signage.** Tenant, at its sole cost and expense, may install identification signage anywhere within the interior of the Premises.

23.2 **Prohibited Signage and Other Items.** Except as otherwise provided in Sections 23.3 and 23.4, below, Tenant may not install any signs in the Project or the Common Areas.

23.3 **Building Top Sign.** Notwithstanding any provision to the contrary contained in this Article 23, the Tenant and any of its Permitted Transferees shall have the right, but not the obligation, at the sole cost and expense of Tenant, to install Building-top signage on the roof of the Buildings in locations to be mutually and reasonably agreed upon by Landlord and Tenant (the "**Building-Top Signage**"). Such Building-Top Signage shall conform to all Applicable Laws and CC&Rs, and shall be subject to the Project Sign Criteria and Landlord's reasonable review and approval. All costs associated with the Building-Top Signage, including, without limitation, the costs to purchase, install, maintain, and remove it, shall be borne exclusively by Tenant.

23.4 **Monument Signage.** Tenant and any of its Permitted Transferees shall have the non-exclusive right, but not the obligation, to have its name as determined by Tenant placed on portion of the monument sign serving the Buildings, and such signage shall be compatible with the quality, design and style of the Project's sign criteria then established by Landlord (the "**Project Sign Criteria**"); *provided, however*, in no event shall Tenant's signage include an "Objectionable Name", as that term is defined in Section 23.8 of this Lease. Landlord shall have the right to (i) position or prioritize Tenant's name in any position on such monument signage as it shall determine in its reasonable discretion, from time to time, (ii) design and organize such monument signage (and the materials, design, script size, type face, colors and all other characteristics thereof) in such manner as it shall determine in its sole discretion, (iii) place such other names, business names, trade names or affiliate names representing such other tenants as it shall determine in its sole discretion, (iv) make such modifications to such monument signage as it shall desire from time to time, and (v) place thereon the name of (and/or other identifying information for) the Buildings and/or Project as Landlord shall determine in its sole discretion.

23.5 **Intentionally Omitted.**

23.6 **Specifications and Permits.** The graphics, materials, color, design, lettering, size and specifications of Tenant's name on such monument signage and Building-Top Signage (collectively, the "**Sign Specifications**") shall be (i) subject to the prior written consent of Landlord,

including, without limitation, as to the design, materials, color, size and all other aesthetic factors of such signage and which consent thereto shall not be unreasonably withheld, conditioned or delayed, (ii) consistent with the size and quality of comparable signage on comparable first-class research and development buildings in the local market, (iii) in compliance with all Applicable Laws, (iv) subject to receipt by Tenant of all required governmental permits and approvals therefor, and (v) consistent with the Project Sign Criteria and the overall character of the Buildings/Project's architecture (as determined by Landlord). In addition, Tenant's name on such monument signage and Building-Top Signage shall be subject to the receipt of all required governmental permits and approvals (and the submission of copies thereof to Landlord), and shall be subject to all Applicable Laws. In connection therewith, Landlord shall use commercially reasonable efforts, at Tenant's cost and expense, to assist Tenant in obtaining all such necessary governmental permits and approvals.

23.7 **Cost and Maintenance.** The costs of the actual signs comprising Tenant's name on such monument sign and Building-Top Signage, as well as the installation, design, construction, and any and all other costs associated with Tenant's name on such monument signage and/or the Building-Top Signage, including, without limitation, utility charges and hookup fees (if applicable), permits, and maintenance and repairs, shall be the sole responsibility of Tenant; *provided*, that Landlord shall reasonably cooperate with Tenant's use of Common Areas to allow Tenant to install, operate, maintain and repair Tenant's name on such monument sign and/or the Building-Top Signage. Should Tenant's name on such monument sign and/or the Building-Top Signage require repairs and/or maintenance, Landlord shall have the right to provide notice thereof to Tenant and Tenant (except as set forth above) shall cause such repairs and/or maintenance to commence to be performed within thirty (30) days after receipt of such notice from Landlord, at Tenant's sole cost and expense; *provided, however*, if such repairs and/or maintenance are reasonably expected to require longer than thirty (30) days to perform, Tenant shall commence such repairs and/or maintenance within such thirty (30) day period and shall thereafter diligently prosecute such repairs and maintenance to completion at Tenant's sole cost and expense. Should Tenant fail to perform such repairs and/or maintenance within the periods described in the immediately preceding sentence, Landlord shall have the right to cause such work to be performed and to charge Tenant as Additional Rent for the actual reasonable cost of such work plus interest at the Interest Rate from the date of Landlord's payment of such actual costs to the date of Tenant's reimbursement to Landlord. Tenant shall bear a pro rata share (based upon the number of tenants identified on any such monument sign) of all costs of maintenance and operation of such monument sign and all such costs shall be paid by Tenant to Landlord as Additional Rent within ten (10) days of receipt of Landlord's written demand therefor. Within a reasonable time following the expiration or earlier termination of this Lease (which shall in no event be later than thirty (30) days after such expiration or termination of this Lease), Tenant shall, at Tenant's sole cost and expense, commence, and thereafter shall diligently pursue, the removal of Tenant's name from such monument sign and the Building-Top Signage, and shall cause the areas in which such Tenant's name on such monument sign and the Building-Top Signage was located to be restored to the condition existing immediately prior to the placement of such Tenant's name on such monument signage and the installation of the Building-Top Signage, reasonable wear and tear excepted. If Tenant fails to timely remove Tenant's name from such monument sign and/or the Building-Top Signage or to restore the areas in which Tenant's name on such monument sign and/or Building-Top Signage was located, as provided in the immediately preceding sentence, then Landlord may perform such work, and all actual reasonable costs reasonably incurred by Landlord in so performing, plus interest at the Interest Rate from the date of Landlord's payment of such costs to the date of Tenant's reimbursement to Landlord, shall be reimbursed by Tenant to Landlord within thirty (30) days after Tenant's receipt of an invoice therefor. The terms of this Section 23.7 shall survive the expiration or earlier termination of this Lease.

23.8 **Objectionable Name.** In no event shall Tenant's signage include, identify or otherwise refer to a name which relates to an entity which is of a character or reputation, or is associated with a political faction or orientation, which is inconsistent with the quality of the Project, or which would otherwise reasonably offend a landlord of a Comparable Building (an "**Objectionable Name**"). The parties hereby agree that the name "Broadcom" or any reasonable derivation thereof, and any successor corporate name of Tenant, shall not be deemed an Objectionable Name.

**ARTICLE 24**  
**COMPLIANCE WITH LAW**

24.1 In addition to Tenant's obligations under Sections 5.3 and 29.33 hereof to comply with CC&Rs and any Future CC&Rs, and Environmental Laws, respectively, Tenant shall not do anything in or about the Premises or the Project which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated (collectively, "**Applicable Laws**"). At its sole cost and expense, Tenant shall promptly comply with all such Applicable Laws which relate to (i) Tenant's use, repair and maintenance of the Premises, (ii) the Alterations or the Improvements in the Premises, or (iii) the Base Building. Should any standard or regulation now or hereafter be imposed on Landlord or Tenant by a state, federal or local governmental body charged with the establishment, regulation and enforcement of occupational, health or safety standards for employers, employees, landlords or tenants, then Tenant agrees, at its sole cost and expense, to comply promptly with such standards or regulations. The final judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any of said governmental measures, shall be conclusive of that fact as between Landlord and Tenant. Landlord shall comply in all material respects with all Applicable Laws relating to the Project and Common Areas, provided that compliance with such Applicable Laws is not the responsibility of Tenant under this Lease.

24.2 As required by Section 1938(e) of the California Civil Code, Landlord hereby states as follows: "A Certified Access Specialist (CASP) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of the foregoing, Landlord and Tenant hereby agree as follows: (a) any CASp inspection requested by Tenant shall be conducted, at Tenant's sole cost and expense, by a CASp reasonably approved in advance by Landlord; and (b) Tenant at its cost, is responsible for making any repairs within the Premises to correct violations of construction-related accessibility standards; and, if anything done by or for Tenant in its use or occupancy of the Premises shall require repairs to the Premises to correct violations of construction-related accessibility standards, then Tenant shall perform such repairs at Tenant's sole cost and expense. Furthermore, notwithstanding anything in this Lease to the contrary, as between Landlord and Tenant, Tenant shall bear the risk of complying with Title III of the Americans With Disabilities Act of 1990, any state Laws governing handicapped access or architectural barriers, and all rules, regulations, and guidelines promulgated under such laws, as amended from time to time in the Premises.

**ARTICLE 25**  
**LATE CHARGES**

If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within ten (10) days after the date they are due, then Tenant shall pay to Landlord a late charge equal to four percent (4%) of the overdue amount plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid within ten (10) days after the date they are due shall bear interest from the date when due until paid at the "Interest Rate". For purposes of this Article 25, the "**Interest Rate**" shall be an annual rate equal to the lesser of (i) five percent (5%), and (ii) the highest rate permitted by Applicable Law.

**ARTICLE 26**  
**LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT**

26.1 **Landlord's Cure.** All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction or abatement of Rent. If Tenant shall fail to perform any obligation under this Lease, and such failure shall continue in excess of the time allowed under Section 19.1.2, above, unless a specific time period is otherwise stated in this Lease, Landlord may, but shall not be obligated to, make any such payment or perform any such act on Tenant's part without waiving its rights based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2 **Tenant's Reimbursement.** Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, upon delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations reasonably incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1; (ii) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Lease; and (iii) sums equal to all reasonable expenditures made and obligations reasonably incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so reasonably expended. Tenant's obligations under this Section 26.2 shall survive the expiration or sooner termination of the Lease Term.

## **ARTICLE 27**

### **ENTRY BY LANDLORD**

Landlord reserves the right at all reasonable times and upon at least twenty-four (24) hours prior notice to Tenant (except in the case of an emergency) to enter the Premises to (i) inspect them; (ii) show the Premises to prospective purchasers, or to current or prospective Landlord Mortgagees, ground or underlying lessors or insurers, or during the last twelve (12) months of the Lease Term, to prospective tenants; (iii) post notices of nonresponsibility; or (iv) alter, improve or repair the Premises to the extent contemplated by the TCCs of this Lease, if any. Notwithstanding anything to the contrary contained in this Article 27, Landlord may enter the Premises at any time to (A) take possession due to any breach of this Lease beyond any applicable notice and cure period in the manner provided herein; and (B) in accordance with Article 26 above, perform any covenants of Tenant which Tenant fails to perform. Landlord may make any such entries without the abatement of Rent, and may take such reasonable steps as required to accomplish the stated purposes; *provided, however*, except for (x) emergencies, (y) repairs, alterations, improvements or additions required by governmental or quasi-governmental authorities or court order or decree, or (z) repairs which are the obligation of Tenant hereunder, any such entry shall be performed in a manner so as not to unreasonably interfere with Tenant's use of the Premises and shall be performed after normal business hours if reasonably practical. With respect to items (y) and (z) above, Landlord shall use commercially reasonable efforts to not materially interfere with Tenant's use of, or access to, the Premises. Except as otherwise set forth in Section 19.6 of this Lease, Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Notwithstanding any provision to the contrary set forth in this Article 27, Tenant may designate certain areas of the Premises as "***Secured Areas***" should Tenant require such areas for the purpose of securing certain valuable property or confidential information. In connection with the foregoing, Landlord shall not enter such Secured Areas except in the event of an emergency. Landlord shall only maintain or repair such Secured Areas to the extent (i) required by Applicable Law, or (ii) in response to specific requests by Tenant and in accordance with a schedule reasonably designated by Tenant, subject to Landlord's reasonable approval. Any entry into the Premises by Landlord in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises. No provision of this Lease shall be construed as obligating Landlord to perform any repairs, alterations or decorations except as otherwise expressly agreed to be performed by Landlord herein.



**ARTICLE 28**  
**TENANT PARKING**

Tenant shall be entitled to the exclusive use, commencing on the Lease Commencement Date, of the surface parking lot(s) of the Project as depicted on **Schedule 28** attached hereto ("***Tenant's Parking Areas***"). Tenant, through its payment of CAM Expenses, shall be responsible for the full amount of any taxes imposed by any governmental authority in connection with the use of Tenant's Parking Areas. Tenant's continued right to use the Tenant's Parking Areas is conditioned upon Tenant abiding by all reasonable rules and regulations which are prescribed from time to time for the orderly operation and use of the Tenant's Parking Areas, Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations. Landlord reserves the right to cause the modification of the size, configuration, design, layout and all other aspects of parking at the Project at any time and, in connection therewith, Tenant acknowledges and agrees that, without any abatement of Rent under this Lease, from time to time, Landlord shall have the right to temporarily provide alternative parking (with the substantially the same amount of parking stalls) within the Project so long as such alternative parking shall not be significantly less convenient than Tenant's Parking Areas or, if necessary, permanently relocate Tenant's Parking Areas to other parking lots within the Project reasonably acceptable to Tenant. The right to use the Tenant's Parking Areas granted to Tenant pursuant to this **Article 28** is solely for Tenant's own personnel and may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval, except on a pro-rata basis in connection with an assignment or subletting of the Premises permitted or approved in accordance with the TCCs of **Article 14** of this Lease.

**ARTICLE 29**  
**MISCELLANEOUS PROVISIONS**

29.1 **Terms; Captions.** The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

29.2 **Binding Effect.** Subject to all other provisions of this Lease, each of the covenants, conditions and provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective heirs, personal representatives, successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of **Article 14** of this Lease.

29.3 **No Air Rights.** No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Project, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease, provided Landlord shall use commercially reasonable efforts to minimize any such interference or obstruction.

29.4 **Modification of Lease.** Should any current or prospective Landlord Mortgagee or ground lessor for the Premises require a modification of this Lease, which modification will not cause an increased cost or expense to Tenant and in any other way materially and adversely change the rights and obligations of Tenant hereunder (except in a diminutive manner) or materially decrease Landlord's liabilities or obligations under this Lease, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are reasonably required therefor and to deliver the same to Landlord within twenty (20) days following a request therefor.

29.5 **Transfer of Landlord's Interest.** Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Premises and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease arising or accruing from and after the date of such assignment and assumption and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer and such transferee shall be deemed to have fully assumed and be liable

for all obligations of this Lease to be performed by Landlord, and Tenant shall attorn to such transferee. Tenant further acknowledges that Landlord may assign its interest in this Lease and irrevocably assign all Rent under this Lease to a Landlord Mortgagee as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder.

29.6 **Memorandum of Lease.** Landlord and Tenant shall execute a memorandum of Lease, in the proper form for recording, in substantially the form of **Exhibit B** attached hereto. Comparable memoranda of any lease amendments hereafter entered into by the parties shall also be recorded.

29.7 **Landlord's Title.** Landlord's title to the Premises is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord in the Premises or this Lease.

29.8 **Relationship of Parties.** Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant.

29.9 **Intentionally Omitted.**

29.10 **Time of Essence.** Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

29.11 **Partial Invalidity.** If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

29.12 **No Warranty.** Except as expressly set forth in this Lease solely in connection with Landlord's executing and delivering this Lease, Tenant has not relied on any representations, including, but not limited to, any representation as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto.

29.13 **Landlord Exculpation.** The liability of Landlord or the Landlord Parties to Tenant for any default by Landlord under this Lease or arising in connection herewith shall be limited solely and exclusively to Landlord's interest in the Project (including all insurance and sales and rental proceeds therefrom). None of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this **Section 29.13** shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, members, beneficiaries, equity holders, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Under no circumstances shall any officer or director, or present or future partner of Landlord (if Landlord is a partnership), or present or future member of Landlord (if Landlord is a limited liability company) or present or future equity holder (if Landlord is a corporation) or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations, if any, under this Lease. Notwithstanding any contrary provision herein, neither (i) Landlord or the Landlord Parties, nor (ii) except as provided in **Article 16** with regard to Tenant holding over after the expiration of the Lease Term, Tenant or the Tenant Parties, shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business or Landlord's business, as applicable, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

29.14 **Entire Agreement.** It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease and this Lease constitutes the parties' entire agreement with respect to the leasing of the Premises and supersedes and cancels any and all

previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto (including, without limitation, any confidentiality agreement, letter of intent, request for proposal, or similar agreement previously entered into between Landlord and Tenant in anticipation of this Lease) or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. None of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto, and unless consented to by any Landlord Mortgagee.

29.15 **No Merger.** There shall be no merger of this Lease, nor of the leasehold estate created by this Lease, with the fee estate in the Premises by reason of the fact that this Lease or the leasehold estate created by this Lease or any interest of Tenant in this Lease or any such leasehold estate may be held, directly or indirectly, by or for the account of any person or persons who shall own the fee estate in the Premises, or any interest in such fee estate, and no such merger shall occur unless and until all persons (including any Landlord Mortgagee) at the time having an interest in the fee estate in the Premises and all persons having an interest in this Lease, or in the leasehold estate created by this Lease, shall join in a written instrument effecting such merger and shall duly record the same.

29.16 **Force Majeure.** Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease (collectively, a "**Force Majeure**"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

29.17 **Waiver of Redemption by Tenant.** Tenant hereby waives, for Tenant and for all those claiming under Tenant, any and all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

29.18 **Notices.** All notices, demands, statements, designations, approvals or other communications (collectively, "**Notices**") given or required to be given by either party to the other hereunder or by law shall be in writing, shall be (A) sent by United States certified or registered mail, postage prepaid, return receipt requested ("**Mail**"), (B) transmitted by facsimile, (C) delivered by a nationally recognized overnight courier, or (D) delivered personally. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Tenant at the appropriate address set forth in Section 10 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord, or to Landlord at the addresses set forth below, or to such other places as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given (i) three (3) days after the date it is posted if sent by Mail, (ii) the date the facsimile is transmitted, (iii) the date the overnight courier delivery is made, or (iv) the date personal delivery is made or attempted to be made. If Tenant is notified of the identity and address of a Landlord Mortgagee or ground or underlying lessor, Tenant shall give to such Landlord Mortgagee or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail, and such Landlord Mortgagee or ground or underlying lessor shall be given an opportunity to cure such *default* prior to Tenant's exercising any remedy available to Tenant, in accordance with the terms of the applicable SNDA. As of the date of this Lease, any Notices to Landlord must be sent, transmitted, or delivered, as the case may be, to the following addresses:

Five Point Office Venture I, LLC

c/o Five Point

25 Enterprise, Suite 300

Aliso Viejo, CA 92656-2601

Attn: Asset Management

Fax No.: (949) 349-0718

with copies to:

Five Point Office Venture I, LLC

c/o Five Point

25 Enterprise, Suite 300

Aliso Viejo, CA 92656-2601

Attn: Legal Notices

Fax No.: (949) 349-0718

and

Allen Matkins Leck Gamble Mallory & Natsis LLP

1900 Main Street, Fifth Floor

Irvine, CA 92614

Attn: Richard E. Stinehart, Esq.

Fax No.: (940) 553-8354

29.19 **Joint and Several.** If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.

29.20 **Authority.** Landlord and Tenant each represent and warrant, for itself, that it is a duly formed and existing entity and that such representing party has full right and authority to execute and deliver this Lease and that each person signing on behalf of such representing party is authorized to do so.

29.21 **Attorneys' Fees.** In the event that either Landlord or Tenant should bring suit for the possession of the Premises, for the recovery of any sum due under this Lease, or because of the breach of any provision of this Lease or for any other relief against the other, then all reasonable attorneys' fees, costs and expenses incurred by the prevailing party therein shall be paid by the other party, which obligation on the part of the other party shall be deemed to have accrued on the date of the commencement of such action and shall be enforceable whether or not the action is prosecuted to judgment.

29.22 **GOVERNING LAW; WAIVER OF TRIAL BY JURY.** THIS LEASE SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA. IN ANY ACTION OR PROCEEDING ARISING HEREFROM, LANDLORD

AND TENANT HEREBY CONSENT TO (I) THE JURISDICTION OF ANY COMPETENT COURT WITHIN THE STATE OF CALIFORNIA, (II) SERVICE OF PROCESS BY ANY MEANS AUTHORIZED BY CALIFORNIA LAW, AND (III) IN THE INTEREST OF SAVING TIME AND EXPENSE, TRIAL WITHOUT A JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER OR THEIR SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY.

29.23 **Submission of Lease.** Submission of this instrument for examination or signature by Tenant does not constitute a reservation of, option for or option to lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

29.24 **Brokers.** Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate brokers or agents specified in Section 12 of the Summary (the "**Brokers**"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Tenant shall pay the commissions, if any, do the Brokers pursuant to any separate commission agreement entered into by Tenant. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of any dealings with any real estate broker or agent, other than the Brokers, occurring by, through, or under the indemnifying party.

29.25 **Independent Covenants.** This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to any setoff of the Rent or other amounts owing hereunder against Landlord.

29.26 **Financial Reporting.** Within ninety (90) days after the end of Tenant's fiscal year, Tenant will furnish Tenant's most recent audited financial statements (including any notes to them), prepared in accordance with GAAP, to Landlord. Notwithstanding the foregoing, so long as Tenant's financial statements are consolidated with a parent entity that is a publicly traded entity (a "**Public Parent**"), Tenant may satisfy its obligations hereunder by providing to Landlord copies of all Form 8-K, Form 10-K and Form 10-Q reports as such Public Parent is or may be required to file with the Securities and Exchange Commission (or any governmental authority succeeding to the functions of the Securities and Exchange Commission); *provided, however*, Landlord shall be deemed to have been furnished the foregoing reports and other communications if Landlord can electronically access such reports and other communications through the Securities and Exchange Commission's website. Landlord will not disclose any aspect of Tenant's financial statements that Tenant designates to Landlord as confidential except: (1) to any Landlord Mortgagee or prospective Landlord Mortgagees or purchasers of the Premises, and any direct or indirect holder of all or a portion of the debt secured by a lien against the Premises; (2) to Landlord's advisors and consultants; (3) in litigation between Landlord and Tenant; and (4) if required by court order.

29.27 **Counterparts.** This Lease may be executed in counterparts with the same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single lease.

29.28 **Confidentiality.** Landlord and Tenant acknowledge that the content of this Lease and any related documents are confidential information (the "**Confidential Information**"). Landlord and Tenant shall keep such Confidential Information strictly confidential and shall not disclose such Confidential Information to any person or entity other than their respective affiliates, officers, members, managers, employees, and current or prospective partners, investors, lenders, assignees, sublessees, joint venturers, attorneys, accountants and/or consultants, and to a governmental authority or a court if so ordered; *provided, however*, in the event that Landlord or Tenant becomes legally compelled, by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process, to disclose any of the Confidential Information, such party shall provide

the other party with prompt prior written notice of such requirement so that such other party may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Lease. In the event that such protective order or other remedy is not obtained, or the non-disclosing party does not waive compliance with the provisions hereof, the disclosing party hereby agrees to furnish only that portion of the Confidential Information which such disclosing party is advised by written opinion of legal counsel is legally required to be disclosed, and to exercise their respective best efforts to obtain assurances that confidential treatment will be accorded such Confidential Information. In any event, (a) Landlord and Tenant hereby agree that neither of them shall oppose any action by the other party to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information; and (b) Tenant may disclose this Lease and the terms hereof to Heritage Fields El Toro, LLC, a Delaware limited liability company ("**Heritage Fields**") in connection with Heritage Fields' repurchase right with respect to the Project.

29.29 **Transportation Management.** Tenant shall reasonably comply with all present or future programs intended to manage parking, transportation or traffic in and around the Buildings (to the extent such programs are required by Applicable Law or reasonably approved by Tenant), and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities.

29.30 **Project Renovations.** It is specifically understood and agreed that Landlord has made no representation or warranty to Tenant and has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises or any part thereof and that no representations respecting the condition of the Premises have been made by Landlord to Tenant except as specifically set forth in this Lease. However, Tenant hereby acknowledges that Landlord, the Association, or any other owner(s) of a portion of the Project may during the Lease Term renovate, improve, alter, or modify (collectively, the "**Renovations**") the Project including, without limitation, the parking areas, Common Areas, systems and equipment, and structural portions of the same, and in connection with any Renovations, such parties may, among other things, erect scaffolding or other necessary structures within or surrounding the Premises, limit or eliminate access to portions of the Project, including portions of the Common Areas, or perform work in or around the Premises, which work may create noise, dust or leave debris in or around the Premises. Tenant hereby agrees that such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent or right to terminate this Lease. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from the Renovations, or for any inconvenience or annoyance occasioned by such Renovations. No provision of this Lease shall be construed as obligating Landlord to perform any Renovations. Landlord shall use commercially reasonable efforts to minimize any interference or obstruction with Tenant's use and enjoyment of the Premises in connection with any Renovations.

29.31 **No Violation.** Tenant and Landlord hereby respectively warrant and represent that neither their execution of nor performance under this Lease shall cause Tenant or Landlord, as applicable, to be in violation of any agreement, instrument, contract, law, rule or regulation by which Tenant or Landlord, as applicable, is bound, and Tenant and Landlord shall protect, defend, indemnify and hold the other harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees and costs, arising from Tenant's or Landlord's, as applicable, breach of this warranty and representation:

29.32 **Consent/Duty to Act Reasonably.** Except for matters for which there is a standard of consent or discretion specifically set forth in this Lease, any time the consent of Landlord or Tenant is required under this Lease, such consent shall not be unreasonably withheld or delayed, and whenever this Lease grants Landlord or Tenant the right to take action, exercise discretion, establish rules and regulations or make an allocation or other determination, Landlord and Tenant shall act reasonably and in good faith.

## 29.33 Hazardous Materials.

29.33.1 **Definitions.** For purposes of this Lease, the following definitions shall apply: "**Hazardous Material(s)**" shall mean any solid, liquid or gaseous substance or material that is described or characterized as a toxic or hazardous substance, waste, material, pollutant, contaminant or infectious waste, or any matter that in certain specified quantities would be injurious to the public health or welfare, or words of similar import, in any of the "Environmental Laws", as that term is defined below, or any other words which are intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity or reproductive toxicity and includes, without limitation, asbestos, petroleum (including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof), petroleum products, polychlorinated biphenyls, urea formaldehyde, radon gas, nuclear or radioactive matter, medical waste, soot, vapors, fumes, acids, alkalis, chemicals, microbial matters (such as molds, fungi or other bacterial matters), biological agents and chemicals which may cause adverse health effects, including but not limited to, cancers and/or toxicity. "**Environmental Laws**" shall mean any and all federal, state, local or quasi-governmental laws (whether under common law, statute or otherwise), ordinances, decrees, codes, rulings, awards, rules, regulations or guidance or policy documents now or hereafter enacted or promulgated and as amended from time to time, in any way relating to (i) the protection of the environment, the health and safety of persons (including employees), property or the public welfare from actual or potential release, discharge, escape or emission (whether past or present) of any Hazardous Materials or (ii) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of any Hazardous Materials.

29.33.2 **Compliance with Environmental Laws.** Landlord covenants that during the Lease Term, Landlord shall comply in all material respects with all Environmental Laws in accordance with, and as required by, the TCCs of Article 24 of this Lease. Tenant covenants that during the Lease Term, Tenant shall comply in all material respects with all Environmental Laws in accordance with, and as required by, the TCCs of Article 24 of this Lease. Additionally, Tenant shall not sell, use, or store in or around the Premises any Hazardous Materials, except for Hazardous Materials used, stored, maintained and/ or disposed of in Tenant's ordinary course of business and in accordance with applicable Environmental Laws. In addition, Tenant agrees that it: (i) shall not cause the release, discharge, escape or emission of any Hazardous Materials at, upon, under or within the Premises or any contiguous or adjacent premises; (ii) shall notify Landlord promptly following receipt of any knowledge with respect to any actual release, discharge, escape or emission (whether past or present) of any Hazardous Materials at, upon, under or within the Premises; (iii) shall promptly forward to Landlord copies of all orders, notices, permits, applications and other communications and reports in connection with any release, discharge, escape or emission of any Hazardous Materials at, upon, under or within the Premises or any contiguous or adjacent premises; and (iv) in connection with Tenant's surrender of the Premises upon the expiration or earlier termination of this Lease, Tenant shall deliver the same free of Hazardous Materials brought upon, kept or used in or about the Premises by any persons, and shall obtain and provide to Landlord, to the extent applicable: (A) all Hazardous Materials Clearances, (B) evidence from the applicable governmental entities of "closure" of all permits which had been required for Tenant's use of the Premises, together with "no further action letters" from such applicable governmental entities and a "no further action letter" for unrestricted future use of the Premises, and (C) a Phase I report with regard to the Premises. Such Phase I report shall be (x) performed by an environmental assessment or engineering firm and on a scope of work acceptable to Landlord in its sole discretion, (y) shall identify Landlord as a beneficiary of such report, and (z) completed no earlier than six (6) months prior to the expiration of this Lease and no later than the Lease Expiration Date; *provided, however*, in the event this Lease is terminated early for any reason, Tenant shall complete such Phase I report within a commercially reasonable time immediately following such early termination of this Lease. Such Phase I report shall either (1) indicate that the property shows no evidence of reasonably possible hazardous materials contamination of the building, soil or groundwater caused by Tenant; or (2) recommend further investigation of the site, in which event, if such further investigation relates to Tenant's or the Tenant Parties' use of the Premises, then it shall be performed by an environmental assessment or engineering firm and on a scope of work acceptable to Landlord in its sole discretion and at the Tenant's sole expense. Such additional investigation, if any, shall be completed within sixty (60) days of such recommendation. Notwithstanding the foregoing provisions of this Section 29.33.2, and subject to Tenant obtaining and providing to Landlord the

items identified in items (A) through (C) above, Tenant shall not, as of the date this Lease expires or otherwise terminates, be obligated to remove those Hazardous Materials then-existing in de minimis quantities to the extent it is either impossible or prohibitively expensive to totally eradicate such Hazardous Materials, but only provided that Tenant's non-removal of the same will not give rise to a violation of any Applicable Laws, will not adversely impact Landlord's ability to sell, lease or otherwise encumber the Premises, and will not relieve Tenant of its remaining non-conflicting obligations under this Lease (i.e., Tenant's indemnity obligations contained herein will continue to apply with respect to such remaining Hazardous Materials).

29.33.3 **Tenant Hazardous Materials.** Tenant will (i) obtain and maintain in full force and effect all Environmental Permits (as defined below) that may be required from time to time under any Environmental Laws applicable to Tenant or its use of the Premises, and (ii) be and remain in compliance with all terms and conditions of all such Environmental Permits and with all other Environmental Laws. "***Environmental Permits***" means, collectively, any and all permits, consents, licenses, approvals and registrations of any nature at any time required pursuant to, or in order to comply with any Environmental Law. Nothing in this Lease shall impose any liability on Tenant for any Hazardous Materials in existence on the Premises or Project prior to the Lease Commencement Date or brought onto the Premises or Project after the Lease Commencement Date by any third parties not under Tenant's control.

29.33.4 **Landlord's Right of Environmental Audit.** Landlord may, upon reasonable notice to Tenant, be granted access to and enter the Premises no more than once annually to perform or cause to have performed an environmental inspection, site assessment or audit. Such environmental inspector or auditor may be chosen by Landlord, in its sole discretion, and be performed at Landlord's sole expense. To the extent that the report prepared upon such inspection, assessment or audit, indicates the presence of Hazardous Materials (relating to the use and/or actions of Tenant or the Tenant Parties) in violation of Environmental Laws, or provides recommendations or suggestions to prohibit the release, discharge, escape or emission of any Hazardous Materials (relating to the use and/or actions of Tenant or the Tenant Parties) at, upon, under or within the Premises, or to comply with any Environmental Laws related to Tenant's or the Tenant Parties' use of the Premises (including the use of Hazardous Materials therein), Tenant shall promptly, at Tenant's sole expense, comply with any reasonable recommendations or suggestions, including, but not limited to performing such additional investigative or subsurface investigations or remediation(s) as reasonably recommended by such inspector or auditor (taking into account all legal requirements and governmental agency recommendations). Notwithstanding the above, if at any time, Landlord has actual notice or reasonable cause to believe that Tenant has violated, or permitted any violations of any Environmental Law, then Landlord will be entitled to perform its environmental inspection, assessment or audit at any time, notwithstanding the above mentioned annual limitation, and Tenant must reimburse Landlord for the reasonable cost or fees incurred for such as Additional Rent.

29.33.5 **Indemnifications.** Tenant agrees to indemnify, defend, protect and hold harmless Landlord and the Landlord Parties from and against any liability, obligation, damage or costs, including without limitation, reasonable attorneys' fees and costs, arising from (a) any use, presence, removal or disposal of any Hazardous Materials or breach of any provision of this section, to the extent such liability, obligation, damage or costs was a result of actions caused or permitted by Tenant or a Tenant Party and (b) any Environmental Claim relating in any way to Tenant's operation or use of the Premises; *provided*, that the foregoing indemnity shall not apply to the extent caused by the gross negligence or willful misconduct of Landlord or any of the Landlord Parties. Landlord agrees to indemnify, defend, protect and hold harmless Tenant and the Tenant Parties from and against any liability, obligation, damage or costs, including, without limitation, reasonable attorneys' fees and costs, arising from any use, presence, removal or disposal of any Hazardous Materials to the extent such liability, obligation, damage or costs was a result of actions caused or permitted by Landlord or a Landlord Party; *provided*, that the foregoing indemnity shall not apply to the extent caused by the gross negligence or willful misconduct of Tenant or any of the Tenant Parties. These mutual environmental indemnities shall survive any expiration or termination of this Lease, and are not affected by any claims of breach of any other provisions of this Lease. "***Environmental Claims***" means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigations, proceedings, consent orders or consent agreements relating in any way to any Environmental Law, including, without limitation, (i) any and all Environmental Claims by governmental or regulatory



authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law and (ii) any and all Environmental Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

29.34 **Intentionally Omitted.**

29.35 **Intentionally Omitted.**

29.36 **Intentionally Omitted.**

29.37 **OFAC.** Tenant and Landlord each represents and warrants to the other that the representing party is currently in compliance with and shall at all times during the Lease Term (including any extension thereof) remain in compliance with the regulations of OFAC (including those named on OFAC's Specially Designated and Blocked Persons List) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

29.38 **Rooftop Rights.** Subject to, (A) reasonable construction rules and regulations promulgated by Landlord, (B) the Building standards therefor, and (C) the TCCs set forth in Article 8 of this Lease and this Section 29.38, Tenant may install, repair, maintain and use, at Tenant's sole cost and expense, but without the payment of any Base Rent or similar fee or charge, satellite dishes, antennas or similar equipment (the number of which shall be determined by Landlord in its reasonable discretion) on the roof of the Buildings for the sending and receiving of signals or broadcasts (provided that there shall be no generation or transmission of commercial signals or broadcasts) servicing the business conducted by Tenant from within the Premises (such satellite is defined as the "***Rooftop Equipment***"). Tenant shall be solely responsible for any and all costs incurred or arising in connection with the Rooftop Equipment, including, but not limited to, costs of electricity and insurance related to the Rooftop Equipment. Landlord makes no representations or warranties whatsoever with respect to the condition of the roof of the Buildings, or the fitness or suitability of the roof of the Buildings for the installation, maintenance and operation of the Rooftop Equipment, including, without limitation, with respect to the quality and clarity of any receptions and transmissions to or from the Rooftop Equipment and the presence of any interference with such signals whether emanating from the Buildings or otherwise. The physical appearance and the size of the Rooftop Equipment shall be subject to Landlord's reasonable approval, the location of any such Rooftop Equipment shall be mutually and reasonably agreed upon by Landlord and Tenant and Landlord may require Tenant to install screening around such Rooftop Equipment, at Tenant's sole cost and expense, as reasonably designated by Landlord. Tenant shall service, maintain and repair such Rooftop Equipment, at Tenant's sole cost and expense. In the event Tenant elects to exercise its right to install the Rooftop Equipment, then Tenant shall give Landlord prior notice thereof. Tenant shall reimburse to Landlord the actual costs reasonably incurred by Landlord in approving such Rooftop Equipment, not to exceed Three Thousand Five Hundred Dollars (\$3,500.00). Tenant's rights under this Section 29.38 shall terminate and shall be of no further force or effect upon the expiration or earlier termination of this Lease, or, in the event Tenant (or a Permitted Transferee) no longer occupies the Premises. Prior to the expiration or earlier termination of this Lease, Tenant shall, as promptly as possible but in no event more than fifteen (15) days thereafter, remove and restore the affected portion of the rooftop and the Premises to the condition the rooftop, and the Premises would have been in had no such Rooftop Equipment been installed (reasonable wear and tear excepted). Such Rooftop Equipment shall be installed pursuant to plans and specifications approved by Landlord (specifically including, without limitation, all mounting and waterproofing details), which approval will not be unreasonably withheld, conditioned, or delayed. Notwithstanding any such review or approval by Landlord, Tenant shall remain solely liable for any damage arising in connection with Tenant's installation, use, maintenance and/or repair of such Rooftop Equipment, including, without limitation, any damage to a portion of the roof or roof membrane and any penetrations to the roof. Landlord and Tenant hereby acknowledge and agree that Landlord shall have no liability in connection with Tenant's installation, use, maintenance and/or repair of such Rooftop Equipment. Such Rooftop Equipment shall, in all instances, comply with applicable governmental laws, codes, rules and regulations. Tenant shall not be entitled to license its Rooftop Equipment to any third party, nor shall Tenant be permitted to receive any revenues,

fees or any other consideration for the use of such Rooftop Equipment by a third party. Tenant's right to install such Rooftop Equipment shall be non-exclusive, and Tenant hereby expressly acknowledges Landlord's continued right (i) to itself utilize any portion of the rooftop of the Buildings, and (ii) to re-sell, license or lease any rooftop space to an unaffiliated third party; *provided, however*, such Landlord (or third party) use shall not materially interfere with (or preclude the installation of) Tenant's Rooftop Equipment and shall be subject to Tenant's reasonable prior approval.

29.39 **Green Cleaning/Recycling.** To the extent a "green cleaning program" and/or a recycling program is implemented by Landlord or the Association in the Buildings and/or Project, as applicable (each in Landlord's or the Association's sole and absolute discretion), Tenant shall, at Tenant's sole cost and expense, comply with the reasonable provisions of each of the foregoing programs (*e.g.*, Tenant shall separate waste appropriately so that it can be efficiently processed by Landlord's particular recycling contractors). To the extent Tenant fails to comply with any of the recycling programs contemplated by the foregoing, Tenant shall be required to pay any contamination charges related to such non-compliance.

29.40 **Incorporatization of Exhibits and Schedules.** All Exhibits and Schedules attached to this Lease are hereby incorporated by reference.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and date first above written.

**LANDLORD:"**

FIVE POINT OFFICE VENTURE I, LLC,

a Delaware limited liability company

By: /s/ Michael Alvarado

Name: Michael Alvarado

Title: Vice President

**TENANT:**

BROADCOM CORPORATION,

a California corporation

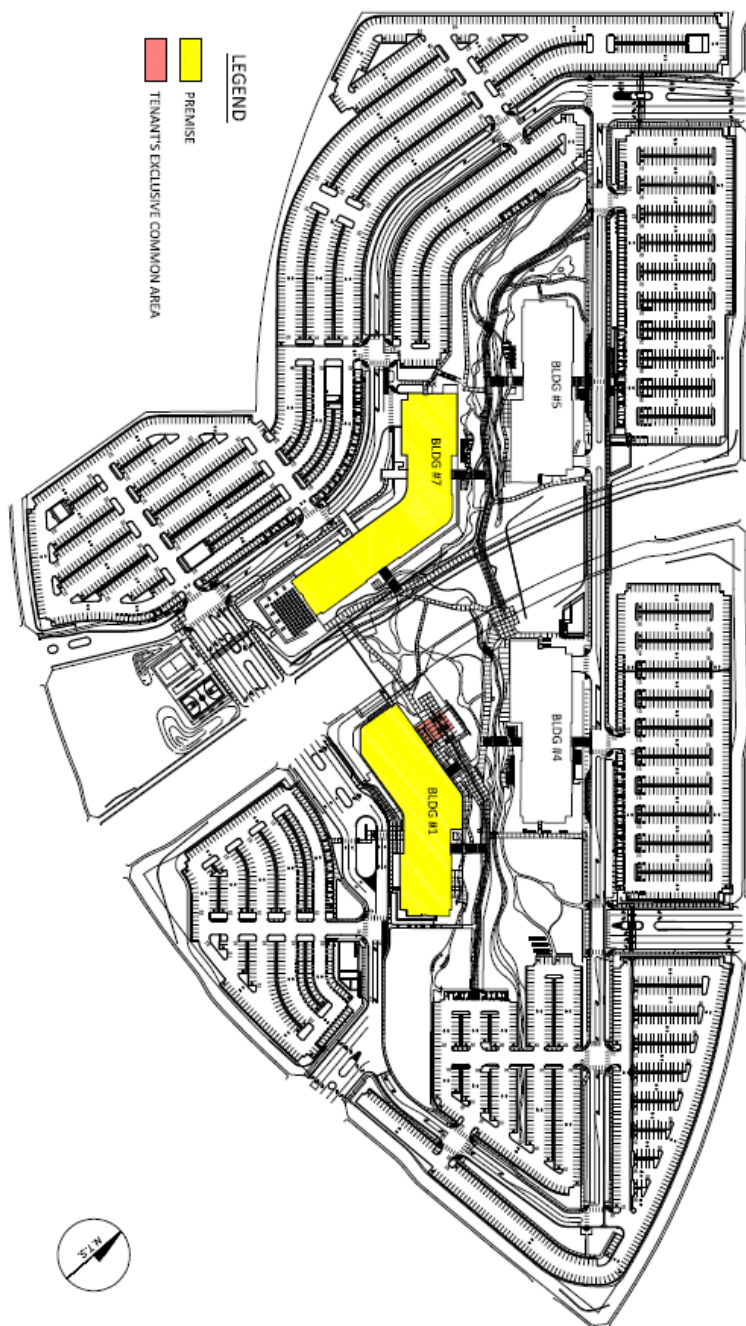
By: /s/ Thomas H. Krause, Jr.

Name: Thomas H. Krause, Jr.

Title: Chief Financial Officer

**EXHIBIT A-1**

**DEPICTION OF PREMISES**



## **EXHIBIT A-2**

### **DESCRIPTION OF LAND**

PARCELS 1 THROUGH 17, INCLUSIVE, OF PARCEL MAP 2014-122, IN THE CITY OF IRVINE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 384, PAGES 1 THROUGH 10, INCLUSIVE, OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

## **EXHIBIT B**

### **FORM OF MEMORANDUM OF LEASE**

RECORDING RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(ABOVE SPACE FOR RECORDER'S USE ONLY)

MEMORANDUM OF LEASE

This MEMORANDUM OF LEASE is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, between \_\_\_\_\_, a \_\_\_\_\_ (hereinafter referred to as "**Landlord**"), and \_\_\_\_\_, a \_\_\_\_\_ (hereinafter referred to as "**Tenant**").

WITNESSETH:

Landlord and Tenant have entered into that certain Lease Agreement dated \_\_\_\_\_, 2017 (the "**Lease**"), whereby Landlord has leased to Tenant certain premises (the "**Premises**") in the City of Irvine, County of Orange, State of California, and the legal description of property upon which the Premises is located is set forth on **Exhibit A** attached hereto and whereby Landlord has provided to Tenant certain rights with respect to the Common Areas of the Project (each as defined in the Lease). Among other provisions, the Lease contains the following provisions and rights:

- I. **Term**. The initial term of the Lease commences on \_\_\_\_\_ and ends twenty (20) years after such date on \_\_\_\_\_. Thereafter, Tenant has the right under the Lease to renew and extend the term of the Lease for one (1) period of ten (10) years, as more fully provided in Section 2.2 of the Lease.
- II. **Successors**. The covenants, conditions and agreements made and entered into by the parties hereto shall be binding upon and inure to the benefits of their respective heirs, administrators, executors, representatives, successors and assigns.
- III. **Incorporation of Lease**. All terms and conditions of the Lease are hereby incorporated herein by reference as if fully set forth herein.
- IV. **Conflicts with Lease**. This Memorandum of Lease is solely for notice and recording purposes and shall not be construed to alter modify, expand, diminish or supplement the provisions of the Lease. In the event of any inconsistency between the provisions of this Memorandum of Lease and the provisions of the Lease, the provisions of the Lease shall govern.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Memorandum of Lease has been duly executed by the parties hereto as of the day and year first above written.

**LANDLORD**

By: \_\_\_\_

Its: \_\_\_\_

By: \_\_\_\_

Its: \_\_\_\_

**TENANT**

By: \_\_\_\_

Name: \_\_\_\_

Title: \_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**ACKNOWLEDGMENT**

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_,

(insert name of notary)

Notary Public, personally appeared \_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature\_\_ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**ACKNOWLEDGMENT**

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_,

(insert name of notary)

Notary Public, personally appeared \_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROJECT**

PARCELS 1 AND 7 OF PARCEL MAP 2014-122, IN THE CITY OF IRVINE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 384, PAGES 1 THROUGH 10, INCLUSIVE, OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

**EXHIBIT C**

**RULES AND REGULATIONS**

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. In the event of any conflict between the Rules and Regulations and the other provisions of this Lease, the latter shall control.

1. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two (2) keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord. Upon the termination of this Lease, Tenant shall restore to Landlord all keys of stores, offices, and toilet rooms, either furnished to, or otherwise procured by, Tenant and in the event of the loss of keys so furnished, Tenant shall pay to Landlord the cost of replacing same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such changes.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises.

3. Landlord and his agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Buildings of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Buildings or the Project during the continuance thereof by any means it deems appropriate for the safety and protection of life and property.

4. Landlord will not be responsible for loss of or damage to any safe or property in any case. Subject to the provisions of Section 10.1 of this Lease, any damage to any part of the Buildings, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility and expense of Tenant.

5. The requirements of Tenant will be attended to only upon application at the management office for the Project or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.

6. Tenant shall not disturb, solicit, peddle, or canvass any occupant of the Project and shall cooperate with Landlord and its agents of Landlord to prevent same.

7. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.

8. Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, courts, halls, stairways, elevators, vestibules or any Common Areas for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises. Furthermore, in no event shall Tenant, its employees or agents smoke tobacco products within the Buildings or within seventy-five feet (75') of any entrance into the Buildings or into any other Project building.

9. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the Irvine, California without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-

ways and elevators provided for such purposes at such times as Landlord shall designate. If the Premises is or becomes infested with vermin as a result of the use or any misuse or neglect of the Premises by Tenant, its agents, servants, employees, contractors, visitors or licensees, Tenant shall forthwith, at Tenant's expense, cause the Premises to be exterminated from time to time to the satisfaction of Landlord and shall employ such licensed exterminators as shall be approved in writing in advance by Landlord.

10. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations reasonably established by Landlord or any governmental agency.

11. Tenant must comply with applicable "**NO-SMOKING**" ordinances and all related, similar or successor ordinances, rules, regulations or codes. If Tenant is required under the ordinance to adopt a written smoking policy, a copy of said policy shall be on file in the office of the Buildings. In addition, no smoking of any substance (including use of e-cigarettes) shall be permitted within the Project except in specifically designated outdoor areas. Within such designated outdoor areas, all remnants of consumed cigarettes and related paraphernalia shall be deposited in ash trays and/or waste receptacles. No cigarettes shall be extinguished and/or left on the ground or any other surface of the Project. Cigarettes shall be extinguished only in ashtrays. Furthermore, in no event shall Tenant, its employees or agents smoke tobacco products or other substances or use e-cigarettes within any interior areas of the Project or within seventy-five feet (75') of any entrance into the Buildings or into any other Project building.

12. Tenant hereby acknowledges that Landlord shall have no obligation to provide guard service or other security measures for the benefit of the Premises, the Buildings or the Project. Tenant hereby assumes all responsibility for the protection of Tenant and its agents, employees, contractors, invitees and guests, and the property thereof, from acts of third parties, including keeping doors locked and other means of entry to the Premises closed, whether or not Landlord, at its option, elects to provide security protection for the Project or any portion thereof. Tenant further assumes the risk that any safety and security devices, services and programs which Landlord elects, in its sole discretion, to provide may not be effective, or may malfunction or be circumvented by an unauthorized third party, and Tenant shall, in addition to its other insurance obligations under this Lease, obtain its own insurance coverage to the extent Tenant desires protection against losses related to such occurrences. Tenant shall cooperate in any reasonable safety or security program developed by Landlord or required by law.

13. No auction, liquidation, fire sale, going-out-of-business or bankruptcy sale shall be conducted in the Premises without the prior written consent of Landlord.

14. Landlord reserves the right at any time to reasonably change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, the Common Areas and the Project, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Landlord shall use commercially reasonable efforts to promptly notify Tenant of such change or rescission following Landlord's decision in connection therewith. Landlord may waive any one (1) or more of these Rules and Regulations for the benefit of any particular tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Project.

## **EXHIBIT D**

### **FORM OF TENANT'S ESTOPPEL CERTIFICATE**

The undersigned as Tenant under that certain Lease Agreement (the "**Lease**") made and entered into as of \_\_\_\_\_, 20\_\_\_\_ by and between as Landlord, and the undersigned as Tenant, for Premises in the buildings located at \_\_\_\_\_, Irvine, California, certifies to Tenant's knowledge as follows:

1. Attached hereto as **Exhibit A** is a true and correct copy of the Lease and all amendments and modifications thereto as of the date of this Estoppel Certificate. The documents contained in **Exhibit A** represent the entire agreement between the parties as to the Premises.

2. The undersigned currently occupies the Premises described in the Lease, the Lease Term commenced on \_\_\_\_\_ (the "**Commencement Date**"), and the Lease Term expires on \_\_\_\_\_, and the undersigned has no option to terminate or cancel the Lease or to purchase all or any part of the Premises, the Buildings and/or the Project.

3. Base Rent became payable on the Commencement Date.

4. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in **Exhibit A**.



5. Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto except as follows

6. Tenant shall not modify the documents contained in **Exhibit A** without the prior written consent of Landlord's mortgagee.

7. All monthly installments of Rent (i.e., Base Rent and all Additional Rent and all monthly installments of estimated Additional Rent) have been paid when due through \_\_\_\_\_. The current monthly installment of Base Rent is \$\_\_\_\_\_.

8. All conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied. Landlord is not in default under the Lease. In addition, the undersigned has not delivered any notice to Landlord regarding a default by Landlord thereunder.

9. No rental has been paid more than thirty (30) days in advance and no security deposit has been deposited with Landlord.

10. As of the date hereof, there are no existing defenses or offsets, or, to the undersigned's knowledge, claims or any basis for a claim, that the undersigned has against Landlord.

11. There are no actions pending against the undersigned under the bankruptcy or similar laws of the United States or any state.

12. Other than incidental to the ordinary course of the use of the Premises and in compliance with all Environmental Laws (as defined in the Lease), the undersigned has not used or stored any Hazardous Material (as defined in the Lease) in the Premises.

[SIGNATURE PAGE TO FOLLOW]

The undersigned acknowledges that this Estoppel Certificate may be delivered to Landlord or to an existing mortgagee of Landlord, prospective mortgagee or prospective purchaser of the Premises, and acknowledges that said mortgagee, prospective mortgagee or prospective purchaser will be relying upon the statements contained herein in making or acquiring the loan or acquiring the property of which the Premises are a part and that receipt by it of this certificate is a condition of making or acquiring such loan or acquiring such property.

Executed at \_\_\_\_\_ on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

"TENANT"

BROADCOM CORPORATION,

a California corporation

By:\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT E

RECORDING REQUESTED BY

AND WHEN RECORDED RETURN TO:

### RECOGNITION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

This Recognition of Covenants, Conditions, and Restrictions (this "**Agreement**") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ ("**Landlord**"), and \_\_\_\_\_ ("**Tenant**"), with reference to the following facts:

A. Landlord and Tenant entered into that certain Lease Agreement dated \_\_\_\_\_, 20\_\_\_\_ (as may be amended and restated from time to time, the "**Lease**"). Pursuant to the Lease, Landlord leased to Tenant and Tenant leased from Landlord space (the "**Premises**") located in two (2) buildings on certain real property described in Exhibit A attached hereto and incorporated herein by this reference (the "**Property**").

B. The Property is part of an area owned by Landlord containing approximately \_\_\_\_\_ (\_\_\_\_) acres of real property located in the City of Irvine, California (the "**Project**"), as more particularly described in Exhibit B attached hereto and incorporated herein by this reference.

C. Landlord, as declarant, has previously recorded, or proposes to record concurrently with the recordation of this Agreement, an Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservations of Easements (the "**Declaration**"), dated \_\_\_\_\_, 20\_\_\_\_, in connection with the Project.

D. Tenant is agreeing to recognize and be bound by the terms of the Declaration, and the parties hereto desire to set forth their agreements concerning the same.

NOW, THEREFORE, in consideration of (a) the foregoing recitals and the mutual agreements hereinafter set forth, and (b) for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. Tenant's Recognition of Declaration. Notwithstanding that the Lease has been executed prior to the recordation of the Declaration, Tenant agrees to recognize and be bound by all of the terms and conditions of the Declaration to the extent not inconsistent with the express terms and conditions of the Lease.

2. Miscellaneous.

2.1 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, estates, personal representatives, successors, and assigns.

2.2 This Agreement is made in, and shall be governed, enforced and construed under the laws of, the State of California.

2.3 This Agreement constitutes the entire understanding and agreements of the parties with respect to the subject matter hereof, and shall supersede and replace all prior understandings and agreements, whether verbal or in writing. The parties confirm and acknowledge that there are no other promises, covenants, understandings, agreements, representations, or warranties with respect to the subject matter of this Agreement except as expressly set forth herein.

2.4 This Agreement is not to be modified, terminated, or amended in any respect, except pursuant to any instrument in writing duly executed by both of the parties hereto.

2.5 In the event that either party hereto shall bring any legal action or other proceeding with respect to the breach, interpretation, or enforcement of this Agreement, or with respect to any dispute relating to any transaction covered by this Agreement, the losing party in such action or proceeding shall reimburse the prevailing party therein for all reasonable costs of litigation, including reasonable attorneys' fees, in such amount as may be determined by the court or other tribunal having jurisdiction, including matters on appeal.

2.6 All captions and heading herein are for convenience and ease of reference only, and shall not be used or referred to in any way in connection with the interpretation or enforcement of this Agreement.

2.7 If any provision of this Agreement, as applied to any party or to any circumstance, shall be adjudged by a court of competent jurisdictions to be void or unenforceable for any reason, the same shall not affect any other provision of this Agreement, the application of such provision under circumstances different from those adjudged by the court, or the validity or enforceability of this Agreement as a whole.

2.8 Time is of the essence of this Agreement.

2.9 The Parties agree to execute any further documents, and take any further actions, as may be reasonable and appropriate in order to carry out the purpose and intent of this Agreement.

2.10 As used herein, the masculine, feminine or neuter gender, and the singular and plural numbers, shall each be deemed to include the others whenever and whatever the context so indicates.

**SIGNATURE PAGE OF RECOGNITION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

**LANDLORD:**

FIVE POINT OFFICE VENTURE I, LLC,

a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**TENANT:**

BROADCOM CORPORATION,

a California corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**ACKNOWLEDGMENT**

State of California    )

County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_,

(insert name of notary)

Notary Public, personally appeared \_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature\_\_ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**ACKNOWLEDGMENT**

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name of notary)

Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature\_\_\_\_ (Seal)

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

**EXHIBIT B**

**LEGAL DESCRIPTION OF THE PROJECT**

**EXHIBIT E**

**DESCRIPTION OF PERMIT SET**

Buildings	Bldg Permit #		Pre-Close	Post Close	Title Block Description
Building 1	00541896-SBPF	Foundation & Structural Steel Only For 5-Story Office Bldg #1 Tenant: Broadcom. "No Underground P.E.M."		X	06/17/2015 Foundation and steel Permit
	00666027-SBP	Building 1 - (Foundation Only) Structural Steel Under P/C No: 00634325-Crus5 And 00650941		X	Addendum U; Bulletin 10, 13, 16, 36, 40, 57; Bulletin 16 & 40 includes 00666024-EBPN, 00666025-MBPN, 00666026-PBPN, 00666083-MISC
	00625598-SBP	Rev.9 - New Roof Enclosure, Detail Updated New Beams, Elevator Opening Removed, Units Added Framing, Pop Up Added		X	Bulletin 13
	00694497-EBP	Rev 12 - Add Permit Reduce Size Of Ground Fr And P/ra Level Lab. Replace Auditorium With Conference Cntr On Ground Flr.		X	Bulletin 10
	00694498-MBP	Rev 12 - Add Permit Reduce Size Of Ground Fr And P/ra Level Lab. Replace Auditorium With Conference Cntr On Ground Flr.		X	Bulletin 10
	00694499-PBP	Rev 12 - Add Permit Reduce Size Of Ground Fr And P/ra Level Lab. Replace Auditorium With Conference Cntr On Ground Flr.		X	Bulletin 10
	00694519-MISC	Rev 12 Reduce Size Of Ground Fr And P/ra Level Lab. Replace Auditorium With Conference Cntr On Ground Flr.		X	Bulletin 10
Building 7	00671265-EBPN	B7 Foundation & Structural Steel Plan Check 00634325-Crus5).		X	Addendum V
	00671266-MBPN	Mechanical (B7 Foundation & Structural Steel Plan Check 00634325-Crus5).		X	Addendum V
	00671267-PBPN	Plumbing (B7 Foundation & Structural Steel Was Reviewed & Perm Was Paid For Under 00634325-Crus5).		X	Addendum V
	00671268-SBP	Architectural (B7 Foundation & Structural Steel Plan Check 00634325-Crus5).		X	Addendum V, Bulletin 27, 58, Bulletin 27 also includes: 00676024-EBP, 00686603-MBP, 00686604-PBP
<b>Site Enclosures</b>					
Altos	00666009-Misc	Addendum I Altos site enclosure		X	Addendum I
Baranca	00666008-Misc	Addendum I Baranca site enclosure		X	Addendum I
B1	00666099-SBP	Addendum R B1 - Enclosure		X	Addendum R
B7	00666099-SBP	Addendum R B7 - Enclosure		X	Addendum R
B8	00666120-MISC	Addendum R B8 - Enclosure		X	Addendum R
<b>Hardscape/Retaining Walls/Ramp Yields</b>					
HS/Retaining Walls	00674821-MISC	Addendum C - Site Hardscape/Retaining Walls		X	Addendum C
HS/Retaining Walls	00654841 - CTIS	Bulletin 12 - Hardscape		X	Bulletin 12
B5- Ramp	00693416-MISC	B5 Retaining Wall		X	Bulletin 12
B1- Trails	00666083-MISC	B1 Trails		X	Bulletin 10, 36
<b>Grading</b>					
Precise Grading	00644937-GP	Bulletin 12 - Precise Grading B1 & B7 - Delta		X	Bulletin 12
Precise Grading	00638588-GP	Bulletin 12 - Precise Grading Phase 1		X	Bulletin 12
<b>Site Lighting</b>					
Site Lighting	00672692-EBP	Addendum BB- Site Lighting		X	Addendum BB
Site Lighting	00653358-ELC	Bulletin 41- Site lighting		X	Bulletin 41
Sewer	00648940-CTI	Private onsite water		X	
Sewer	00630329-CTI	Bulletin 21 - Private onsite Sewer - Delta 1		X	Bulletin 21
Ramp & Stair		Bulletin 12 - Parking 5 Ramp Stair		X	Bulletin 12
Landscape	00653358-ELC	Bulletin 12 - Landscape and Irrigation		X	Bulletin 12
Signage	no permit #	Bulletin 24 Wayfinding HEV1		X	Bulletin 24
Fence	00690562-CTIS	Bulletin 41 - Site Fence		X	Bulletin 41
Fence -Sports Courts	00694436-CTIS	Fence -Sports Courts		X	Bulletin 41
Bike Storage	TBD	B1 & B7 Bike Storage		X	Deferred Submittal
<b>New Permit numbers since Nov 2015</b>					
Building 1	00702364-EBP	Bulletin 50		X	Bulletin 50
Building 7	00701086-EBP	Bulletin 51		X	Bulletin 51
Building 1	00704156-MBP	Bulletin 55		X	Bulletin 55
Building 1	00704155-EBP	Bulletin 55		X	Bulletin 55
Site		Bulletin 61 (Site Balancing lot1A, 5B, 3, 3A and building B) - Precise Grading		X	Bulletin 61 is with City Plan check

## SCHEDULE 21.3

### DELIVERIES FOR COMPLETION OF TENANT'S BUILDING WORK

The deliverables shall include, without limitation, all as-builts that are produced by the GC or Architect, all commissioning reports that are issued by the GC, Architect, Altura Associates, Inc. or any other entity, all certificates of occupancy (temporary or permanent) that are issued by the City and all permit signoff cards or inspection reports which are completed/issued by the City or any other governmental agency (i.e., Fire or Health Department) for the Premises. Without limiting the foregoing, all of the site work shall be completed in accordance with the Building Specifications, and until the City has given its final sign off on the permit for the site work, Broadcom shall diligently pursue the completion of the site work in accordance with commercially reasonable standards to the extent required for Purchaser to obtain a temporary certificate of occupancy for the Vacant Buildings (which will allow tenants to occupy the Vacant Buildings) by January 1, 2018; provided, however, that Broadcom shall have no liability for not meeting such date as long as it is diligently pursuing the completion of the site work or such failure is due to delays in Seller's Work (under the Five Point PSA) or other causes beyond Broadcom's control.

## SCHEDULE 28

### DEPICTION OF TENANT'S PARKING AREAS FOR EACH BUILDING

IMAGE HERE

Landlord Signature Page for Lease  
Agreement

**Notice of Grant of Restricted Share Unit Award**  
**Under the Avago Technologies Limited**  
**2009 Equity Incentive Award Plan**

**BROADCOM LIMITED**  
**1 Yishun Avenue 7**  
**Singapore 768923**

**GRANTEE NAME:** <Participant Name>

**GRANTEE ID:** <Employee ID>

**GRANT NUMBER:** <Client Grant ID>

**Grant Date:**

<Grant Date>

**Number of Restricted Share  
Units:**

<Number of Awards  
Granted>

On the grant date shown above, Broadcom Limited (the “**Company**”) granted to the grantee identified above (“**you**” or the “**Participant**”) the number of restricted share units shown above (the “**RSUs**” or “**Restricted Share Units**”) under the Avago Technologies Limited 2009 Equity Incentive Award Plan, as amended (the “**Plan**”). If and when it vests, each RSU entitles you to receive one ordinary share of the Company (each, an “**Ordinary Share**”). By accepting this award of RSUs, you are affirmatively agreeing to the following in respect of these RSUs and all other restricted share units held by you (a “**Sell to Cover**”):

**Sell to Cover:** Upon vesting of the RSUs and any other restricted share units held by you and release of the resulting Ordinary Shares, the Company, on your behalf, will instruct Fidelity Stock Plan Services, LLC or one of its affiliates or such other agent instructed by the Company from time to time (collectively, the “**Agent**”) to sell that number of such Ordinary Shares determined in accordance with Section 2.6 of the attached Restricted Share Unit Award Agreement (with respect to both the RSUs and any other restricted share units held by you) to satisfy any resulting tax withholding obligations of the Company, and the Agent will remit cash proceeds of such sale to the Company sufficient to satisfy such tax withholding obligations. The Company or a Subsidiary will then pay the required tax withholding obligations to the appropriate taxing authorities.

The RSUs will vest as follows if you have not incurred a Termination of Services prior to the applicable time of vesting:

[insert vesting provisions]

By accepting this award electronically through the Plan service provider’s online grant acceptance process:

- (1) You agree that the RSUs are governed by this Notice of Grant and the attached Restricted Share Unit Award Agreement (including Exhibit A thereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.
- (2) You have received, read and understand the Agreement, the Plan and the prospectus for the Plan.
- (3) You agree to accept as binding all decisions or interpretations of the Administrator or its delegate regarding any questions relating to the Plan or the Agreement, including, if you provide services outside the United States, the global provisions and any specific provisions for the country in which you provide services, attached to the Agreement as Exhibit A.
- (4) You have read and agree to comply with the Company’s Insider Trading Policy.

Capitalized terms not specifically defined in this Notice shall have the meanings specified in the Plan or the Agreement.



**AVAGO TECHNOLOGIES LIMITED  
2009 EQUITY INCENTIVE AWARD PLAN**

**RESTRICTED SHARE UNIT AWARD AGREEMENT  
(SELL TO COVER)**

Broadcom Limited, a company organized under the laws of Singapore (the “*Company*”), pursuant to the Avago Technologies Limited 2009 Equity Incentive Award Plan, as amended from time to time (the “*Plan*”), has granted to the grantee indicated in the attached Notice of Grant (the “*Notice of Grant*”) an award of restricted share units (“*Restricted Share Units*” or “*RSUs*”). The RSUs are subject to all of the terms and conditions set forth in this Restricted Share Unit Award Agreement (including Exhibit A hereto and together with the Notice of Grant, the “*Agreement*”) and the Plan.

**BY ACCEPTING THIS AWARD, YOU CONSENT TO THE USE AND SHARING OF YOUR PERSONAL DATA AS SET FORTH  
IN THE APPLICABLE PROVISIONS IN EXHIBIT A**

**ARTICLE I**

**GENERAL**

1.1 Defined Terms. Capitalized terms not specifically defined in this Agreement shall have the meanings specified in the Plan or in the Notice of Grant, unless the context clearly requires otherwise.

(a) “*Termination of Consultancy*” shall mean the time when the engagement of Participant as a Consultant to the Company or a Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, by resignation, discharge, death, disability, or retirement, but excluding: (a) terminations where there is a simultaneous employment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations where there is a simultaneous re-establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Consultancy, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Consultancy. Notwithstanding any other provision of the Plan, the Company or any Subsidiary has an absolute and unrestricted right to terminate a Consultant’s service at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in writing.

(b) “*Termination of Directorship*” shall mean the time when Participant, if he or she is or becomes a Non-Employee Director, ceases to be a Director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or retirement. The Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to Termination of Directorship with respect to Non-Employee Directors.

(c) “*Termination of Employment*” shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding: (a) terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations where there is a simultaneous establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Administrator, in its absolute discretion, shall

determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

(d) **“Termination of Services”** shall mean Participant’s Termination of Consultancy, Termination of Directorship or Termination of Employment, as applicable.

1.2 General. Each Restricted Share Unit represents the right to receive one Ordinary Share if and when it vests. The Restricted Share Units shall not be treated as property or as a trust fund of any kind.

1.3 Incorporation of Terms of Plan. RSUs are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

## **ARTICLE II**

### **GRANT OF RESTRICTED SHARE UNITS**

2.1 Grant of RSUs. In consideration of your continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Notice of Grant (the **“Grant Date”**), the Company granted to you the number of RSUs set forth in the Notice of Grant.

2.2 Company’s Obligation to Pay. Unless and until the RSUs will have vested in the manner set forth in Article II hereof, you will have no right to payment of any such RSUs. Prior to actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4, your RSUs will vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth in the Notice of Grant (the **“Vesting Schedule”**) as long as you have not had a Termination of Services prior to the vesting date for such portion. Unless otherwise determined by the Administrator, employment or service for a portion, even a substantial portion, of any vesting period will not entitle you to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a Termination of Services as provided in Section 2.5 below or under the Plan.

2.4 Change in Control Treatment. In the event the successor corporation in a Change in Control refuses to assume or substitute for the RSUs in accordance with Section 14.2 of the Plan, the RSUs will vest as of immediately prior to such Change in Control.

2.5 Forfeiture, Termination and Cancellation upon Termination of Services. Upon your Termination of Services for any or no reason, any then-unvested RSUs (after giving effect to any accelerated vesting pursuant to Section 2.4) will be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and you, or your beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

2.6 Payment after Vesting.

(a) On or before the tenth (10<sup>th</sup>) day following the vesting of any Restricted Share Units pursuant to Section 2.3, 2.4 or 3.2, the Company shall deliver to the Participant a number of Ordinary Shares equal to the number of Restricted Share Units that so vested, unless such Restricted Share Units terminate prior to the given vesting date pursuant to Section 2.5. Notwithstanding the foregoing, in the event Ordinary Shares cannot be issued because of the failure to meet one or more of the conditions set forth in Section 2.8(a), (b) or (c) hereof, then the Ordinary Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that Ordinary Shares can again be issued in accordance with Sections 2.8(a), (b) and (c) hereof. Notwithstanding any discretion in the Plan, the Notice of Grant or this Agreement to the contrary, upon vesting of the RSUs, Ordinary Shares will be issued as set forth in this section. In no event will the RSUs be settled in cash.

(b) Notwithstanding anything to the contrary in this Agreement, the Company shall be entitled to require you to pay any sums required by applicable law to be withheld with respect to the RSUs, the issuance of Ordinary Shares or with respect to any other restricted share units, if any, granted to you prior to the Grant Date under the Plan or any other Company equity incentive plan (each, a “**Prior Award**”). Such payment shall be made by using a Sell to Cover. The award agreements covering your Prior Awards (if any) will be deemed amended to the extent necessary to reflect this Section 2.6(b). By accepting this award of RSUs, you agree (with respect to the RSUs and all Prior Awards, if any) to Sell to Cover to satisfy any tax withholding obligations and:

(i) You hereby appoint the Agent as your agent and direct the Agent to (1) sell on the open market at the then prevailing market price(s), on your behalf, promptly after any RSUs (or Prior Awards) vest, such number of the Ordinary Shares that are issued in respect of such RSUs (or subject to or issued in respect of such Prior Awards) as the Agent determines will generate sufficient proceeds to cover (x) any estimated tax, social insurance, payroll, fringe benefit or similar withholding obligations with respect to such vesting and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) in the Company’s discretion, apply any remaining funds to your federal tax withholding or remit such remaining funds to you.

(ii) You hereby authorize the Company and the Agent to cooperate and communicate with one another to determine the number of Ordinary Shares to be sold pursuant to subsection (i) above. You understand that to protect against declines in the market price of Ordinary Shares, the Agent may determine to sell more than the minimum number of Ordinary Shares needed to generate the required funds.

(iii) You understand that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to your account. In addition, you acknowledge that it may not be possible to sell Ordinary Shares as provided in subsection (i) above due to (1) a legal or contractual restriction applicable to the Agent, (2) a market disruption, or (3) rules governing order execution priority on the national exchange where the Ordinary Shares may be traded. In the event of the Agent’s inability to sell Ordinary Shares, you will continue to be responsible for the timely payment to the Company and/or its affiliates of all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld, including but not limited to those amounts specified in subsection (i) above.

(iv) You acknowledge that, regardless of any other term or condition of this Section 2.6(b), neither the Company nor the Agent will have any liability to you for (1) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond

its reasonable control, or (3) any claim relating to the timing of any Sell-to-Cover, the price at which Ordinary Shares are sold in any Sell-to-Cover, or the timing of the delivery to you of any Ordinary Shares following any Sell-to-Cover. Regardless of the Company's or any Subsidiary's actions in connection with tax withholding pursuant to this Agreement, you acknowledge that the ultimate responsibility for any and all tax-related items imposed on you in connection with any aspect of the RSUs (and any Prior Awards) and any Ordinary Shares issued upon vesting of the RSUs (or subject to or issued in respect of your Prior Awards) is and remains your responsibility and liability. Except as expressly stated herein, neither the Company nor any Subsidiary makes any commitment to structure of the RSUs (or any Prior Award) to reduce or eliminate your liability for tax-related items.

(v) You hereby agree to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.6(b). The Agent is a third-party beneficiary of this Section 2.6(b).

(vi) This Section 2.6(b) shall survive termination of this Agreement until all tax withholding obligations arising in connection with this Award have been satisfied.

The Company shall not be obligated to deliver any Ordinary Shares to you unless and until you have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes required to be withheld in connection with the grant or vesting of the RSUs.

2.7 Rights as Shareholder. As a holder of RSUs you are not, and do not have any of the rights or privileges of, a shareholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the RSUs and any Ordinary Shares issuable upon vesting thereof unless and until such Ordinary Shares shall have been actually issued by the Company to you. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Ordinary Shares are issued, except as provided in Section 14.2 of the Plan.

2.8 Conditions to Delivery of Ordinary Shares. Subject to Section 11.4 of the Plan, the Ordinary Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Ordinary Shares or issued Ordinary Shares which have then been reacquired by the Company. Such Ordinary Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Ordinary Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Ordinary Shares to listing on all stock exchanges on which the Ordinary Shares are then listed;

(b) The completion of any registration or other qualification of such Ordinary Shares under any state, federal or foreign law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state, federal or foreign governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such Ordinary Shares, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.6 hereof; and

(e) The lapse of such reasonable period of time following the vesting of any Restricted Share Units as the Administrator may from time to time establish for reasons of administrative convenience.

### **ARTICLE III**

#### **OTHER PROVISIONS**

3.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon you, the Company and all other interested persons. No member of the Administrator or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the RSUs.

3.2 Adjustments Upon Specified Events. In addition, upon the occurrence of certain events relating to the Ordinary Shares contemplated by Section 14.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Ordinary Shares), the Administrator shall make such adjustments as the Administrator deems appropriate in the number of Restricted Share Units then outstanding and the number and kind of securities that may be issued in respect of the Restricted Share Units. You acknowledge that the RSUs are subject to modification and termination in certain events as provided in this Agreement and Article 14 of the Plan.

3.3 Grant is Not Transferable. Your RSUs may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of the RSUs, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the RSUs will terminate immediately and will become null and void.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at the Participant's last address reflected on the Company's records, including any email address. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice to the Company shall be deemed given when actually received. Any notice given by the Company shall be deemed given when sent via email or 5 U.S. business days after mailing.

3.5 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law; Severability. The laws of the State of California shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. You acknowledge that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state and foreign securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.8 Amendments, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided*, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without your prior written consent.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if you are subject to Section 16 of the Exchange Act, the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by and necessary to comply with applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon you any right to continue to serve as an employee or other service provider of the Company or any of its Subsidiaries.

3.12 Entire Agreement. The Plan, the Notice of Grant and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.13 Section 409A. The RSUs are not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, “**Section 409A**”). However, notwithstanding any other provision of the Plan or this Agreement, if at any time the Administrator determines that the RSUs (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify you or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the RSUs to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Limitation on Participant’s Rights. Participation in the Plan confers no rights or interests other than as herein provided. Neither the Plan nor any underlying program, in and of itself, has any

assets. The Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive the Ordinary Shares as a general unsecured creditor with respect to RSUs, as and when payable hereunder.

3.15 Additional Terms for Participants Providing Services Outside the United States. To the extent you provide services to the Company or a Subsidiary in a country other than the United States, the RSUs shall be subject to such additional or substitute terms as shall be set forth for such country in Exhibit A attached hereto. If you relocate to one of the countries included in Exhibit A during the life of the RSUs, Exhibit A, including the provisions for such country, shall apply to you and the RSUs, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. In addition, the Company reserves the right to impose other requirements on the RSUs and the Ordinary Shares issued upon vesting of the RSUs, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

\* \* \* \* \*

**EXHIBIT A**  
**TO AVAGO TECHNOLOGIES LIMITED**  
**2009 EQUITY INCENTIVE AWARD PLAN**  
**RESTRICTED SHARE UNIT AWARD AGREEMENT**

This Exhibit A includes (i) additional terms and conditions applicable to all Participants providing services to the Company or a Subsidiary outside the United States, and (ii) additional terms applicable to Participants providing services to the Company or a Subsidiary in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit A without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

For your convenience and information, we have provided certain general information regarding some of the tax and/or exchange control requirements that may apply to participants in certain of the countries identified in Section II below. Such information is current only as of September 2017 (except as otherwise indicated below), and the Company undertakes no obligation to update any such information and does not ensure that it is complete or correct. This information may not apply to your individual situation, and may not be current as of any particular date in the future. The absence of any information on tax or foreign exchange requirements for any particular country should not be regarded as an indication that no such requirements may apply in that country. The laws, rules and regulations of any country regarding the holding of securities may be subject to frequent change.

**You are advised to seek appropriate professional advice as to how the relevant exchange control and tax laws in your country may apply to your individual situation.**

**I. GLOBAL PROVISIONS APPLICABLE TO PARTICIPANTS IN ALL COUNTRIES OTHER THAN THE UNITED STATES**

1. General Acknowledgements and Agreements: You further acknowledge and agree that:

(a) No Guarantee of Continued Service. THE VESTING OF THE RESTRICTED SHARE UNITS PURSUANT TO THE VESTING SCHEDULE WILL OCCUR ONLY IF YOU CONTINUE AS A DIRECTOR, CONSULTANT OR EMPLOYEE (AS APPLICABLE) TO THE COMPANY OR A SUBSIDIARY THROUGH THE APPLICABLE VESTING DATE. YOU FURTHER ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A DIRECTOR, CONSULTANT OR EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE RIGHT OF THE COMPANY OR ANY SUBSIDIARY TO EFFECT A TERMINATION OF SERVICES AT ANY TIME, WITH OR WITHOUT CAUSE, NOR SHALL IT BE CONSTRUED TO AMEND OR MODIFY THE TERMS OF ANY CONSULTANCY, DIRECTORSHIP, EMPLOYMENT OR OTHER SERVICE AGREEMENT BETWEEN YOU AND THE COMPANY OR ANY SUBSIDIARY.

(b) The Plan is discretionary in nature and that, subject to the terms of the Plan, the Company can amend, cancel or terminate the Plan at any time.

(c) The grant of the RSUs under the Plan is voluntary and occasional and does not give you any contractual or other right to receive RSUs or benefits in lieu of RSUs in the future, even if you have received RSUs repeatedly in the past.



- (d) All determinations with respect to any future awards, including, but not limited to, the times when awards under the Plan shall be granted and the terms thereof, including the time or times when any RSUs may vest, will be at the sole discretion of the Company.
- (e) Your participation in the Plan is voluntary.
- (f) The value of the RSUs is an extraordinary item of compensation that is outside of the scope of your directorship, consultancy or employment contract or relationship.
- (g) The RSUs are not part of normal or expected compensation or salary for any purpose, including, without limitation, calculating severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or similar payments.
- (h) The RSUs shall expire, terminate and be forfeited upon your Termination of Services for any reason, except as otherwise explicitly provided in this Agreement and/or the Plan.
- (i) The future value of the Ordinary Shares that may be issued upon vesting of the RSUs is unknown and cannot be predicted with any certainty.
- (j) If you are not an employee of the Company as of the grant date shown on the Notice of Grant, the grant of the RSUs shall in no event be understood or interpreted to mean that the Company is your employer or that you have an employment relationship with the Company.
- (k) No claim or entitlement to compensation or damages arises from the expiration, termination or forfeiture of the RSUs or any portion thereof. You irrevocably release the Company, its parent(s) and subsidiaries from any such claim. Such a claim will not constitute an element of damages in the event of a Termination of Services for any reason, even if the termination is in violation of an obligation of the Company or any Subsidiary, to you.
- (l) Neither the Company nor any Subsidiary has provided you, and nor will they provide you, with any specific tax, legal or financial advice with respect to the RSUs, the Ordinary Shares issuable upon vesting of RSUs, this Agreement or the Plan. Neither the Company nor any Subsidiary is making nor have they made any recommendations relating to your participation in the Plan, the receipt of the RSUs or the acquisition or sale of Ordinary Shares upon vesting of RSUs.
- (m) You shall bear any and all risk associated with the exchange of currency and the fluctuation of currency exchange rates in connection with this Award, including without limitation in connection with the sale of any Ordinary Shares issued upon vesting of the RSUs ("Currency Exchange Risk"), and you hereby waive and release the Company and its Subsidiaries from any claims arising out of Currency Exchange Risk.
- (n) You agree that it is your responsibility to comply, and you shall comply, with any and all exchange control requirements applicable to the RSUs and the sale of Ordinary Shares issued upon vesting of the RSUs and any resulting funds including, without limitation, reporting or repatriation requirements.
- (o) Neither the Company nor any Subsidiary is responsible for your legal compliance requirements relating to the RSUs or the ownership and possible sale of any Ordinary Shares issued upon vesting of the RSUs, including, but not limited to, tax reporting, the exchange of U.S. dollars into or from your local currency, the transfer of funds to or from the United States, and the opening and use of a U.S. brokerage account.
- (p) If this Agreement, the Plan, any website or any other document related to the Restricted Share Units is translated into a language other than English, and if the translated version is different from the English version, the English language version will take precedence. You confirm having read and understood the documents relating to the Plan and the RSUs, including, without limitation, this

Agreement, which were provided to you in English, and waive any requirement for the Company to provide these documents in any other language.

(q) Your right to vest in the RSUs will terminate effective as of the date that is the earlier of (1) the effective date of the your Termination of Services (whether or not in breach of local labor laws), or (2) the date you are no longer actively providing service, regardless of any notice period or period of pay in lieu of such notice required under applicable laws (including, but not limited to statutory law, regulatory law and/or common law); the Company shall have the exclusive discretion to determine when the you are no longer actively providing service for purposes of the RSUs.

(q) To the extent you are providing services in a country identified in Section II of this Exhibit A, you understand and agree that the provisions for such country apply and are incorporated into the Agreement.

**2. Consent to Personal Data Processing and Transfer.** The entities listed in **Annex 1** (the “**Broadcom Entities**”) may hold, and by accepting the RSUs you consent to their holding, your personal information, including your name, home address, telephone number, date of birth, social security number or other employee tax identification number, national identification number, passport number, employment history and status, salary, nationality, job title, and information about any equity compensation grants or Ordinary Shares awarded, cancelled, purchased, vested, unvested or outstanding in your favor (the “**Data**”).

The Broadcom Entities use the Data for the purpose of implementing, managing and administering the Plan and employee compensation and for compliance and financial reporting purposes (the “**Purpose**”).

The Broadcom Entities may transfer, and by accepting the RSUs you consent to any such transfer of, the Data to other Broadcom Entities, to entities listed in **Annex 2** or to other entities to assist the Broadcom Entities in the Purpose. The Broadcom Entities may also make the Data available to public authorities where required by law or regulation. The third parties and public authorities may be located in the United States, the European Economic Area, or elsewhere, including in territories where data protection laws may not be as protective as in your jurisdiction of residence.

You may, at any time, review the Data, require any necessary amendments to it or withdraw the consents given herein in writing by contacting the Company through your local H.R. Director. If you withdraw your consent, you must do so by writing to the Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com. If you withdraw your consent, the Company will not be able to administer this award. Accordingly, if you withdraw your consent, this Award will be cancelled when your withdrawal is received.

**I agree that the Broadcom Entities and third parties may process my Data as described above, including transfer to and use in countries in which data protection laws may not be as protective as in my jurisdiction of residence.**

## **II. COUNTRY SPECIFIC PROVISIONS APPLICABLE TO PARTICIPANTS WHO PROVIDE SERVICES IN THE IDENTIFIED COUNTRIES**

### **AUSTRALIA**

#### **Terms and Conditions**

#### Definitions.

For the purposes of this section:

“**ASIC**” means the Australian Securities & Investments Commission;

“**Australian Offerees**” means all persons to whom an offer or invitation of Restricted Share Units are made in Australia under the Plan;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Exchange**” means the NASDAQ Global Select Market; and

“**Related Body Corporate**” has the meaning given in section 50 of the Corporations Act.

#### General Advice Only.

Any advice given by the Company or a Related Body Corporate of the Company in relation to the RSUs offered under the Plan does not take into account an Australian Offeree's objectives, financial situation and needs. Australian Offerees should consider obtaining their own financial product advice from an independent person who is licensed by ASIC to give such advice.

#### Acquisition Price.

No acquisition price is payable by you for the Company to grant you the number of RSUs set forth in the Notice of Grant.

#### Risks of Acquiring Ordinary Shares.

The paragraph below provides general information about the risks of acquiring and holding Ordinary Shares. Before acquiring RSUs, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Ordinary Shares are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position.

Factors that could affect the market price of our Ordinary Shares include any risks associated with loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturers and outsourced supply chain; any acquisitions we may make, such as delays, challenges and expenses associated with integrating acquired companies with our existing businesses and our ability to achieve the benefits, growth prospects and synergies expected from such acquisitions; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the need to generate sufficient cash flows to service and repay such debt; our ability to improve our manufacturing efficiency and quality; increased dependence on a small number of markets; dependence on and risks associated with distributors of our products; quarterly and annual fluctuations in operating results; cyclicity in the semiconductor industry or in our target markets; global economic conditions and concerns; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of those design wins; rates of growth in our target markets; prolonged disruptions of our or our contract manufacturers' manufacturing facilities or other significant operations; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our ability to maintain tax concessions in certain jurisdictions; our ability to protect our intellectual property and the unpredictability of any associated litigation expenses; any expenses or reputational damage associated with resolving customer product and warranty and

indemnification claims; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; and other events and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature.

The foregoing information is as of August 24, 2017. For more information about these and other risks related to an investment in the Company's Ordinary Shares, please see the Company's Annual Report on Form 10-K for the year ended October 30, 2016, and subsequent Quarterly Reports on Form 10-Q filed by the Company with the U.S. Securities and Exchange Commission, available at [www.sec.gov](http://www.sec.gov) or <http://investors.broadcom.com/phoenix.zhtml?c=203541&p=irol-sec>. Subsequently filed Forms 10-K and 10-Q may have more recent information.

In addition, there is no assurance that we will continue to pay dividends or that such payments will remain constant or increase. Payment of future dividends, if any, and the timing and amount of any dividends we determine to pay, are at the discretion of our Board of Directors. We may declare dividends as interim dividends, which are wholly provisional under Singapore law and may be revoked by our Board at any time prior to the payment thereof.

#### Market Price in Australian Dollars.

An Australian Offeree could, from time to time, ascertain the market price of Ordinary Shares by obtaining that price from the Exchange website, the Company website or The Wall Street Journal, and multiplying that price by a published exchange rate to convert U.S. Dollars into Australian Dollars.

### **AUSTRIA**

#### Exchange Control Information.

If you hold Ordinary Shares acquired pursuant to RSUs outside of Austria, you must submit a report to the Austrian National Bank. An exemption applies if the value of the Ordinary Shares as of the end of any given calendar quarter does not exceed €3,000,000 or as of December 31 does not exceed €5,000,000. Such amounts are the amounts in effect as of October 1, 2015 and may change in the future. If the first threshold is exceeded, quarterly reporting obligations are imposed. If only the second threshold is exceeded, annual reports must be given. The annual reporting date is December 31 and the deadline for filing the annual report is March 31 of the following year.

When you sell Ordinary Shares acquired pursuant to RSUs, there may be exchange control obligations if the cash proceeds are held outside Austria. If the value of all your accounts abroad exceeds €3,000,000, the movements and balances of all accounts must be reported as of the last day of each month, on or before the fifteenth day of the following month, on the prescribed form (*Meldungen SI-Forderungen und/oder SI-Verpflichtungen*).

#### Consumer Protection Information.

If the provisions of the Austrian Consumer Protection Act are considered to be applicable to the Agreement and the Plan, you may be entitled to revoke your acceptance of the Agreement under the conditions listed below:

- (i) If you accept the RSUs outside the business premises of the Company or its relevant Subsidiary, you may be entitled to revoke your acceptance of the Agreement, provided the revocation is made within one week after you accept the Agreement.
- (ii) The revocation must be in written form to be valid. It is sufficient if you return the Agreement to the Company or the Company's representative with language which can be understood as your refusal to conclude or honor the Agreement, provided the revocation is sent within the period set forth above.

## **BELGIUM**

### Tax Information.

Beginning on January 1, 2017, sales of Ordinary Shares you acquire hereunder will generally be subject to a transaction tax (the initial rate of which is 0.27%, up to a cap) upon your sale of the Ordinary Shares, which you will be responsible for reporting and paying. If you sell through a Belgian bank or broker, that bank or broker may facilitate reporting and payment of this tax on your behalf. Alternatively, if you sell through another bank or broker, you should report and pay the tax directly. Consult your tax advisor or the website of the General Administration of Taxation for more information.

### Foreign Asset/Account Reporting Information.

You are required to report any taxable income attributable to RSUs and Ordinary Shares on your annual tax return. In addition, you are required to report any bank accounts opened and maintained outside Belgium on your annual tax return. In a separate report, you may be required to provide the National Bank of Belgium with certain details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). You should consult with your personal tax advisor to determine your personal reporting obligations.

## **BRAZIL**

### Exchange Control Information.

*Notice to RSU Recipients:* If the you hold assets and rights outside Brazil with an aggregate value exceeding US\$100,000, you will be required to prepare and submit to the Central Bank of Brazil an annual declaration of such assets and rights, including: (i) bank deposits; (ii) loans; (iii) financing transactions; (iv) leases; (v) direct investments; (vi) portfolio investments, including Ordinary Shares acquired under the Plan; (vii) financial derivatives investments; and (viii) other investments, including real estate and other assets. Please note that foreign individuals holding Brazilian visas are considered Brazilian residents for purposes of this reporting requirement and must declare at least the assets held abroad that were acquired subsequent to the date of admittance as a resident of Brazil. Individuals holding assets and rights outside Brazil valued at less than US\$100,000 are not required to submit a declaration. Please note that the US\$100,000 threshold may be changed annually.

## **BULGARIA**

No country-specific provisions.

## **CANADA**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

### French Language Provisions.

The following provisions will apply if you are a resident of Quebec: The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention (“Agreement”), ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à la présente convention.

## CHILE

### Securities Notification.

The Company and the Ordinary Shares will not be registered in the *Registro de Valores Extranjeros* (Foreign Securities Registry) maintained by the *Superintendencia de Valores y Seguros de Chile* (Chilean Securities and Insurance Commission or “**SVS**”) and are not subject to the supervision of the SVS. The Plan is ruled by number 2 of the SVS General Regulation 345. As the securities are not registered, the Company has no obligation under Chilean law to deliver public information regarding the Ordinary Shares in Chile. The Shares cannot be publicly offered in Chile unless they are registered with the SVS or they comply with SVS General Regulation 345. The commencement date of the offer is the Grant Date indicated in the beginning of this Agreement.

*La Compañía (a la que se hace referencia aquí como “the Company”) y los Valores Ordinarios a la que se hace referencia aquí como “the Ordinary Shares”) no serán registrados en el Registro de Valores Extranjeros de la Superintendencia de Valores Ordinarios y Seguros de Chile o “SVS” y no están sujetos a la fiscalización de la SVS. Este Plan se acoge al numeral 2 de la Norma de Carácter General 345 de la SVS. Por tratarse de valores no inscritos, la Compañía no tiene obligación bajo la ley chilena de entregar en Chile información pública acerca de los Valores Ordinarios. Los Valores Ordinarios no pueden ser ofrecidos públicamente en Chile en tanto éstos no se inscriban en el Registro de Valores correspondiente a menos que se cumpla las condiciones establecidas en la Norma de Carácter General 345 de la SVS. La fecha de inicio de la presente oferta es la indicada en la portada de este document como “the Grant Date”.*

### Foreign Assets Reporting.

You may be required to report the Ordinary Shares you acquire in connection with the Agreement to the Chilean authorities. In general, this reporting is required when an individual’s foreign assets including investments, deposits or credits and/or foreign securities exceed US\$5 million. You are advised to consult with your advisors to confirm if this requirement applies to you.

## CHINA

### **Terms and Conditions**

#### Settlement of Restricted Share Units and Sale of Shares.

The following provisions supplement Section 2.6(b) of the Agreement.

#### Sale of Ordinary Shares May be Required.

The Company may, in its sole discretion, require you to sell at, or any time following, vesting, the Ordinary Shares you receive when your RSUs vest. You authorize the Company or a brokerage firm designated by the Company to perform this transaction for you, and agree that applicable commissions and fees due in connection with the sale may be deducted from your proceeds. You acknowledge that such

Ordinary Shares will be sold at prevailing market prices and waive any claim based on the timing of the sale or the price received for the Ordinary Shares.

The award agreements for some restricted shares units granted to you in the past (if any), whether under the Plan or any other Company equity incentive plan (collectively, the “**Prior RSUs**”) may have required that whenever such Prior RSUs vest, all Ordinary Shares issued as a result of such vesting must be sold. You agree that, with respect to the Prior RSUs (if any), the Company may conduct a Sell to Cover when Prior RSUs vest and allow you to hold the remaining Ordinary Shares, subject to compliance with these country provisions for China. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

If Sale of Ordinary Shares is not Required at Vest.

When your RSUs vest, if the Company does not require the immediate sale of the Ordinary Shares you are entitled to receive, the Company may require that you retain those Ordinary Shares in your account at a brokerage firm designated by the Company until you sell the Ordinary Shares, even if you stop providing services for the Company or a Subsidiary.

Following your Termination of Services, the Company may restrict your ability to sell or transfer any Ordinary Shares remaining in your account and sell those Ordinary Shares at a time determined by the Company in its sole discretion. You agree not to bring any claim against the Company, any Subsidiary or the Agent based on the timing of any such sale or the price at which any such Ordinary Shares are sold.

Without limiting the foregoing, all the Ordinary Shares issued in respect of your RSUs or your Prior RSUs (if any) must be sold within six (6) months following your Termination of Services. The Company may, in its sole discretion, require you to sell at any time during this six (6)-month period, such Ordinary Shares. Any Ordinary Shares issued in respect of your RSUs or your Prior RSUs (if any) that remain in your account at a brokerage firm during the last two (2) weeks of such six (6)-month period may be automatically sold by the Agent during such two (2) week period, with the actual date of such sale determined by the Company or the Agent in its sole discretion. Neither the Company nor the Agent will guarantee the sale price for any such sale and you shall be solely responsible for fluctuations in the value of the Ordinary Shares until sale. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

Payment of Sale Proceeds.

You understand and agree that, pursuant to exchange control requirements in China, you may be required to repatriate to China the cash proceeds from the sale of the Ordinary Shares issued upon the settlement of the RSUs and that the Company may be required to effect that repatriation through a special exchange control account established by the Company or a Subsidiary. You agree that any proceeds from the sale of any Ordinary Shares you acquire may be transferred to such special account prior to being delivered to you. You also understand that there may be significant delays in delivering the funds to you due to exchange control requirements in China and agree not to make any claim against the Company or any Subsidiary as a result of the amount of time it takes to deliver the funds to you.

Proceeds may be paid to you in U.S. dollars or local currency at the Company’s discretion. If the proceeds are paid to you in U.S. dollars, you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, the

Company is under no obligation to obtain any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Further Actions.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

**COLOMBIA**

Exchange Control Requirements.

By accepting this Award, you understand that you are generally required to register large international investments (generally over US\$500,000) with the Colombian Central Bank (by completing and submitting a 'Form 11'). In addition, repatriation of any sales proceeds of from the Ordinary Shares may need to be affected through the foreign exchange market in order to comply with Colombian foreign exchange requirements. You are advised to consult your own advisors regarding these requirements.

**DENMARK**

**Terms and Conditions**

Labor Law Acknowledgement.

By accepting this Award, you acknowledge that you understand and agree that the RSUs relate to future services to be performed and do not form any part of, and are not, a bonus or compensation for past services.

Stock Option Act.

With respect to Danish employees comprised (covered) by the Danish Stock Option Act, the following shall apply:

You acknowledge that you have received an employer statement in Danish setting forth the terms of your Award, a copy of which is included as Annex 3 to this Exhibit A.

In the event that (i) your employer ("**Employer**") terminates your employment for reasons other than your breach of the terms or conditions of your employment or any applicable employment agreement covering you (collectively, the "**Employment Terms**"), or (ii) you terminate the Employment Terms due to material breach on the part of the Company or Employer, you, irrespective of the termination, will be entitled to receive settlement of any granted RSUs in accordance with this Agreement and the Plan.

If you terminate your employment with Employer without the Company or Employer being in material breach of the Employment Terms, all RSUs will be forfeited and lapse without further notice or compensation.

If Employer terminates and/or summarily dismisses you due to your breach of the Employment Terms, all unvested RSUs will be forfeited and lapse without further notice or compensation at the effective date of termination.



In the event of your death, the RSUs will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the RSUs and the related Ordinary Shares, including this Agreement and the Plan.

Upon retirement due to old age ("folkepension") or separate agreement in this respect and in the event of disability, you, irrespective of the termination of employment, will be entitled to settlement of unvested RSUs in accordance with the terms of this Agreement and the Plan.

The Restricted Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

For the avoidance of doubt, under this heading, the term "**Stock Option Act**" shall only apply to employees who by virtue of applicable choice of law rules fall within Danish employment law regulations and the scope of the Danish Stock Option Act.

#### Foreign Bank Account Reporting.

If you establish an account holding Ordinary Shares or an account holding cash outside of Denmark, you must report the account to the Danish Tax Administration, the form for which can be obtained from a local bank. (Please note that these obligations are separate from and in addition to the obligations described below.)

#### Exchange Control and Tax Reporting Notification.

To the extent permitted by the Company, you may hold Ordinary Shares acquired under the Plan in a safety-deposit account (*e.g.*, brokerage account) with either a Danish bank or with an approved foreign broker or bank. If the Ordinary Shares are held with a non-Danish broker or bank, you are required to inform the Danish Tax Administration about the safety-deposit account. For this purpose, a Danish Plan participant must file a Declaration V (Erklæring V) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration V. By signing the Declaration V, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable broker or bank with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form V, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration V can be found at: [www.skat.dk/getFile.aspx?Id=47392](http://www.skat.dk/getFile.aspx?Id=47392).

In addition, when you open a deposit account or brokerage account for the purpose of holding cash outside of Denmark, the account will be treated as a deposit account because cash may be held in the account. Therefore, you must also file a Declaration K (Erklæring K) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration K. By signing the Declaration K, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable financial institution with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form K, you at the same time authorize the Danish Tax Administration to

examine the account. A sample of the Declaration K can be found at: [www.skat.dk/getFile.aspx?Id=42409&newwindow=true](http://www.skat.dk/getFile.aspx?Id=42409&newwindow=true).

## FINLAND

No country-specific provisions.

## GERMANY

### Tax Indemnity.

You agree to indemnify the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a “**Tax Liability**” being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction, including but not limited to wage tax, solidarity surcharge, church tax or social security contributions) that is attributable to (1) the grant or vesting of, or any benefit you derive from, the RSUs, (2) your acquisition of Ordinary Shares on settlement of the RSUs, or (3) the disposal of any Ordinary Shares.

### Exchange Control Information.

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. If you use a German bank to transfer a cross-border payment in excess of €12,500 in connection with the sale of Ordinary Shares acquired under the Plan, the bank will make the report for you. In addition, you must report any receivables, payables, or debts in foreign currency exceeding an amount of €5,000,000 on a monthly basis. Finally, you must report on an annual basis if you hold Ordinary Shares that exceed 10% of the total voting capital of the Company.

## GREECE

No country-specific provisions.

## HONG KONG

### **Terms and Conditions**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

***Warning:** The RSUs and Ordinary Shares issued at settlement do not constitute a public offering of securities under Hong Kong law and are available only to Employees, Consultants and Non-Employee Directors of the Company, its parent, Subsidiary or affiliate. The Agreement, including this Exhibit A, the Plan and other incidental award documentation have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, nor has the award documentation been reviewed by any regulatory authority in Hong Kong. The RSUs are intended only for the personal use of the recipient Participant and may not be distributed to any other person. If you are in any doubt about any of the contents of the Agreement, including this Exhibit A, or the Plan, you should obtain independent professional advice.*

### Sale of Ordinary Shares.

In the event the RSUs vest and are settled within six months of the Grant Date, you agree that you will not dispose of any Ordinary Shares acquired prior to the six-month anniversary of the Grant Date.

#### Nature of Scheme.

The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance.

### **INDIA**

#### **Terms and Conditions**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

Foreign Assets Reporting Information. You must declare foreign bank accounts and any foreign financial assets (including Ordinary Shares subject to the RSUs held outside India) in your annual tax return. It is your responsibility to comply with this reporting obligation and you should consult with your personal tax advisor in this regard. Indian residents should consult with their personal tax advisor to determine their personal reporting obligations.

Exchange Control Information. You must repatriate any proceeds from the sale of Ordinary Shares acquired under the Plan or the receipt of any dividends to India within 90 days of receipt and convert such amounts to local currency within 180 days of receipt. You must obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or your employer requests proof of repatriation.

### **IRELAND**

#### Director Reporting Obligation

If you are a director, shadow director or secretary of a parent or subsidiary in Ireland, you must notify the Irish parent or subsidiary in writing within five business days of receiving or disposing of an interest in the Company (*e.g.*, Restricted Share Units, Ordinary Shares), or within five business days of becoming aware of the event giving rise to the notification requirement or within five days of becoming a director or secretary if such an interest exists at the time. This notification requirement also applies with respect to the interests of your spouse or children under the age of 18 (whose interests will be attributed to the you if you are a director, shadow director or secretary).

### **ISRAEL**

#### **Terms and Conditions**

#### Award Payable Only in Ordinary Shares.

The grant of the RSUs does not give you any right to receive a cash payment, and the RSUs are payable in Ordinary Shares only.

## Definitions.

The following definitions supplement the definitions set forth in the Agreement:

A. “**Holding Period**” shall mean the holding period required with respect to Capital Gain Awards, which is currently 24 months from the date of grant.

B. “**Plan**” shall mean the Company’s 2009 Equity Incentive Award Plan, as amended and restated from time to time, and the Addendum for Participants in Israel.

All capitalized terms that are not defined in these country provisions for Participants in Israel shall have the meaning assigned to them in the Plan (as defined above) or the Agreement.

**Capital Gain Award.** The Award is intended to be a Capital Gain Award (as defined in the Plan). In the event of any inconsistencies between the provisions of these country provisions for Participants in Israel and the Agreement, the provisions of these country provisions for Participants in Israel shall govern the Award and any related Ordinary Shares.

By accepting the Agreement, you: (a) acknowledge receipt of and represent that you have read and are familiar with the Agreement, the Plan and these country provisions for Participants in Israel; (b) accept the Award subject to all of the terms and conditions of the Agreement and the Plan (including these country provisions for Participants in Israel); (c) agree that the Award will be issued to and deposited with the Trustee (as defined in the Plan) and shall be held in trust for your benefit as required by law and any approval by the Israel Tax Authority (“ITA”) pursuant to the terms of the Ordinance and the Plan; and (d) accept the provisions of the trust agreement signed between the Company and the Trustee. Furthermore, by accepting the Agreement, you confirm that you are familiar with the terms and provisions of Section 102, and agree that you will not require the Trustee to release the Awards or Ordinary Shares to you, including any rights issued to you as a consequence of holding such Awards or Ordinary Shares, or to sell the Awards or Ordinary Shares to a third party during the Holding Period, unless permitted to do so by applicable law.

You are advised to consult with your personal tax advisor with respect to the tax consequences of receiving the RSUs and the issuance of Ordinary Shares in settlement of vested RSUs.

## Limited Transferability.

These provisions supplement Section 3.3 of the Agreement:

As long as your Award or any issued Ordinary Shares are held by the Trustee on your behalf, all of your rights over the Award or the Ordinary Shares are personal and cannot be transferred, assigned, pledged or mortgaged, other than by will or the laws of descent and distribution.

With respect to a Capital Gain Award, subject to the provisions of the Plan, Section 102 and any rules or regulations or orders or procedures promulgated thereunder, to obtain favorable tax treatment for Capital Gain Awards, you may not sell or release from trust any Ordinary Shares received upon vesting of the Award and/or any Ordinary Shares received subsequently following any realization of rights, including without limitation, bonus Ordinary Shares, until the lapse of the Holding Period. Notwithstanding the above, if any such sale or release occurs during the Holding Period, the sanctions under Section 102 and under any rules or regulation or orders or procedures promulgated thereunder will apply to and will be borne by you.

### Issuance of Ordinary Shares.

This provision supplements Section 2.6(a) of the Agreement:

If the Ordinary Shares are to be issued during the Holding Period, the Ordinary Shares shall be allocated in the name, or under the supervision, of the Trustee and held in trust on your behalf by the Trustee. In the event that the Ordinary Shares are to be issued after the expiration of the Holding Period, you may elect to have the Ordinary Shares issued directly to you, provided that you first provide for any taxes required to be withheld in connection with a transfer of the Award or the Ordinary Shares to the Trustee's and Company's satisfaction, or in trust on your behalf to the Trustee.

This provision supplements Section 2.6(b) of the Agreement:

You hereby agree to indemnify the Company (and any parent or Subsidiary) and/or the Trustee and hold them harmless against and from any and all liability for any withholding taxes required to be withheld relating to the Award and any Ordinary Shares issued under the Award and other amounts, or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such amounts from any payment made to you. Any reference to the Company or the Subsidiary employing you shall include a reference to the Trustee. You hereby undertake to release the Trustee from any liability in respect of any action or decisions duly taken and *bona fide* executed in relation to the Plan or any RSUs or Ordinary Shares granted thereunder. You agree to execute any and all documents which the Company or the Trustee may reasonably determine to be necessary in order to comply with the Ordinance.

You shall not be liable for the employer's components of payments to the national insurance institute, unless and to the extent that such payments by the employer are a result of your election to sell the Ordinary Shares before the end of the Holding Period (if allowed by applicable law). Furthermore, you agree to indemnify the Company, your employer and/or the Trustee and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to you for which you are responsible.

Notwithstanding anything to the contrary in the Agreement, no tax withholding obligation will be settled by withholding Ordinary Shares, unless the ITA approves doing so in writing.

### Governing Law.

This section supplements Section 3.6 of the Agreement:

To the extent any covenant, condition, or other provision of the Agreement and the rights of the Participant hereunder are determined to be subject to Israeli law, such covenant, condition, or other provision of the Agreement shall be subject to applicable Israeli law, but shall in no way affect, impair or invalidate any other provision of the Agreement, and the applicability of the Plan to such covenant, condition, or other provision of the Agreement.

## **ITALY**

### Terms and Conditions

### Method of Payment.

The following provision supplements Section 2.6 of the Agreement:

You understand that you will be required to sell all Ordinary Shares received upon vesting of the RSUs and that you will not be permitted to hold any Ordinary Shares issued upon vesting of your RSUs. In order to effect such sale, you agree that the Plan broker shall be instructed to: (i) sell all of the Ordinary Shares issued upon the vesting of RSUs; (ii) use the proceeds to pay the brokerage commissions and fees and any Tax Liability (a "Tax Liability" being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction); and (iii) remit the balance to you. Depending upon the development of laws and your status as a national of a country other than Italy, the Company reserves the right to modify the methods of settling the RSUs in its sole discretion.

Authorization to Release and Transfer Necessary Personal Information.

The following supplements Section 2 of Part I of this Exhibit A.

**You understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage your participation in the Plan and employee compensation or for compliance or financial reporting purposes. You understand that pursuant to art.7 of D.lgs 196/2003, you have rights, including but not limited to, the right to access, delete, update, request the rectification of your Data and cease the Data processing and to object, in whole or in part, on legitimate grounds, to the processing of your Data, even though they are relevant to the purpose of collection. Furthermore, you are aware that your Data will not be used for direct marketing purposes. In addition, the Data provided can be reviewed and questions or complaints can be addressed by contacting a local HR representative. If you request that the Company cease processing your personal data, you must do so by writing to the Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com. If you request that the Company cease processing your Data, the Company will not be able to administer this award. Accordingly, if you request that the Company cease processing your Data, this Award will be cancelled when your withdrawal is received.**

Furthermore, having read and understood the information given on the processing of the Data and being acquainted of the rights set forth in art. 7 of D.lgs. 196/2003, you expressly and specifically consent according to art. 23 of D.lgs. 196/2003, to the processing of any Data as reported in the Plan and the Agreement, including the clauses "Consent to Personal Data Processing and Transfer" in Section 2 of Part I of this Exhibit A and "Authorization to Release and Transfer Necessary Personal Information" and further expressly and specifically consent, according to art. 43 and art. 44 of D.lgs. 196/2003 to the transfer of the Data, even sensitive data, in foreign Countries outside the European Union.

Exchange Control Information.

You are required to report in your annual tax return: (a) any transfers of cash or Ordinary Shares to or from Italy exceeding €10,000 or the equivalent amount in U.S. dollars; and (b) any foreign investments or investments (including proceeds from the sale of Ordinary Shares acquired under the Plan) held outside of Italy exceeding €10,000 or the equivalent amount in U.S. dollars, if the investment may give rise to income in Italy. You are exempt from the formalities in clause (a) if the investments are made through an authorized broker resident in Italy, as the broker will comply with the reporting obligation on your behalf.

**JAPAN**

Foreign Asset/Account Reporting Information.

Japanese residents are required to report details of any assets, including Ordinary Shares held outside Japan as of December 31, to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report is due on or before March 15 each year. Japanese residents are responsible for complying with this reporting obligation and should confer with their personal tax advisor in this regard.

## LUXEMBOURG

No country-specific provisions.

## MALAYSIA

### Malaysian Insider Trading Notification.

You should be aware of the Malaysian insider-trading rules, which may impact your acquisition or disposal of Ordinary Shares or rights to Ordinary Shares under the Plan. Under the Malaysian insider-trading rules, you are prohibited from acquiring or selling Ordinary Shares or rights to Ordinary Shares (e.g., an Award under the Plan) when you are in possession of information which is not generally available and which you know or should know will have a material effect on the price of Ordinary Shares once such information is generally available.

### Director Notification Obligation.

If you are a director of a Malaysian Subsidiary or affiliate of the Company, you are subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the relevant Malaysian Subsidiary or affiliate in writing when you receive or dispose of an interest (e.g., an Award under the Plan or Ordinary Shares) in the Company or any related company. Such notifications must be made within 5 business days of receiving or disposing of any interest in the Company or any related company.

### Data Privacy Information.

Below is a translation of Section I(2) of this Exhibit A into Bahasa Malaysian for your reference:

**Kebenaran untuk memproses dan memindah data peribadi.** Entiti-entiti yang dinyatakan dalam **Lampiran 1** (“Entiti-entiti Broadcom”) mungkin memegang dan anda membenarkan mereka memegang, melalui penerimaan RSU, maklumat peribadi anda termasuk nama anda, alamat rumah, nombor telefon, tarikh lahir, nombor sekuriti sosial atau nombor pengenalan cukai pekerja, nombor pengenalan nasional, nombor paspot, sejarah dan status penggajian, kewarganegaraan, jawatan pekerjaan dan maklumat berkenaan mana-mana geran pampasan ekuiti atau Saham Biasa yang diberi, dibatalkan, dibeli, diberihak, tidak diberihak atau yang tertunggak (“**Data**”).

Entiti-entiti Broadcom menggunakan Data untuk tujuan melaksanakan, mengurus dan mentadbir Pelan untuk pelaporan pematuhan dan kewangan (“**Tujuan-tujuan**”).

Entiti-entiti Broadcom mungkin memindah, dan anda bersetuju kepada pemindahan ini dengan penerimaan RSU, Data kepada Entiti-entiti Broadcom lain, entiti-entiti yang dinyatakan dalam **Lampiran 2** atau mana-mana entiti yang membantu Entiti-entiti Broadcom untuk Tujuan-tujuan.

Entiti-entiti Broadcom juga mungkin membenarkan Data untuk diakses oleh pihak berkuasa awam di mana diperlukan oleh undang-undang atau peraturan. Pihak-pihak ketiga dan pihak berkuasa awam mungkin terletak di Amerika Syarikat, Kawasan Ekonomik Eropah atau tempat-tempat lain termasuk kawasan-kawasan di mana undang-undang perlindungan data mungkin tidak seketat yang terdapat di bidangkuasa tempat tinggal anda.

Anda boleh, pada bila-bila masa, menilai Data, meminta pemindaan yang diperlukan kepadanya atau menarik balik kebenaran anda secara bertulis dengan menghubungi Syarikat melalui Pengarah Sumber Manusia anda. Jika anda menarik balik kebenaran anda, anda mesti berbuat demikian dengan menulis kepada Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., atau menghantar emel kepada [stockadmin.pdl@broadcom.com](mailto:stockadmin.pdl@broadcom.com). Jika anda menarik balik kebenaran anda, Syarikat mungkin tidak dapat menguruskan pemberian ini. Sejurus dengan itu, jika anda menarik balik kebenaran anda, Pemberian ini akan dibatalkan sebaik sahaja penarikbalikkan anda diterima.

**Saya membenarkan Entiti-entiti Broadcom dan pihak-pihak ketiga memproses Data saya sepertimana yang dinyatakan di atas, termasuk pemindahan dan penggunaan di negara di mana undang-undang perlindungan data tidak seketat yang terdapat di bidangkuasa tempat tinggal saya.**

## **MEXICO**

No country-specific provisions.

## **NETHERLANDS**

### **Terms and Conditions**

By accepting the RSUs, you acknowledge that it is your responsibility to be aware of the Dutch insider trading rules, which may affect the sale of Ordinary Shares you acquire upon vesting of the RSUs. In particular, you understand and acknowledge that (i) you have reviewed the summary of the Dutch insider trading rules and (ii) you may be prohibited from effecting certain transactions in Ordinary Shares if you have insider information regarding the Company. You acknowledge and understand that you have been advised to read the discussion carefully to determine whether the insider rules could apply to you. If you are uncertain whether the insider rules apply to you or your situation, you acknowledge that the Company recommends that you consult with a legal advisor. You acknowledge and agree that the Company cannot be held liable if you violate the Dutch insider trading rules. You acknowledge and agree that you are responsible for ensuring your own compliance with these rules.

### Summary of Dutch Prohibition Against Insider Trading

Dutch securities laws prohibit insider trading. The regulations are based upon the European Market Abuse Directive and are stated in section 5:56 of the Dutch Financial Supervision Act (Wet op het financieel toezicht or Wft) and in section 2 of the Market Abuse Decree (Besluit marktmisbruik Wft). For further information, see the website of the Authority for the Financial Markets (AFM); <http://www.afm.nl/~media/Files/brochures/2012/insider-dealing.ashx>.

## **POLAND**

### Exchange Control Information.



If you hold foreign securities (including Ordinary Shares) and maintain accounts abroad, then it is your responsibility to report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets held abroad) exceeds PLN7,000,000. If required, the reports are due on a quarterly basis on special forms available on the website of the National Bank of Poland. Further, any transfer of funds in excess of a specified threshold (currently €15,000) must be effected through a bank account in Poland. By accepting the RSUs, you acknowledge and agree that it is your obligation to maintain evidence of such foreign exchange transactions for five years, in case of a request for their production by the National Bank of Poland.

## RUSSIA

### General.

This offer is being made from the United States and neither this Agreement nor any materials related to the Plan shall be construed to constitute advertising or offering of securities in Russia. The Ordinary Shares have not been and will not be registered in Russia.

### Financial Reporting Requirements.

You are required to notify the applicable Russian tax authorities of any actions with respect to the opening, closing or changing the essential details of bank accounts outside Russia, and must complete various reporting requirements with respect to your financial transactions, including declaring profits you earn in connection with the RSUs and the Ordinary Shares. You are solely responsible for declaring any taxable proceeds arising from this Agreement and the Ordinary Shares, including, but not limited to, any dividend payments or other distributions, as well as any proceeds you receive in connection with the disposition of the Ordinary Shares, and you are solely responsible for payment of all respective taxes that may arise under Russian law in connection therewith.

### Foreign Exchange.

The proceeds from the sale of any Ordinary Shares acquired before January 1, 2018 may only be transferred to a bank account opened in the territory of Russia. The proceeds of the sale of Ordinary Shares obtained on or after January 1, 2018, may be transferred to your bank account opened in a bank located in OECD and FATF member countries.

### Approvals.

You acknowledge and agree that it is your responsibility to obtain any consents or approvals from any third party that may be required from time-to-time by any then applicable Russian law for the disposal of any Ordinary Shares.

## SINGAPORE

**Securities Law Information. The award of the RSUs is being made in reliance of section 273(1)(f) of the Securities and Futures Act (Cap. 289) (“SFA”) for which it is exempt from the prospectus and registration requirements under the SFA.** You understand that the Ordinary Shares have not been registered with the SFA. Unless you sell any Ordinary Shares you acquire pursuant to the Plan via a public exchange outside of Singapore (e.g., NASDAQ), you agree that you shall not, within six (6)

months of your acquisition of any Ordinary Shares, sell, transfer, gift, hypothecate or otherwise transfer such Ordinary Shares within Singapore except as expressly approved by the Company in writing. The Company believes that a typical sale through a U.S. brokerage firm would not require the Company's consent under these rules.

**Director Notification Obligation.** If you are a director, shadow director, or hold any similar position of a Singapore-incorporated company (each a “**Singapore company**”) (e.g., the Company, any Singapore Subsidiary or Singapore affiliate), you are subject to certain notification requirements under section 164 of the Singapore Companies Act to enable the Singapore company to comply with its obligations to maintain a register of director’s shareholdings (“**Register**”). Among these requirements is an obligation to notify the Singapore company in writing of:

- (a) shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation which are held by you;
- (b) any interest that you have in shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation, and the nature and extent of that interest under Section 7 of the Singapore Companies Act (which provides for the circumstances under which a deemed interest in shares may arise);
- (c) rights or options that you have in respect of the acquisition or disposal of shares in the Singapore company or its related corporation; and
- (d) contracts to which you are a party or under which you are entitled to a benefit, being contracts under which a person has a right to call for or to make delivery of shares in the Singapore company or its related corporation.

You must notify the Singapore company in writing when there is any change in the particulars of your interests as mentioned above (including when you sell Ordinary Shares issued upon vesting and settlement of the RSUs).

You are deemed to hold or have an interest or a right in or over any shares or debentures, if:

- (a) your spouse (not being himself or herself a director or chief executive officer) holds or has an interest or a right in or over such shares or debentures; or
- (b) your child of less than 18 years of age, including stepson, stepdaughter, adopted son or adopted daughter (not being himself or herself a director or chief executive officer) holds or has an interest in such shares or debentures.

In addition, any contract, assignment or right of subscription shall be deemed to have been entered into or exercised or made by, or a grant shall be deemed as having been made to, you if any contract, assignment or right of subscription is entered into, exercised or made by, or a grant is made to, members of your family as aforesaid (not being himself or herself a director or chief executive officer).

Particulars of your interests as mentioned above must be given within two business days after (i) the date on which you became a director of the Singapore company, or (ii) the date on which you became a registered holder of or acquired an interest as mentioned above, whichever last occurs. Particulars of any change in your interests must also be given within two business days of the change.

## SOUTH KOREA

No country specific provisions.

## SPAIN

No country specific provisions.

## SWEDEN

No country specific provisions.

## SWITZERLAND

No country specific provisions.

## TAIWAN

### Terms and Conditions

You understand that the offer of the RSUs has not been and will not be registered with or approved by the Financial Supervisory Commission of the Republic of China pursuant to relevant securities laws and regulations and the RSUs may not be offered or sold within the Republic of China through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Law of the Republic of China that requires a registration or approval of the Financial Supervisory Commission of the Republic of China.

You acknowledge and agree that you may be required to do certain acts and/or execute certain documents in connection with the grant of the RSUs, the vesting of the RSUs and the disposition of the resulting Ordinary Shares, including but not limited to obtaining foreign exchange approval for remittance of funds and other governmental approvals within the Republic of China. You shall pay your own costs and expenses with respect to any event concerning a holder of the RSUs, or Ordinary Shares received upon the vesting thereof.

### Exchange Control Information.

**If you are a Taiwan resident (those who are over 20 years of age and holding a Republic of China citizen's ID Card, Taiwan Resident Certificate or an Alien Resident Certificate that is valid for a period no less than one year), you may acquire and remit foreign currency (including proceeds from the sale of Ordinary Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD\$500,000 or more in a single transaction, you must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.**

If the transaction amount is US\$500,000 or more, you may be required to provide additional supporting documentation (including the contracts for such transaction, approval letter, etc.) to the satisfaction of the remitting bank. You acknowledge that you are advised to consult your personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## THAILAND

### Exchange Control Information.

When you sell Ordinary Shares you receive following vesting of RSUs, you must immediately repatriate all cash proceeds to Thailand thereafter, you must convert such proceeds to Thai Baht or deposit it into a foreign currency account within 360 days of repatriation. If the amount of your proceeds is US\$50,000 (or its equivalent) or more, you must specifically report the inward remittance to a commercial bank being an authorized agent or other authorized agent of the Bank of Thailand on a foreign exchange transaction form to declare the purpose of such inward remittance. If you fail to comply with these obligations, you may be subject to penalties assessed by the Bank of Thailand. You should consult your personal advisor before taking action with respect to remittance of proceeds from the sale of Ordinary Shares into Thailand. You are responsible for ensuring compliance with all exchange control laws in Thailand.

## **TURKEY**

### Securities Law Information.

You acknowledge and agree that the offer of this award of RSUs has been made by the Company to you personally in connection with your existing relationship with the Company or one or more of its affiliates, and further, that the Award, any Ordinary Shares issued upon vesting of the RSUs and the related offer thereof are not subject to regulation by any securities regulator in Turkey.

## **UNITED KINGDOM**

### **Terms and Conditions**

#### Definitions.

The definition of “Termination of Services” shall be replaced in its entirety by the following definition:

**“Termination of Services”** shall mean Participant’s Termination of Employment.

The definition of “Termination of Employment” shall be replaced in its entirety by the following definition:

**“Termination of Employment”** shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

### **Notice to Participants.**

The Agreement as amended pursuant to this Exhibit A forms the rules of the employee share scheme applicable to the United Kingdom based Participants of the Company and any Subsidiaries. Only employees of the Company or any subsidiary of the Company are eligible to be granted RSUs or be issued Ordinary Shares under the Agreement. Other service providers (including Consultants and Non-Employee Directors) who are not employees are not eligible to receive RSUs under the Agreement in the United Kingdom. Accordingly, all references in the Agreement to the Participant’s service or termination

of service shall be interpreted as references to the Participant's employment or Termination of Employment.

The following provision replaces Section 3.11 of the Agreement in its entirety:

**3.11 Not a Contract of Employment.** Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue to serve as an employee of the Company or any of its Subsidiaries and the grant of an RSU does not form part of the Participant's entitlement to remuneration or benefits in terms of his employment with the Company or any Subsidiary.

#### Terms and Conditions

Special Tax Consequences. In relation to United Kingdom based Participants only:

(a) You agree to indemnify and keep indemnified the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a "**Tax Liability**" being any liability for income tax, withholding tax and any other employment related taxes, employee's national insurance contributions or employer's national insurance contributions or equivalent social security contributions in any jurisdiction) that is attributable to (1) the grant or settlement of, or any benefit derived by you from, the RSUs, (2) your acquisition of Ordinary Shares upon vesting of the RSUs, or (3) the disposal of any Ordinary Shares.

(b) the RSUs cannot be settled until you have made such arrangements as the Company may require for the satisfaction of any Tax Liability that may arise in connection with the vesting and settlement of the RSUs and/or your acquisition of the Ordinary Shares. The Company shall not be required to issue, allot or transfer Ordinary Shares until the you have satisfied this obligation.

(c) at the discretion of the Company, the RSUs cannot be settled until you have entered into an election with the Company (or your employer) (as appropriate) in a form approved by the Company and Her Majesty's Revenue & Customs (a "**Joint Election**") under which any liability of the Company and/or the employer for employer's national insurance contributions arising in respect of the granting, vesting, settlement of or other dealing in the RSUs, or the acquisition of Ordinary Shares on the settlement of the RSUs, is transferred to and met by you.

Tax and National Insurance Contributions Acknowledgment. You agree that if you do not pay or your employer (the "**Employer**") or the Company does not withhold from you, the full amount of all taxes applicable to the taxable income resulting from the grant of the RSUs, the vesting of the RSUs, or the issuance of Ordinary Shares (the "**Tax-Related Items**") that you owe due to the vesting of the RSUs, or the release or assignment of the RSUs for consideration, or the receipt of any other benefit in connection with the RSUs (the "**Taxable Event**") by 90 days after the end of the tax year in which the Taxable Event occurred, then the amount that should have been withheld shall constitute a loan owed by you to your employer, effective 90 days after the end of the tax year in which the Taxable Event occurred. You agree that the loan will bear interest at the HMRC's official rate and will be immediately due and repayable by you, and the Company and/or the employer may recover it at any time thereafter by withholding the funds from salary, bonus or any other funds due to you by the employer, by withholding in Shares issued upon vesting and settlement of the RSUs or from the cash proceeds from the sale of Ordinary Shares or by demanding cash or a cheque from you. You also authorize the Company to delay the issuance of any Ordinary Shares to you unless and until the loan is repaid in full.

Notwithstanding the foregoing, if you are an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that you are an officer or executive director and Tax-Related Items are not collected from or paid by you within 90 days of the Taxable Event, the amount of any uncollected Tax-Related Items may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Section 2.6 of the Agreement.

References to “withholding tax” in Sections 2.6(b)(4) and 2.8(d) of the Agreement shall include social security contributions including primary and secondary class 1 national insurance contributions.

## **Annex 1**

Broadcom Limited and its subsidiaries  
c/o Broadcom Limited

1 Yishun Avenue 7  
Singapore 768923

Or

1320 Ridder Park Drive  
San Jose, CA 95131  
United States

## Annex 2

### **Payroll Providers**

Automatic Data Processing, Inc.  
Allsec Technologies Limited  
Baker Tilly Revas Limited  
Balmer-Etienne AG  
BOSS YONETISIM AS  
Bridgehead B.V.  
Ceridian  
Chronos Consulting  
CIIC Shanghai Financial Co. Consulting Ltd  
Deloitte  
Grant Thornton  
Hilan  
HR Outsourcing Korea  
HTLC Network Group  
HTM Corporation  
In Extenso  
Innovation  
Made Finance  
N.S.N. Consulting & Investmentservices  
Partena  
Payfront Technologies India Private Limited  
Payroll Services Company Ltd.  
PKF – Littlejohn Network Group  
Rivor  
RSM  
Rueter & Partner  
SCS Global Tax Consulting Corporation  
Sigmagest  
Spira Twist & Associates  
Studio Arlati Ghislandi  
Squires Payroll Services  
TMF Services Ltd  
TMF Hong Kong Ltd  
TMF Corporate Services (Australia) Pty Ltd  
TMF Administrative Services Malaysia Sdn BhdTricor Services Limited  
Wirtschaftsprüfer / Steuerberater

### **Other vendors**

Box, Inc.  
Compensia, Inc.  
Deloitte Tax LLP  
Diligent Corporation  
Fidelity Stock Plan Services, LLC  
Google Inc.  
International Law Solutions, PC  
Latham & Watkins LLP



My Equity Comp  
NAVEX Global, Inc.  
PwC  
ServiceNow  
Workday, Inc.

### Annex 3

#### ADDITIONAL PROVISIONS FOR EMPLOYEES IN DENMARK

##### ERKLÆRING OM TILDELING AF BETINGEDE AKTIEENHEDER, HERUNDER ERKLÆRING I HENHOLD TIL AKTIEOPTIONSLOVEN

##### STATEMENT CONCERNING GRANTING OF RESTRICTED SHARE UNITS, INCLUDING STATEMENT PURSUANT TO THE DANISH STOCK OPTION ACT

Brocade Communications Denmark ApS  
("Selskabet")

Brocade Communications Denmark ApS  
(the "**Company**")

Og And

Medarbejderen, der elektronisk har givet samtykke til vilkårene  
og betingelserne i Restricted Share Unit Award Agreement.  
("Medarbejderen")

The individual providing services to the Company  
electronically consenting to the terms and conditions of the  
Restricted Share Unit Award Agreement.  
(the "**Service Provider**")

1. Og And

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
("Moderselskabet")

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
(the "**Parent Company**")

har indgået Restricted Share Unit Award Agreement og alle  
bilag og tillæg hertil ("**Tildelingsaftalen**") i relation til de  
Restricted Share Units ("**RSU'er**"), som Moderselskabet har  
tildelt Medarbejderen.

have entered into the Restricted Share Unit Award  
Agreement, including all exhibits and appendices thereto (the  
"**Agreement**") concerning the Restricted Share Units (the  
"**RSUs**") granted by the Parent Company to the Service  
Provider.

Denne erklæring ("**Erklæringen**") udgør en erklæring til  
Medarbejderen i henhold til § 3, stk. 1 i lov om brug af køberet  
eller tegningsret til aktier m.v. i ansættelsesforhold  
("Aktieoptionsloven").

This statement (the "**Statement**") constitutes a statement to  
the Service Provider pursuant to section 3 (1) of the Danish  
Act on the exercise of stock acquisition rights or stock  
subscription rights in employment relationships, etc. (the  
"**Stock Option Act**").

I tilfælde af uoverensstemmelser mellem Erklæringen og Tildelingsaftalen og/eller Medarbejderens ansættelsesaftale med Selskabet har Tildelingsaftalen forrang.

In the event of any discrepancies between the Statement and the Agreement and/or Service Provider's contract of employment with the Company, this Agreement shall prevail.

Moderselskabet har vedtaget et Restricted Share Unit program, der omfatter medarbejdere i Moderselskabet og dets datterselskaber, herunder Selskabets medarbejdere. Vilkårene for Restricted Share Unit-programmet, der også omfatter de Restricted Share Units, der tildeles i medfør af Tildelingsaftalen, er fastsat i "Avago Technologies Limited 2009 Equity Incentive Award Plan" (benævnt "**Aktieincitamentsprogrammet**").

The Parent Company has adopted a Restricted Share Unit program covering the Service Providers of the Parent Company and its subsidiaries, including the employees of the Company. The terms of the Restricted Share Unit program, which also include the Restricted Share Units granted under the Agreement, appear from the "Avago Technologies Limited 2009 Equity Incentive Award Plan" (the "**Equity Incentive Program**").

Vilkårene i Aktieincitamentsprogrammet finder anvendelse på Medarbejderens Restricted Share Units, medmindre Tildelingsaftalen fastsætter vilkår, der fraviger vilkårene i Aktieincitamentsprogrammet. I sådanne tilfælde har Tildelingsaftalen vilkår forrang.

The terms of the Equity Incentive Program apply to the Service Provider's Restricted Share Units, unless the Agreement stipulates terms that deviate from the terms of the Equity Incentive Program. In such situations, the terms of the Agreement shall prevail.

Definitioner anvendt i Tildelingsaftalen skal have samme betydning som i Aktieincitamentsprogrammet, medmindre andet følger af Tildelingsaftalen.

The definitions of the Agreement shall have the same meaning as the definitions of the Equity Incentive Program, unless otherwise provided by Agreement.

## 1. RESTRICTED SHARE UNITS OG VEDERLAG

## 1. RESTRICTED SHARE UNITS AND CONSIDERATION

1.1 Medarbejderen tildeles løbende Restricted Share Units, der giver Medarbejderen ret til aktier ("**Aktier**") i Moderselskabet og/eller kontantbetaling. De pågældende Restricted Share Units tildeles vederlagsfrit.

1.1 The Service Provider is granted Restricted Share Units on a current basis entitling the Service Provider to shares ("**Ordinary Shares**") in the Parent Company and/or cash payment. The Restricted Share Units are granted free of charge.

1.2 Værdien pr. aktie, som Restricted Share Units'erne repræsenterer vil blive som nærmere fastsat i Tildelingsaftalen.

1.2 The value per share that the Restricted Share Units represent shall be as specified in the Agreement.

## 2. ØVRIGE VILKÅR OG BETINGELSER

## 2. OTHER TERMS AND CONDITIONS

2.1 Restricted Share Units'erne tildeles i overensstemmelse med Aktieincitamentsprogrammet.

2.1 The Restricted Share Units are granted under the Equity Incentive Program.

2.2	Restricted Share Units'erne tildeles efter Administrators skøn og når Administratoren måtte beslutte det.	2.2	The Restricted Share Units are granted at the discretion of the Administrator and at the timing of its discretion.
2.3	Restricted Share Units'erne optjenes i overensstemmelse med Tildelingsaftalen.	2.3	The Restricted Share Units shall vest as set forth in the Agreement.
2.4	Optjeningen af Restricted Share Units er betinget af, at Medarbejderen er ansat i Selskabet i optjeningsperioden, og der hverken tildeles eller optjenes Restricted Share Units efter ansættelsesforholdets ophør, uanset årsag hertil, <i>jf.</i> dog nedenfor. Optjeningen af Restricted Share Units påvirkes ikke af lovreguleret orlov.	2.4	The earning of Restricted Share Units is conditional on the Service Provider being employed with the Company for the duration of the vesting period and no Restricted Share Units are granted or earned after the termination of the employment, regardless of the reason for such termination, <i>cf.</i> however below. The earning of Restricted Share Units is not influenced by statutory leave.
3. UDNYTTELSE		3. EXERCISE	
3.1	Efter optjeningsperioden kan Optjente Restricted Share Units udnyttes forudsat, at de ikke er bortfaldet efter vilkårene i Tildelingsaftalen og indtil det tidspunkt, hvor sådanne Restricted Share Units ophører, bortfalder og/eller fortabes i overensstemmelse med vilkårene i Tildelingsaftalen.	3.1	Following vesting, earned Restricted Share Units will be exercisable as long as they remain validly outstanding pursuant to the Agreement, until the date such Restricted Share Units are terminated, cancelled and/or forfeited pursuant to the terms of the Agreement.
3.2	Såfremt (i) Selskabet opsiges Medarbejderens ansættelsesforhold, uden at Medarbejderen har misligholdt ansættelsesforholdet, eller (ii) Medarbejderen opsiges ansættelsesforholdet som følge af Selskabets grove misligholdelse, har Medarbejderen uanset opsigelsen ret til betaling af ikke-optjente og ikke-udbetalte Restricted Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.	3.2	In the event that (i) the Company terminates the Service Provider's employment for reasons other than the Service Provider's breach of the employment, or (ii) the Service Provider terminates the employment due to material breach on the part of the Company, the Service Provider is, irrespective of the termination, entitled to settlement of any unvested Restricted Share Units remaining unsettled in accordance with the Equity Incentive Program and the Agreement.

- |  |  |
|--|--|
| <p>3.3 I tilfælde af Medarbejderens opsigelse, uden at Selskabet groft har misligholdt ansættelsesforholdet, fortabes og bortfalder alle ikke-optjente Restricted Share Units, der ikke er udbetalt på det tidspunkt, hvor ansættelsen ophører, uden yderligere varsel og uden kompensation. Medarbejderen bevarer dog retten til betaling for optjente og ikke-udbetalte Restricted Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.</p> | <p>3.3 If the Service Provider terminates the employment without the Company being in gross breach of the employment, all unvested Restricted Share Units, which have not been exercised at the time of the termination, will be forfeited and lapse without further notice or compensation. The Service Provider, however, is entitled to settlement of all vested Restricted Share Units which have not been settled at the time of the termination in accordance with the Equity Incentive Program and the Agreement.</p> |
| <p>3.4 I tilfælde af Selskabets opsigelse og/eller bortvisning som følge af Medarbejderens misligholdelse af ansættelsesforholdet bortfalder Medarbejderens Restricted Share Units som ikke er optjent uden yderligere varsel eller kompensation pr. ansættelsesforholdets ophør.</p>  | <p>3.4 If the Company terminates and/or summarily dismisses the Service Provider due the Service Provider's breach of the employment, all Restricted Share Units, which have not vested at the time of termination, will lapse without further notice or compensation at the effective date of termination.</p>  |
| <p>3.5 Ved Medarbejderens død bortfalder Medarbejderens ikke-optjente Restricted Share Units uden yderligere varsel og kompensation pr. dødstidspunktet. Boet og/eller arvingerne er i øvrigt i enhver henseende underlagt de for Medarbejderen fastsatte vilkår for Restricted Share Units og de dertil knyttede aktier.</p>  | <p>3.5 In the event of the Service Provider's death, unvested Restricted Share Units will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the Service Provider's Restricted Share Units and the related Ordinary Shares.</p>   |

3.6 Ved aldersbetinget pensionering (folkepension) eller særskilt aftale herom og ved invaliditet har Medarbejderen ret til at få udbetaling for tildelte, ikke-udbetalte Restricted Share Units. Medarbejderen er underlagt de for Medarbejderne fastsatte vilkår for Restricted Share Units og de dertil knyttede aktier.

#### 4. REGULERING AF RESTRICTED SHARE UNITS

##### *Regulering ved kapitalændringer*

4.1 Såfremt der sker en ændring i antallet af udestående Aktier som følge af ændring i Moderselskabets kapitalstruktur uden vederlag såsom aktieudbytte, rekapitalisering, aktiesplit, omvendt aktiesplit, rekonstruktion, fusion, konsolidering, opdeling, kombination, genkøb eller ombytning af Selskabets Aktier eller øvrige værdipapirer eller andre ændringer i Moderselskabets selskabsstruktur, der kan påvirke Aktien, kan der gennemføres justeringer, der kan påvirke Aktieincitamentsprogrammet, herunder en justering af antallet af samt klassen af Aktier, der kan opnås i henhold til Programmet, af Købsprisen pr. aktie og af det antal Aktier for hver option i henhold til Programmet, der endnu ikke er udnyttet, og de talmæssige begrænsninger i Aktieincitamentsprogrammet.

##### *Andre ændringer*

3.6 Upon retirement due to old age ("**folkepension**") or separate agreement in this respect and in the event of disability, the Service Provider is entitled to settlement of granted and unsettled Restricted Share Units. The Service Provider is subject to the terms governing the Restricted Share Units and the related Ordinary Shares.

#### 4. ADJUSTMENT OF THE RESTRICTED SHARE UNITS

##### *Adjustment in connection with capital changes*

4.1 If the number of outstanding Ordinary Shares is changed by a modification in the capital structure of the Parent Company without consideration such as a stock dividend, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, combination, repurchase or exchange of Ordinary Shares or other securities of the Parent Company or other change in the corporate structure of the Parent Company affecting the Ordinary Shares, adjustments may be made that may impact the Equity Incentive Program and the Restricted Share Units including adjusting the number and class of Ordinary Shares that may be delivered under the Equity Incentive Program and the numerical limits of the Equity Incentive Program.

##### *Other changes*

4.2 I tilfælde af forslag om opløsning eller likvidation af Selskabet, og i tilfælde af fusion eller ændring i kontrollen med Selskabet eller Moderselskabet, kan der ske andre reguleringer i Aktieincitamentsprogrammet og Restricted Share Units.

*Administrators regulering af Optioner*

4.1 Administrators adgang til at regulere Restricted Share Units i de i § 4 omhandlede situationer er reguleret af punkt 4 i Aktieincitamentsprogrammet. Med hensyn til Administrators generelle adgang til at ændre eller opsiges Aktieincitamentsprogrammet, henvises der til punkt 4 i Aktieincitamentsprogrammet Bilag 1.

5. ØKONOMISKE ASPEKTER VED DELTAGELSE I ORDNINGEN

5.1 Restricted Share Units'erne er risikobetonede værdipapirer, der er afhængige af aktiemarkedet og Moderselskabets resultater. Som følge heraf er der ingen garanti for, at Restricted Share Units'erne udløser en fortjeneste. Restricted Share Units'erne skal ikke medregnes ved opgørelsen af feriepenge, fratrædelsesgodtgørelse, godtgørelse eller kompensation fastsat ved lov, pension og lignende.

6. SKATTEMÆSSIGE FORHOLD

4.2 In the event of a proposed dissolution or liquidation of the Parent Company and in the event of a merger or a change in control of the Parent Company, other adjustments may be made to the Equity Incentive Program and the Restricted Share Units.

*Administrator's regulation of Options*

4.3 The Administrator's access to regulation of the Restricted Share Units in the situations comprised by this section 4 shall be regulated by the terms and conditions of the Equity Incentive Program. As regards the Administrator's, general access to amend or terminate the Equity Incentive Program reference is made to the Equity Incentive Program Section 13.4 and Section 3.7 of the Agreement.

5. THE FINANCIAL ASPECTS OF PARTICIPATING IN THE SCHEME

5.1 The Restricted Share Units are risky securities the potential value of which is influenced by the market for Ordinary Shares and the Parent Company's results. Consequently, there is no guarantee that the vesting of the Restricted Share Units will trigger a profit. The Restricted Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

6. TAX MATTERS

- |   |  |
|---|--|
| <p>6.1 De skattemæssige konsekvenser for Medarbejderen som følge af tildelingen af Restricted Share Units og den efterfølgende udnyttelse heraf er i sidste ende Medarbejderens ansvar. Selskabet opfordrer Medarbejderen til selvstændigt at indhente rådgivning om den skattemæssige behandling af tildeling og udnyttelse af Restricted Share Units.</p> | <p>6.1 Any tax consequences for the Service Provider arising out of the Restricted Share Units and the exercise thereof are ultimately the responsibility of the Service Provider. The Company encourages the Service Provider to obtain individual tax advice in relation to the effect of grant and vesting of the Restricted Share Units.</p> |
| <p>7. OVERDRAGELSE OG PANTSÆTNING AF OPTIONER MV.</p>   | <p>7. TRANSFER AND PLEDGING OF OPTIONS, ETC.</p>   |
| <p>7.1 Restricted Share Units er personlige. Ingen rettigheder om betaling for Restricted Share Units eller tildeling af Aktier i henhold til Aktieincitamentsprogrammet kan overdrages, overføres, pantsættes eller på anden vis disponeres over af Medarbejderen, frivilligt eller ved udlæg.</p>   | <p>7.1 The Restricted Share Units are personal instruments. No rights with regard to settlement of Restricted Share Units or to receive Ordinary Shares under the Equity Incentive Program may assigned, transferred, pledged or otherwise disposed of in any way by the Service Provider whether voluntarily or by execution.</p>               |



**Notice of Grant of Performance Share Unit Award  
Under the Avago Technologies Limited  
2009 Equity Incentive Award Plan**

**BROADCOM LIMITED**  
**1 Yishun Avenue 7**  
**Singapore 768923**

**GRANTEE NAME:** <Participant Name>

**GRANTEE ID:** <Employee ID>

**GRANT NUMBER:** <Client Grant ID>

**Grant Date:** <Grant Date>

**Number of Performance Share  
Units:** <Grant Custom Field 4>

The maximum number of ordinary shares that may be issued in respect of the Performance Share Units is <Number of Awards Granted> shares.

On the grant date shown above (the “**Grant Date**”), Broadcom Limited (the “**Company**”) granted to the grantee identified above (“**you**” or the “**Participant**”) the number of performance share units shown above (the “**PSUs**” or “**Performance Share Units**”) under the Avago Technologies Limited 2009 Equity Incentive Award Plan, as amended (the “**Plan**”). If and when it vests, each PSU entitles you to receive a number of ordinary shares of the Company (each, an “**Ordinary Share**”) as determined in accordance with Exhibit A. By accepting this award of PSUs, you are affirmatively agreeing to the following in respect of these PSUs (a “**Sell to Cover**”):

Sell to Cover: Upon vesting of the PSUs and release of the resulting Ordinary Shares, the Company, on your behalf, will instruct Fidelity Stock Plan Services, LLC or one of its affiliates or such other agent instructed by the Company from time to time (collectively, the “**Agent**”) to sell that number of such Ordinary Shares determined in accordance with Section 2.6 of the attached Performance Share Unit Award Agreement (with respect to the PSUs) to satisfy any resulting tax withholding obligations of the Company, and the Agent will remit cash proceeds of such sale to the Company sufficient to satisfy such tax withholding obligations. The Company or a Subsidiary will then pay the required tax withholding obligations to the appropriate taxing authorities.

Pursuant to Exhibit A attached hereto, the number of Ordinary Shares issuable upon the later of (i) the Determination Date (as defined in Exhibit A) of each Performance Period or (ii) the anniversary of the Grant Date immediately following the end of the applicable Performance Period shall be determined by multiplying the Achievement Factor (as determined in accordance with Exhibit A) for such Performance Period by twenty-five percent (25%) of the total number of PSUs subject hereto if you have not incurred a Termination of Services prior to the anniversary of the Grant Date immediately following the end of the applicable Performance Period.

By accepting this award electronically through the Plan service provider’s online grant acceptance process:

- (1) You agree that the PSUs are governed by this Notice of Grant and the attached Performance Share Unit Award Agreement (including Exhibit A and Exhibit B thereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.
- (2) You have received, read and understand the Agreement, the Plan and the prospectus for the Plan.
- (3) You agree to accept as binding all decisions or interpretations of the Administrator or its delegate regarding any questions relating to the Plan or the Agreement, including, if you provide services outside the United States, the global provisions and any specific provisions for the country in which you provide services, attached to the Agreement as Exhibit B.
- (4) You have read and agree to comply with the Company’s Insider Trading Policy.

Capitalized terms not specifically defined in this Notice shall have the meanings specified in the Plan or the Agreement.

**AVAGO TECHNOLOGIES LIMITED  
2009 EQUITY INCENTIVE AWARD PLAN**

**PERFORMANCE SHARE UNIT AWARD AGREEMENT  
(SELL TO COVER)**

Broadcom Limited, a company organized under the laws of Singapore (the “**Company**”), pursuant to the Avago Technologies Limited 2009 Equity Incentive Award Plan, as amended from time to time (the “**Plan**”), has granted to the grantee indicated in the attached Notice of Grant (the “**Notice of Grant**”) an award of performance share units (“**Performance Share Units**” or “**PSUs**”). The PSUs are subject to all of the terms and conditions set forth in this Performance Share Unit Award Agreement (including Exhibit A and Exhibit B hereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.

**BY ACCEPTING THIS AWARD, YOU CONSENT TO THE USE AND SHARING OF YOUR PERSONAL DATA AS SET FORTH IN THE APPLICABLE PROVISIONS IN EXHIBIT B.**

**ARTICLE I**

**GENERAL**

1.1 **Defined Terms.** Capitalized terms not specifically defined in this Agreement shall have the meanings specified in the Plan or in the Notice of Grant, unless the context clearly requires otherwise.

(a) “**Termination of Consultancy**” shall mean the time when the engagement of Participant as a Consultant to the Company or a Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, by resignation, discharge, death, disability, or retirement, but excluding: (a) terminations where there is a simultaneous employment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations where there is a simultaneous re-establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Consultancy, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Consultancy. Notwithstanding any other provision of the Plan, the Company or any Subsidiary has an absolute and unrestricted right to terminate a Consultant’s service at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in writing.

(b) “**Termination of Directorship**” shall mean the time when Participant, if he or she is or becomes a Non-Employee Director, ceases to be a Director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or retirement. The Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to Termination of Directorship with respect to Non-Employee Directors.

(c) “**Termination of Employment**” shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding: (a) terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations

where there is a simultaneous establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

(d) “**Termination of Services**” shall mean Participant’s Termination of Consultancy, Termination of Directorship or Termination of Employment, as applicable.

1.2 General. Each Performance Share Unit represents the right to receive a number of Ordinary Shares determined in accordance with Exhibit A if and when it vests. The Performance Share Units shall not be treated as property or as a trust fund of any kind.

1.3 Incorporation of Terms of Plan. PSUs are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

## ARTICLE II

### **GRANT OF PERFORMANCE SHARE UNITS**

2.1 Grant of PSUs. In consideration of your continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Notice of Grant (the “**Grant Date**”), the Company granted to you the number of PSUs set forth in the Notice of Grant.

2.2 Company’s Obligation to Pay. Subject to and until the PSUs will have vested in the manner set forth in Article II hereof, you will have no right to payment of any such PSUs. Prior to actual payment of any vested PSUs, such PSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4, your PSUs will vest and become nonforfeitable according to the vesting schedule set forth in the Exhibit A as long as you have not had a Termination of Services prior to the anniversary of the Grant Date immediately following the end of the applicable Performance Period (each, a “**Vesting Date**”). Unless otherwise determined by the Administrator, employment or service for a portion, even a substantial portion, of the vesting period will not entitle you to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a Termination of Services as provided in Section 2.5 below or under the Plan.

2.4 Change in Control Treatment. In the event of a Change in Control prior to the end of any Performance Period (as defined in Exhibit A), each Performance Period then in effect shall be shortened to end at such date within ten (10) days prior to the closing of the Change in Control as determined by the Administrator, the Achievement Factor for each such Performance Period shall be calculated on a date occurring prior to the closing of the Change in Control, as determined by the Administrator, in its sole discretion, and such Performance Share Units will vest on the Vesting Date following the originally scheduled Performance Period related to such Performance Share Units, with the number of Ordinary Shares to be issued upon such vesting determined using the Achievement Factor calculated in accordance with this Section 2.4, subject, in each case, you not experiencing a Termination of Services prior to the applicable Vesting Date. For the avoidance of doubt, the Performance Share Units shall be subject to any accelerated vesting applicable to such Performance Share Units under any change in control plan you participate in or any change in control agreement you are party to, in each case, in accordance with the terms thereof and using the Achievement Factor determined in accordance with this Section 2.4.

2.5 Forfeiture, Termination and Cancellation upon Termination of Services. Upon your Termination of Services prior to a Vesting Date for any or no reason, the PSUs subject to such Performance Period will be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and you, or your beneficiary or personal representative, as the case may be, shall have no further rights hereunder. In addition, any PSUs that do not vest in accordance with Exhibit A will be automatically forfeited, terminated and cancelled as of the Determination Date applicable to such PSUs without payment of any consideration by the Company, and you, or your beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

#### 2.6 Payment after Vesting.

(a) On or before the tenth (10<sup>th</sup>) day following the later of (i) the Determination Date or (ii) the Vesting Date for each Performance Period, the Company shall deliver to the Participant that number of Ordinary Shares, if any, calculated by multiplying the Achievement Factor determined in accordance with Exhibit A for such Performance Period times the number of Performance Share Units subject to vesting on such Vesting Date. Notwithstanding the foregoing, in the event Ordinary Shares cannot be issued because of the failure to meet one or more of the conditions set forth in Section 2.8(a), (b) or (c) hereof, then the Ordinary Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that Ordinary Shares can again be issued in accordance with Sections 2.8(a), (b) and (c) hereof. Notwithstanding any

discretion in the Plan, the Notice of Grant or this Agreement to the contrary, upon vesting of the PSUs, Ordinary Shares will be issued, if at all, as set forth in this section. In no event will the PSUs be settled in cash.

(b) Notwithstanding anything to the contrary in this Agreement, the Company shall be entitled to require you to pay any sums required by applicable law to be withheld with respect to the PSUs, the issuance of Ordinary Shares or with respect to any other restricted share units, if any, granted to you prior to the Grant Date under the Plan or any other Company equity incentive plan (each, a “**Prior Award**”). Such payment shall be made by using a Sell to Cover. The award agreements covering your Prior Awards (if any) will be deemed amended to the extent necessary to reflect this Section 2.6(b). By accepting this award of PSUs, you agree (with respect to the PSUs and all Prior Awards, if any) to Sell to Cover to satisfy any tax withholding obligations and:

(i) You hereby appoint the Agent as your agent and direct the Agent to (1) sell on the open market at the then prevailing market price(s), on your behalf, promptly after the settlement of any PSUs (or vesting of Prior Awards), such number of the Ordinary Shares that are issued in respect of such PSUs (or subject to or issued in respect of such Prior Awards) as the Agent determines will generate sufficient proceeds to cover (x) any estimated tax, social insurance, payroll, fringe benefit or similar withholding obligations with respect to such issuance and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) in the Company’s discretion, apply any remaining funds to your federal tax withholding or remit such remaining funds to you.

(ii) You hereby authorize the Company and the Agent to cooperate and communicate with one another to determine the number of Ordinary Shares to be sold pursuant to subsection (i) above. You understand that to protect against declines in the market price of Ordinary Shares, the Agent may determine to sell more than the minimum number of Ordinary Shares needed to generate the required funds.

(iii) You understand that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to your account. In addition, you acknowledge that it may not be possible to sell Ordinary Shares as provided in subsection (i) above due to (1) a legal or contractual restriction applicable to the Agent, (2) a market disruption, or (3) rules governing order execution priority on the national exchange where the Ordinary Shares may be traded. In the event of the Agent’s inability to sell Ordinary Shares, you will continue to be responsible for the timely payment to the Company and/or its affiliates of all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld, including but not limited to those amounts specified in subsection (i) above.

(iv) You acknowledge that, regardless of any other term or condition of this Section 2.6(b), neither the Company nor the Agent will have any liability to you for (1) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control, or (3) any claim relating to the timing of any Sell to Cover, the price at which Ordinary Shares are sold in any Sell to Cover, or the timing of the delivery to you of any Ordinary Shares following any Sell to Cover. Regardless of the Company’s or any Subsidiary’s actions in connection with tax withholding pursuant to this Agreement, you acknowledge that the ultimate responsibility for any and all tax-related items imposed on you in connection with any aspect of the PSUs (and any Prior Awards) and any Ordinary Shares issued upon settlement of the PSUs (or subject to or issued in respect of your Prior Awards) is and remains your responsibility and liability. Except as expressly stated herein, neither the Company nor any Subsidiary makes any commitment to structure of the PSUs (or any Prior Award) to reduce or eliminate your liability for tax-related items.

(v) You hereby agree to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.6(b). The Agent is a third-party beneficiary of this Section 2.6(b).

(vi) This Section 2.6(b) shall survive termination of this Agreement until all tax withholding obligations arising in connection with this Award have been satisfied.

The Company shall not be obligated to deliver any Ordinary Shares to you unless and until you have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes required to be withheld in connection with the grant, vesting or settlement of the PSUs.

**2.7 Rights as Shareholder.** As a holder of PSUs you are not, and do not have any of the rights or privileges of, a shareholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the PSUs and any Ordinary Shares issuable upon vesting or settlement thereof unless and until such Ordinary Shares shall have been actually issued by the Company to you. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Ordinary Shares are issued, except as provided in Section 14.2 of the Plan.

**2.8 Conditions to Delivery of Ordinary Shares.** Subject to Section 11.4 of the Plan, the Ordinary Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Ordinary Shares or issued Ordinary Shares which have then been reacquired by the Company. Such Ordinary Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Ordinary Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Ordinary Shares to listing on all stock exchanges on which the Ordinary Shares are then listed;

(b) The completion of any registration or other qualification of such Ordinary Shares under any state, federal or foreign law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state, federal or foreign governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such Ordinary Shares, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.6 hereof; and

(e) The lapse of such reasonable period of time following a Vesting Date as the Administrator may from time to time establish for reasons of administrative convenience.

### **ARTICLE III**

#### **OTHER PROVISIONS**

3.1 **Administration.** The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon you, the Company and all other interested persons. No member of the Administrator or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the PSUs.

3.2 **Adjustments Upon Specified Events.** In addition, upon the occurrence of certain events relating to the Ordinary Shares contemplated by Section 14.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Ordinary Shares), the Administrator shall make such adjustments as the Administrator deems appropriate in the number of Performance Share Units then outstanding and the number and kind of securities that may be issued in respect of the Performance Share Units. You acknowledge that the PSUs are subject to modification and termination in certain events as provided in this Agreement and Article 14 of the Plan.

3.3 **Grant is Not Transferable.** Your PSUs may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of the PSUs, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the PSUs will terminate immediately and will become null and void.

3.4 **Notices.** Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at the Participant's last address reflected on the Company's records, including any email address. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice to the Company shall be deemed given when actually received. Any notice given by the Company shall be deemed given when sent via email or 5 U.S. business days after mailing.

3.5 **Titles.** Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 **Governing Law; Severability.** The laws of the State of California shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 **Conformity to Securities Laws.** You acknowledge that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the "***Exchange Act***") and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state and foreign securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the PSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.8 Amendments, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided*, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the PSUs in any material way without your prior written consent.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if you are subject to Section 16 of the Exchange Act, the Plan, the PSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by and necessary to comply with applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon you any right to continue to serve as an employee or other service provider of the Company or any of its Subsidiaries.

3.12 Entire Agreement. The Plan, the Notice of Grant and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.13 Section 409A. The PSUs are not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, “**Section 409A**”). However, notwithstanding any other provision of the Plan or this Agreement, if at any time the Administrator determines that the PSUs (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify you or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the PSUs to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Limitation on Participant’s Rights. Participation in the Plan confers no rights or interests other than as herein provided. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the PSUs, and rights no greater than the right to receive the Ordinary Shares as a general unsecured creditor with respect to PSUs, as and when payable hereunder.

3.15 Additional Terms for Participants Providing Services Outside the United States. To the extent you provide services to the Company or a Subsidiary in a country other than the United States, the PSUs shall be subject to such additional or substitute terms as shall be set forth for such country in Exhibit B attached hereto. If you relocate to one of the countries included in Exhibit B during the life of the PSUs, Exhibit B, including the provisions for such country, shall apply to you and the PSUs, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. In addition, the Company reserves the right to impose other requirements on the PSUs and the Ordinary Shares issued upon vesting of the PSUs, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

\* \* \* \* \*

**EXHIBIT A**  
**TO AVAGO TECHNOLOGIES LIMITED**  
**2009 EQUITY INCENTIVE AWARD PLAN**  
**PERFORMANCE SHARE UNIT AWARD AGREEMENT**  
  
**PERFORMANCE CRITERIA AND MEASUREMENT**

**1. Definitions.**

For the purposes of the charts, calculations and conditions below:

- a. **“Average Market Value,”** with respect to a company, shall mean the average closing trading price of a company’s shares on the principal exchange on which such shares are then traded, during the 30 consecutive calendar days ending on (and including) a specified date, as reported by the applicable principal exchange on which such company’s shares are listed or quoted, or by such other authoritative source as the Administrator may determine.
  - b. **“Prior Achievement Sum”** means the sum of the Achievement Factors (as defined below) for Performance Period 1, Performance Period 2 and Performance Period 3.
  - c. **“Relative TSR”** shall mean the Company’s TSR relative to the TSR of the companies that comprise the S&P 500 Index as of the last day of the Performance Period, expressed as a percentile.
  - d. **“TSR”** means the compound annual total shareholder return of the Company (or of a company in the S&P 500 Index, as applicable), as measured by the change in the price of an Ordinary Share (or the publicly traded securities of a company in the S&P 500 Index, as applicable) over the Performance Period (positive or negative), calculated based on the Average Market Value ending on the first day of the Performance Period as the beginning share price, and the Average Market Value ending on the last day of the Performance Period as the ending share price, and assuming dividends (if any) are reinvested based on the price of an Ordinary Share (or the publicly traded securities of a company in the S&P 500 Index, as applicable) in accordance with the “gross” or “total” return methodology as defined by S&P Dow Jones.
2. **Performance Periods.** There shall be four performance periods (each, a **“Performance Period”**) as follows: March 15, 2017 through March 14, 2018 (**“Performance Period 1”**), March 15, 2017 through March 14, 2019 (**“Performance Period 2”**), March 15, 2017 through March 14, 2020 (**“Performance Period 3”**) and March 15, 2017 through March 14, 2021 (**“Performance Period 4”**).
  3. **Achievement Factor.** As soon as administratively practicable, and in any event within 60 days, following the end of each Performance Period, the Administrator shall determine the Relative TSR for such Performance Period and calculate the Achievement Factor (such date of determination, the **“Determination Date”**). For the purposes hereof, **“Achievement Factor”** shall mean that factor determined under the applicable table below.

Relative TSR Achievement for Performance Periods 1, 2 and 3	Achievement Factor
Less than 25 <sup>th</sup> percentile of the S&P 500	0
25 <sup>th</sup> percentile of the S&P 500	0.50
50 <sup>th</sup> percentile or better of the S&P 500	1

Relative TSR Achievement for Performance Period 4	Achievement Factor
Less than 25 <sup>th</sup> percentile of the S&P 500	0
25 <sup>th</sup> percentile of the S&P 500	If the Prior Achievement Sum is greater than or equal to 1.5, 0.5. If the Prior Achievement Sum is less than 1.5, 2 less the Prior Achievement Sum.
50 <sup>th</sup> percentile of the S&P 500	4 less the Prior Achievement Sum.
75 <sup>th</sup> percentile or better of the S&P 500	If Company TSR is negative, 4 less the Prior Achievement Sum. If Company TSR is neutral or positive, 8 less the Prior Achievement Sum.

If the Relative TSR achieved during the applicable Performance Period is between two of the levels set forth in the tables above, the Achievement Factor shall be determined using linear interpolation. For the avoidance of doubt, the Ordinary Shares issuable in respect of the PSUs shall in no event exceed two times the target number of PSUs, and in the event the Relative TSR for the Performance Period is less than the 25<sup>th</sup> percentile, the Achievement Factor shall be 0 (i.e., no linear interpolation between the two lowest Relative TSR Achievement levels set forth in the tables above).





**EXHIBIT B  
TO AVAGO TECHNOLOGIES LIMITED  
2009 EQUITY INCENTIVE AWARD PLAN  
PERFORMANCE SHARE UNIT AWARD AGREEMENT**

This Exhibit B includes (i) additional terms and conditions applicable to all Participants providing services to the Company or a Subsidiary outside the United States, and (ii) additional terms applicable to Participants providing services to the Company or a Subsidiary in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit B without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

For your convenience and information, we have provided certain general information regarding some of the tax and/or exchange control requirements that may apply to participants in certain of the countries identified in Section II below. Such information is current only as of September 2017 (except as otherwise indicated below), and the Company undertakes no obligation to update any such information and does not ensure that it is complete or correct. This information may not apply to your individual situation, and may not be current as of any particular date in the future. The absence of any information on tax or foreign exchange requirements for any particular country should not be regarded as an indication that no such requirements may apply in that country. The laws, rules and regulations of any country regarding the holding of securities may be subject to frequent change.

**You are advised to seek appropriate professional advice as to how the relevant exchange control and tax laws in your country may apply to your individual situation.**

**I. GLOBAL PROVISIONS APPLICABLE TO PARTICIPANTS IN ALL COUNTRIES OTHER THAN THE UNITED STATES**

1. General Acknowledgements and Agreements: You further acknowledge and agree that:

(a) No Guarantee of Continued Service. THE VESTING OF THE PERFORMANCE SHARE UNITS PURSUANT TO THE VESTING SCHEDULE WILL OCCUR ONLY IF YOU CONTINUE AS A DIRECTOR, CONSULTANT OR EMPLOYEE (AS APPLICABLE) TO THE COMPANY OR A SUBSIDIARY THROUGH THE APPLICABLE VESTING DATE. YOU FURTHER ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A DIRECTOR, CONSULTANT OR EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE RIGHT OF THE COMPANY OR ANY SUBSIDIARY TO EFFECT A TERMINATION OF SERVICES AT ANY TIME, WITH OR WITHOUT CAUSE, NOR SHALL IT BE CONSTRUED TO AMEND OR MODIFY THE TERMS OF ANY CONSULTANCY, DIRECTORSHIP, EMPLOYMENT OR OTHER SERVICE AGREEMENT BETWEEN YOU AND THE COMPANY OR ANY SUBSIDIARY.

- (b) The Plan is discretionary in nature and that, subject to the terms of the Plan, the Company can amend, cancel or terminate the Plan at any time.
- (c) The grant of the PSUs under the Plan is voluntary and occasional and does not give you any contractual or other right to receive PSUs or benefits in lieu of PSUs in the future, even if you have received PSUs repeatedly in the past.
- (d) All determinations with respect to any future awards, including, but not limited to, the times when awards under the Plan shall be granted and the terms thereof, including the time or times when any PSUs may vest, will be at the sole discretion of the Company.
- (e) Your participation in the Plan is voluntary.
- (f) The value of the PSUs is an extraordinary item of compensation that is outside of the scope of your directorship, consultancy or employment contract or relationship.
- (g) The PSUs are not part of normal or expected compensation or salary for any purpose, including, without limitation, calculating severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or similar payments.
- (h) The PSUs shall expire, terminate and be forfeited upon your Termination of Services for any reason, except as otherwise explicitly provided in this Agreement and/or the Plan.
- (i) The future value of the Ordinary Shares that may be issued upon vesting of the PSUs is unknown and cannot be predicted with any certainty.
- (j) If you are not an employee of the Company as of the grant date shown on the Notice of Grant, the grant of the PSUs shall in no event be understood or interpreted to mean that the Company is your employer or that you have an employment relationship with the Company.
- (k) No claim or entitlement to compensation or damages arises from the expiration, termination or forfeiture of the PSUs or any portion thereof. You irrevocably release the Company, its parent(s) and subsidiaries from any such claim. Such a claim will not constitute an element of damages in the event of a Termination of Services for any reason, even if the termination is in violation of an obligation of the Company or any Subsidiary, to you.
- (l) Neither the Company nor any Subsidiary has provided you, and nor will they provide you, with any specific tax, legal or financial advice with respect to the PSUs, the Ordinary Shares issuable upon vesting of PSUs, this Agreement or the Plan. Neither the Company nor any Subsidiary is making nor have they made any recommendations relating to your participation in the Plan, the receipt of the PSUs or the acquisition or sale of Ordinary Shares upon vesting of PSUs.
- (m) You shall bear any and all risk associated with the exchange of currency and the fluctuation of currency exchange rates in connection with this Award, including without limitation in connection with the sale of any Ordinary Shares issued upon vesting of the PSUs (“Currency Exchange Risk”), and you hereby waive and release the Company and its Subsidiaries from any claims arising out of Currency Exchange Risk.
- (n) You agree that it is your responsibility to comply, and you shall comply, with any and all exchange control requirements applicable to the PSUs and the sale of Ordinary Shares issued upon

vesting of the PSUs and any resulting funds including, without limitation, reporting or repatriation requirements.

(o) Neither the Company nor any Subsidiary is responsible for your legal compliance requirements relating to the PSUs or the ownership and possible sale of any Ordinary Shares issued upon vesting of the PSUs, including, but not limited to, tax reporting, the exchange of U.S. dollars into or from your local currency, the transfer of funds to or from the United States, and the opening and use of a U.S. brokerage account.

(p) If this Agreement, the Plan, any website or any other document related to the PSUs is translated into a language other than English, and if the translated version is different from the English version, the English language version will take precedence. You confirm having read and understood the documents relating to the Plan and the PSUs, including, without limitation, this Agreement, which were provided to you in English, and waive any requirement for the Company to provide these documents in any other language.

(q) Your right to vest in the PSUs will terminate effective as of the date that is the earlier of (1) the effective date of the your Termination of Services (whether or not in breach of local labor laws), or (2) the date you are no longer actively providing service, regardless of any notice period or period of pay in lieu of such notice required under applicable laws (including, but not limited to statutory law, regulatory law and/or common law); the Company shall have the exclusive discretion to determine when the you are no longer actively providing service for purposes of the PSUs.

(q) To the extent you are providing services in a country identified in Section II of this Exhibit B, you understand and agree that the provisions for such country apply and are incorporated into the Agreement.

**2. Consent to Personal Data Processing and Transfer.** The entities listed in **Annex 1** (the “Broadcom Entities”) may hold, and by accepting the PSUs you consent to their holding, your personal information, including your name, home address, telephone number, date of birth, social security number or other employee tax identification number, national identification number, passport number, employment history and status, salary, nationality, job title, and information about any equity compensation grants or Ordinary Shares awarded, cancelled, purchased, vested, unvested or outstanding in your favor (the “Data”).

The Broadcom Entities use the Data for the purpose of implementing, managing and administering the Plan and employee compensation and for compliance and financial reporting purposes (the “**Purpose**”).

The Broadcom Entities may transfer, and by accepting the PSUs you consent to any such transfer of, the Data to other Broadcom Entities, to entities listed in **Annex 2** or to other entities to assist the Broadcom Entities in the Purpose. The Broadcom Entities may also make the Data available to public authorities where required by law or regulation. The third parties and public authorities may be located in the United States, the European Economic Area, or elsewhere, including in territories where data protection laws may not be as protective as in your jurisdiction of residence.

You may, at any time, review the Data, require any necessary amendments to it or withdraw the consents given herein in writing by contacting the Company through your local H.R. Director. If you withdraw your consent, you must do so by writing to the Company’s Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to [stockadmin.pdl@broadcom.com](mailto:stockadmin.pdl@broadcom.com). If you

withdraw your consent, the Company will not be able to administer this award. Accordingly, if you withdraw your consent, this Award will be cancelled when your withdrawal is received.

**I agree that the Broadcom Entities and third parties may process my Data as described above, including transfer to and use in countries in which data protection laws may not be as protective as in my jurisdiction of residence.**

**II. COUNTRY SPECIFIC PROVISIONS APPLICABLE TO PARTICIPANTS WHO  
PROVIDE SERVICES IN THE IDENTIFIED COUNTRIES  
AUSTRALIA**

**Terms and Conditions**

Definitions.

For the purposes of this section:

“**ASIC**” means the Australian Securities & Investments Commission;

“**Australian Offerees**” means all persons to whom an offer or invitation of Performance Share Units are made in Australia under the Plan;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Exchange**” means the NASDAQ Global Select Market; and

“**Related Body Corporate**” has the meaning given in section 50 of the Corporations Act.

General Advice Only.

Any advice given by the Company or a Related Body Corporate of the Company in relation to the PSUs offered under the Plan does not take into account an Australian Offeree's objectives, financial situation and needs. Australian Offerees should consider obtaining their own financial product advice from an independent person who is licensed by ASIC to give such advice.

Acquisition Price.

No acquisition price is payable by you for the Company to grant you the number of PSUs set forth in the Notice of Grant.

Risks of Acquiring Ordinary Shares.

The paragraph below provides general information about the risks of acquiring and holding Ordinary Shares. Before acquiring PSUs, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Ordinary Shares are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position.

Factors that could affect the market price of our Ordinary Shares include any risks associated with loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturers and outsourced supply chain; any acquisitions we may make, such as delays, challenges and expenses associated with integrating acquired companies with our existing businesses and our ability to achieve the benefits, growth prospects and synergies expected from such acquisitions; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the need to generate sufficient cash flows to service and repay such debt; our ability to improve our manufacturing efficiency and quality; increased dependence on a small number of markets; dependence on and risks associated with distributors of our products; quarterly and annual fluctuations in operating results; cyclicalities in the semiconductor industry or in our target markets; global economic conditions and concerns; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of those design wins; rates of growth in our target markets; prolonged disruptions of our or our contract manufacturers' manufacturing facilities or other significant operations; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our ability to maintain tax concessions in certain jurisdictions; our ability to protect our intellectual property and the unpredictability of any associated litigation expenses; any expenses or reputational damage associated with resolving customer product and warranty and indemnification claims; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; and other events and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature.

The foregoing information is as of August 24, 2017. For more information about these and other risks related to an investment in the Company's Ordinary Shares, please see the Company's Annual Report on Form 10-K for the year ended October 30, 2016, and subsequent Quarterly Reports on Form 10-Q filed by the Company with the U.S. Securities and Exchange Commission, available at [www.sec.gov](http://www.sec.gov) or <http://investors.broadcom.com/phoenix.zhtml?c=203541&p=irol-sec>. Subsequently filed Forms 10-K and 10-Q may have more recent information.

In addition, there is no assurance that we will continue to pay dividends or that such payments will remain constant or increase. Payment of future dividends, if any, and the timing and amount of any dividends we determine to pay, are at the discretion of our Board of Directors. We may declare dividends as interim dividends, which are wholly provisional under Singapore law and may be revoked by our Board at any time prior to the payment thereof.

#### Market Price in Australian Dollars.

An Australian Offeree could, from time to time, ascertain the market price of Ordinary Shares by obtaining that price from the Exchange website, the Company website or The Wall Street Journal, and multiplying that price by a published exchange rate to convert U.S. Dollars into Australian Dollars.

### **AUSTRIA**

#### Exchange Control Information.

If you hold Ordinary Shares acquired pursuant to PSUs outside of Austria, you must submit a report to the Austrian National Bank. An exemption applies if the value of the Ordinary Shares as of the end of any given calendar quarter does not exceed €3,000,000 or as of December 31 does not exceed €5,000,000. Such amounts are the amounts in effect as of October 1, 2015 and may change in the future. If the first threshold is exceeded, quarterly reporting obligations are imposed. If only the second threshold is exceeded, annual reports must be given. The annual reporting date is December 31 and the deadline for filing the annual report is March 31 of the following year.

When you sell Ordinary Shares acquired pursuant to PSUs, there may be exchange control obligations if the cash proceeds are held outside Austria. If the value of all your accounts abroad exceeds €3,000,000, the movements and balances of all accounts must be reported as of the last day of each month, on or before the fifteenth day of the following month, on the prescribed form (*Meldungen SI-Forderungen und/oder SI-Verpflichtungen*).

#### Consumer Protection Information.

If the provisions of the Austrian Consumer Protection Act are considered to be applicable to the Agreement and the Plan, you may be entitled to revoke your acceptance of the Agreement under the conditions listed below:

- (i) If you accept the PSUs outside the business premises of the Company or its relevant Subsidiary, you may be entitled to revoke your acceptance of the Agreement, provided the revocation is made within one week after you accept the Agreement.
- (ii) The revocation must be in written form to be valid. It is sufficient if you return the Agreement to the Company or the Company's representative with language which can be understood as your refusal to conclude or honor the Agreement, provided the revocation is sent within the period set forth above.

### **BELGIUM**

#### Tax Information.

Beginning on January 1, 2017, sales of Ordinary Shares you acquire hereunder will generally be subject to a transaction tax (the initial rate of which is 0.27%, up to a cap) upon your sale of the Ordinary Shares, which you will be responsible for reporting and paying. If you sell through a Belgian bank or broker, that bank or broker may facilitate reporting and payment of this tax on your behalf. Alternatively, if you sell through another bank or broker, you should report and pay the tax directly. Consult your tax advisor or the website of the General Administration of Taxation for more information.

### Foreign Asset/Account Reporting Information.

You are required to report any taxable income attributable to PSUs and Ordinary Shares on your annual tax return. In addition, you are required to report any bank accounts opened and maintained outside Belgium on your annual tax return. In a separate report, you may be required to provide the National Bank of Belgium with certain details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). You should consult with your personal tax advisor to determine your personal reporting obligations.

## **BRAZIL**

### Exchange Control Information.

*Notice to PSU Recipients:* If the you hold assets and rights outside Brazil with an aggregate value exceeding US\$100,000, you will be required to prepare and submit to the Central Bank of Brazil an annual declaration of such assets and rights, including: (i) bank deposits; (ii) loans; (iii) financing transactions; (iv) leases; (v) direct investments; (vi) portfolio investments, including Ordinary Shares acquired under the Plan; (vii) financial derivatives investments; and (viii) other investments, including real estate and other assets. Please note that foreign individuals holding Brazilian visas are considered Brazilian residents for purposes of this reporting requirement and must declare at least the assets held abroad that were acquired subsequent to the date of admittance as a resident of Brazil. Individuals holding assets and rights outside Brazil valued at less than US\$100,000 are not required to submit a declaration. Please note that the US\$100,000 threshold may be changed annually.

## **BULGARIA**

No country-specific provisions.

## **CANADA**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

### French Language Provisions.

The following provisions will apply if you are a resident of Quebec: The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

*Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention (“**Agreement**”), ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à la présente convention.*

## **CHILE**

### Securities Notification.

The Company and the Ordinary Shares will not be registered in the *Registro de Valores Extranjeros* (Foreign Securities Registry) maintained by the *Superintendencia de Valores y Seguros de Chile* (Chilean Securities and Insurance Commission or “**SVS**”) and are not subject to the supervision of the SVS. The Plan is ruled by number 2 of the SVS General Regulation 345. As the securities are not registered, the

Company has no obligation under Chilean law to deliver public information regarding the Ordinary Shares in Chile. The Shares cannot be publicly offered in Chile unless they are registered with the SVS or they comply with SVS General Regulation 345. The commencement date of the offer is the Grant Date indicated in the beginning of this Agreement.

*La Compañía (a la que se hace referencia aquí como “**the Company**”) y los Valores Ordinarios a la que se hace referencia aquí como “**the Ordinary Shares**”) no serán registrados en el Registro de Valores Extranjeros de la Superintendencia de Valores Ordinarios y Seguros de Chile o “**SVS**” y no están sujetos a la fiscalización de la SVS. Este Plan se acoge al numeral 2 de la Norma de Carácter General 345 de la SVS. Por tratarse de valores no inscritos, la Compañía no tiene obligación bajo la ley chilena de entregar en Chile información pública acerca de los Valores Ordinarios. Los Valores Ordinarios no pueden ser ofrecidos públicamente en Chile en tanto éstos no se inscriban en el Registro de Valores correspondiente a menos que se cumpla las condiciones establecidas en la Norma de Carácter General 345 de la SVS. La fecha de inicio de la presente oferta es la indicada en la portada de este document como “**the Grant Date**”.*

#### Foreign Assets Reporting.

You may be required to report the Ordinary Shares you acquire in connection with the Agreement to the Chilean authorities. In general, this reporting is required when an individual’s foreign asserts including investments, deposits or credits and/or foreign securities exceed US\$5 million. You are advised to consult with your advisors to confirm if this requirement applies to you.

### **CHINA**

#### Settlement of Performance Share Units and Sale of Shares.

The following provisions supplement Section 2.6(b) of the Agreement.

#### Sale of Ordinary Shares May be Required.

The Company may, in its sole discretion, require you to sell at, or any time following, vesting, the Ordinary Shares you receive when your PSUs vest. You authorize the Company or a brokerage firm designated by the Company to perform this transaction for you, and agree that applicable commissions and fees due in connection with the sale may be deducted from your proceeds. You acknowledge that such Ordinary Shares will be sold at prevailing market prices and waive any claim based on the timing of the sale or the price received for the Ordinary Shares.

The award agreements for some restricted shares units granted to you in the past (if any), whether under the Plan or any other Company equity incentive plan (collectively, the “**Prior RSUs**”) may have required that whenever such Prior RSUs vest, all Ordinary Shares issued as a result of such vesting must be sold. You agree that, with respect to the Prior RSUs (if any), the Company may conduct a Sell to Cover when Prior RSUs vest and allow you to hold the remaining Ordinary Shares, subject to compliance with these



country provisions for China. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

If Sale of Ordinary Shares is not Required at Vest.

When your PSUs vest, if the Company does not require the immediate sale of the Ordinary Shares you are entitled to receive, the Company may require that you retain those Ordinary Shares in your account at a brokerage firm designated by the Company until you sell the Ordinary Shares, even if you stop providing services for the Company or a Subsidiary.

Following your Termination of Services, the Company may restrict your ability to sell or transfer any Ordinary Shares remaining in your account and sell those Ordinary Shares at a time determined by the Company in its sole discretion. You agree not to bring any claim against the Company, any Subsidiary or the Agent based on the timing of any such sale or the price at which any such Ordinary Shares are sold.

Without limiting the foregoing, all the Ordinary Shares issued in respect of your PSUs or your Prior RSUs (if any) must be sold within six (6) months following your Termination of Services. The Company may, in its sole discretion, require you to sell at any time during this six (6)-month period, such Ordinary Shares. Any Ordinary Shares issued in respect of your PSUs or your Prior RSUs (if any) that remain in your account at a brokerage firm during the last two (2) weeks of such six (6)-month period may be automatically sold by the Agent during such two (2) week period, with the actual date of such sale determined by the Company or the Agent in its sole discretion. Neither the Company nor the Agent will guarantee the sale price for any such sale and you shall be solely responsible for fluctuations in the value of the Ordinary Shares until sale. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

Payment of Sale Proceeds.

You understand and agree that, pursuant to exchange control requirements in China, you may be required to repatriate to China the cash proceeds from the sale of the Ordinary Shares issued upon the settlement of the PSUs and that the Company may be required to effect that repatriation through a special exchange control account established by the Company or a Subsidiary. You agree that any proceeds from the sale of any Ordinary Shares you acquire may be transferred to such special account prior to being delivered to you. You also understand that there may be significant delays in delivering the funds to you due to exchange control requirements in China and agree not to make any claim against the Company or any Subsidiary as a result of the amount of time it takes to deliver the funds to you.

Proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid to you in U.S. dollars, you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, the Company is under no obligation to obtain any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Further Actions.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

## COLOMBIA

### Exchange Control Requirements.

By accepting this Award, you understand that you are generally required to register large international investments (generally over US\$500,000) with the Colombian Central Bank (by completing and submitting a 'Form 11'). In addition, repatriation of any sales proceeds of from the Ordinary Shares may need to be affected through the foreign exchange market in order to comply with Colombian foreign exchange requirements. You are advised to consult your own advisors regarding these requirements.

## DENMARK

### **Terms and Conditions**

### Labor Law Acknowledgement.

By accepting this Award, you acknowledge that you understand and agree that the PSUs relate to future services to be performed and do not form any part of, and are not, a bonus or compensation for past services.

### Stock Option Act.

With respect to Danish employees comprised (covered) by the Danish Stock Option Act, the following shall apply:

You acknowledge that you have received an employer statement in Danish setting forth the terms of your Award, a copy of which is included as Annex 3 to this Exhibit B.

In the event that (i) your employer ("**Employer**") terminates your employment for reasons other than your breach of the terms or conditions of your employment or any applicable employment agreement covering you (collectively, the "**Employment Terms**"), or (ii) you terminate the Employment Terms due to material breach on the part of the Company or Employer, you, irrespective of the termination, will be entitled to receive settlement of any granted PSUs in accordance with this Agreement and the Plan.

If you terminate your employment with Employer without the Company or Employer being in material breach of the Employment Terms, all PSUs will be forfeited and lapse without further notice or compensation.

If Employer terminates and/or summarily dismisses you due to your breach of the Employment Terms, all unvested PSUs will be forfeited and lapse without further notice or compensation at the effective date of termination.

In the event of your death, the PSUs will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the PSUs and the related Ordinary Shares, including this Agreement and the Plan.

Upon retirement due to old age ("folkepension") or separate agreement in this respect and in the event of disability, you, irrespective of the termination of employment, will be entitled to settlement of unvested PSUs in accordance with the terms of this Agreement and the Plan.

The Performance Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

For the avoidance of doubt, under this heading, the term "**Stock Option Act**" shall only apply to employees who by virtue of applicable choice of law rules fall within Danish employment law regulations and the scope of the Danish Stock Option Act.

#### Foreign Bank Account Reporting.

If you establish an account holding Ordinary Shares or an account holding cash outside of Denmark, you must report the account to the Danish Tax Administration, the form for which can be obtained from a local bank. (Please note that these obligations are separate from and in addition to the obligations described below.)

#### Exchange Control and Tax Reporting Notification.

To the extent permitted by the Company, you may hold Ordinary Shares acquired under the Plan in a safety-deposit account (*e.g.*, brokerage account) with either a Danish bank or with an approved foreign broker or bank. If the Ordinary Shares are held with a non-Danish broker or bank, you are required to inform the Danish Tax Administration about the safety-deposit account. For this purpose, a Danish Plan participant must file a Declaration V (Erklæring V) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration V. By signing the Declaration V, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable broker or bank with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form V, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration V can be found at: [www.skat.dk/getFile.aspx?Id=47392](http://www.skat.dk/getFile.aspx?Id=47392).

In addition, when you open a deposit account or brokerage account for the purpose of holding cash outside of Denmark, the account will be treated as a deposit account because cash may be held in the account. Therefore, you must also file a Declaration K (Erklæring K) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration K. By signing the Declaration K, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable financial institution with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form K, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration K can be found at: [www.skat.dk/getFile.aspx?Id=42409&newwindow=true](http://www.skat.dk/getFile.aspx?Id=42409&newwindow=true).

## **FINLAND**

No country-specific provisions.

## GERMANY

### Tax Indemnity.

You agree to indemnify the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a “***Tax Liability***” being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction, including but not limited to wage tax, solidarity surcharge, church tax or social security contributions) that is attributable to (1) the grant or vesting of, or any benefit you derive from, the PSUs, (2) your acquisition of Ordinary Shares on settlement of the PSUs, or (3) the disposal of any Ordinary Shares.

### Exchange Control Information.

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. If you use a German bank to transfer a cross-border payment in excess of €12,500 in connection with the sale of Ordinary Shares acquired under the Plan, the bank will make the report for you. In addition, you must report any receivables, payables, or debts in foreign currency exceeding an amount of €5,000,000 on a monthly basis. Finally, you must report on an annual basis if you hold Ordinary Shares that exceed 10% of the total voting capital of the Company.

## GREECE

No country-specific provisions.

## HONG KONG

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

***Warning:** The PSUs and Ordinary Shares issued at settlement do not constitute a public offering of securities under Hong Kong law and are available only to Employees, Consultants and Non-Employee Directors of the Company, its parent, Subsidiary or affiliate. The Agreement, including this Exhibit B, the Plan and other incidental award documentation have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, nor has the award documentation been reviewed by any regulatory authority in Hong Kong. The PSUs are intended only for the personal use of the recipient Participant and may not be distributed to any other person. If you are in any doubt about any of the contents of the Agreement, including this Exhibit B, or the Plan, you should obtain independent professional advice.*

### Sale of Ordinary Shares.

In the event the PSUs vest and are settled within six months of the Grant Date, you agree that you will not dispose of any Ordinary Shares acquired prior to the six-month anniversary of the Grant Date.

### Nature of Scheme.

The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance.

## INDIA

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

### Foreign Assets Reporting Information.

You must declare foreign bank accounts and any foreign financial assets (including Ordinary Shares subject to the PSUs held outside India) in your annual tax return. It is your responsibility to comply with this reporting obligation and you should consult with your personal tax advisor in this regard. Indian residents should consult with their personal tax advisor to determine their personal reporting obligations.

### Exchange Control Information.

You must repatriate any proceeds from the sale of Ordinary Shares acquired under the Plan or the receipt of any dividends to India within 90 days of receipt and convert such amounts to local currency within 180 days of receipt. You must obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or your employer requests proof of repatriation.

## IRELAND

### Director Reporting Obligation.

If you are a director, shadow director or secretary of a parent or subsidiary in Ireland, you must notify the Irish parent or subsidiary in writing within five business days of receiving or disposing of an interest in the Company (*e.g.*, Performance Share Units, Ordinary Shares), or within five business days of becoming aware of the event giving rise to the notification requirement or within five days of becoming a director or secretary if such an interest exists at the time. This notification requirement also applies with respect to the interests of your spouse or children under the age of 18 (whose interests will be attributed to the you if you are a director, shadow director or secretary).

## ISRAEL

### **Terms and Conditions**

#### Award Payable Only in Ordinary Shares.

The grant of the PSUs does not give you any right to receive a cash payment, and the PSUs are payable in Ordinary Shares only.

#### Definitions.

The following definitions supplement the definitions set forth in the Agreement:

**A. “Holding Period”** shall mean the holding period required with respect to Capital Gain Awards, which is currently 24 months from the date of grant.

**B. “Plan”** shall mean the Company’s 2009 Equity Incentive Award Plan, as amended and restated from time to time, and the Addendum for Participants in Israel.

All capitalized terms that are not defined in these country provisions for Participants in Israel shall have the meaning assigned to them in the Plan (as defined above) or the Agreement.

#### Capital Gain Award.

The Award is intended to be a Capital Gain Award (as defined in the Plan). In the event of any inconsistencies between the provisions of these country provisions for Participants in Israel and the Agreement, the provisions of these country provisions for Participants in Israel shall govern the Award and any related Ordinary Shares.

By accepting the Agreement, you: (a) acknowledge receipt of and represent that you have read and are familiar with the Agreement, the Plan and these country provisions for Participants in Israel; (b) accept the Award subject to all of the terms and conditions of the Agreement and the Plan (including these country provisions for Participants in Israel); (c) agree that the Award will be issued to and deposited with the Trustee (as defined in the Plan) and shall be held in trust for your benefit as required by law and any approval by the Israel Tax Authority (“ITA”) pursuant to the terms of the Ordinance and the Plan; and (d) accept the provisions of the trust agreement signed between the Company and the Trustee. Furthermore, by accepting the Agreement, you confirm that you are familiar with the terms and provisions of Section 102, and agree that you will not require the Trustee to release the Awards or Ordinary Shares to you, including any rights issued to you as a consequence of holding such Awards or Ordinary Shares, or to sell the Awards or Ordinary Shares to a third party during the Holding Period, unless permitted to do so by applicable law.

You are advised to consult with your personal tax advisor with respect to the tax consequences of receiving the PSUs and the issuance of Ordinary Shares in settlement of vested PSUs.

#### Limited Transferability.

These provisions supplement Section 3.3 of the Agreement:

As long as your Award or any issued Ordinary Shares are held by the Trustee on your behalf, all of your rights over the Award or the Ordinary Shares are personal and cannot be transferred, assigned, pledged or mortgaged, other than by will or the laws of descent and distribution.

With respect to a Capital Gain Award, subject to the provisions of the Plan, Section 102 and any rules or regulations or orders or procedures promulgated thereunder, to obtain favorable tax treatment for Capital Gain Awards, you may not sell or release from trust any Ordinary Shares received upon vesting of the Award and/or any Ordinary Shares received subsequently following any realization of rights, including without limitation, bonus Ordinary Shares, until the lapse of the Holding Period. Notwithstanding the above, if any such sale or release occurs during the Holding Period, the sanctions under Section 102 and under any rules or regulation or orders or procedures promulgated thereunder will apply to and will be borne by you.

#### Issuance of Ordinary Shares.

This provision supplements Section 2.6(a) of the Agreement:

If the Ordinary Shares are to be issued during the Holding Period, the Ordinary Shares shall be allocated in the name, or under the supervision, of the Trustee and held in trust on your behalf by the Trustee. In the event that the Ordinary Shares are to be issued after the expiration of the Holding Period, you may elect to have the Ordinary Shares issued directly to you, provided that you first

provide for any taxes required to be withheld in connection with a transfer of the Award or the Ordinary Shares to the Trustee's and Company's satisfaction, or in trust on your behalf to the Trustee.

This provision supplements Section 2.6(b) of the Agreement:

You hereby agree to indemnify the Company (and any parent or Subsidiary) and/or the Trustee and hold them harmless against and from any and all liability for any withholding taxes required to be withheld relating to the Award and any Ordinary Shares issued under the Award and other amounts, or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such amounts from any payment made to you. Any reference to the Company or the Subsidiary employing you shall include a reference to the Trustee. You hereby undertake to release the Trustee from any liability in respect of any action or decisions duly taken and *bona fide* executed in relation to the Plan or any PSUs or Ordinary Shares granted thereunder. You agree to execute any and all documents which the Company or the Trustee may reasonably determine to be necessary in order to comply with the Ordinance.

You shall not be liable for the employer's components of payments to the national insurance institute, unless and to the extent that such payments by the employer are a result of your election to sell the Ordinary Shares before the end of the Holding Period (if allowed by applicable law). Furthermore, you agree to indemnify the Company, your employer and/or the Trustee and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to you for which you are responsible.

Notwithstanding anything to the contrary in the Agreement, no tax withholding obligation will be settled by withholding Ordinary Shares, unless the ITA approves doing so in writing.

#### Governing Law.

This section supplements Section 3.6 of the Agreement:

To the extent any covenant, condition, or other provision of the Agreement and the rights of the Participant hereunder are determined to be subject to Israeli law, such covenant, condition, or other provision of the Agreement shall be subject to applicable Israeli law, but shall in no way affect, impair or invalidate any other provision of the Agreement, and the applicability of the Plan to such covenant, condition, or other provision of the Agreement.

### **ITALY**

#### **Terms and Conditions**

##### Method of Payment.

The following provision supplements Section 2.6 of the Agreement:

You understand that you will be required to sell all Ordinary Shares received upon vesting of the PSUs and that you will not be permitted to hold any Ordinary Shares issued upon vesting of your PSUs. In order to effect such sale, you agree that the Plan broker shall be instructed to:

- (i) sell all of the Ordinary Shares issued upon the vesting of PSUs; (ii) use the proceeds to pay the brokerage commissions and fees and any Tax Liability (a "Tax Liability" being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction); and
- (iii) remit the balance to you. Depending upon the

development of laws and your status as a national of a country other than Italy, the Company reserves the right to modify the methods of settling the PSUs in its sole discretion.

Authorization to Release and Transfer Necessary Personal Information. The following supplements Section 2 of Part I of this Exhibit B.

**You understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage your participation in the Plan and employee compensation or for compliance or financial reporting purposes. You understand that pursuant to art.7 of D.lgs 196/2003, you have rights, including but not limited to, the right to access, delete, update, request the rectification of your Data and cease the Data processing and to object, in whole or in part, on legitimate grounds, to the processing of your Data, even though they are relevant to the purpose of collection. Furthermore, you are aware that your Data will not be used for direct marketing purposes. In addition, the Data provided can be reviewed and questions or complaints can be addressed by contacting a local HR representative. If you request that the Company cease processing your personal data, you must do so by writing to the Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com. If you request that the Company cease processing your Data, the Company will not be able to administer this award. Accordingly, if you request that the Company cease processing your Data, this Award will be cancelled when your withdrawal is received.**

Furthermore, having read and understood the information given on the processing of the Data and being acquainted of the rights set forth in art. 7 of D.lgs. 196/2003, you expressly and specifically consent according to art. 23 of D.lgs. 196/2003, to the processing of any Data as reported in the Plan and the Agreement, including the clauses "Consent to Personal Data Processing and Transfer" in Section 2 of Part I of this Exhibit B and "Authorization to Release and Transfer Necessary Personal Information" and further expressly and specifically consent, according to art. 43 and art. 44 of D.lgs. 196/2003 to the transfer of the Data, even sensitive data, in foreign Countries outside the European Union.

Exchange Control Information.

You are required to report in your annual tax return: (a) any transfers of cash or Ordinary Shares to or from Italy exceeding €10,000 or the equivalent amount in U.S. dollars; and (b) any foreign investments or investments (including proceeds from the sale of Ordinary Shares acquired under the Plan) held outside of Italy exceeding €10,000 or the equivalent amount in U.S. dollars, if the investment may give rise to income in Italy. You are exempt from the formalities in clause (a) if the investments are made through an authorized broker resident in Italy, as the broker will comply with the reporting obligation on your behalf.

**JAPAN**

Foreign Asset/Account Reporting Information.

Japanese residents are required to report details of any assets, including Ordinary Shares held outside Japan as of December 31, to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report is due on or before March 15 each year. Japanese residents are responsible for complying with this reporting obligation and should confer with their personal tax advisor in this regard.



## LUXEMBOURG

No country-specific provisions.

## MALAYSIA

### Malaysian Insider Trading Notification.

You should be aware of the Malaysian insider-trading rules, which may impact your acquisition or disposal of Ordinary Shares or rights to Ordinary Shares under the Plan. Under the Malaysian insider-trading rules, you are prohibited from acquiring or selling Ordinary Shares or rights to Ordinary Shares (e.g., an Award under the Plan) when you are in possession of information which is not generally available and which you know or should know will have a material effect on the price of Ordinary Shares once such information is generally available.

### Director Notification Obligation.

If you are a director of a Malaysian Subsidiary or affiliate of the Company, you are subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the relevant Malaysian Subsidiary or affiliate in writing when you receive or dispose of an interest (e.g., an Award under the Plan or Ordinary Shares) in the Company or any related company. Such notifications must be made within 5 business days of receiving or disposing of any interest in the Company or any related company.

Data Privacy Information: Below is a translation of Section I(2) of this Exhibit B into Bahasa Malaysian for your reference:

**Kebenaran untuk memproses dan memindah data peribadi.** Entiti-entiti yang dinyatakan dalam **Lampiran 1** (“Entiti-entiti Broadcom”) mungkin memegang dan anda membenarkan mereka memegang, melalui penerimaan PSU, maklumat peribadi anda termasuk nama anda, alamat rumah, nombor telefon, tarikh lahir, nombor sekuriti sosial atau nombor pengenalan cukai pekerja, nombor pengenalan nasional, nombor paspot, sejarah dan status penggajian, kewarganegaraan, jawatan pekerjaan dan maklumat berkenaan mana-mana geran pampasan ekuiti atau Saham Biasa yang diberi, dibatalkan, dibeli, diberihak, tidak diberihak atau yang tertunggak (“**Data**”).

Entiti-entiti Broadcom menggunakan Data untuk tujuan melaksanakan, mengurus dan mentadbir Pelan untuk pelaporan pematuhan dan kewangan (“**Tujuan-tujuan**”).

Entiti-entiti Broadcom mungkin memindah, dan anda bersetuju kepada pemindahan ini dengan penerimaan PSU, Data kepada Entiti-entiti Broadcom lain, entiti-entiti yang dinyatakan dalam **Lampiran 2** atau mana-mana entiti yang membantu Entiti-entiti Broadcom untuk Tujuan-tujuan. Entiti-entiti Broadcom juga mungkin membenarkan Data untuk diakses oleh pihak berkuasa awam di mana diperlukan oleh undang-undang atau peraturan. Pihak-pihak ketiga dan pihak berkuasa awam mungkin terletak di Amerika Syarikat, Kawasan Ekonomik Eropah atau tempat-tempat lain termasuk kawasan-kawasan di mana undang-undang perlindungan data mungkin tidak seketat yang terdapat di bidanguasa tempat tinggal anda.

Anda boleh, pada bila-bila masa, menilai Data, meminta pemindaan yang diperlukan kepadanya atau menarik balik kebenaran anda secara bertulis dengan menghubungi Syarikat melalui Pengarah Sumber Manusia anda. Jika anda menarik balik kebenaran anda, anda mesti berbuat demikian dengan menulis kepada Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., atau menghantar emel kepada stockadmin.pdl@broadcom.com. Jika anda menarik balik kebenaran anda, Syarikat mungkin tidak dapat menguruskan pemberian ini. Sejurus dengan itu, jika anda menarik balik kebenaran anda, Pemberian ini akan dibatalkan sebaik sahaja penarikbalikkan anda diterima.

**Saya membenarkan Entiti-entiti Broadcom dan pihak-pihak ketiga memproses Data saya sepertimana yang dinyatakan di atas, termasuk pemindahan dan penggunaan di negara di mana undang-undang perlindungan data tidak seketat yang terdapat di bidangkuasa tempat tinggal saya.**

## **MEXICO**

No country-specific provisions.

## **NETHERLANDS**

### **Terms and Conditions**

By accepting the PSUs, you acknowledge that it is your responsibility to be aware of the Dutch insider trading rules, which may affect the sale of Ordinary Shares you acquire upon vesting of the PSUs. In particular, you understand and acknowledge that (i) you have reviewed the summary of the Dutch insider trading rules and (ii) you may be prohibited from effecting certain transactions in Ordinary Shares if you have insider information regarding the Company. You acknowledge and understand that you have been advised to read the discussion carefully to determine whether the insider rules could apply to you. If you are uncertain whether the insider rules apply to you or your situation, you acknowledge that the Company recommends that you consult with a legal advisor. You acknowledge and agree that the Company cannot be held liable if you violate the Dutch insider trading rules. You acknowledge and agree that you are responsible for ensuring your own compliance with these rules.

### Summary of Dutch Prohibition Against Insider Trading.

Dutch securities laws prohibit insider trading. The regulations are based upon the European Market Abuse Directive and are stated in section 5:56 of the Dutch Financial Supervision Act (Wet op het financieel toezicht or Wft) and in section 2 of the Market Abuse Decree (Besluit marktmisbruik Wft). For further information, see the website of the Authority for the Financial Markets (AFM); <http://www.afm.nl/~media/Files/brochures/2012/insider-dealing.ashx>.

## **POLAND**

### Exchange Control Information.

If you hold foreign securities (including Ordinary Shares) and maintain accounts abroad, then it is your responsibility to report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets held abroad) exceeds PLN7,000,000. If required, the reports are due on a quarterly basis on

special forms available on the website of the National Bank of Poland. Further, any transfer of funds in excess of a specified threshold (currently €15,000) must be effected through a bank account in Poland. By accepting the PSUs, you acknowledge and agree that it is your obligation to maintain evidence of such foreign exchange transactions for five years, in case of a request for their production by the National Bank of Poland.

## RUSSIA

### General.

This offer is being made from the United States and neither this Agreement nor any materials related to the Plan shall be construed to constitute advertising or offering of securities in Russia. The Ordinary Shares have not been and will not be registered in Russia.

### Financial Reporting Requirements.

You are required to notify the applicable Russian tax authorities of any actions with respect to the opening, closing or changing the essential details of bank accounts outside Russia, and must complete various reporting requirements with respect to your financial transactions, including declaring profits you earn in connection with the PSUs and the Ordinary Shares. You are solely responsible for declaring any taxable proceeds arising from this Agreement and the Ordinary Shares, including, but not limited to, any dividend payments or other distributions, as well as any proceeds you receive in connection with the disposition of the Ordinary Shares, and you are solely responsible for payment of all respective taxes that may arise under Russian law in connection therewith.

### Foreign Exchange.

The proceeds from the sale of any Ordinary Shares acquired before January 1, 2018 may only be transferred to a bank account opened in the territory of Russia. The proceeds of the sale of Ordinary Shares obtained on or after January 1, 2018, may be transferred to your bank account opened in a bank located in OECD and FATF member countries.

### Approvals.

You acknowledge and agree that it is your responsibility to obtain any consents or approvals from any third party that may be required from time-to-time by any then applicable Russian law for the disposal of any Ordinary Shares.

## SINGAPORE

### Securities Law Information.

**The award of the PSUs is being made in reliance of section 273(1)(f) of the Securities and Futures Act (Cap. 289) (“SFA”) for which it is exempt from the prospectus and registration requirements under the SFA.** You understand that the Ordinary Shares have not been registered with the SFA. Unless you sell any Ordinary Shares you acquire pursuant to the Plan via a public exchange outside of Singapore (e.g., NASDAQ), you agree that you shall not, within six (6) months of your acquisition of any Ordinary Shares, sell, transfer, gift, hypothecate or otherwise transfer such Ordinary Shares within Singapore

except as expressly approved by the Company in writing. The Company believes that a typical sale through a U.S. brokerage firm would not require the Company's consent under these rules.

#### Director Notification Obligation.

If you are a director, shadow director, or hold any similar position of a Singapore-incorporated company (each a “**Singapore company**”) (e.g., the Company, any Singapore Subsidiary or Singapore affiliate), you are subject to certain notification requirements under section 164 of the Singapore Companies Act to enable the Singapore company to comply with its obligations to maintain a register of director’s shareholdings (“**Register**”). Among these requirements is an obligation to notify the Singapore company in writing of:

- (a) shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation which are held by you;
- (b) any interest that you have in shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation, and the nature and extent of that interest under Section 7 of the Singapore Companies Act (which provides for the circumstances under which a deemed interest in shares may arise);
- (c) rights or options that you have in respect of the acquisition or disposal of shares in the Singapore company or its related corporation; and
- (d) contracts to which you are a party or under which you are entitled to a benefit, being contracts under which a person has a right to call for or to make delivery of shares in the Singapore company or its related corporation.

You must notify the Singapore company in writing when there is any change in the particulars of your interests as mentioned above (including when you sell Ordinary Shares issued upon vesting and settlement of the PSUs).

You are deemed to hold or have an interest or a right in or over any shares or debentures, if:

- (a) your spouse (not being himself or herself a director or chief executive officer) holds or has an interest or a right in or over such shares or debentures; or
- (b) your child of less than 18 years of age, including stepson, stepdaughter, adopted son or adopted daughter (not being himself or herself a director or chief executive officer) holds or has an interest in such shares or debentures.

In addition, any contract, assignment or right of subscription shall be deemed to have been entered into or exercised or made by, or a grant shall be deemed as having been made to, you if any contract, assignment or right of subscription is entered into, exercised or made by, or a grant is made to, members of your family as aforesaid (not being himself or herself a director or chief executive officer).

Particulars of your interests as mentioned above must be given within two business days after (i) the date on which you became a director of the Singapore company, or (ii) the date on which you became a registered holder of or acquired an interest as mentioned above, whichever last occurs. Particulars of any change in your interests must also be given within two business days of the change.

#### **SOUTH KOREA**

No country specific provisions.

#### **SPAIN**

B - 20

No country specific provisions.

## SWEDEN

No country specific provisions.

## SWITZERLAND

No country specific provisions.

## TAIWAN

### Terms and Conditions

You understand that the offer of the PSUs has not been and will not be registered with or approved by the Financial Supervisory Commission of the Republic of China pursuant to relevant securities laws and regulations and the PSUs may not be offered or sold within the Republic of China through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Law of the Republic of China that requires a registration or approval of the Financial Supervisory Commission of the Republic of China.

You acknowledge and agree that you may be required to do certain acts and/or execute certain documents in connection with the grant of the PSUs, the vesting of the PSUs and the disposition of the resulting Ordinary Shares, including but not limited to obtaining foreign exchange approval for remittance of funds and other governmental approvals within the Republic of China. You shall pay your own costs and expenses with respect to any event concerning a holder of the PSUs, or Ordinary Shares received upon the vesting thereof.

### Exchange Control Information.

**If you are a Taiwan resident (those who are over 20 years of age and holding a Republic of China citizen's ID Card, Taiwan Resident Certificate or an Alien Resident Certificate that is valid for a period no less than one year), you may acquire and remit foreign currency (including proceeds from the sale of Ordinary Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD\$500,000 or more in a single transaction, you must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.**

If the transaction amount is US\$500,000 or more, you may be required to provide additional supporting documentation (including the contracts for such transaction, approval letter, etc.) to the satisfaction of the remitting bank. You acknowledge that you are advised to consult your personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## THAILAND

### Exchange Control Information.

When you sell Ordinary Shares you receive following vesting of PSUs, you must immediately repatriate all cash proceeds to Thailand thereafter, you must convert such proceeds to Thai Baht or deposit it into a foreign currency account within 360 days of repatriation. If the amount of your proceeds is US\$50,000 (or its equivalent) or more, you must specifically report the inward remittance to a commercial bank being an authorized agent or other authorized agent of the Bank of Thailand on a foreign exchange transaction form to declare the purpose of such inward remittance. If you fail to comply with these obligations, you may be subject to penalties assessed by the Bank of Thailand. You should consult your personal advisor before taking action with respect to remittance of proceeds from the sale of Ordinary Shares into Thailand. You are responsible for ensuring compliance with all exchange control laws in Thailand.

## **TURKEY**

### Securities Law Information.

You acknowledge and agree that the offer of this award of PSUs has been made by the Company to you personally in connection with your existing relationship with the Company or one or more of its affiliates, and further, that the Award, any Ordinary Shares issued upon vesting of the PSUs and the related offer thereof are not subject to regulation by any securities regulator in Turkey.

## **UNITED KINGDOM**

### **Terms and Conditions**

#### Definitions.

The definition of “Termination of Services” shall be replaced in its entirety by the following definition:

**“Termination of Services”** shall mean Participant’s Termination of Employment.

The definition of “Termination of Employment” shall be replaced in its entirety by the following definition:

**“Termination of Employment”** shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

### Notice to Participants.

The Agreement as amended pursuant to this Exhibit B forms the rules of the employee share scheme applicable to the United Kingdom based Participants of the Company and any Subsidiaries. Only employees of the Company or any subsidiary of the Company are eligible to be granted PSUs or be issued Ordinary Shares under the Agreement. Other service providers (including Consultants and Non-Employee Directors) who are not employees are not eligible to receive PSUs under the Agreement in the United Kingdom. Accordingly, all references in the Agreement to the Participant's service or termination of service shall be interpreted as references to the Participant's employment or Termination of Employment.

The following provision replaces Section 3.11 of the Agreement in its entirety:

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue to serve as an employee of the Company or any of its Subsidiaries and the grant of a PSU does not form part of the Participant's entitlement to remuneration or benefits in terms of his employment with the Company or any Subsidiary.

#### Special Tax Consequences.

In relation to United Kingdom based Participants only:

(a) You agree to indemnify and keep indemnified the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a "**Tax Liability**" being any liability for income tax, withholding tax and any other employment related taxes, employee's national insurance contributions or employer's national insurance contributions or equivalent social security contributions in any jurisdiction) that is attributable to (1) the grant or settlement of, or any benefit derived by you from, the PSUs, (2) your acquisition of Ordinary Shares upon vesting of the PSUs, or (3) the disposal of any Ordinary Shares.

(b) the PSUs cannot be settled until you have made such arrangements as the Company may require for the satisfaction of any Tax Liability that may arise in connection with the vesting and settlement of the PSUs and/or your acquisition of the Ordinary Shares. The Company shall not be required to issue, allot or transfer Ordinary Shares until the you have satisfied this obligation.

(c) at the discretion of the Company, the PSUs cannot be settled until you have entered into an election with the Company (or your employer) (as appropriate) in a form approved by the Company and Her Majesty's Revenue & Customs (a "**Joint Election**") under which any liability of the Company and/or the employer for employer's national insurance contributions arising in respect of the granting, vesting, settlement of or other dealing in the PSUs, or the acquisition of Ordinary Shares on the settlement of the PSUs, is transferred to and met by you.

#### Tax and National Insurance Contributions Acknowledgment.

You agree that if you do not pay or your employer (the "**Employer**") or the Company does not withhold from you, the full amount of all taxes applicable to the taxable income resulting from the grant of the

PSUs, the vesting of the PSUs, or the issuance of Ordinary Shares (the “**Tax-Related Items**”) that you owe due to the vesting of the PSUs, or the release or assignment of the PSUs for consideration, or the receipt of any other benefit in connection with the PSUs (the “**Taxable Event**”) by 90 days after the end of the tax year in which the Taxable Event occurred, then the amount that should have been withheld shall constitute a loan owed by you to your employer, effective 90 days after the end of the tax year in which the Taxable Event occurred. You agree that the loan will bear interest at the HMRC’s official rate and will be immediately due and repayable by you, and the Company and/or the employer may recover it at any time thereafter by withholding the funds from salary, bonus or any other funds due to you by the employer, by withholding in Shares issued upon vesting and settlement of the PSUs or from the cash proceeds from the sale of Ordinary Shares or by demanding cash or a cheque from you. You also authorize the Company to delay the issuance of any Ordinary Shares to you unless and until the loan is repaid in full.

Notwithstanding the foregoing, if you are an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that you are an officer or executive director and Tax-Related Items are not collected from or paid by you within 90 days of the Taxable Event, the amount of any uncollected Tax-Related Items may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Section 2.6 of the Agreement.

References to “withholding tax” in Sections 2.6(b)(4) and 2.8(d) of the Agreement shall include social security contributions including primary and secondary class 1 national insurance contributions.

## **Annex 1**

Broadcom Limited and its subsidiaries  
c/o Broadcom Limited

1 Yishun Avenue 7  
Singapore 768923

Or

1320 Ridder Park Drive  
San Jose, CA 95131  
United States

## **Annex 2**

### **Payroll Providers**

Automatic Data Processing, Inc.  
Allsec Technologies Limited  
Baker Tilly Revas Limited  
Balmer-Etienne AG  
BOSS YONETISIM AS  
Bridgehead B.V.  
Ceridian  
Chronos Consulting  
CIIC Shanghai Financial Co. Consulting Ltd  
Deloitte  
Grant Thornton  
Hilan  
HR Outsourcing Korea  
HTLC Network Group  
HTM Corporation  
In Extenso  
Innovation  
Made Finance  
N.S.N. Consulting & Investmentservices  
Partena  
Payfront Technologies India Private Limited  
Payroll Services Company Ltd.  
PKF – Littlejohn Network Group  
Rivor  
RSM  
Rueter & Partner  
SCS Global Tax Consulting Corporation



Sigmagest  
Spira Twist & Associates  
Studio Arlati Ghislandi  
Squires Payroll Services  
TMF Services Ltd  
TMF Hong Kong Ltd  
TMF Corporate Services (Australia) Pty Ltd  
TMF Administrative Services Malaysia Sdn Bhd  
Tricor Services Limited  
Wirtschaftsprüfer / Steuerberater

**Other vendors**

Box, Inc.  
Compensia, Inc.  
Deloitte Tax LLP  
Diligent Corporation  
Fidelity Stock Plan Services, LLC  
Google Inc.  
International Law Solutions, PC  
Latham & Watkins LLP  
My Equity Comp  
NAVEX Global, Inc.  
PwC  
ServiceNow  
Workday, Inc.

**Annex 3**

**ADDITIONAL PROVISIONS FOR EMPLOYEES IN DENMARK**

**ERKLÆRING OM TILDELING AF BETINGEDE  
AKTIEENHEDER, HERUNDER ERKLÆRING I  
HENHOLD TIL AKTIEOPTIONSLOVEN**

**STATEMENT CONCERNING GRANTING OF  
PERFORMANCE SHARE UNITS, INCLUDING  
STATEMENT PURSUANT TO THE DANISH STOCK  
OPTION ACT**

Brocade Communications Denmark ApS  
(**"Selskabet"**)

Brocade Communications Denmark ApS  
(the **"Company"**)

Og And

Medarbejderen, der elektronisk har givet samtykke til vilkårene  
og betingelserne i Performance Share Unit Award Agreement.  
(**"Medarbejderen"**)

The individual providing services to the Company  
electronically consenting to the terms and conditions of the  
Performance Share Unit Award Agreement.  
(the **"Service Provider"**)

1. Og And

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
(**"Moderselskabet"**)

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
(the **"Parent Company"**)

har indgået Performance Share Unit Award Agreement og alle  
bilag og tillæg hertil (**"Tildelingsaftalen"**) i relation til de  
Performance Share Units (**"PSU'er"**), som Moderselskabet har  
tildelt Medarbejderen.

have entered into the Performance Share Unit Award  
Agreement, including all exhibits and appendices thereto (the  
**"Agreement"**) concerning the Performance Share Units (the  
**"PSUs"**) granted by the Parent Company to the Service  
Provider.

Denne erklæring (**"Erklæringen"**) udgør en erklæring til  
Medarbejderen i henhold til § 3, stk. 1 i lov om brug af køberet

This statement (the **"Statement"**) constitutes a statement to  
the Service Provider pursuant to section 3 (1) of the Danish

eller tegningsret til aktier m.v. i ansættelsesforhold ("**Aktieoptionsloven**").

I tilfælde af uoverensstemmelser mellem Erklæringen og Tildelingsaftalen og/eller Medarbejderens ansættelsesaftale med Selskabet har Tildelingsaftalen forrang.

Moderselskabet har vedtaget et Performance Share Unit program, der omfatter medarbejdere i Moderselskabet og dets datterselskaber, herunder Selskabets medarbejdere. Vilkårene for Performance Share Unit-programmet, der også omfatter de Performance Share Units, der tildeles i medfør af Tildelingsaftalen, er fastsat i "Avago Technologies Limited 2009 Equity Incentive Award Plan" (benævnt "**Aktieincitamentsprogrammet**").

Vilkårene i Aktieincitamentsprogrammet finder anvendelse på Medarbejderens Performance Share Units, medmindre Tildelingsaftalen fastsætter vilkår, der fraviger vilkårene i Aktieincitamentsprogrammet. I sådanne tilfælde har Tildelingsaftalen vilkår forrang.

Definitioner anvendt i Tildelingsaftalen skal have samme betydning som i Aktieincitamentsprogrammet, medmindre andet følger af Tildelingsaftalen.

#### 1. PERFORMANCE SHARE UNITS OG VEDERLAG

1.1 Medarbejderen tildeles løbende Performance Share Units, der giver Medarbejderen ret til aktier ("**Aktier**") i Moderselskabet og/eller kontantbetaling. De pågældende Performance Share Units tildeles vederlagsfrit.

1.2 Værdien pr. aktie, som Performance Share Units'erne repræsenterer vil blive som nærmere fastsat i Tildelingsaftalen.

#### 2. ØVRIGE VILKÅR OG BETINGELSER

2.1 Performance Share Units'erne tildeles i overensstemmelse med Aktieincitamentsprogrammet.

2.2 Performance Share Units'erne tildeles efter Administrators skøn og når Administratoren måtte beslutte det.

2.3 Performance Share Units'erne optjenes i overensstemmelse med Tildelingsaftalen.

2.4 Optjeningen af Performance Share Units er betinget af, at Medarbejderen er ansat i Selskabet i optjeningsperioden, og der hverken tildeles eller optjenes Performance Share Units efter ansættelsesforholdets ophør, uanset årsag hertil, *jf.* dog nedenfor. Optjeningen af Performance Share Units påvirkes ikke af lovreguleret orlov.

#### 3. UDNYTTELSE

3.1 Efter optjeningsperioden kan Optjente Performance Share Units udnyttes forudsat, at de ikke er bortfaldet efter vilkårene i Tildelingsaftalen og indtil det tidspunkt, hvor sådanne Performance Share Units ophører, bortfalder

Act on the exercise of stock acquisition rights or stock subscription rights in employment relationships, etc. (the "**Stock Option Act**").

In the event of any discrepancies between the Statement and the Agreement and/or Service Provider's contract of employment with the Company, this Agreement shall prevail.

The Parent Company has adopted a Performance Share Unit program covering the Service Providers of the Parent Company and its subsidiaries, including the employees of the Company. The terms of the Performance Share Unit program, which also include the Performance Share Units granted under the Agreement, appear from the "Avago Technologies Limited 2009 Equity Incentive Award Plan" (the "**Equity Incentive Program**").

The terms of the Equity Incentive Program apply to the Service Provider's Performance Share Units, unless the Agreement stipulates terms that deviate from the terms of the Equity Incentive Program. In such situations, the terms of the Agreement shall prevail.

The definitions of the Agreement shall have the same meaning as the definitions of the Equity Incentive Program, unless otherwise provided by Agreement.

#### 1. PERFORMANCE SHARE UNITS AND CONSIDERATION

1.1 The Service Provider is granted Performance Share Units on a current basis entitling the Service Provider to shares ("**Ordinary Shares**") in the Parent Company and/or cash payment. The Performance Share Units are granted free of charge.

1.2 The value per share that the Performance Share Units represent shall be as specified in the Agreement.

#### 2. OTHER TERMS AND CONDITIONS

2.1 The Performance Share Units are granted under the Equity Incentive Program.

2.2 The Performance Share Units are granted at the discretion of the Administrator and at the timing of its discretion.

2.3 The Performance Share Units shall vest as set forth in the Agreement.

2.4 The earning of Performance Share Units is conditional on the Service Provider being employed with the Company for the duration of the vesting period and no Performance Share Units are granted or earned after the termination of the employment, regardless of the reason for such termination, *cf.* however below. The earning of Performance Share Units is not influenced by statutory leave.

#### 3. EXERCISE

3.1 Following vesting, earned Performance Share Units will be exercisable as long as they remain validly outstanding pursuant to the Agreement, until the date such Performance Share Units are terminated,

og/eller fortages i overensstemmelse med vilkårene i Tildelingsaftalen.

3.2 Såfremt (i) Selskabet opsiges Medarbejderens ansættelsesforhold, uden at Medarbejderen har misligholdt ansættelsesforholdet, eller (ii) Medarbejderen opsiges ansættelsesforholdet som følge af Selskabets grove misligholdelse, har Medarbejderen uanset opsigelsen ret til betaling af ikke-optjente og ikke-udbetalte Performance Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.

3.3 I tilfælde af Medarbejderens opsigelse, uden at Selskabet groft har misligholdt ansættelsesforholdet, fortages og bortfalder alle ikke-optjente Performance Share Units, der ikke er udbetalt på det tidspunkt, hvor ansættelsen ophører, uden yderligere varsel og uden kompensation. Medarbejderen bevarer dog retten til betaling for optjente og ikke-udbetalte Performance Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.

3.4 I tilfælde af Selskabets opsigelse og/eller bortvisning som følge af Medarbejderens misligholdelse af ansættelsesforholdet bortfalder Medarbejderens Performance Share Units som ikke er optjent uden yderligere varsel eller kompensation pr. ansættelsesforholdets ophør.

3.5 Ved Medarbejderens død bortfalder Medarbejderens ikke-optjente Performance Share Units uden yderligere varsel og kompensation pr. dødstidspunktet. Boet og/eller arvingerne er i øvrigt i enhver henseende underlagt de for Medarbejderen fastsatte vilkår for Performance Share Units og de dertil knyttede aktier.

3.6 Ved aldersbetinget pensionering (folkepension) eller særskilt aftale herom og ved invaliditet har Medarbejderen ret til at få udbetaling for tildelte, ikke-udbetalte Performance Share Units. Medarbejderen er underlagt de for Medarbejderne fastsatte vilkår for Performance Share Units og de dertil knyttede aktier.

#### 4. REGULERING AF PERFORMANCE SHARE UNITS

##### *Regulering ved kapitalændringer*

4.1 Såfremt der sker en ændring i antallet af udestående Aktier som følge af ændring i Moderselskabets kapitalstruktur uden vederlag såsom aktieudbytte, rekapitalisering, aktiesplit, omvendt aktiesplit, rekonstruktion, fusion, konsolidering, opdeling, kombination, genkøb eller ombytning af Selskabets Aktier eller øvrige værdipapirer eller andre ændringer i Moderselskabets selskabsstruktur, der kan påvirke Aktien, kan der gennemføres justeringer, der kan påvirke Aktieincitamentsprogrammet, herunder en justering af antallet af samt klassen af Aktier, der kan opnås i henhold til Programmet, af Købsprisen pr. aktie og af det antal Aktier for hver option i henhold til Programmet, der endnu ikke er udnyttet, og de talmæssige begrænsninger i Aktieincitamentsprogrammet.

##### *Andre ændringer*

4.2 I tilfælde af forslag om opløsning eller likvidation af Selskabet, og i tilfælde af fusion eller ændring i kontrollen med Selskabet eller Moderselskabet, kan der ske andre

cancelled and/or forfeited pursuant to the terms of the Agreement.

3.2 In the event that (i) the Company terminates the Service Provider's employment for reasons other than the Service Provider's breach of the employment, or (ii) the Service Provider terminates the employment due to material breach on the part of the Company, the Service Provider is, irrespective of the termination, entitled to settlement of any unvested Performance Share Units remaining unsettled in accordance with the Equity Incentive Program and the Agreement.

3.3 If the Service Provider terminates the employment without the Company being in gross breach of the employment, all unvested Performance Share Units, which have not been exercised at the time of the termination, will be forfeited and lapse without further notice or compensation. The Service Provider, however, is entitled to settlement of all vested Performance Share Units which have not been settled at the time of the termination in accordance with the Equity Incentive Program and the Agreement.

3.4 If the Company terminates and/or summarily dismisses the Service Provider due to the Service Provider's breach of the employment, all Performance Share Units, which have not vested at the time of termination, will lapse without further notice or compensation at the effective date of termination.

3.5 In the event of the Service Provider's death, unvested Performance Share Units will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the Service Provider's Performance Share Units and the related Ordinary Shares.

3.6 Upon retirement due to old age ("**folkepension**") or separate agreement in this respect and in the event of disability, the Service Provider is entitled to settlement of granted and unsettled Performance Share Units. The Service Provider is subject to the terms governing the Performance Share Units and the related Ordinary Shares.

#### 4. ADJUSTMENT OF THE PERFORMANCE SHARE UNITS

##### *Adjustment in connection with capital changes*

4.1 If the number of outstanding Ordinary Shares is changed by a modification in the capital structure of the Parent Company without consideration such as a stock dividend, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, combination, repurchase or exchange of Ordinary Shares or other securities of the Parent Company or other change in the corporate structure of the Parent Company affecting the Ordinary Shares, adjustments may be made that may impact the Equity Incentive Program and the Performance Share Units including adjusting the number and class of Ordinary Shares that may be delivered under the Equity Incentive Program and the numerical limits of the Equity Incentive Program.

##### *Other changes*

4.2 In the event of a proposed dissolution or liquidation of the Parent Company and in the event of a merger or a change in control of the Parent Company, other

*Administrators regulering af Optioner*

- 4.1 Administrators adgang til at regulere Performance Share Units i de i § 4 omhandlede situationer er reguleret af punkt 4 i Aktieincitamentsprogrammet. Med hensyn til Administrators generelle adgang til at ændre eller opsiges Aktieincitamentsprogrammet, henvises der til punkt 4 i Aktieincitamentsprogrammet Bilag 1.

*Administrator's regulation of Options*

- 4.3 The Administrator's access to regulation of the Performance Share Units in the situations comprised by this section 4 shall be regulated by the terms and conditions of the Equity Incentive Program. As regards the Administrator's, general access to amend or terminate the Equity Incentive Program reference is made to the Equity Incentive Program Section 13.4 and Section 3.7 of the Agreement.

5. ØKONOMISKE ASPEKTER VED DELTAGELSE I ORDNINGEN

- 5.1 Performance Share Units'erne er risikobetonede værdipapirer, der er afhængige af aktiemarkedet og Moderselskabets resultater. Som følge heraf er der ingen garanti for, at Performance Share Units'erne udløser en fortjeneste. Performance Share Units'erne skal ikke medregnes ved opgørelsen af feriepenge, fratrædelsesgodtgørelse, godtgørelse eller kompensation fastsat ved lov, pension og lignende.

5. THE FINANCIAL ASPECTS OF PARTICIPATING IN THE SCHEME

- 5.1 The Performance Share Units are risky securities the potential value of which is influenced by the market for Ordinary Shares and the Parent Company's results. Consequently, there is no guarantee that the vesting of the Performance Share Units will trigger a profit. The Performance Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

6. SKATTEMÆSSIGE FORHOLD

- 6.1 De skattemæssige konsekvenser for Medarbejderen som følge af tildelingen af Performance Share Units og den efterfølgende udnyttelse heraf er i sidste ende Medarbejderens ansvar. Selskabet opfordrer Medarbejderen til selvstændigt at indhente rådgivning om den skattemæssige behandling af tildeling og udnyttelse af Performance Share Units.

6. TAX MATTERS

- 6.1 Any tax consequences for the Service Provider arising out of the Performance Share Units and the exercise thereof are ultimately the responsibility of the Service Provider. The Company encourages the Service Provider to obtain individual tax advice in relation to the effect of grant and vesting of the Performance Share Units.

7. OVERDRAGELSE OG PANTSÆTNING AF OPTIONER MV.

- 7.1 Performance Share Units er personlige. Ingen rettigheder om betaling for Performance Share Units eller tildeling af Aktier i henhold til Aktieincitamentsprogrammet kan overdrages, overføres, pantsættes eller på anden vis disponeres over af Medarbejderen, frivilligt eller ved udlæg.

7. TRANSFER AND PLEDGING OF OPTIONS, ETC.

- 7.1 The Performance Share Units are personal instruments. No rights with regard to settlement of Performance Share Units or to receive Ordinary Shares under the Equity Incentive Program may assigned, transferred, pledged or otherwise disposed of in any way by the Service Provider whether voluntarily or by execution.

**Notice of Grant of Restricted Share Unit Award**  
**Under the LSI Corporation**  
**2003 Equity Incentive Plan**

**BROADCOM LIMITED**  
**1 Yishun Avenue 7**  
**Singapore 768923**

**GRANTEE NAME:** <Participant Name>

**GRANTEE ID:** <Employee ID>

**GRANT NUMBER:** <Client Grant ID>

**Grant Date:**

<Grant Date>

**Number of Restricted Share  
Units:**

<Number of Awards  
Granted>

On the grant date shown above, Broadcom Limited (the “**Company**”) granted to the grantee identified above (“**you**” or the “**Participant**”) the number of restricted share units shown above (the “**RSUs**” or “**Restricted Share Units**”) under the LSI Corporation 2003 Equity Incentive Plan, as amended (the “**Plan**”). If and when it vests, each RSU entitles you to receive one ordinary share of the Company (each, an “**Ordinary Share**”). By accepting this award of RSUs, you are affirmatively agreeing to the following in respect of these RSUs and all other restricted share units held by you (a “**Sell to Cover**”):

**Sell to Cover:** Upon vesting of the RSUs and any other restricted share units held by you and release of the resulting Ordinary Shares, the Company, on your behalf, will instruct Fidelity Stock Plan Services, LLC or one of its affiliates or such other agent instructed by the Company from time to time (collectively, the “**Agent**”) to sell that number of such Ordinary Shares determined in accordance with Section 2.6 of the attached Restricted Share Unit Award Agreement (with respect to both the RSUs and any other restricted share units held by you) to satisfy any resulting tax withholding obligations of the Company, and the Agent will remit cash proceeds of such sale to the Company sufficient to satisfy such tax withholding obligations. The Company or a Subsidiary will then pay the required tax withholding obligations to the appropriate taxing authorities.

The RSUs will vest as follows if you have not incurred a Termination of Services prior to the applicable time of vesting:

[insert vesting provisions]

By accepting this award electronically through the Plan service provider’s online grant acceptance process:

- (1) You agree that the RSUs are governed by this Notice of Grant and the attached Restricted Share Unit Award Agreement (including Exhibit A thereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.
- (2) You have received, read and understand the Agreement, the Plan and the prospectus for the Plan.
- (3) You agree to accept as binding all decisions or interpretations of the Committee or its delegate regarding any questions relating to the Plan or the Agreement, including, if you provide services outside the United States, the global provisions and any specific provisions for the country in which you provide services, attached to the Agreement as Exhibit A.
- (4) You have read and agree to comply with the Company’s Insider Trading Policy.

Capitalized terms not specifically defined in this Notice shall have the meanings specified in the Plan or the Agreement.

LSI CORPORATION  
2003 EQUITY INCENTIVE PLAN

RESTRICTED SHARE UNIT AWARD AGREEMENT  
(SELL TO COVER)

Broadcom Limited, a company organized under the laws of Singapore (the “*Company*”), pursuant to its LSI Corporation 2003 Equity Incentive Plan, as amended from time to time (the “*Plan*”), has granted to the grantee indicated in the attached Notice of Grant (the “*Notice of Grant*”) an award of restricted share units (“*Restricted Share Units*” or “*RSUs*”). The RSUs are subject to all of the terms and conditions set forth in this Restricted Share Unit Award Agreement (including Exhibit A hereto and together with the Notice of Grant, the “*Agreement*”) and the Plan.

**BY ACCEPTING THIS AWARD, YOU CONSENT TO THE USE AND SHARING OF YOUR PERSONAL DATA AS SET FORTH  
IN THE APPLICABLE PROVISIONS IN EXHIBIT A**

**ARTICLE I**

**GENERAL**

1.1 Defined Terms. Capitalized terms not specifically defined in this Agreement shall have the meanings specified in the Plan or in the Notice of Grant, unless the context clearly requires otherwise.

(a) “*Termination of Directorship*” shall mean the time when Participant, if he or she is or becomes a Nonemployee Director, ceases to be a Director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or retirement. The Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to Termination of Directorship with respect to Nonemployee Directors.

(b) “*Termination of Employment*” shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary. The Committee, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

(c) “*Termination of Services*” shall mean Participant’s Termination of Directorship or Termination of Employment, as applicable.

1.2 General. Each Restricted Share Unit represents the right to receive one Ordinary Share if and when it vests. The Restricted Share Units shall not be treated as property or as a trust fund of any kind.

1.3 Incorporation of Terms of Plan. RSUs are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

## ARTICLE II

### **GRANT OF RESTRICTED SHARE UNITS**

2.1 Grant of RSUs. In consideration of your continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Notice of Grant (the “**Grant Date**”), the Company granted to you the number of RSUs set forth in the Notice of Grant.

2.2 Company’s Obligation to Pay. Unless and until the RSUs will have vested in the manner set forth in Article II hereof, you will have no right to payment of any such RSUs. Prior to actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4, your RSUs will vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth in the Notice of Grant (the “**Vesting Schedule**”) as long as you have not had a Termination of Services prior to the vesting date for such portion. Unless otherwise determined by the Committee, employment or service for a portion, even a substantial portion, of any vesting period will not entitle you to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a Termination of Services as provided in Section 2.5 below or under the Plan.

2.4 Change in Control Treatment. In the event the successor corporation in a Change in Control refuses to assume or substitute for the RSUs in accordance with Section 9.1 of the Plan, the RSUs will vest as of immediately prior to such Change in Control.

2.5 Forfeiture, Termination and Cancellation upon Termination of Services. Upon your Termination of Services for any or no reason, any then-unvested RSUs (after giving effect to any accelerated vesting pursuant to Section 2.4) will be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and you, or your beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

2.6 Payment after Vesting.

(a) On or before the tenth (10<sup>th</sup>) day following the vesting of any Restricted Share Units pursuant to Section 2.3, 2.4 or 3.2, the Company shall deliver to the Participant a number of Ordinary Shares equal to the number of Restricted Share Units that so vested, unless such Restricted Share Units terminate prior to the given vesting date pursuant to Section 2.5. Notwithstanding the foregoing, in the event Ordinary Shares cannot be issued because of the failure to meet one or more of the conditions set forth in Section 2.8(a), (b) or (c) hereof, then the Ordinary Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Committee determines that Ordinary Shares can again be issued in accordance with Sections 2.8(a), (b) and (c) hereof. Notwithstanding any discretion in the Plan, the Notice of Grant or this Agreement to the contrary, upon vesting of the RSUs, Ordinary Shares will be issued as set forth in this section. In no event will the RSUs be settled in cash.

(b) Notwithstanding anything to the contrary in this Agreement, the Company shall be entitled to require you to pay any sums required by applicable law to be withheld with respect to the RSUs, the issuance of Ordinary Shares or with respect to any other restricted share units, if any, granted to you prior to the Grant Date under the Plan or any other Company equity incentive plan (each, a “**Prior**



**Award**"). Such payment shall be made by using a Sell to Cover. The award agreements covering your Prior Awards (if any) will be deemed amended to the extent necessary to reflect this Section 2.6(b). By accepting this award of RSUs, you agree (with respect to the RSUs and all Prior Awards, if any) to Sell to Cover to satisfy any tax withholding obligations and:

(i) You hereby appoint the Agent as your agent and direct the Agent to (1) sell on the open market at the then prevailing market price(s), on your behalf, promptly after any RSUs (or Prior Awards) vest, such number of the Ordinary Shares that are issued in respect of such RSUs (or subject to or issued in respect of such Prior Awards) as the Agent determines will generate sufficient proceeds to cover (x) any estimated tax, social insurance, payroll, fringe benefit or similar withholding obligations with respect to such vesting and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) in the Company's discretion, apply any remaining funds to your federal tax withholding or remit such remaining funds to you.

(ii) You hereby authorize the Company and the Agent to cooperate and communicate with one another to determine the number of Ordinary Shares to be sold pursuant to subsection (i) above. You understand that to protect against declines in the market price of Ordinary Shares, the Agent may determine to sell more than the minimum number of Ordinary Shares needed to generate the required funds.

(iii) You understand that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to your account. In addition, you acknowledge that it may not be possible to sell Ordinary Shares as provided in subsection (i) above due to (1) a legal or contractual restriction applicable to the Agent, (2) a market disruption, or (3) rules governing order execution priority on the national exchange where the Ordinary Shares may be traded. In the event of the Agent's inability to sell Ordinary Shares, you will continue to be responsible for the timely payment to the Company and/or its affiliates of all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld, including but not limited to those amounts specified in subsection (i) above.

(iv) You acknowledge that, regardless of any other term or condition of this Section 2.6(b), neither the Company nor the Agent will have any liability to you for (1) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control, or (3) any claim relating to the timing of any Sell to Cover, the price at which Ordinary Shares are sold in any Sell to Cover, or the timing of the delivery to you of any Ordinary Shares following any Sell to Cover. Regardless of the Company's or any Subsidiary's actions in connection with tax withholding pursuant to this Agreement, you acknowledge that the ultimate responsibility for any and all tax-related items imposed on you in connection with any aspect of the RSUs (and any Prior Awards) and any Ordinary Shares issued upon vesting of the RSUs (or subject to or issued in respect of your Prior Awards) is and remains your responsibility and liability. Except as expressly stated herein, neither the Company nor any Subsidiary makes any commitment to structure of the RSUs (or any Prior Award) to reduce or eliminate your liability for tax-related items.

(v) You hereby agree to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.6(b). The Agent is a third-party beneficiary of this Section 2.6(b).

(vi) This Section 2.6(b) shall survive termination of this Agreement until all tax withholding obligations arising in connection with this Award have been satisfied.

The Company shall not be obligated to deliver any Ordinary Shares to you unless and until you have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes required to be withheld in connection with the grant or vesting of the RSUs.

2.7 Rights as Shareholder. As a holder of RSUs you are not, and do not have any of the rights or privileges of, a shareholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the RSUs and any Ordinary Shares issuable upon vesting thereof unless and until such Ordinary Shares shall have been actually issued by the Company to you. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Ordinary Shares are issued, except as provided in Section 4.3 of the Plan.

2.8 Conditions to Delivery of Ordinary Shares. Subject to Section 13.3 of the Plan, the Ordinary Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Ordinary Shares or issued Ordinary Shares which have then been reacquired by the Company. Such Ordinary Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Ordinary Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Ordinary Shares to listing on all stock exchanges on which the Ordinary Shares are then listed;

(b) The completion of any registration or other qualification of such Ordinary Shares under any state, federal or foreign law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Committee shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state, federal or foreign governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such Ordinary Shares, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.6 hereof; and

(e) The lapse of such reasonable period of time following the vesting of any Restricted Share Units as the Committee may from time to time establish for reasons of administrative convenience.

### **ARTICLE III**

#### **OTHER PROVISIONS**

3.1 Administration. The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon you, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for

any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the RSUs.

3.2 Adjustments Upon Specified Events. In addition, upon the occurrence of certain events relating to the Ordinary Shares contemplated by Section 4.3 of the Plan (including, without limitation, an extraordinary cash dividend on such Ordinary Shares), the Committee shall make such adjustments as the Committee deems appropriate in the number of Restricted Share Units then outstanding and the number and kind of securities that may be issued in respect of the Restricted Share Units. You acknowledge that the RSUs are subject to modification and termination in certain events as provided in this Agreement and Section 9 of the Plan.

3.3 Grant is Not Transferable. Your RSUs may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of the RSUs, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the RSUs will terminate immediately and will become null and void.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at the Participant's last address reflected on the Company's records, including any email address. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice to the Company shall be deemed given when actually received. Any notice given by the Company shall be deemed given when sent via email or 5 U.S. business days after mailing.

3.5 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law; Severability. The laws of the State of California shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. You acknowledge that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state and foreign securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.8 Amendments, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board, *provided*, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without your prior written consent.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns

of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if you are subject to Section 16 of the Exchange Act, the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by and necessary to comply with applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon you any right to continue to serve as an employee or other service provider of the Company or any of its Subsidiaries.

3.12 Entire Agreement. The Plan, the Notice of Grant and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.13 Section 409A. The RSUs are not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, “**Section 409A**”). However, notwithstanding any other provision of the Plan or this Agreement, if at any time the Committee determines that the RSUs (or any portion thereof) may be subject to Section 409A, the Committee shall have the right in its sole discretion (without any obligation to do so or to indemnify you or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Committee determines are necessary or appropriate either for the RSUs to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Limitation on Participant’s Rights. Participation in the Plan confers no rights or interests other than as herein provided. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive the Ordinary Shares as a general unsecured creditor with respect to RSUs, as and when payable hereunder.

3.15 Additional Terms for Participants Providing Services Outside the United States. To the extent you provide services to the Company or a Subsidiary in a country other than the United States, the RSUs shall be subject to such additional or substitute terms as shall be set forth for such country in Exhibit A attached hereto. If you relocate to one of the countries included in Exhibit A during the life of the RSUs, Exhibit A, including the provisions for such country, shall apply to you and the RSUs, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. In addition, the Company reserves the right to impose other requirements on the RSUs and the Ordinary Shares issued upon vesting of the RSUs, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

\* \* \* \* \*

**EXHIBIT A  
TO LSI CORPORATION  
2003 EQUITY INCENTIVE PLAN  
RESTRICTED SHARE UNIT AWARD AGREEMENT**

This Exhibit A includes (i) additional terms and conditions applicable to all Participants providing services to the Company or a Subsidiary outside the United States, and (ii) additional terms applicable to Participants providing services to the Company or a Subsidiary in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit A without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

For your convenience and information, we have provided certain general information regarding some of the tax and/or exchange control requirements that may apply to participants in certain of the countries identified in Section II below. Such information is current only as of September 2017 (except as otherwise indicated below), and the Company undertakes no obligation to update any such information and does not ensure that it is complete or correct. This information may not apply to your individual situation, and may not be current as of any particular date in the future. The absence of any information on tax or foreign exchange requirements for any particular country should not be regarded as an indication that no such requirements may apply in that country. The laws, rules and regulations of any country regarding the holding of securities may be subject to frequent change.

**You are advised to seek appropriate professional advice as to how the relevant exchange control and tax laws in your country may apply to your individual situation.**

**I. GLOBAL PROVISIONS APPLICABLE TO PARTICIPANTS IN ALL COUNTRIES OTHER THAN THE UNITED STATES**

1. General Acknowledgements and Agreements: You further acknowledge and agree that:

(a) No Guarantee of Continued Service. THE VESTING OF THE RESTRICTED SHARE UNITS PURSUANT TO THE VESTING SCHEDULE WILL OCCUR ONLY IF YOU CONTINUE AS A DIRECTOR OR EMPLOYEE (AS APPLICABLE) TO THE COMPANY OR A SUBSIDIARY THROUGH THE APPLICABLE VESTING DATE. YOU FURTHER ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A DIRECTOR OR EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE RIGHT OF THE COMPANY OR ANY SUBSIDIARY TO EFFECT A TERMINATION OF SERVICES AT ANY TIME, WITH OR WITHOUT CAUSE, NOR SHALL IT BE CONSTRUED TO AMEND OR MODIFY THE TERMS OF ANY DIRECTORSHIP, EMPLOYMENT OR OTHER SERVICE AGREEMENT BETWEEN YOU AND THE COMPANY OR ANY SUBSIDIARY.

(b) The Plan is discretionary in nature and that, subject to the terms of the Plan, the Company can amend, cancel or terminate the Plan at any time.

(c) The grant of the RSUs under the Plan is voluntary and occasional and does not give you any contractual or other right to receive RSUs or benefits in lieu of RSUs in the future, even if you have received RSUs repeatedly in the past.

- (d) All determinations with respect to any future awards, including, but not limited to, the times when awards under the Plan shall be granted and the terms thereof, including the time or times when any RSUs may vest, will be at the sole discretion of the Company.
- (e) Your participation in the Plan is voluntary.
- (f) The value of the RSUs is an extraordinary item of compensation that is outside of the scope of your directorship or employment contract or relationship.
- (g) The RSUs are not part of normal or expected compensation or salary for any purpose, including, without limitation, calculating severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or similar payments.
- (h) The RSUs shall expire, terminate and be forfeited upon your Termination of Services for any reason, except as otherwise explicitly provided in this Agreement and/or the Plan.
- (i) The future value of the Ordinary Shares that may be issued upon vesting of the RSUs is unknown and cannot be predicted with any certainty.
- (j) If you are not an employee of the Company as of the grant date shown on the Notice of Grant, the grant of the RSUs shall in no event be understood or interpreted to mean that the Company is your employer or that you have an employment relationship with the Company.
- (k) No claim or entitlement to compensation or damages arises from the expiration, termination or forfeiture of the RSUs or any portion thereof. You irrevocably release the Company, its parent(s) and subsidiaries from any such claim. Such a claim will not constitute an element of damages in the event of a Termination of Services for any reason, even if the termination is in violation of an obligation of the Company or any Subsidiary, to you.
- (l) Neither the Company nor any Subsidiary has provided you, and nor will they provide you, with any specific tax, legal or financial advice with respect to the RSUs, the Ordinary Shares issuable upon vesting of RSUs, this Agreement or the Plan. Neither the Company nor any Subsidiary is making nor have they made any recommendations relating to your participation in the Plan, the receipt of the RSUs or the acquisition or sale of Ordinary Shares upon vesting of RSUs.
- (m) You shall bear any and all risk associated with the exchange of currency and the fluctuation of currency exchange rates in connection with this Award, including without limitation in connection with the sale of any Ordinary Shares issued upon vesting of the RSUs ("Currency Exchange Risk"), and you hereby waive and release the Company and its Subsidiaries from any claims arising out of Currency Exchange Risk.
- (n) You agree that it is your responsibility to comply, and you shall comply, with any and all exchange control requirements applicable to the RSUs and the sale of Ordinary Shares issued upon vesting of the RSUs and any resulting funds including, without limitation, reporting or repatriation requirements.
- (o) Neither the Company nor any Subsidiary is responsible for your legal compliance requirements relating to the RSUs or the ownership and possible sale of any Ordinary Shares issued upon vesting of the RSUs, including, but not limited to, tax reporting, the exchange of U.S. dollars into or from your local currency, the transfer of funds to or from the United States, and the opening and use of a U.S. brokerage account.
- (p) If this Agreement, the Plan, any website or any other document related to the Restricted Share Units is translated into a language other than English, and if the translated version is different from the English version, the English language version will take precedence. You confirm having read and understood the documents relating to the Plan and the RSUs, including, without limitation, this

Agreement, which were provided to you in English, and waive any requirement for the Company to provide these documents in any other language.

(q) Your right to vest in the RSUs will terminate effective as of the date that is the earlier of (1) the effective date of the your Termination of Services (whether or not in breach of local labor laws), or (2) the date you are no longer actively providing service, regardless of any notice period or period of pay in lieu of such notice required under applicable laws (including, but not limited to statutory law, regulatory law and/or common law); the Company shall have the exclusive discretion to determine when the you are no longer actively providing service for purposes of the RSUs.

(q) To the extent you are providing services in a country identified in Section II of this Exhibit A, you understand and agree that the provisions for such country apply and are incorporated into the Agreement.

**2. Consent to Personal Data Processing and Transfer.** The entities listed in **Annex 1** (the “**Broadcom Entities**”) may hold, and by accepting the RSUs you consent to their holding, your personal information, including your name, home address, telephone number, date of birth, social security number or other employee tax identification number, national identification number, passport number, employment history and status, salary, nationality, job title, and information about any equity compensation grants or Ordinary Shares awarded, cancelled, purchased, vested, unvested or outstanding in your favor (the “**Data**”).

The Broadcom Entities use the Data for the purpose of implementing, managing and administering the Plan and employee compensation and for compliance and financial reporting purposes (the “**Purpose**”).

The Broadcom Entities may transfer, and by accepting the RSUs you consent to any such transfer of, the Data to other Broadcom Entities, to entities listed in **Annex 2** or to other entities to assist the Broadcom Entities in the Purpose. The Broadcom Entities may also make the Data available to public authorities where required by law or regulation. The third parties and public authorities may be located in the United States, the European Economic Area, or elsewhere, including in territories where data protection laws may not be as protective as in your jurisdiction of residence.

You may, at any time, review the Data, require any necessary amendments to it or withdraw the consents given herein in writing by contacting the Company through your local H.R. Director. If you withdraw your consent, you must do so by writing to the Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com.

If you withdraw your consent, the Company will not be able to administer this award. Accordingly, if you withdraw your consent, this Award will be cancelled when your withdrawal is received.

**I agree that the Broadcom Entities and third parties may process my Data as described above, including transfer to and use in countries in which data protection laws may not be as protective as in my jurisdiction of residence.**

## **II. COUNTRY SPECIFIC PROVISIONS APPLICABLE TO PARTICIPANTS WHO PROVIDE SERVICES IN THE IDENTIFIED COUNTRIES**

### **AUSTRALIA**

#### **Terms and Conditions**

#### Definitions.

For the purposes of this section:



“**ASIC**” means the Australian Securities & Investments Commission;

“**Australian Offerees**” means all persons to whom an offer or invitation of Restricted Share Units are made in Australia under the Plan;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Exchange**” means the NASDAQ Global Select Market; and

“**Related Body Corporate**” has the meaning given in section 50 of the Corporations Act.

General Advice Only.

Any advice given by the Company or a Related Body Corporate of the Company in relation to the RSUs offered under the Plan does not take into account an Australian Offeree's objectives, financial situation and needs. Australian Offerees should consider obtaining their own financial product advice from an independent person who is licensed by ASIC to give such advice.

Acquisition Price.

No acquisition price is payable by you for the Company to grant you the number of RSUs set forth in the Notice of Grant.

Risks of Acquiring Ordinary Shares.

The paragraph below provides general information about the risks of acquiring and holding Ordinary Shares. Before acquiring RSUs, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Ordinary Shares are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position.

Factors that could affect the market price of our Ordinary Shares include any risks associated with loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturers and outsourced supply chain; any acquisitions we may make, such as delays, challenges and expenses associated with integrating acquired companies with our existing businesses and our ability to achieve the benefits, growth prospects and synergies expected from such acquisitions; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the need to generate sufficient cash flows to service and repay such debt; our ability to improve our manufacturing efficiency and quality; increased dependence on a small number of markets; dependence on and risks associated with distributors of our products; quarterly and annual fluctuations in operating results; cyclicity in the semiconductor industry or in our target markets; global economic conditions and concerns; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of those design wins; rates of growth in our target markets; prolonged disruptions of our or our contract manufacturers' manufacturing facilities or other significant operations; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our ability to maintain tax concessions in certain jurisdictions; our ability to protect our intellectual property and the unpredictability of any associated litigation expenses; any expenses or reputational damage associated with resolving customer product and warranty and indemnification claims; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; and other events

and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature.

The foregoing information is as of August 24, 2017. For more information about these and other risks related to an investment in the Company's Ordinary Shares, please see the Company's Annual Report on Form 10-K for the year ended October 30, 2016, and subsequent Quarterly Reports on Form 10-Q filed by the Company with the U.S. Securities and Exchange Commission, available at [www.sec.gov](http://www.sec.gov) or <http://investors.broadcom.com/phoenix.zhtml?c=203541&p=irol-sec>. Subsequently filed Forms 10-K and 10-Q may have more recent information.

In addition, there is no assurance that we will continue to pay dividends or that such payments will remain constant or increase. Payment of future dividends, if any, and the timing and amount of any dividends we determine to pay, are at the discretion of our Board of Directors. We may declare dividends as interim dividends, which are wholly provisional under Singapore law and may be revoked by our Board at any time prior to the payment thereof.

#### Market Price in Australian Dollars.

An Australian Offeree could, from time to time, ascertain the market price of Ordinary Shares by obtaining that price from the Exchange website, the Company website or The Wall Street Journal, and multiplying that price by a published exchange rate to convert U.S. Dollars into Australian Dollars.

### **AUSTRIA**

#### Exchange Control Information.

If you hold Ordinary Shares acquired pursuant to RSUs outside of Austria, you must submit a report to the Austrian National Bank. An exemption applies if the value of the Ordinary Shares as of the end of any given calendar quarter does not exceed €3,000,000 or as of December 31 does not exceed €5,000,000. Such amounts are the amounts in effect as of October 1, 2015 and may change in the future. If the first threshold is exceeded, quarterly reporting obligations are imposed. If only the second threshold is exceeded, annual reports must be given. The annual reporting date is December 31 and the deadline for filing the annual report is March 31 of the following year.

When you sell Ordinary Shares acquired pursuant to RSUs, there may be exchange control obligations if the cash proceeds are held outside Austria. If the value of all your accounts abroad exceeds €3,000,000, the movements and balances of all accounts must be reported as of the last day of each month, on or before the fifteenth day of the following month, on the prescribed form (*Meldungen SI-Forderungen und/oder SI-Verpflichtungen*).

#### Consumer Protection Information.

If the provisions of the Austrian Consumer Protection Act are considered to be applicable to the Agreement and the Plan, you may be entitled to revoke your acceptance of the Agreement under the conditions listed below:

- (i) If you accept the RSUs outside the business premises of the Company or its relevant Subsidiary, you may be entitled to revoke your acceptance of the Agreement, provided the revocation is made within one week after you accept the Agreement.
- (ii) The revocation must be in written form to be valid. It is sufficient if you return the Agreement to the Company or the Company's representative with language which can be understood as your refusal to conclude or honor the Agreement, provided the revocation is sent within the period set forth above.

### **BELGIUM**

### Tax Information.

Beginning on January 1, 2017, sales of Ordinary Shares you acquire hereunder will generally be subject to a transaction tax (the initial rate of which is 0.27%, up to a cap) upon your sale of the Ordinary Shares, which you will be responsible for reporting and paying. If you sell through a Belgian bank or broker, that bank or broker may facilitate reporting and payment of this tax on your behalf. Alternatively, if you sell through another bank or broker, you should report and pay the tax directly. Consult your tax advisor or the website of the General Administration of Taxation for more information.

### Foreign Asset/Account Reporting Information.

You are required to report any taxable income attributable to RSUs and Ordinary Shares on your annual tax return. In addition, you are required to report any bank accounts opened and maintained outside Belgium on your annual tax return. In a separate report, you may be required to provide the National Bank of Belgium with certain details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). You should consult with your personal tax advisor to determine your personal reporting obligations.

## **BRAZIL**

### Exchange Control Information.

*Notice to RSU Recipients:* If the you hold assets and rights outside Brazil with an aggregate value exceeding US\$100,000, you will be required to prepare and submit to the Central Bank of Brazil an annual declaration of such assets and rights, including: (i) bank deposits; (ii) loans; (iii) financing transactions; (iv) leases; (v) direct investments; (vi) portfolio investments, including Ordinary Shares acquired under the Plan; (vii) financial derivatives investments; and (viii) other investments, including real estate and other assets. Please note that foreign individuals holding Brazilian visas are considered Brazilian residents for purposes of this reporting requirement and must declare at least the assets held abroad that were acquired subsequent to the date of admittance as a resident of Brazil. Individuals holding assets and rights outside Brazil valued at less than US\$100,000 are not required to submit a declaration. Please note that the US\$100,000 threshold may be changed annually.

## **BULGARIA**

No country-specific provisions.

## **CANADA**

### **Terms and Conditions**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

French Language Provisions. The following provisions will apply if you are a resident of Quebec: The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention (“Agreement”), ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à la présente convention.

## CHILE

### Securities Notification.

The Company and the Ordinary Shares will not be registered in the *Registro de Valores Extranjeros* (Foreign Securities Registry) maintained by the *Superintendencia de Valores y Seguros de Chile* (Chilean Securities and Insurance Commission or “**SVS**”) and are not subject to the supervision of the SVS. The Plan is ruled by number 2 of the SVS General Regulation 345. As the securities are not registered, the Company has no obligation under Chilean law to deliver public information regarding the Ordinary Shares in Chile. The Shares cannot be publicly offered in Chile unless they are registered with the SVS or they comply with SVS General Regulation 345. The commencement date of the offer is the Grant Date indicated in the beginning of this Agreement.

*La Compañía (a la que se hace referencia aquí como “the Company”) y los Valores Ordinarios a la que se hace referencia aquí como “the Ordinary Shares”) no serán registrados en el Registro de Valores Extranjeros de la Superintendencia de Valores Ordinarios y Seguros de Chile o “SVS” y no están sujetos a la fiscalización de la SVS. Este Plan se acoge al numeral 2 de la Norma de Carácter General 345 de la SVS. Por tratarse de valores no inscritos, la Compañía no tiene obligación bajo la ley chilena de entregar en Chile información pública acerca de los Valores Ordinarios. Los Valores Ordinarios no pueden ser ofrecidos públicamente en Chile en tanto éstos no se inscriban en el Registro de Valores correspondiente a menos que se cumpla las condiciones establecidas en la Norma de Carácter General 345 de la SVS. La fecha de inicio de la presente oferta es la indicada en la portada de este document como “the Grant Date”.*

### Foreign Assets Reporting.

You may be required to report the Ordinary Shares you acquire in connection with the Agreement to the Chilean authorities. In general, this reporting is required when an individual’s foreign asserts including investments, deposits or credits and/or foreign securities exceed US\$5 million. You are advised to consult with your advisors to confirm if this requirement applies to you.

## CHINA

### **Terms and Conditions**

#### Settlement of Restricted Share Units and Sale of Shares.

The following provisions supplement Section 2.6(b) of the Agreement.

#### Sale of Ordinary Shares May be Required.

The Company may, in its sole discretion, require you to sell at, or any time following, vesting, the Ordinary Shares you receive when your RSUs vest. You authorize the Company or a brokerage firm designated by the Company to perform this transaction for you, and agree that applicable commissions

and fees due in connection with the sale may be deducted from your proceeds. You acknowledge that such Ordinary Shares will be sold at prevailing market prices and waive any claim based on the timing of the sale or the price received for the Ordinary Shares.

The award agreements for some restricted shares units granted to you in the past (if any), whether under the Plan or any other Company equity incentive plan (collectively, the “**Prior RSUs**”) may have required that whenever such Prior RSUs vest, all Ordinary Shares issued as a result of such vesting must be sold. You agree that, with respect to the Prior RSUs (if any), the Company may conduct a Sell to Cover when Prior RSUs vest and allow you to hold the remaining Ordinary Shares, subject to compliance with these country provisions for China. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

If Sale of Ordinary Shares is not Required at Vest.

When your RSUs vest, if the Company does not require the immediate sale of the Ordinary Shares you are entitled to receive, the Company may require that you retain those Ordinary Shares in your account at a brokerage firm designated by the Company until you sell the Ordinary Shares, even if you stop providing services for the Company or a Subsidiary.

Following your Termination of Services, the Company may restrict your ability to sell or transfer any Ordinary Shares remaining in your account and sell those Ordinary Shares at a time determined by the Company in its sole discretion. You agree not to bring any claim against the Company, any Subsidiary or the Agent based on the timing of any such sale or the price at which any such Ordinary Shares are sold.

Without limiting the foregoing, all the Ordinary Shares issued in respect of your RSUs or your Prior RSUs (if any) must be sold within six (6) months following your Termination of Services. The Company may, in its sole discretion, require you to sell at any time during this six (6)-month period, such Ordinary Shares. Any Ordinary Shares issued in respect of your RSUs or your Prior RSUs (if any) that remain in your account at a brokerage firm during the last two (2) weeks of such six (6)-month period may be automatically sold by the Agent during such two (2) week period, with the actual date of such sale determined by the Company or the Agent in its sole discretion. Neither the Company nor the Agent will guarantee the sale price for any such sale and you shall be solely responsible for fluctuations in the value of the Ordinary Shares until sale. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

Payment of Sale Proceeds.

You understand and agree that, pursuant to exchange control requirements in China, you may be required to repatriate to China the cash proceeds from the sale of the Ordinary Shares issued upon the settlement of the RSUs and that the Company may be required to effect that repatriation through a special exchange control account established by the Company or a Subsidiary. You agree that any proceeds from the sale of any Ordinary Shares you acquire may be transferred to such special account prior to being delivered to you. You also understand that there may be significant delays in delivering the funds to you due to exchange control requirements in China and agree not to make any claim against the Company or any Subsidiary as a result of the amount of time it takes to deliver the funds to you.

Proceeds may be paid to you in U.S. dollars or local currency at the Company’s discretion. If the proceeds are paid to you in U.S. dollars, you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, the

Company is under no obligation to obtain any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Further Actions.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

**COLOMBIA**

Exchange Control Requirements.

By accepting this Award, you understand that you are generally required to register large international investments (generally over US\$500,000) with the Colombian Central Bank (by completing and submitting a 'Form 11'). In addition, repatriation of any sales proceeds of from the Ordinary Shares may need to be affected through the foreign exchange market in order to comply with Colombian foreign exchange requirements. You are advised to consult your own advisors regarding these requirements.

**DENMARK**

**Terms and Conditions**

Labor Law Acknowledgement.

By accepting this Award, you acknowledge that you understand and agree that the RSUs relate to future services to be performed and do not form any part of, and are not, a bonus or compensation for past services.

Stock Option Act.

With respect to Danish employees comprised (covered) by the Danish Stock Option Act, the following shall apply:

You acknowledge that you have received an employer statement in Danish setting forth the terms of your Award, a copy of which is included as Annex 3 to this Exhibit A.

In the event that (i) your employer ("**Employer**") terminates your employment for reasons other than your breach of the terms or conditions of your employment or any applicable employment agreement covering you (collectively, the "**Employment Terms**"), or (ii) you terminate the Employment Terms due to material breach on the part of the Company or Employer, you, irrespective of the termination, will be entitled to receive settlement of any granted RSUs in accordance with this Agreement and the Plan.

If you terminate your employment with Employer without the Company or Employer being in material breach of the Employment Terms, all RSUs will be forfeited and lapse without further notice or compensation.

If Employer terminates and/or summarily dismisses you due to your breach of the Employment Terms, all unvested RSUs will be forfeited and lapse without further notice or compensation at the effective date of termination.

In the event of your death, the RSUs will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the RSUs and the related Ordinary Shares, including this Agreement and the Plan.

Upon retirement due to old age ("folkepension") or separate agreement in this respect and in the event of disability, you, irrespective of the termination of employment, will be entitled to settlement of unvested RSUs in accordance with the terms of this Agreement and the Plan.

The Restricted Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

For the avoidance of doubt, under this heading, the term "**Stock Option Act**" shall only apply to employees who by virtue of applicable choice of law rules fall within Danish employment law regulations and the scope of the Danish Stock Option Act.

#### Foreign Bank Account Reporting.

If you establish an account holding Ordinary Shares or an account holding cash outside of Denmark, you must report the account to the Danish Tax Administration, the form for which can be obtained from a local bank. (Please note that these obligations are separate from and in addition to the obligations described below.)

#### Exchange Control and Tax Reporting Notification.

To the extent permitted by the Company, you may hold Ordinary Shares acquired under the Plan in a safety-deposit account (*e.g.*, brokerage account) with either a Danish bank or with an approved foreign broker or bank. If the Ordinary Shares are held with a non-Danish broker or bank, you are required to inform the Danish Tax Administration about the safety-deposit account. For this purpose, a Danish Plan participant must file a Declaration V (Erklaering V) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration V. By signing the Declaration V, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable broker or bank with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form V, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration V can be found at: [www.skat.dk/getFile.aspx?Id=47392](http://www.skat.dk/getFile.aspx?Id=47392).

In addition, when you open a deposit account or brokerage account for the purpose of holding cash outside of Denmark, the account will be treated as a deposit account because cash may be held in the account. Therefore, you must also file a Declaration K (Erklaering K) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration K. By signing the Declaration K, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable financial institution with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income

tax return. By signing the Form K, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration K can be found at: [www.skat.dk/getFile.aspx?Id=42409&newwindow=true](http://www.skat.dk/getFile.aspx?Id=42409&newwindow=true).

## FINLAND

No country-specific provisions.

## GERMANY

### Tax Indemnity.

You agree to indemnify the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a “**Tax Liability**” being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction, including but not limited to wage tax, solidarity surcharge, church tax or social security contributions) that is attributable to (1) the grant or vesting of, or any benefit you derive from, the RSUs, (2) your acquisition of Ordinary Shares on settlement of the RSUs, or (3) the disposal of any Ordinary Shares.

### Exchange Control Information.

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. If you use a German bank to transfer a cross-border payment in excess of €12,500 in connection with the sale of Ordinary Shares acquired under the Plan, the bank will make the report for you. In addition, you must report any receivables, payables, or debts in foreign currency exceeding an amount of €5,000,000 on a monthly basis. Finally, you must report on an annual basis if you hold Ordinary Shares that exceed 10% of the total voting capital of the Company.

## GREECE

No country-specific provisions.

## HONG KONG

### **Terms and Conditions**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

Warning: *The RSUs and Ordinary Shares issued at settlement do not constitute a public offering of securities under Hong Kong law and are available only to Employees and Non-Employee Directors of the Company, its parent, Subsidiary or affiliate. The Agreement, including this Exhibit A, the Plan and other incidental award documentation have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, nor has the award documentation been reviewed by any regulatory authority in Hong Kong. The RSUs are intended only for the personal use of the recipient Participant and may not be distributed to*



*any other person. If you are in any doubt about any of the contents of the Agreement, including this Exhibit A, or the Plan, you should obtain independent professional advice.*

#### Sale of Ordinary Shares.

In the event the RSUs vest and are settled within six months of the Grant Date, you agree that you will not dispose of any Ordinary Shares acquired prior to the six-month anniversary of the Grant Date.

#### Nature of Scheme.

The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance.

### **INDIA**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

Foreign Assets Reporting Information. You must declare foreign bank accounts and any foreign financial assets (including Ordinary Shares subject to the RSUs held outside India) in your annual tax return. It is your responsibility to comply with this reporting obligation and you should consult with your personal tax advisor in this regard. Indian residents should consult with their personal tax advisor to determine their personal reporting obligations.

#### Exchange Control Information.

You must repatriate any proceeds from the sale of Ordinary Shares acquired under the Plan or the receipt of any dividends to India within 90 days of receipt and convert such amounts to local currency within 180 days of receipt. You must obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or your employer requests proof of repatriation.

### **IRELAND**

#### Director Reporting Obligation.

If you are a director, shadow director or secretary of a parent or subsidiary in Ireland, you must notify the Irish parent or subsidiary in writing within five business days of receiving or disposing of an interest in the Company (*e.g.*, Restricted Share Units, Ordinary Shares), or within five business days of becoming aware of the event giving rise to the notification requirement or within five days of becoming a director or secretary if such an interest exists at the time. This notification requirement also applies with respect to the interests of your spouse or children under the age of 18 (whose interests will be attributed to the you if you are a director, shadow director or secretary).

### **ISRAEL**

#### **Terms and Conditions**

#### Award Payable Only in Ordinary Shares.

The grant of the RSUs does not give you any right to receive a cash payment, and the RSUs are payable in Ordinary Shares only.

Definitions.

The following definitions supplement the definitions set forth in the Agreement:

A. “**Holding Period**” shall mean the holding period required with respect to Capital Gain Awards, which is currently 24 months from the date of grant.

B. “**Plan**” shall mean the LSI Corporation 2003 Equity Incentive Plan, as amended and restated from time to time, and the Addendum for Participants in Israel.

All capitalized terms that are not defined in these country provisions for Participants in Israel shall have the meaning assigned to them in the Plan (as defined above) or the Agreement.

Capital Gain Award. The Award is intended to be a Capital Gain Award (as defined in the Plan). In the event of any inconsistencies between the provisions of these country provisions for Participants in Israel and the Agreement, the provisions of these country provisions for Participants in Israel shall govern the Award and any related Ordinary Shares.

By accepting the Agreement, you: (a) acknowledge receipt of and represent that you have read and are familiar with the Agreement, the Plan and these country provisions for Participants in Israel; (b) accept the Award subject to all of the terms and conditions of the Agreement and the Plan (including these country provisions for Participants in Israel); (c) agree that the Award will be issued to and deposited with the Trustee (as defined in the Plan) and shall be held in trust for your benefit as required by law and any approval by the Israel Tax Authority (“ITA”) pursuant to the terms of the Ordinance and the Plan; and (d) accept the provisions of the trust agreement signed between the Company and the Trustee. Furthermore, by accepting the Agreement, you confirm that you are familiar with the terms and provisions of Section 102, and agree that you will not require the Trustee to release the Awards or Ordinary Shares to you, including any rights issued to you as a consequence of holding such Awards or Ordinary Shares, or to sell the Awards or Ordinary Shares to a third party during the Holding Period, unless permitted to do so by applicable law.

You are advised to consult with your personal tax advisor with respect to the tax consequences of receiving the RSUs and the issuance of Ordinary Shares in settlement of vested RSUs.

Limited Transferability.

These provisions supplement Section 3.3 of the Agreement:

As long as your Award or any issued Ordinary Shares are held by the Trustee on your behalf, all of your rights over the Award or the Ordinary Shares are personal and cannot be transferred, assigned, pledged or mortgaged, other than by will or the laws of descent and distribution.

With respect to a Capital Gain Award, subject to the provisions of the Plan, Section 102 and any rules or regulations or orders or procedures promulgated thereunder, to obtain favorable tax treatment for Capital Gain Awards, you may not sell or release from trust any Ordinary Shares received upon vesting of the Award and/or any Ordinary Shares received subsequently following any realization of rights, including without limitation, bonus Ordinary Shares, until the lapse of the Holding Period. Notwithstanding the above, if any

such sale or release occurs during the Holding Period, the sanctions under Section 102 and under any rules or regulation or orders or procedures promulgated thereunder will apply to and will be borne by you.

#### Issuance of Ordinary Shares.

This provision supplements Section 2.6(a) of the Agreement:

If the Ordinary Shares are to be issued during the Holding Period, the Ordinary Shares shall be allocated in the name, or under the supervision, of the Trustee and held in trust on your behalf by the Trustee. In the event that the Ordinary Shares are to be issued after the expiration of the Holding Period, you may elect to have the Ordinary Shares issued directly to you, provided that you first provide for any taxes required to be withheld in connection with a transfer of the Award or the Ordinary Shares to the Trustee's and Company's satisfaction, or in trust on your behalf to the Trustee.

This provision supplements Section 2.6(b) of the Agreement:

You hereby agree to indemnify the Company (and any parent or Subsidiary) and/or the Trustee and hold them harmless against and from any and all liability for any withholding taxes required to be withheld relating to the Award and any Ordinary Shares issued under the Award and other amounts, or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such amounts from any payment made to you. Any reference to the Company or the Subsidiary employing you shall include a reference to the Trustee. You hereby undertake to release the Trustee from any liability in respect of any action or decisions duly taken and *bona fide* executed in relation to the Plan or any RSUs or Ordinary Shares granted thereunder. You agree to execute any and all documents which the Company or the Trustee may reasonably determine to be necessary in order to comply with the Ordinance.

You shall not be liable for the employer's components of payments to the national insurance institute, unless and to the extent that such payments by the employer are a result of your election to sell the Ordinary Shares before the end of the Holding Period (if allowed by applicable law). Furthermore, you agree to indemnify the Company, your employer and/or the Trustee and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to you for which you are responsible.

Notwithstanding anything to the contrary in the Agreement, no tax withholding obligation will be settled by withholding Ordinary Shares, unless the ITA approves doing so in writing.

#### Governing Law.

This section supplements Section 3.6 of the Agreement:

To the extent any covenant, condition, or other provision of the Agreement and the rights of the Participant hereunder are determined to be subject to Israeli law, such covenant, condition, or other provision of the Agreement shall be subject to applicable Israeli law, but shall in no way affect, impair or invalidate any other provision of the Agreement, and the applicability of the Plan to such covenant, condition, or other provision of the Agreement.

### **ITALY**

#### **Terms and Conditions**

#### Method of Payment.

The following provision supplements Section 2.6 of the Agreement:

You understand that you will be required to sell all Ordinary Shares received upon vesting of the RSUs and that you will not be permitted to hold any Ordinary Shares issued upon vesting of your RSUs. In order to effect such sale, you agree that the Plan broker shall be instructed to: (i) sell all of the Ordinary Shares issued upon the vesting of RSUs; (ii) use the proceeds to pay the brokerage commissions and fees and any Tax Liability (a “Tax Liability” being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction); and (iii) remit the balance to you. Depending upon the development of laws and your status as a national of a country other than Italy, the Company reserves the right to modify the methods of settling the RSUs in its sole discretion.

#### Authorization to Release and Transfer Necessary Personal Information.

The following supplements Section 2 of Part I of this Exhibit A.

**You understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage your participation in the Plan and employee compensation or for compliance or financial reporting purposes. You understand that pursuant to art.7 of D.lgs 196/2003, you have rights, including but not limited to, the right to access, delete, update, request the rectification of your Data and cease the Data processing and to object, in whole or in part, on legitimate grounds, to the processing of your Data, even though they are relevant to the purpose of collection. Furthermore, you are aware that your Data will not be used for direct marketing purposes. In addition, the Data provided can be reviewed and questions or complaints can be addressed by contacting a local HR representative. If you request that the Company cease processing your personal data, you must do so by writing to the Company’s Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com. If you request that the Company cease processing your Data, the Company will not be able to administer this award. Accordingly, if you request that the Company cease processing your Data, this Award will be cancelled when your withdrawal is received.**

Furthermore, having read and understood the information given on the processing of the Data and being acquainted of the rights set forth in art. 7 of D.lgs. 196/2003, you expressly and specifically consent according to art. 23 of D.lgs. 196/2003, to the processing of any Data as reported in the Plan and the Agreement, including the clauses “Consent to Personal Data Processing and Transfer” in Section 2 of Part I of this Exhibit A and “Authorization to Release and Transfer Necessary Personal Information” and further expressly and specifically consent, according to art. 43 and art. 44 of D.lgs. 196/2003 to the transfer of the Data, even sensitive data, in foreign Countries outside the European Union.

Exchange Control Information. You are required to report in your annual tax return: (a) any transfers of cash or Ordinary Shares to or from Italy exceeding €10,000 or the equivalent amount in U.S. dollars; and (b) any foreign investments or investments (including proceeds from the sale of Ordinary Shares acquired under the Plan) held outside of Italy exceeding €10,000 or the equivalent amount in U.S. dollars, if the investment may give rise to income in Italy. You are exempt from the formalities in clause (a) if the investments are made through an authorized broker resident in Italy, as the broker will comply with the reporting obligation on your behalf.

## JAPAN

### Foreign Asset/Account Reporting Information.

Japanese residents are required to report details of any assets, including Ordinary Shares held outside Japan as of December 31, to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report is due on or before March 15 each year. Japanese residents are responsible for complying with this reporting obligation and should confer with their personal tax advisor in this regard.

## LUXEMBOURG

No country-specific provisions.

## MALAYSIA

### Malaysian Insider Trading Notification.

You should be aware of the Malaysian insider-trading rules, which may impact your acquisition or disposal of Ordinary Shares or rights to Ordinary Shares under the Plan. Under the Malaysian insider-trading rules, you are prohibited from acquiring or selling Ordinary Shares or rights to Ordinary Shares (e.g., an Award under the Plan) when you are in possession of information which is not generally available and which you know or should know will have a material effect on the price of Ordinary Shares once such information is generally available.

### Director Notification Obligation.

If you are a director of a Malaysian Subsidiary or affiliate of the Company, you are subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the relevant Malaysian Subsidiary or affiliate in writing when you receive or dispose of an interest (e.g., an Award under the Plan or Ordinary Shares) in the Company or any related company. Such notifications must be made within 5 business days of receiving or disposing of any interest in the Company or any related company.

### Data Privacy Information.

Below is a translation of Section I(2) of this Exhibit A into Bahasa Malaysian for your reference:

**Kebenaran untuk memproses dan memindah data peribadi.** Entiti-entiti yang dinyatakan dalam **Lampiran 1** (“Entiti-entiti Broadcom”) mungkin memegang dan anda membenarkan mereka memegang, melalui penerimaan RSU, maklumat peribadi anda termasuk nama anda, alamat rumah, nombor telefon, tarikh lahir, nombor sekuriti sosial atau nombor pengenalan cukai pekerja, nombor pengenalan nasional, nombor paspot, sejarah dan status penggajian, kewarganegaraan, jawatan pekerjaan dan maklumat berkenaan mana-mana geran pampasan ekuiti atau Saham Biasa yang diberi, dibatalkan, dibeli, diberihak, tidak diberihak atau yang tertunggak (“**Data**”).

Entiti-entiti Broadcom menggunakan Data untuk tujuan melaksanakan, mengurus dan mentadbir Pelan untuk pelaporan pematuhan dan kewangan (“**Tujuan-tujuan**”).

Entiti-entiti Broadcom mungkin memindah, dan anda bersetuju kepada pemindahan ini dengan penerimaan RSU, Data kepada Entiti-entiti Broadcom lain, entiti-entiti yang dinyatakan dalam **Lampiran 2** atau mana-mana entiti yang membantu Entiti-entiti Broadcom untuk Tujuan-tujuan. Entiti-entiti Broadcom juga mungkin membenarkan Data untuk diakses oleh pihak berkuasa awam di mana diperlukan oleh undang-undang atau peraturan. Pihak-pihak ketiga dan pihak berkuasa awam mungkin terletak di Amerika Syarikat, Kawasan Ekonomik Eropah atau tempat-tempat lain termasuk kawasan-kawasan di mana undang-undang perlindungan data mungkin tidak seketat yang terdapat di bidangkuasa tempat tinggal anda.

Anda boleh, pada bila-bila masa, menilai Data, meminta pemindaan yang diperlukan kepadanya atau menarik balik kebenaran anda secara bertulis dengan menghubungi Syarikat melalui Pengarah Sumber Manusia anda. Jika anda menarik balik kebenaran anda, anda mesti berbuat demikian dengan menulis kepada Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., atau menghantar emel kepada stockadmin.pdl@broadcom.com. Jika anda menarik balik kebenaran anda, Syarikat mungkin tidak dapat menguruskan pemberian ini. Sejurus dengan itu, jika anda menarik balik kebenaran anda, Pemberian ini akan dibatalkan sebaik sahaja penarikbalikkan anda diterima.

**Saya membenarkan Entiti-entiti Broadcom dan pihak-pihak ketiga memproses Data saya sepertimana yang dinyatakan di atas, termasuk pemindahan dan penggunaan di negara di mana undang-undang perlindungan data tidak seketat yang terdapat di bidangkuasa tempat tinggal saya.**

## MEXICO

No country-specific provisions.

## NETHERLANDS

### Terms and Conditions.

By accepting the RSUs, you acknowledge that it is your responsibility to be aware of the Dutch insider trading rules, which may affect the sale of Ordinary Shares you acquire upon vesting of the RSUs. In particular, you understand and acknowledge that (i) you have reviewed the summary of the Dutch insider trading rules and (ii) you may be prohibited from effecting certain transactions in Ordinary Shares if you have insider information regarding the Company. You acknowledge and understand that you have been advised to read the discussion carefully to determine whether the insider rules could apply to you. If you are uncertain whether the insider rules apply to you or your situation, you acknowledge that the Company recommends that you consult with a legal advisor. You acknowledge and agree that the Company cannot be held liable if you violate the Dutch insider trading rules. You acknowledge and agree that you are responsible for ensuring your own compliance with these rules.

### Summary of Dutch Prohibition Against Insider Trading.

Dutch securities laws prohibit insider trading. The regulations are based upon the European Market Abuse Directive and are stated in section 5:56 of the Dutch Financial Supervision Act (Wet op het financieel toezicht or Wft) and in section 2 of the Market Abuse Decree (Besluit marktmisbruik Wft). For

further information, see the website of the Authority for the Financial Markets (AFM);  
<http://www.afm.nl/~media/Files/brochures/2012/insider-dealing.ashx>.

## **POLAND**

### Exchange Control Information.

If you hold foreign securities (including Ordinary Shares) and maintain accounts abroad, the it is your responsibility to report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets held abroad) exceeds PLN7,000,000. If required, the reports are due on a quarterly basis on special forms available on the website of the National Bank of Poland. Further, any transfer of funds in excess of a specified threshold (currently €15,000) must be effected through a bank account in Poland. By accepting the RSUs, you acknowledge and agree that it is your obligation to maintain evidence of such foreign exchange transactions for five years, in case of a request for their production by the National Bank of Poland.

## **RUSSIA**

### General.

This offer is being made from the United States and neither this Agreement nor any materials related to the Plan shall be construed to constitute advertising or offering of securities in Russia. The Ordinary Shares have not been and will not be registered in Russia.

### Financial Reporting Requirements.

You are required to notify the applicable Russian tax authorities of any actions with respect to the opening, closing or changing the essential details of bank accounts outside Russia, and must complete various reporting requirements with respect to your financial transactions, including declaring profits you earn in connection with the RSUs and the Ordinary Shares. You are solely responsible for declaring any taxable proceeds arising from this Agreement and the Ordinary Shares, including, but not limited to, any dividend payments or other distributions, as well as any proceeds you receive in connection with the disposition of the Ordinary Shares, and you are solely responsible for payment of all respective taxes that may arise under Russian law in connection therewith.

### Foreign Exchange.

The proceeds from the sale of any Ordinary Shares acquired before January 1, 2018 may only be transferred to a bank account opened in the territory of Russia. The proceeds of the sale of Ordinary Shares obtained on or after January 1, 2018, may be transferred to your bank account opened in a bank located in OECD and FATF member countries.

### Approvals.

You acknowledge and agree that it is your responsibility to obtain any consents or approvals from any third party that may be required from time-to-time by any then applicable Russian law for the disposal of any Ordinary Shares.

## SINGAPORE

### Securities Law Information.

**The award of the RSUs is being made in reliance of section 273(1)(f) of the Securities and Futures Act (Cap. 289) (“SFA”) for which it is exempt from the prospectus and registration requirements under the SFA.** You understand that the Ordinary Shares have not been registered with the SFA. Unless you sell any Ordinary Shares you acquire pursuant to the Plan via a public exchange outside of Singapore (e.g., NASDAQ), you agree that you shall not, within six (6) months of your acquisition of any Ordinary Shares, sell, transfer, gift, hypothecate or otherwise transfer such Ordinary Shares within Singapore except as expressly approved by the Company in writing. The Company believes that a typical sale through a U.S. brokerage firm would not require the Company's consent under these rules.

### Director Notification Obligation.

If you are a director, shadow director, or hold any similar position of a Singapore-incorporated company (each a “**Singapore company**”) (e.g., the Company, any Singapore Subsidiary or Singapore affiliate), you are subject to certain notification requirements under section 164 of the Singapore Companies Act to enable the Singapore company to comply with its obligations to maintain a register of director's shareholdings (“**Register**”). Among these requirements is an obligation to notify the Singapore company in writing of:

- (a) shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation which are held by you;
- (b) any interest that you have in shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation, and the nature and extent of that interest under Section 7 of the Singapore Companies Act (which provides for the circumstances under which a deemed interest in shares may arise);
- (c) rights or options that you have in respect of the acquisition or disposal of shares in the Singapore company or its related corporation; and
- (d) contracts to which you are a party or under which you are entitled to a benefit, being contracts under which a person has a right to call for or to make delivery of shares in the Singapore company or its related corporation.

You must notify the Singapore company in writing when there is any change in the particulars of your interests as mentioned above (including when you sell Ordinary Shares issued upon vesting and settlement of the RSUs).

You are deemed to hold or have an interest or a right in or over any shares or debentures, if:

- (a) your spouse (not being himself or herself a director or chief executive officer) holds or has an interest or a right in or over such shares or debentures; or
- (b) your child of less than 18 years of age, including stepson, stepdaughter, adopted son or adopted daughter (not being himself or herself a director or chief executive officer) holds or has an interest in such shares or debentures.

In addition, any contract, assignment or right of subscription shall be deemed to have been entered into or exercised or made by, or a grant shall be deemed as having been made to, you if any contract, assignment



or right of subscription is entered into, exercised or made by, or a grant is made to, members of your family as aforesaid (not being himself or herself a director or chief executive officer).

Particulars of your interests as mentioned above must be given within two business days after (i) the date on which you became a director of the Singapore company, or (ii) the date on which you became a registered holder of or acquired an interest as mentioned above, whichever last occurs. Particulars of any change in your interests must also be given within two business days of the change.

#### **SOUTH KOREA**

No country specific provisions.

#### **SPAIN**

No country specific provisions.

#### **SWEDEN**

No country specific provisions.

#### **SWITZERLAND**

No country specific provisions.

#### **TAIWAN**

#### **Terms and Conditions**

You understand that the offer of the RSUs has not been and will not be registered with or approved by the Financial Supervisory Commission of the Republic of China pursuant to relevant securities laws and regulations and the RSUs may not be offered or sold within the Republic of China through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Law of the Republic of China that requires a registration or approval of the Financial Supervisory Commission of the Republic of China.

You acknowledge and agree that you may be required to do certain acts and/or execute certain documents in connection with the grant of the RSUs, the vesting of the RSUs and the disposition of the resulting Ordinary Shares, including but not limited to obtaining foreign exchange approval for remittance of funds and other governmental approvals within the Republic of China. You shall pay your own costs and expenses with respect to any event concerning a holder of the RSUs, or Ordinary Shares received upon the vesting thereof.

#### Exchange Control Information.

**If you are a Taiwan resident (those who are over 20 years of age and holding a Republic of China citizen's ID Card, Taiwan Resident Certificate or an Alien Resident Certificate that is valid for a period no less than one year), you may acquire and remit foreign currency (including proceeds from the sale of Ordinary Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD\$500,000 or more in a single transaction, you must submit a foreign**

**exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.**

If the transaction amount is US\$500,000 or more, you may be required to provide additional supporting documentation (including the contracts for such transaction, approval letter, etc.) to the satisfaction of the remitting bank. You acknowledge that you are advised to consult your personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## **THAILAND**

### Exchange Control Information.

When you sell Ordinary Shares you receive following vesting of RSUs, you must immediately repatriate all cash proceeds to Thailand thereafter, you must convert such proceeds to Thai Baht or deposit it into a foreign currency account within 360 days of repatriation. If the amount of your proceeds is US\$50,000 (or its equivalent) or more, you must specifically report the inward remittance to a commercial bank being an authorized agent or other authorized agent of the Bank of Thailand on a foreign exchange transaction form to declare the purpose of such inward remittance. If you fail to comply with these obligations, you may be subject to penalties assessed by the Bank of Thailand. You should consult your personal advisor before taking action with respect to remittance of proceeds from the sale of Ordinary Shares into Thailand. You are responsible for ensuring compliance with all exchange control laws in Thailand.

## **TURKEY**

### Securities Law Information

You acknowledge and agree that the offer of this award of RSUs has been made by the Company to you personally in connection with your existing relationship with the Company or one or more of its affiliates, and further, that the Award, any Ordinary Shares issued upon vesting of the RSUs and the related offer thereof are not subject to regulation by any securities regulator in Turkey.

## **UNITED KINGDOM**

### Terms and Conditions

#### Definitions.

The definition of “Termination of Services” shall be replaced in its entirety by the following definition:

“**Termination of Services**” shall mean Participant’s Termination of Employment.

The definition of “Termination of Employment” shall be replaced in its entirety by the following definition:

“**Termination of Employment**” shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary. The Committee, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including,

but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

#### Participants.

The Agreement as amended pursuant to this Exhibit A forms the rules of the employee share scheme applicable to the United Kingdom based Participants of the Company and any Subsidiaries. Only employees of the Company or any subsidiary of the Company are eligible to be granted RSUs or be issued Ordinary Shares under the Agreement. Other service providers (including Nonemployee Directors) who are not employees are not eligible to receive RSUs under the Agreement in the United Kingdom. Accordingly, all references in the Agreement to the Participant's service or termination of service shall be interpreted as references to the Participant's employment or Termination of Employment.

The following provision replaces Section 3.11 of the Agreement in its entirety:

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue to serve as an employee of the Company or any of its Subsidiaries and the grant of an RSU does not form part of the Participant's entitlement to remuneration or benefits in terms of his employment with the Company or any Subsidiary.

#### Special Tax Consequences.

In relation to United Kingdom based Participants only:

(a) You agree to indemnify and keep indemnified the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a "**Tax Liability**" being any liability for income tax, withholding tax and any other employment related taxes, employee's national insurance contributions or employer's national insurance contributions or equivalent social security contributions in any jurisdiction) that is attributable to (1) the grant or settlement of, or any benefit derived by you from, the RSUs, (2) your acquisition of Ordinary Shares upon vesting of the RSUs, or (3) the disposal of any Ordinary Shares.

(b) the RSUs cannot be settled until you have made such arrangements as the Company may require for the satisfaction of any Tax Liability that may arise in connection with the vesting and settlement of the RSUs and/or your acquisition of the Ordinary Shares. The Company shall not be required to issue, allot or transfer Ordinary Shares until the you have satisfied this obligation.

(c) at the discretion of the Company, the RSUs cannot be settled until you have entered into an election with the Company (or your employer) (as appropriate) in a form approved by the Company and Her Majesty's Revenue & Customs (a "**Joint Election**") under which any liability of the Company and/or the employer for employer's national insurance contributions arising in respect of the granting, vesting, settlement of or other dealing in the RSUs, or the acquisition of Ordinary Shares on the settlement of the RSUs, is transferred to and met by you.

#### Tax and National Insurance Contributions Acknowledgment.

You agree that if you do not pay or your employer (the "**Employer**") or the Company does not withhold from you, the full amount of all taxes applicable to the taxable income resulting from the grant of the RSUs, the vesting of the RSUs, or the issuance of Ordinary Shares (the "**Tax-Related Items**") that you owe due to the vesting of the RSUs, or the release or assignment of the RSUs for consideration, or the

receipt of any other benefit in connection with the RSUs (the “***Taxable Event***”) by 90 days after the end of the tax year in which the Taxable Event occurred, then the amount that should have been withheld shall constitute a loan owed by you to your employer, effective 90 days after the end of the tax year in which the Taxable Event occurred. You agree that the loan will bear interest at the HMRC’s official rate and will be immediately due and repayable by you, and the Company and/or the employer may recover it at any time thereafter by withholding the funds from salary, bonus or any other funds due to you by the employer, by withholding in Shares issued upon vesting and settlement of the RSUs or from the cash proceeds from the sale of Ordinary Shares or by demanding cash or a cheque from you. You also authorize the Company to delay the issuance of any Ordinary Shares to you unless and until the loan is repaid in full.

Notwithstanding the foregoing, if you are an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that you are an officer or executive director and Tax-Related Items are not collected from or paid by you within 90 days of the Taxable Event, the amount of any uncollected Tax-Related Items may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Section 2.6 of the Agreement.

References to “withholding tax” in Sections 2.6(b)(4) and 2.8(d) of the Agreement shall include social security contributions including primary and secondary class 1 national insurance contributions.

## **Annex 1**

Broadcom Limited and its subsidiaries  
c/o Broadcom Limited

1 Yishun Avenue 7  
Singapore 768923

Or

1320 Ridder Park Drive  
San Jose, CA 95131  
United States

## Annex 2

### **Payroll Providers**

Automatic Data Processing, Inc.  
Allsec Technologies Limited  
Baker Tilly Revas Limited  
Balmer-Etienne AG  
BOSS YONETISIM AS  
Bridgehead B.V.  
Ceridian  
Chronos Consulting  
CIIC Shanghai Financial Co. Consulting Ltd  
Deloitte  
Grant Thornton  
Hilan  
HR Outsourcing Korea  
HTLC Network Group  
HTM Corporation  
In Extenso  
Innovation  
Made Finance  
N.S.N. Consulting & Investmentservices  
Partena  
Payfront Technologies India Private Limited  
Payroll Services Company Ltd.  
PKF – Littlejohn Network Group  
Rivor  
RSM  
Rueter & Partner  
SCS Global Tax Consulting Corporation  
Sigmagest  
Spira Twist & Associates  
Studio Arlati Ghislandi  
Squires Payroll Services  
TMF Services Ltd  
TMF Hong Kong Ltd  
TMF Corporate Services (Australia) Pty Ltd  
TMF Administrative Services Malaysia Sdn BhdTricor Services Limited  
Wirtschaftsprüfer / Steuerberater

### **Other vendors**

Box, Inc.  
Compensia, Inc.  
Deloitte Tax LLP  
Diligent Corporation  
Fidelity Stock Plan Services, LLC  
Google Inc.  
International Law Solutions, PC

Latham & Watkins LLP  
My Equity Comp  
NAVEX Global, Inc.  
PwC  
ServiceNow  
Workday, Inc.

### Annex 3

#### ADDITIONAL PROVISIONS FOR EMPLOYEES IN DENMARK

##### ERKLÆRING OM TILDELING AF BETINGEDE AKTIEENHEDER, HERUNDER ERKLÆRING I HENHOLD TIL AKTIEOPTIONSLOVEN

##### STATEMENT CONCERNING GRANTING OF RESTRICTED SHARE UNITS, INCLUDING STATEMENT PURSUANT TO THE DANISH STOCK OPTION ACT

Brocade Communications Denmark ApS  
("Selskabet")

Brocade Communications Denmark ApS  
(the "**Company**")

Og And

Medarbejderen, der elektronisk har givet samtykke til vilkårene og betingelserne i Restricted Share Unit Award Agreement.  
("Medarbejderen")

The individual providing services to the Company electronically consenting to the terms and conditions of the Restricted Share Unit Award Agreement.  
(the "**Service Provider**")

1. Og And

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
("Moderselskabet")

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
(the "**Parent Company**")

har indgået Restricted Share Unit Award Agreement og alle bilag og tillæg hertil ("**Tildelingsaftalen**") i relation til de Restricted Share Units ("**RSU'er**"), som Moderselskabet har tildelt Medarbejderen.

have entered into the Restricted Share Unit Award Agreement, including all exhibits and appendices thereto (the "**Agreement**") concerning the Restricted Share Units (the "**RSUs**") granted by the Parent Company to the Service Provider.

Denne erklæring ("**Erklæringen**") udgør en erklæring til Medarbejderen i henhold til § 3, stk. 1 i lov om brug af køberet eller tegningsret til aktier m.v. i ansættelsesforhold ("**Aktieoptionsloven**").

This statement (the "**Statement**") constitutes a statement to the Service Provider pursuant to section 3 (1) of the Danish Act on the exercise of stock acquisition rights or stock subscription rights in employment relationships, etc. (the "**Stock Option Act**").

I tilfælde af uoverensstemmelser mellem Erklæringen og Tildelingsaftalen og/eller Medarbejderens ansættelsesaftale med Selskabet har Tildelingsaftalen forrang.

In the event of any discrepancies between the Statement and the Agreement and/or Service Provider's contract of employment with the Company, this Agreement shall prevail.



Moderselskabet har vedtaget et Restricted Share Unit program, der omfatter medarbejdere i Moderselskabet og dets datterselskaber, herunder Selskabets medarbejdere. Vilkårene for Restricted Share Unit-programmet, der også omfatter de Restricted Share Units, der tildeles i medfør af Tildelingsaftalen, er fastsat i "LSI Corporation 2003 Equity Incentive Plan" (benævnt "**Aktieincitamentsprogrammet**").

Vilkårene i Aktieincitamentsprogrammet finder anvendelse på Medarbejderens Restricted Share Units, medmindre Tildelingsaftalen fastsætter vilkår, der fraviger vilkårene i Aktieincitamentsprogrammet. I sådanne tilfælde har Tildelingsaftalen vilkår forrang.

Definitioner anvendt i Tildelingsaftalen skal have samme betydning som i Aktieincitamentsprogrammet, medmindre andet følger af Tildelingsaftalen.

## 1. RESTRICTED SHARE UNITS OG VEDERLAG

1.1 Medarbejderen tildeles løbende Restricted Share Units, der giver Medarbejderen ret til aktier ("**Aktier**") i Moderselskabet og/eller kontantbetaling. De pågældende Restricted Share Units tildeles vederlagsfrit.

1.2 Værdien pr. aktie, som Restricted Share Units'erne repræsenterer vil blive som nærmere fastsat i Tildelingsaftalen.

## 2. ØVRIGE VILKÅR OG BETINGELSER

2.1 Restricted Share Units'erne tildeles i overensstemmelse med Aktieincitamentsprogrammet.

2.2 Restricted Share Units'erne tildeles efter Komiteens skøn og når Administratoren måtte beslutte det.

2.3 Restricted Share Units'erne optjenes i overensstemmelse med Tildelingsaftalen.

The Parent Company has adopted a Restricted Share Unit program covering the Service Providers of the Parent Company and its subsidiaries, including the employees of the Company. The terms of the Restricted Share Unit program, which also include the Restricted Share Units granted under the Agreement, appear from the "LSI Corporation 2003 Equity Incentive Plan" (the "**Equity Incentive Program**").

The terms of the Equity Incentive Program apply to the Service Provider's Restricted Share Units, unless the Agreement stipulates terms that deviate from the terms of the Equity Incentive Program. In such situations, the terms of the Agreement shall prevail.

The definitions of the Agreement shall have the same meaning as the definitions of the Equity Incentive Program, unless otherwise provided by Agreement.

## 1. RESTRICTED SHARE UNITS AND CONSIDERATION

1.1 The Service Provider is granted Restricted Share Units on a current basis entitling the Service Provider to shares ("**Ordinary Shares**") in the Parent Company and/or cash payment. The Restricted Share Units are granted free of charge.

1.2 The value per share that the Restricted Share Units represent shall be as specified in the Agreement.

## 2. OTHER TERMS AND CONDITIONS

2.1 The Restricted Share Units are granted under the Equity Incentive Program.

2.2 The Restricted Share Units are granted at the discretion of the Committee and at the timing of its discretion.

2.3 The Restricted Share Units shall vest as set forth in the Agreement.

2.4 Optjeningen af Restricted Share Units er betinget af, at Medarbejderen er ansat i Selskabet i optjeningsperioden, og der hverken tildeles eller optjenes Restricted Share Units efter ansættelsesforholdets ophør, uanset årsag hertil, *jf.* dog nedenfor. Optjeningen af Restricted Share Units påvirkes ikke af lovreguleret orlov.

### 3. UDNYTTELSE

3.1 Efter optjeningsperioden kan Optjente Restricted Share Units udnyttes forudsat, at de ikke er bortfaldet efter vilkårene i Tildelingsaftalen og indtil det tidspunkt, hvor sådanne Restricted Share Units ophører, bortfalder og/eller fortabes i overensstemmelse med vilkårene i Tildelingsaftalen.

3.2 Såfremt (i) Selskabet opsiges Medarbejderens ansættelsesforhold, uden at Medarbejderen har misligholdt ansættelsesforholdet, eller (ii) Medarbejderen opsiges ansættelsesforholdet som følge af Selskabets grove misligholdelse, har Medarbejderen uanset opsigelsen ret til betaling af ikke-optjente og ikke-udbetalte Restricted Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.

2.4 The earning of Restricted Share Units is conditional on the Service Provider being employed with the Company for the duration of the vesting period and no Restricted Share Units are granted or earned after the termination of the employment, regardless of the reason for such termination, *cf.* however below. The earning of Restricted Share Units is not influenced by statutory leave.

### 3. EXERCISE

3.1 Following vesting, earned Restricted Share Units will be exercisable as long as they remain validly outstanding pursuant to the Agreement, until the date such Restricted Share Units are terminated, cancelled and/or forfeited pursuant to the terms of the Agreement.

3.2 In the event that (i) the Company terminates the Service Provider's employment for reasons other than the Service Provider's breach of the employment, or (ii) the Service Provider terminates the employment due to material breach on the part of the Company, the Service Provider is, irrespective of the termination, entitled to settlement of any unvested Restricted Share Units remaining unsettled in accordance with the Equity Incentive Program and the Agreement.

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|--|--|
| <p>3.3 I tilfælde af Medarbejderens opsigelse, uden at Selskabet groft har misligholdt ansættelsesforholdet, fortabes og bortfalder alle ikke-optjente Restricted Share Units, der ikke er udbetalt på det tidspunkt, hvor ansættelsen ophører, uden yderligere varsel og uden kompensation. Medarbejderen bevarer dog retten til betaling for optjente og ikke-udbetalte Restricted Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.</p> | <p>3.3 If the Service Provider terminates the employment without the Company being in gross breach of the employment, all unvested Restricted Share Units, which have not been exercised at the time of the termination, will be forfeited and lapse without further notice or compensation. The Service Provider, however, is entitled to settlement of all vested Restricted Share Units which have not been settled at the time of the termination in accordance with the Equity Incentive Program and the Agreement.</p> |
| <p>3.4 I tilfælde af Selskabets opsigelse og/eller bortvisning som følge af Medarbejderens misligholdelse af ansættelsesforholdet bortfalder Medarbejderens Restricted Share Units som ikke er optjent uden yderligere varsel eller kompensation pr. ansættelsesforholdets ophør.</p>  | <p>3.4 If the Company terminates and/or summarily dismisses the Service Provider due the Service Provider's breach of the employment, all Restricted Share Units, which have not vested at the time of termination, will lapse without further notice or compensation at the effective date of termination.</p>  |
| <p>3.5 Ved Medarbejderens død bortfalder Medarbejderens ikke-optjente Restricted Share Units uden yderligere varsel og kompensation pr. dødstidspunktet. Boet og/eller arvingerne er i øvrigt i enhver henseende underlagt de for Medarbejderen fastsatte vilkår for Restricted Share Units og de dertil knyttede aktier.</p>  | <p>3.5 In the event of the Service Provider's death, unvested Restricted Share Units will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the Service Provider's Restricted Share Units and the related Ordinary Shares.</p>   |

3.6 Ved aldersbetinget pensionering (folkepension) eller særskilt aftale herom og ved invaliditet har Medarbejderen ret til at få udbetaling for tildelte, ikke-udbetalte Restricted Share Units. Medarbejderen er underlagt de for Medarbejderne fastsatte vilkår for Restricted Share Units og de dertil knyttede aktier.

#### 4. REGULERING AF RESTRICTED SHARE UNITS

##### *Regulering ved kapitalændringer*

4.1 Såfremt der sker en ændring i antallet af udestående Aktier som følge af ændring i Moderselskabets kapitalstruktur uden vederlag såsom aktieudbytte, rekapitalisering, aktiesplit, omvendt aktiesplit, rekonstruktion, fusion, konsolidering, opdeling, kombination, genkøb eller ombytning af Selskabets Aktier eller øvrige værdipapirer eller andre ændringer i Moderselskabets selskabsstruktur, der kan påvirke Aktien, kan der gennemføres justeringer, der kan påvirke Aktieincitamentsprogrammet, herunder en justering af antallet af samt klassen af Aktier, der kan opnås i henhold til Programmet, af Købsprisen pr. aktie og af det antal Aktier for hver option i henhold til Programmet, der endnu ikke er udnyttet, og de talmæssige begrænsninger i Aktieincitamentsprogrammet.

##### *Andre ændringer*

3.6 Upon retirement due to old age ("**folkepension**") or separate agreement in this respect and in the event of disability, the Service Provider is entitled to settlement of granted and unsettled Restricted Share Units. The Service Provider is subject to the terms governing the Restricted Share Units and the related Ordinary Shares.

#### 4. ADJUSTMENT OF THE RESTRICTED SHARE UNITS

##### *Adjustment in connection with capital changes*

4.1 If the number of outstanding Ordinary Shares is changed by a modification in the capital structure of the Parent Company without consideration such as a stock dividend, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, combination, repurchase or exchange of Ordinary Shares or other securities of the Parent Company or other change in the corporate structure of the Parent Company affecting the Ordinary Shares, adjustments may be made that may impact the Equity Incentive Program and the Restricted Share Units including adjusting the number and class of Ordinary Shares that may be delivered under the Equity Incentive Program and the numerical limits of the Equity Incentive Program.

##### *Other changes*

4.2 I tilfælde af forslag om opløsning eller likvidation af Selskabet, og i tilfælde af fusion eller ændring i kontrollen med Selskabet eller Moderselskabet, kan der ske andre reguleringer i Aktieincitamentsprogrammet og Restricted Share Units.

*Komiteens regulering af Optioner*

4.1 Komiteens adgang til at regulere Restricted Share Units i de i § 4 omhandlede situationer er reguleret af vilkårene i Aktieincitamentsprogrammet. Med hensyn til Komiteens generelle adgang til at ændre eller opsiges Aktieincitamentsprogrammet, henvises der til punkt 11.2 og punkt 3.7 i Aktieincitamentsprogrammet.

5. ØKONOMISKE ASPEKTER VED DELTAGELSE I ORDNINGEN

5.1 Restricted Share Units'erne er risikobetonede værdipapirer, der er afhængige af aktiemarkedet og Moderselskabets resultater. Som følge heraf er der ingen garanti for, at Restricted Share Units'erne udløser en fortjeneste. Restricted Share Units'erne skal ikke medregnes ved opgørelsen af feriepenge, fratrædelsesgodtgørelse, godtgørelse eller kompensation fastsat ved lov, pension og lignende.

6. SKATTEMÆSSIGE FORHOLD

4.2 In the event of a proposed dissolution or liquidation of the Parent Company and in the event of a merger or a change in control of the Parent Company, other adjustments may be made to the Equity Incentive Program and the Restricted Share Units.

*Committee's regulation of Options*

4.3 The Committee's access to regulation of the Restricted Share Units in the situations comprised by this section 4 shall be regulated by the terms and conditions of the Equity Incentive Program. As regards the Committee's, general access to amend or terminate the Equity Incentive Program reference is made to the Equity Incentive Program Section 11.2 and Section 3.7 of the Agreement.

5. THE FINANCIAL ASPECTS OF PARTICIPATING IN THE SCHEME

5.1 The Restricted Share Units are risky securities the potential value of which is influenced by the market for Ordinary Shares and the Parent Company's results. Consequently, there is no guarantee that the vesting of the Restricted Share Units will trigger a profit. The Restricted Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

6. TAX MATTERS

- |   |  |
|---|--|
| <p>6.1 De skattemæssige konsekvenser for Medarbejderen som følge af tildelingen af Restricted Share Units og den efterfølgende udnyttelse heraf er i sidste ende Medarbejderens ansvar. Selskabet opfordrer Medarbejderen til selvstændigt at indhente rådgivning om den skattemæssige behandling af tildeling og udnyttelse af Restricted Share Units.</p> | <p>6.1 Any tax consequences for the Service Provider arising out of the Restricted Share Units and the exercise thereof are ultimately the responsibility of the Service Provider. The Company encourages the Service Provider to obtain individual tax advice in relation to the effect of grant and vesting of the Restricted Share Units.</p> |
| <p>7. OVERDRAGELSE OG PANTSÆTNING AF OPTIONER MV.</p>   | <p>7. TRANSFER AND PLEDGING OF OPTIONS, ETC.</p>   |
| <p>7.1 Restricted Share Units er personlige. Ingen rettigheder om betaling for Restricted Share Units eller tildeling af Aktier i henhold til Aktieincitamentsprogrammet kan overdrages, overføres, pantsættes eller på anden vis disponeres over af Medarbejderen, frivilligt eller ved udlæg.</p>   | <p>7.1 The Options are personal instruments. No rights with regard to settlement of Restricted Share Units or to receive Ordinary Shares under the Equity Incentive Program may assigned, transferred, pledged or otherwise disposed of in any way by the Service Provider whether voluntarily or by execution.</p>                              |

**Notice of Grant of Restricted Share Unit Award**  
**Under the Broadcom Corporation**  
**2012 Stock Incentive Plan**

**BROADCOM LIMITED**  
**1 Yishun Avenue 7**  
**Singapore 768923**

**GRANTEE NAME:** <Participant Name>

**GRANTEE ID:** <Employee ID>

**GRANT NUMBER:** <Client Grant ID>

**Grant Date:**

<Grant Date>

**Number of Restricted Share  
Units:**

<Number of Awards  
Granted>

On the grant date shown above, Broadcom Limited (the “**Company**”) granted to the grantee identified above (“**you**” or the “**Participant**”) the number of restricted share units shown above (the “**RSUs**” or “**Restricted Share Units**”) under the Broadcom Corporation 2012 Stock Incentive Plan, as amended (the “**Plan**”). If and when it vests, each RSU entitles you to receive one ordinary share of the Company (each, an “**Ordinary Share**”). By accepting this award of RSUs, you are affirmatively agreeing to the following in respect of these RSUs and all other restricted share units held by you (a “**Sell to Cover**”):

**Sell to Cover:** Upon vesting of the RSUs and any other restricted share units held by you and release of the resulting Ordinary Shares, the Company, on your behalf, will instruct Fidelity Stock Plan Services, LLC or one of its affiliates or such other agent instructed by the Company from time to time (collectively, the “**Agent**”) to sell that number of such Ordinary Shares determined in accordance with Section 2.6 of the attached Restricted Share Unit Award Agreement (with respect to both the RSUs and any other restricted share units held by you) to satisfy any resulting tax withholding obligations of the Company, and the Agent will remit cash proceeds of such sale to the Company sufficient to satisfy such tax withholding obligations. The Company or a Subsidiary will then pay the required tax withholding obligations to the appropriate taxing authorities.

The RSUs will vest as follows if you have not incurred a Termination of Services prior to the applicable time of vesting:

[insert vesting provisions]

By accepting this award electronically through the Plan service provider’s online grant acceptance process:

- (1) You agree that the RSUs are governed by this Notice of Grant and the attached Restricted Share Unit Award Agreement (including Exhibit A thereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.
- (2) You have received, read and understand the Agreement, the Plan and the prospectus for the Plan.
- (3) You agree to accept as binding all decisions or interpretations of the Plan Administrator or its delegate regarding any questions relating to the Plan or the Agreement, including, if you provide services outside the United States, the global provisions and any specific provisions for the country in which you provide services, attached to the Agreement as Exhibit A.
- (4) You have read and agree to comply with the Company’s Insider Trading Policy.

Capitalized terms not specifically defined in this Notice shall have the meanings specified in the Plan or the Agreement.



**BROADCOM CORPORATION  
2012 STOCK INCENTIVE PLAN**

**RESTRICTED SHARE UNIT AWARD AGREEMENT  
(SELL TO COVER)**

Broadcom Limited, a company organized under the laws of Singapore (the “**Company**”), pursuant to its Broadcom Corporation 2012 Stock Incentive Plan, as amended from time to time (the “**Plan**”), has granted to the grantee indicated in the attached Notice of Grant (the “**Notice of Grant**”) an award of restricted share units (“**Restricted Share Units**” or “**RSUs**”). The RSUs are subject to all of the terms and conditions set forth in this Restricted Share Unit Award Agreement (including Exhibit A hereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.

**BY ACCEPTING THIS AWARD, YOU CONSENT TO THE USE AND SHARING OF YOUR PERSONAL DATA AS SET FORTH  
IN THE APPLICABLE PROVISIONS IN EXHIBIT A**

**ARTICLE I**

**GENERAL**

1.1 Defined Terms. Capitalized terms not specifically defined in this Agreement shall have the meanings specified in the Plan or in the Notice of Grant, unless the context clearly requires otherwise.

(a) “**Termination of Consultancy**” shall mean the time when the engagement of Participant as a consultant to the Company or a Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, by resignation, discharge, death, disability, or retirement, but excluding: (a) terminations where there is a simultaneous employment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations where there is a simultaneous re-establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Plan Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Consultancy, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Consultancy. Notwithstanding any other provision of the Plan, the Company or any Subsidiary has an absolute and unrestricted right to terminate a consultant’s service at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in writing.

(b) “**Termination of Directorship**” shall mean the time when Participant, if he or she is or becomes a non-employee director of the Board, ceases to be a director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or retirement. The Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to Termination of Directorship with respect to non-employee directors.

(c) “**Termination of Employment**” shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding: (a) terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations where there is a simultaneous establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Plan Administrator, in its absolute discretion, shall

determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

(d) **“Termination of Services”** shall mean Participant’s Termination of Consultancy, Termination of Directorship or Termination of Employment, as applicable.

1.2 General. Each Restricted Share Unit represents the right to receive one Ordinary Share if and when it vests. The Restricted Share Units shall not be treated as property or as a trust fund of any kind.

1.3 Incorporation of Terms of Plan. RSUs are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

## **ARTICLE II**

### **GRANT OF RESTRICTED SHARE UNITS**

2.1 Grant of RSUs. In consideration of your continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Notice of Grant (the **“Grant Date”**), the Company granted to you the number of RSUs set forth in the Notice of Grant.

2.2 Company’s Obligation to Pay. Unless and until the RSUs will have vested in the manner set forth in Article II hereof, you will have no right to payment of any such RSUs. Prior to actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4, your RSUs will vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth in the Notice of Grant (the **“Vesting Schedule”**) as long as you have not had a Termination of Services prior to the vesting date for such portion. Unless otherwise determined by the Plan Administrator, employment or service for a portion, even a substantial portion, of any vesting period will not entitle you to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a Termination of Services as provided in Section 2.5 below or under the Plan.

2.4 Change in Control Treatment. In the event the successor corporation in a Change in Control refuses to assume or substitute for the RSUs in accordance with Section II.A of Article Three of the Plan, the RSUs will vest as of immediately prior to such Change in Control.

2.5 Forfeiture, Termination and Cancellation upon Termination of Services. Upon your Termination of Services for any or no reason, any then-unvested RSUs (after giving effect to any accelerated vesting pursuant to Section 2.4) will be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and you, or your beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

2.6 Payment after Vesting.

(a) On or before the tenth (10<sup>th</sup>) day following the vesting of any Restricted Share Units pursuant to Section 2.3, 2.4 or 3.2, the Company shall deliver to the Participant a number of Ordinary Shares equal to the number of Restricted Share Units that so vested, unless such Restricted Share Units terminate prior to the given vesting date pursuant to Section 2.5. Notwithstanding the foregoing, in the event Ordinary Shares cannot be issued because of the failure to meet one or more of the conditions set forth in Section 2.8(a), (b) or (c) hereof, then the Ordinary Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Plan Administrator determines that Ordinary Shares can again be issued in accordance with Sections 2.8(a), (b) and (c) hereof. Notwithstanding any discretion in the Plan, the Notice of Grant or this Agreement to the contrary, upon vesting of the RSUs, Ordinary Shares will be issued as set forth in this section. In no event will the RSUs be settled in cash.

(b) Notwithstanding anything to the contrary in this Agreement, the Company shall be entitled to require you to pay any sums required by applicable law to be withheld with respect to the RSUs, the issuance of Ordinary Shares or with respect to any other restricted share units, if any, granted to you prior to the Grant Date under the Plan or any other Company equity incentive plan (each, a “**Prior Award**”). Such payment shall be made by using a Sell to Cover. The award agreements covering your Prior Awards (if any) will be deemed amended to the extent necessary to reflect this Section 2.6(b). By accepting this award of RSUs, you agree (with respect to the RSUs and all Prior Awards, if any) to Sell to Cover to satisfy any tax withholding obligations and:

(i) You hereby appoint the Agent as your agent and direct the Agent to (1) sell on the open market at the then prevailing market price(s), on your behalf, promptly after any RSUs (or Prior Awards) vest, such number of the Ordinary Shares that are issued in respect of such RSUs (or subject to or issued in respect of such Prior Awards) as the Agent determines will generate sufficient proceeds to cover (x) any estimated tax, social insurance, payroll, fringe benefit or similar withholding obligations with respect to such vesting and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) in the Company’s discretion, apply any remaining funds to your federal tax withholding or remit such remaining funds to you.

(ii) You hereby authorize the Company and the Agent to cooperate and communicate with one another to determine the number of Ordinary Shares to be sold pursuant to subsection (i) above. You understand that to protect against declines in the market price of Ordinary Shares, the Agent may determine to sell more than the minimum number of Ordinary Shares needed to generate the required funds.

(iii) You understand that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to your account. In addition, you acknowledge that it may not be possible to sell Ordinary Shares as provided in subsection (i) above due to (1) a legal or contractual restriction applicable to the Agent, (2) a market disruption, or (3) rules governing order execution priority on the national exchange where the Ordinary Shares may be traded. In the event of the Agent’s inability to sell Ordinary Shares, you will continue to be responsible for the timely payment to the Company and/or its affiliates of all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld, including but not limited to those amounts specified in subsection (i) above.

(iv) You acknowledge that, regardless of any other term or condition of this Section 2.6(b), neither the Company nor the Agent will have any liability to you for (1) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond

its reasonable control, or (3) any claim relating to the timing of any Sell-to-Cover, the price at which Ordinary Shares are sold in any Sell-to-Cover, or the timing of the delivery to you of any Ordinary Shares following any Sell-to-Cover. Regardless of the Company's or any Subsidiary's actions in connection with tax withholding pursuant to this Agreement, you acknowledge that the ultimate responsibility for any and all tax-related items imposed on you in connection with any aspect of the RSUs (and any Prior Awards) and any Ordinary Shares issued upon vesting of the RSUs (or subject to or issued in respect of your Prior Awards) is and remains your responsibility and liability. Except as expressly stated herein, neither the Company nor any Subsidiary makes any commitment to structure of the RSUs (or any Prior Award) to reduce or eliminate your liability for tax-related items.

(v) You hereby agree to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.6(b). The Agent is a third-party beneficiary of this Section 2.6(b).

(vi) This Section 2.6(b) shall survive termination of this Agreement until all tax withholding obligations arising in connection with this Award have been satisfied.

The Company shall not be obligated to deliver any Ordinary Shares to you unless and until you have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes required to be withheld in connection with the grant or vesting of the RSUs.

2.7 Rights as Shareholder. As a holder of RSUs you are not, and do not have any of the rights or privileges of, a shareholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the RSUs and any Ordinary Shares issuable upon vesting thereof unless and until such Ordinary Shares shall have been actually issued by the Company to you. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Ordinary Shares are issued, except as provided in Section II.A of Article Three of the Plan.

2.8 Conditions to Delivery of Ordinary Shares. Subject to Section VI of Article Five of the Plan, the Ordinary Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Ordinary Shares or issued Ordinary Shares which have then been reacquired by the Company. Such Ordinary Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Ordinary Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Ordinary Shares to listing on all stock exchanges on which the Ordinary Shares are then listed;

(b) The completion of any registration or other qualification of such Ordinary Shares under any state, federal or foreign law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Plan Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state, federal or foreign governmental agency which the Plan Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such Ordinary Shares, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.6 hereof; and

(e) The lapse of such reasonable period of time following the vesting of any Restricted Share Units as the Plan Administrator may from time to time establish for reasons of administrative convenience.

### **ARTICLE III**

#### **OTHER PROVISIONS**

3.1 **Administration.** The Plan Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Plan Administrator in good faith shall be final and binding upon you, the Company and all other interested persons. No member of the Plan Administrator or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the RSUs.

3.2 **Adjustments Upon Specified Events.** In addition, upon the occurrence of certain events relating to the Ordinary Shares contemplated by Section V.E of Article One and Section II of Article Three of the Plan (including, without limitation, an extraordinary cash dividend on such Ordinary Shares), the Plan Administrator shall make such adjustments as the Plan Administrator deems appropriate in the number of Restricted Share Units then outstanding and the number and kind of securities that may be issued in respect of the Restricted Share Units. You acknowledge that the RSUs are subject to modification and termination in certain events as provided in this Agreement and Articles One and Three of the Plan.

3.3 **Grant is Not Transferable.** Your RSUs may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of the RSUs, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, the RSUs will terminate immediately and will become null and void.

3.4 **Notices.** Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at the Participant's last address reflected on the Company's records, including any email address. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice to the Company shall be deemed given when actually received. Any notice given by the Company shall be deemed given when sent via email or 5 U.S. business days after mailing.

3.5 **Titles.** Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law; Severability. The laws of the State of California shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. You acknowledge that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state and foreign securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.8 Amendments, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Plan Administrator or the Board, *provided*, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without your prior written consent.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if you are subject to Section 16 of the Exchange Act, the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by and necessary to comply with applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon you any right to continue to serve as an employee or other service provider of the Company or any of its Subsidiaries.

3.12 Entire Agreement. The Plan, the Notice of Grant and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.13 Section 409A. The RSUs are not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, “**Section 409A**”). However, notwithstanding any other provision of the Plan or this Agreement, if at any time the Plan Administrator determines that the RSUs (or any portion thereof) may be subject to Section 409A, the Plan Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify you or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other

actions, as the Plan Administrator determines are necessary or appropriate either for the RSUs to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive the Ordinary Shares as a general unsecured creditor with respect to RSUs, as and when payable hereunder.

3.15 Additional Terms for Participants Providing Services Outside the United States. To the extent you provide services to the Company or a Subsidiary in a country other than the United States, the RSUs shall be subject to such additional or substitute terms as shall be set forth for such country in Exhibit A attached hereto. If you relocate to one of the countries included in Exhibit A during the life of the RSUs, Exhibit A, including the provisions for such country, shall apply to you and the RSUs, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. In addition, the Company reserves the right to impose other requirements on the RSUs and the Ordinary Shares issued upon vesting of the RSUs, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

\* \* \* \* \*

**EXHIBIT A  
TO BROADCOM CORPORATION  
2012 STOCK INCENTIVE PLAN  
RESTRICTED SHARE UNIT AWARD AGREEMENT**

This Exhibit A includes (i) additional terms and conditions applicable to all Participants providing services to the Company or a Subsidiary outside the United States, and (ii) additional terms applicable to Participants providing services to the Company or a Subsidiary in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit A without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

For your convenience and information, we have provided certain general information regarding some of the tax and/or exchange control requirements that may apply to participants in certain of the countries identified in Section II below. Such information is current only as of September 2017 (except as otherwise indicated below), and the Company undertakes no obligation to update any such information and does not ensure that it is complete or correct. This information may not apply to your individual situation, and may not be current as of any particular date in the future. The absence of any information on tax or foreign exchange requirements for any particular country should not be regarded as an indication that no such requirements may apply in that country. The laws, rules and regulations of any country regarding the holding of securities may be subject to frequent change.

**You are advised to seek appropriate professional advice as to how the relevant exchange control and tax laws in your country may apply to your individual situation.**

**I. GLOBAL PROVISIONS APPLICABLE TO PARTICIPANTS IN ALL COUNTRIES OTHER THAN THE UNITED STATES**

1. General Acknowledgements and Agreements: You further acknowledge and agree that:

(a) No Guarantee of Continued Service. THE VESTING OF THE RESTRICTED SHARE UNITS PURSUANT TO THE VESTING SCHEDULE WILL OCCUR ONLY IF YOU CONTINUE AS A DIRECTOR, CONSULTANT OR EMPLOYEE (AS APPLICABLE) TO THE COMPANY OR A SUBSIDIARY THROUGH THE APPLICABLE VESTING DATE. YOU FURTHER ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A DIRECTOR, CONSULTANT OR EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE RIGHT OF THE COMPANY OR ANY SUBSIDIARY TO EFFECT A TERMINATION OF SERVICES AT ANY TIME, WITH OR WITHOUT CAUSE, NOR SHALL IT BE CONSTRUED TO AMEND OR MODIFY THE TERMS OF ANY CONSULTANCY, DIRECTORSHIP, EMPLOYMENT OR OTHER SERVICE AGREEMENT BETWEEN YOU AND THE COMPANY OR ANY SUBSIDIARY.

(b) The Plan is discretionary in nature and that, subject to the terms of the Plan, the Company can amend, cancel or terminate the Plan at any time.

(c) The grant of the RSUs under the Plan is voluntary and occasional and does not give you any contractual or other right to receive RSUs or benefits in lieu of RSUs in the future, even if you have received RSUs repeatedly in the past.



- (d) All determinations with respect to any future awards, including, but not limited to, the times when awards under the Plan shall be granted and the terms thereof, including the time or times when any RSUs may vest, will be at the sole discretion of the Company.
- (e) Your participation in the Plan is voluntary.
- (f) The value of the RSUs is an extraordinary item of compensation that is outside of the scope of your directorship, consultancy or employment contract or relationship.
- (g) The RSUs are not part of normal or expected compensation or salary for any purpose, including, without limitation, calculating severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or similar payments.
- (h) The RSUs shall expire, terminate and be forfeited upon your Termination of Services for any reason, except as otherwise explicitly provided in this Agreement and/or the Plan.
- (i) The future value of the Ordinary Shares that may be issued upon vesting of the RSUs is unknown and cannot be predicted with any certainty.
- (j) If you are not an employee of the Company as of the grant date shown on the Notice of Grant, the grant of the RSUs shall in no event be understood or interpreted to mean that the Company is your employer or that you have an employment relationship with the Company.
- (k) No claim or entitlement to compensation or damages arises from the expiration, termination or forfeiture of the RSUs or any portion thereof. You irrevocably release the Company, its parent(s) and subsidiaries from any such claim. Such a claim will not constitute an element of damages in the event of a Termination of Services for any reason, even if the termination is in violation of an obligation of the Company or any Subsidiary, to you.
- (l) Neither the Company nor any Subsidiary has provided you, and nor will they provide you, with any specific tax, legal or financial advice with respect to the RSUs, the Ordinary Shares issuable upon vesting of RSUs, this Agreement or the Plan. Neither the Company nor any Subsidiary is making nor have they made any recommendations relating to your participation in the Plan, the receipt of the RSUs or the acquisition or sale of Ordinary Shares upon vesting of RSUs.
- (m) You shall bear any and all risk associated with the exchange of currency and the fluctuation of currency exchange rates in connection with this Award, including without limitation in connection with the sale of any Ordinary Shares issued upon vesting of the RSUs ("Currency Exchange Risk"), and you hereby waive and release the Company and its Subsidiaries from any claims arising out of Currency Exchange Risk.
- (n) You agree that it is your responsibility to comply, and you shall comply, with any and all exchange control requirements applicable to the RSUs and the sale of Ordinary Shares issued upon vesting of the RSUs and any resulting funds including, without limitation, reporting or repatriation requirements.
- (o) Neither the Company nor any Subsidiary is responsible for your legal compliance requirements relating to the RSUs or the ownership and possible sale of any Ordinary Shares issued upon vesting of the RSUs, including, but not limited to, tax reporting, the exchange of U.S. dollars into or from your local currency, the transfer of funds to or from the United States, and the opening and use of a U.S. brokerage account.
- (p) If this Agreement, the Plan, any website or any other document related to the Restricted Share Units is translated into a language other than English, and if the translated version is different from the English version, the English language version will take precedence. You confirm having read and understood the documents relating to the Plan and the RSUs, including, without limitation, this

Agreement, which were provided to you in English, and waive any requirement for the Company to provide these documents in any other language.

(q) Your right to vest in the RSUs will terminate effective as of the date that is the earlier of (1) the effective date of the your Termination of Services (whether or not in breach of local labor laws), or (2) the date you are no longer actively providing service, regardless of any notice period or period of pay in lieu of such notice required under applicable laws (including, but not limited to statutory law, regulatory law and/or common law); the Company shall have the exclusive discretion to determine when the you are no longer actively providing service for purposes of the RSUs.

(q) To the extent you are providing services in a country identified in Section II of this Exhibit A, you understand and agree that the provisions for such country apply and are incorporated into the Agreement.

**2. Consent to Personal Data Processing and Transfer.** The entities listed in **Annex 1** (the “Broadcom Entities”) may hold, and by accepting the RSUs you consent to their holding, your personal information, including your name, home address, telephone number, date of birth, social security number or other employee tax identification number, national identification number, passport number, employment history and status, salary, nationality, job title, and information about any equity compensation grants or Ordinary Shares awarded, cancelled, purchased, vested, unvested or outstanding in your favor (the “Data”).

The Broadcom Entities use the Data for the purpose of implementing, managing and administering the Plan and employee compensation and for compliance and financial reporting purposes (the “**Purpose**”).

The Broadcom Entities may transfer, and by accepting the RSUs you consent to any such transfer of, the Data to other Broadcom Entities, to entities listed in **Annex 2** or to other entities to assist the Broadcom Entities in the Purpose. The Broadcom Entities may also make the Data available to public authorities where required by law or regulation. The third parties and public authorities may be located in the United States, the European Economic Area, or elsewhere, including in territories where data protection laws may not be as protective as in your jurisdiction of residence.

You may, at any time, review the Data, require any necessary amendments to it or withdraw the consents given herein in writing by contacting the Company through your local H.R. Director. If you withdraw your consent, you must do so by writing to the Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com. If you withdraw your consent, the Company will not be able to administer this award. Accordingly, if you withdraw your consent, this Award will be cancelled when your withdrawal is received.

**I agree that the Broadcom Entities and third parties may process my Data as described above, including transfer to and use in countries in which data protection laws may not be as protective as in my jurisdiction of residence.**

**II. COUNTRY SPECIFIC PROVISIONS APPLICABLE TO PARTICIPANTS WHO  
PROVIDE SERVICES IN THE IDENTIFIED COUNTRIES  
AUSTRALIA**

**Terms and Conditions**

Definitions.

For the purposes of this section:

“**ASIC**” means the Australian Securities & Investments Commission;

“**Australian Offerees**” means all persons to whom an offer or invitation of Restricted Share Units are made in Australia under the Plan;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Exchange**” means the NASDAQ Global Select Market; and

“**Related Body Corporate**” has the meaning given in section 50 of the Corporations Act.

General Advice Only.

Any advice given by the Company or a Related Body Corporate of the Company in relation to the RSUs offered under the Plan does not take into account an Australian Offeree's objectives, financial situation and needs. Australian Offerees should consider obtaining their own financial product advice from an independent person who is licensed by ASIC to give such advice.

Acquisition Price.

No acquisition price is payable by you for the Company to grant you the number of RSUs set forth in the Notice of Grant.

Risks of Acquiring Ordinary Shares.

The paragraph below provides general information about the risks of acquiring and holding Ordinary Shares. Before acquiring RSUs, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Ordinary Shares are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position.

Factors that could affect the market price of our Ordinary Shares include any risks associated with loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturers and outsourced supply chain; any acquisitions we may make, such as delays, challenges and expenses associated with integrating acquired companies with our existing businesses and our ability to achieve the benefits, growth prospects and synergies expected from such acquisitions; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the need to generate sufficient cash flows to service and repay such debt; our ability to improve our manufacturing efficiency and quality; increased dependence on a small number of markets; dependence on and risks associated with distributors of our products; quarterly and annual fluctuations in operating results; cyclicity in the semiconductor industry or in our target markets; global economic conditions and concerns; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of those design wins; rates of growth in our target markets; prolonged disruptions of our or our contract manufacturers' manufacturing facilities or other significant operations; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our ability to maintain tax concessions in certain jurisdictions; our ability to protect our intellectual property and the unpredictability of any associated litigation expenses; any expenses or reputational damage associated with resolving customer product and warranty and indemnification claims; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; and other events

and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature.

The foregoing information is as of August 24, 2017. For more information about these and other risks related to an investment in the Company's Ordinary Shares, please see the Company's Annual Report on Form 10-K for the year ended October 30, 2016, and subsequent Quarterly Reports on Form 10-Q filed by the Company with the U.S. Securities and Exchange Commission, available at [www.sec.gov](http://www.sec.gov) or <http://investors.broadcom.com/phoenix.zhtml?c=203541&p=irol-sec>. Subsequently filed Forms 10-K and 10-Q may have more recent information.

In addition, there is no assurance that we will continue to pay dividends or that such payments will remain constant or increase. Payment of future dividends, if any, and the timing and amount of any dividends we determine to pay, are at the discretion of our Board of Directors. We may declare dividends as interim dividends, which are wholly provisional under Singapore law and may be revoked by our Board at any time prior to the payment thereof.

#### Market Price in Australian Dollars.

An Australian Offeree could, from time to time, ascertain the market price of Ordinary Shares by obtaining that price from the Exchange website, the Company website or The Wall Street Journal, and multiplying that price by a published exchange rate to convert U.S. Dollars into Australian Dollars.

### **AUSTRIA**

#### Exchange Control Information.

If you hold Ordinary Shares acquired pursuant to RSUs outside of Austria, you must submit a report to the Austrian National Bank. An exemption applies if the value of the Ordinary Shares as of the end of any given calendar quarter does not exceed €3,000,000 or as of December 31 does not exceed €5,000,000. Such amounts are the amounts in effect as of October 1, 2015 and may change in the future. If the first threshold is exceeded, quarterly reporting obligations are imposed. If only the second threshold is exceeded, annual reports must be given. The annual reporting date is December 31 and the deadline for filing the annual report is March 31 of the following year.

When you sell Ordinary Shares acquired pursuant to RSUs, there may be exchange control obligations if the cash proceeds are held outside Austria. If the value of all your accounts abroad exceeds €3,000,000, the movements and balances of all accounts must be reported as of the last day of each month, on or before the fifteenth day of the following month, on the prescribed form (*Meldungen SI-Forderungen und/oder SI-Verpflichtungen*).

#### Consumer Protection Information.

If the provisions of the Austrian Consumer Protection Act are considered to be applicable to the Agreement and the Plan, you may be entitled to revoke your acceptance of the Agreement under the conditions listed below:

- (i) If you accept the RSUs outside the business premises of the Company or its relevant Subsidiary, you may be entitled to revoke your acceptance of the Agreement, provided the revocation is made within one week after you accept the Agreement.
- (ii) The revocation must be in written form to be valid. It is sufficient if you return the Agreement to the Company or the Company's representative with language which can be understood as your refusal to conclude or honor the Agreement, provided the revocation is sent within the period set forth above.

### **BELGIUM**

### Tax Information.

Beginning on January 1, 2017, sales of Ordinary Shares you acquire hereunder will generally be subject to a transaction tax (the initial rate of which is 0.27%, up to a cap) upon your sale of the Ordinary Shares, which you will be responsible for reporting and paying. If you sell through a Belgian bank or broker, that bank or broker may facilitate reporting and payment of this tax on your behalf. Alternatively, if you sell through another bank or broker, you should report and pay the tax directly. Consult your tax advisor or the website of the General Administration of Taxation for more information.

### Foreign Asset/Account Reporting Information.

You are required to report any taxable income attributable to RSUs and Ordinary Shares on your annual tax return. In addition, you are required to report any bank accounts opened and maintained outside Belgium on your annual tax return. In a separate report, you may be required to provide the National Bank of Belgium with certain details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). You should consult with your personal tax advisor to determine your personal reporting obligations.

## **BRAZIL**

### Exchange Control Information.

*Notice to RSU Recipients:* If the you hold assets and rights outside Brazil with an aggregate value exceeding US\$100,000, you will be required to prepare and submit to the Central Bank of Brazil an annual declaration of such assets and rights, including: (i) bank deposits; (ii) loans; (iii) financing transactions; (iv) leases; (v) direct investments; (vi) portfolio investments, including Ordinary Shares acquired under the Plan; (vii) financial derivatives investments; and (viii) other investments, including real estate and other assets. Please note that foreign individuals holding Brazilian visas are considered Brazilian residents for purposes of this reporting requirement and must declare at least the assets held abroad that were acquired subsequent to the date of admittance as a resident of Brazil. Individuals holding assets and rights outside Brazil valued at less than US\$100,000 are not required to submit a declaration. Please note that the US\$100,000 threshold may be changed annually.

## **BULGARIA**

No country-specific provisions.

## **CANADA**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

### French Language Provisions.

The following provisions will apply if you are a resident of Quebec: The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

*Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention ("**Agreement**"), ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à la présente convention.*

## CHILE

### Securities Notification.

The Company and the Ordinary Shares will not be registered in the *Registro de Valores Extranjeros* (Foreign Securities Registry) maintained by the *Superintendencia de Valores y Seguros de Chile* (Chilean Securities and Insurance Commission or “SVS”) and are not subject to the supervision of the SVS. The Plan is ruled by number 2 of the SVS General Regulation 345. As the securities are not registered, the Company has no obligation under Chilean law to deliver public information regarding the Ordinary Shares in Chile. The Shares cannot be publicly offered in Chile unless they are registered with the SVS or they comply with SVS General Regulation 345. The commencement date of the offer is the Grant Date indicated in the beginning of this Agreement.

*La Compañía (a la que se hace referencia aquí como “the Company”) y los Valores Ordinarios a la que se hace referencia aquí como “the Ordinary Shares”) no serán registrados en el Registro de Valores Extranjeros de la Superintendencia de Valores Ordinarios y Seguros de Chile o “SVS” y no están sujetos a la fiscalización de la SVS. Este Plan se acoge al numeral 2 de la Norma de Carácter General 345 de la SVS. Por tratarse de valores no inscritos, la Compañía no tiene obligación bajo la ley chilena de entregar en Chile información pública acerca de los Valores Ordinarios. Los Valores Ordinarios no pueden ser ofrecidos públicamente en Chile en tanto éstos no se inscriban en el Registro de Valores correspondiente a menos que se cumpla las condiciones establecidas en la Norma de Carácter General 345 de la SVS. La fecha de inicio de la presente oferta es la indicada en la portada de este document como “the Grant Date”.*

### Foreign Assets Reporting.

You may be required to report the Ordinary Shares you acquire in connection with the Agreement to the Chilean authorities. In general, this reporting is required when an individual’s foreign asserts including investments, deposits or credits and/or foreign securities exceed US\$5 million. You are advised to consult with your advisors to confirm if this requirement applies to you.

## CHINA

### Settlement of Restricted Share Units and Sale of Shares.

The following provisions supplement Section 2.6(b) of the Agreement.

#### Sale of Ordinary Shares May be Required.

The Company may, in its sole discretion, require you to sell at, or any time following, vesting, the Ordinary Shares you receive when your RSUs vest. You authorize the Company or a brokerage firm designated by the Company to perform this transaction for you, and agree that applicable commissions and fees due in connection with the sale may be deducted from your proceeds. You acknowledge that such Ordinary Shares will be sold at prevailing market prices and waive any claim based on the timing of the sale or the price received for the Ordinary Shares.

The award agreements for some restricted shares units granted to you in the past (if any), whether under the Plan or any other Company equity incentive plan (collectively, the “**Prior RSUs**”) may have required

that whenever such Prior RSUs vest, all Ordinary Shares issued as a result of such vesting must be sold. You agree that, with respect to the Prior RSUs (if any), the Company may conduct a Sell to Cover when Prior RSUs vest and allow you to hold the remaining Ordinary Shares, subject to compliance with these country provisions for China. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

If Sale of Ordinary Shares is not Required at Vest.

When your RSUs vest, if the Company does not require the immediate sale of the Ordinary Shares you are entitled to receive, the Company may require that you retain those Ordinary Shares in your account at a brokerage firm designated by the Company until you sell the Ordinary Shares, even if you stop providing services for the Company or a Subsidiary.

Following your Termination of Services, the Company may restrict your ability to sell or transfer any Ordinary Shares remaining in your account and sell those Ordinary Shares at a time determined by the Company in its sole discretion. You agree not to bring any claim against the Company, any Subsidiary or the Agent based on the timing of any such sale or the price at which any such Ordinary Shares are sold.

Without limiting the foregoing, all the Ordinary Shares issued in respect of your RSUs or your Prior RSUs (if any) must be sold within six (6) months following your Termination of Services. The Company may, in its sole discretion, require you to sell at any time during this six (6)-month period, such Ordinary Shares. Any Ordinary Shares issued in respect of your RSUs or your Prior RSUs (if any) that remain in your account at a brokerage firm during the last two (2) weeks of such six (6)-month period may be automatically sold by the Agent during such two (2) week period, with the actual date of such sale determined by the Company or the Agent in its sole discretion. Neither the Company nor the Agent will guarantee the sale price for any such sale and you shall be solely responsible for fluctuations in the value of the Ordinary Shares until sale. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

Payment of Sale Proceeds.

You understand and agree that, pursuant to exchange control requirements in China, you may be required to repatriate to China the cash proceeds from the sale of the Ordinary Shares issued upon the settlement of the RSUs and that the Company may be required to effect that repatriation through a special exchange control account established by the Company or a Subsidiary. You agree that any proceeds from the sale of any Ordinary Shares you acquire may be transferred to such special account prior to being delivered to you. You also understand that there may be significant delays in delivering the funds to you due to exchange control requirements in China and agree not to make any claim against the Company or any Subsidiary as a result of the amount of time it takes to deliver the funds to you.

Proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid to you in U.S. dollars, you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, the Company is under no obligation to obtain any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Further Actions.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

## COLOMBIA

### Exchange Control Requirements.

By accepting this Award, you understand that you are generally required to register large international investments (generally over US\$500,000) with the Colombian Central Bank (by completing and submitting a 'Form 11'). In addition, repatriation of any sales proceeds of from the Ordinary Shares may need to be affected through the foreign exchange market in order to comply with Colombian foreign exchange requirements. You are advised to consult your own advisors regarding these requirements.

## DENMARK

### **Terms and Conditions**

### Labor Law Acknowledgement.

By accepting this Award, you acknowledge that you understand and agree that the RSUs relate to future services to be performed and do not form any part of, and are not, a bonus or compensation for past services.

### Stock Option Act.

With respect to Danish employees comprised (covered) by the Danish Stock Option Act, the following shall apply:

You acknowledge that you have received an employer statement in Danish setting forth the terms of your Award, a copy of which is included as Annex 3 to this Exhibit A.

In the event that (i) your employer ("**Employer**") terminates your employment for reasons other than your breach of the terms or conditions of your employment or any applicable employment agreement covering you (collectively, the "**Employment Terms**"), or (ii) you terminate the Employment Terms due to material breach on the part of the Company or Employer, you, irrespective of the termination, will be entitled to receive settlement of any granted RSUs in accordance with this Agreement and the Plan.

If you terminate your employment with Employer without the Company or Employer being in material breach of the Employment Terms, all RSUs will be forfeited and lapse without further notice or compensation.

If Employer terminates and/or summarily dismisses you due to your breach of the Employment Terms, all unvested RSUs will be forfeited and lapse without further notice or compensation at the effective date of termination.

In the event of your death, the RSUs will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the RSUs and the related Ordinary Shares, including this Agreement and the Plan.



Upon retirement due to old age ("folkepension") or separate agreement in this respect and in the event of disability, you, irrespective of the termination of employment, will be entitled to settlement of unvested RSUs in accordance with the terms of this Agreement and the Plan.

The Restricted Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

For the avoidance of doubt, under this heading, the term "**Stock Option Act**" shall only apply to employees who by virtue of applicable choice of law rules fall within Danish employment law regulations and the scope of the Danish Stock Option Act.

#### Foreign Bank Account Reporting.

If you establish an account holding Ordinary Shares or an account holding cash outside of Denmark, you must report the account to the Danish Tax Administration, the form for which can be obtained from a local bank. (Please note that these obligations are separate from and in addition to the obligations described below.)

#### Exchange Control and Tax Reporting Notification.

To the extent permitted by the Company, you may hold Ordinary Shares acquired under the Plan in a safety-deposit account (*e.g.*, brokerage account) with either a Danish bank or with an approved foreign broker or bank. If the Ordinary Shares are held with a non-Danish broker or bank, you are required to inform the Danish Tax Administration about the safety-deposit account. For this purpose, a Danish Plan participant must file a Declaration V (Erklaering V) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration V. By signing the Declaration V, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable broker or bank with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form V, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration V can be found at: [www.skat.dk/getFile.aspx?Id=47392](http://www.skat.dk/getFile.aspx?Id=47392).

In addition, when you open a deposit account or brokerage account for the purpose of holding cash outside of Denmark, the account will be treated as a deposit account because cash may be held in the account. Therefore, you must also file a Declaration K (Erklaering K) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration K. By signing the Declaration K, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable financial institution with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form K, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration K can be found at: [www.skat.dk/getFile.aspx?Id=42409&newwindow=true](http://www.skat.dk/getFile.aspx?Id=42409&newwindow=true).

### **FINLAND**

No country-specific provisions.

## GERMANY

### Tax Indemnity.

You agree to indemnify the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a “**Tax Liability**” being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction, including but not limited to wage tax, solidarity surcharge, church tax or social security contributions) that is attributable to (1) the grant or vesting of, or any benefit you derive from, the RSUs, (2) your acquisition of Ordinary Shares on settlement of the RSUs, or (3) the disposal of any Ordinary Shares.

### Exchange Control Information.

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. If you use a German bank to transfer a cross-border payment in excess of €12,500 in connection with the sale of Ordinary Shares acquired under the Plan, the bank will make the report for you. In addition, you must report any receivables, payables, or debts in foreign currency exceeding an amount of €5,000,000 on a monthly basis. Finally, you must report on an annual basis if you hold Ordinary Shares that exceed 10% of the total voting capital of the Company.

## GREECE

No country-specific provisions.

## HONG KONG

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

***Warning:** The RSUs and Ordinary Shares issued at settlement do not constitute a public offering of securities under Hong Kong law and are available only to Employees, Consultants and Non-Employee Directors of the Company, its parent, Subsidiary or affiliate. The Agreement, including this Exhibit A, the Plan and other incidental award documentation have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, nor has the award documentation been reviewed by any regulatory authority in Hong Kong. The RSUs are intended only for the personal use of the recipient Participant and may not be distributed to any other person. If you are in any doubt about any of the contents of the Agreement, including this Exhibit A, or the Plan, you should obtain independent professional advice.*

### Sale of Ordinary Shares.

In the event the RSUs vest and are settled within six months of the Grant Date, you agree that you will not dispose of any Ordinary Shares acquired prior to the six-month anniversary of the Grant Date.

### Nature of Scheme.

The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance.

## INDIA

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

### Foreign Assets Reporting Information.

You must declare foreign bank accounts and any foreign financial assets (including Ordinary Shares subject to the RSUs held outside India) in your annual tax return. It is your responsibility to comply with this reporting obligation and you should consult with your personal tax advisor in this regard. Indian residents should consult with their personal tax advisor to determine their personal reporting obligations.

### Exchange Control Information.

You must repatriate any proceeds from the sale of Ordinary Shares acquired under the Plan or the receipt of any dividends to India within 90 days of receipt and convert such amounts to local currency within 180 days of receipt. You must obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or your employer requests proof of repatriation.

## IRELAND

### Director Reporting Obligation.

If you are a director, shadow director or secretary of a parent or subsidiary in Ireland, you must notify the Irish parent or subsidiary in writing within five business days of receiving or disposing of an interest in the Company (*e.g.*, Restricted Share Units, Ordinary Shares), or within five business days of becoming aware of the event giving rise to the notification requirement or within five days of becoming a director or secretary if such an interest exists at the time. This notification requirement also applies with respect to the interests of your spouse or children under the age of 18 (whose interests will be attributed to the you if you are a director, shadow director or secretary).

## ISRAEL

### **Terms and Conditions**

#### Award Payable Only in Ordinary Shares.

The grant of the RSUs does not give you any right to receive a cash payment, and the RSUs are payable in Ordinary Shares only.

### Definitions.

The following definitions supplement the definitions set forth in the Agreement:

- A. “**Holding Period**” shall mean the holding period required with respect to Capital Gain Awards, which is currently 24 months from the date of grant.

B. “**Plan**” shall mean the Broadcom Corporation 2012 Stock Incentive Plan, as amended and restated from time to time, and the Addendum for Participants in Israel.

All capitalized terms that are not defined in these country provisions for Participants in Israel shall have the meaning assigned to them in the Plan (as defined above) or the Agreement.

Capital Gain Award.

The Award is intended to be a Capital Gain Award (as defined in the Plan). In the event of any inconsistencies between the provisions of these country provisions for Participants in Israel and the Agreement, the provisions of these country provisions for Participants in Israel shall govern the Award and any related Ordinary Shares.

By accepting the Agreement, you: (a) acknowledge receipt of and represent that you have read and are familiar with the Agreement, the Plan and these country provisions for Participants in Israel; (b) accept the Award subject to all of the terms and conditions of the Agreement and the Plan (including these country provisions for Participants in Israel); (c) agree that the Award will be issued to and deposited with the Trustee (as defined in the Plan) and shall be held in trust for your benefit as required by law and any approval by the Israel Tax Authority (“ITA”) pursuant to the terms of the Ordinance and the Plan; and (d) accept the provisions of the trust agreement signed between the Company and the Trustee. Furthermore, by accepting the Agreement, you confirm that you are familiar with the terms and provisions of Section 102, and agree that you will not require the Trustee to release the Awards or Ordinary Shares to you, including any rights issued to you as a consequence of holding such Awards or Ordinary Shares, or to sell the Awards or Ordinary Shares to a third party during the Holding Period, unless permitted to do so by applicable law.

You are advised to consult with your personal tax advisor with respect to the tax consequences of receiving the RSUs and the issuance of Ordinary Shares in settlement of vested RSUs.

Limited Transferability.

These provisions supplement Section 3.3 of the Agreement:

As long as your Award or any issued Ordinary Shares are held by the Trustee on your behalf, all of your rights over the Award or the Ordinary Shares are personal and cannot be transferred, assigned, pledged or mortgaged, other than by will or the laws of descent and distribution.

With respect to a Capital Gain Award, subject to the provisions of the Plan, Section 102 and any rules or regulations or orders or procedures promulgated thereunder, to obtain favorable tax treatment for Capital Gain Awards, you may not sell or release from trust any Ordinary Shares received upon vesting of the Award and/or any Ordinary Shares received subsequently following any realization of rights, including without limitation, bonus Ordinary Shares, until the lapse of the Holding Period. Notwithstanding the above, if any such sale or release occurs during the Holding Period, the sanctions under Section 102 and under any rules or regulation or orders or procedures promulgated thereunder will apply to and will be borne by you.

Issuance of Ordinary Shares.

This provision supplements Section 2.6(a) of the Agreement:

If the Ordinary Shares are to be issued during the Holding Period, the Ordinary Shares shall be allocated in the name, or under the supervision, of the Trustee and held in trust on your behalf by

the Trustee. In the event that the Ordinary Shares are to be issued after the expiration of the Holding Period, you may elect to have the Ordinary Shares issued directly to you, provided that you first provide for any taxes required to be withheld in connection with a transfer of the Award or the Ordinary Shares to the Trustee's and Company's satisfaction, or in trust on your behalf to the Trustee.

This provision supplements Section 2.6(b) of the Agreement:

You hereby agree to indemnify the Company (and any parent or Subsidiary) and/or the Trustee and hold them harmless against and from any and all liability for any withholding taxes required to be withheld relating to the Award and any Ordinary Shares issued under the Award and other amounts, or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such amounts from any payment made to you. Any reference to the Company or the Subsidiary employing you shall include a reference to the Trustee. You hereby undertake to release the Trustee from any liability in respect of any action or decisions duly taken and *bona fide* executed in relation to the Plan or any RSUs or Ordinary Shares granted thereunder. You agree to execute any and all documents which the Company or the Trustee may reasonably determine to be necessary in order to comply with the Ordinance.

You shall not be liable for the employer's components of payments to the national insurance institute, unless and to the extent that such payments by the employer are a result of your election to sell the Ordinary Shares before the end of the Holding Period (if allowed by applicable law). Furthermore, you agree to indemnify the Company, your employer and/or the Trustee and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to you for which you are responsible.

Notwithstanding anything to the contrary in the Agreement, no tax withholding obligation will be settled by withholding Ordinary Shares, unless the ITA approves doing so in writing.

#### Governing Law.

This section supplements Section 3.6 of the Agreement:

To the extent any covenant, condition, or other provision of the Agreement and the rights of the Participant hereunder are determined to be subject to Israeli law, such covenant, condition, or other provision of the Agreement shall be subject to applicable Israeli law, but shall in no way affect, impair or invalidate any other provision of the Agreement, and the applicability of the Plan to such covenant, condition, or other provision of the Agreement.

### **ITALY**

#### **Terms and Conditions**

##### Method of Payment.

The following provision supplements Section 2.6 of the Agreement:

You understand that you will be required to sell all Ordinary Shares received upon vesting of the RSUs and that you will not be permitted to hold any Ordinary Shares issued upon vesting of your RSUs. In order to effect such sale, you agree that the Plan broker shall be instructed to:

- (i) sell all of the Ordinary

Shares issued upon the vesting of RSUs; (ii) use the proceeds to pay the brokerage commissions and fees and any Tax Liability (a “Tax Liability” being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction); and (iii) remit the balance to you. Depending upon the development of laws and your status as a national of a country other than Italy, the Company reserves the right to modify the methods of settling the RSUs in its sole discretion.

Authorization to Release and Transfer Necessary Personal Information. The following supplements Section 2 of Part I of this Exhibit A.

**You understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage your participation in the Plan and employee compensation or for compliance or financial reporting purposes. You understand that pursuant to art.7 of D.lgs 196/2003, you have rights, including but not limited to, the right to access, delete, update, request the rectification of your Data and cease the Data processing and to object, in whole or in part, on legitimate grounds, to the processing of your Data, even though they are relevant to the purpose of collection. Furthermore, you are aware that your Data will not be used for direct marketing purposes. In addition, the Data provided can be reviewed and questions or complaints can be addressed by contacting a local HR representative. If you request that the Company cease processing your personal data, you must do so by writing to the Company’s Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com. If you request that the Company cease processing your Data, the Company will not be able to administer this award. Accordingly, if you request that the Company cease processing your Data, this Award will be cancelled when your withdrawal is received.**

Furthermore, having read and understood the information given on the processing of the Data and being acquainted of the rights set forth in art. 7 of D.lgs. 196/2003, you expressly and specifically consent according to art. 23 of D.lgs. 196/2003, to the processing of any Data as reported in the Plan and the Agreement, including the clauses “Consent to Personal Data Processing and Transfer” in Section 2 of Part I of this Exhibit A and “Authorization to Release and Transfer Necessary Personal Information” and further expressly and specifically consent, according to art. 43 and art. 44 of D.lgs. 196/2003 to the transfer of the Data, even sensitive data, in foreign Countries outside the European Union.

Exchange Control Information.

You are required to report in your annual tax return: (a) any transfers of cash or Ordinary Shares to or from Italy exceeding €10,000 or the equivalent amount in U.S. dollars; and (b) any foreign investments or investments (including proceeds from the sale of Ordinary Shares acquired under the Plan) held outside of Italy exceeding €10,000 or the equivalent amount in U.S. dollars, if the investment may give rise to income in Italy. You are exempt from the formalities in clause (a) if the investments are made through an authorized broker resident in Italy, as the broker will comply with the reporting obligation on your behalf.

## **JAPAN**

Foreign Asset/Account Reporting Information.

Japanese residents are required to report details of any assets, including Ordinary Shares held outside Japan as of December 31, to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report is due on or before March 15 each year. Japanese residents are responsible for complying with this reporting obligation and should confer with their personal tax advisor in this regard.

## LUXEMBOURG

No country-specific provisions.

## MALAYSIA

### Malaysian Insider Trading Notification.

You should be aware of the Malaysian insider-trading rules, which may impact your acquisition or disposal of Ordinary Shares or rights to Ordinary Shares under the Plan. Under the Malaysian insider-trading rules, you are prohibited from acquiring or selling Ordinary Shares or rights to Ordinary Shares (e.g., an Award under the Plan) when you are in possession of information which is not generally available and which you know or should know will have a material effect on the price of Ordinary Shares once such information is generally available.

### Director Notification Obligation.

If you are a director of a Malaysian Subsidiary or affiliate of the Company, you are subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the relevant Malaysian Subsidiary or affiliate in writing when you receive or dispose of an interest (e.g., an Award under the Plan or Ordinary Shares) in the Company or any related company. Such notifications must be made within 5 business days of receiving or disposing of any interest in the Company or any related company.

Data Privacy Information: Below is a translation of Section I(2) of this Exhibit A into Bahasa Malaysian for your reference:

**Kebenaran untuk memproses dan memindah data peribadi.** Entiti-entiti yang dinyatakan dalam **Lampiran 1** (“Entiti-entiti Broadcom”) mungkin memegang dan anda membenarkan mereka memegang, melalui penerimaan RSU, maklumat peribadi anda termasuk nama anda, alamat rumah, nombor telefon, tarikh lahir, nombor sekuriti sosial atau nombor pengenalan cukai pekerja, nombor pengenalan nasional, nombor paspot, sejarah dan status penggajian, kewarganegaraan, jawatan pekerjaan dan maklumat berkenaan mana-mana geran pampasan ekuiti atau Saham Biasa yang diberi, dibatalkan, dibeli, diberihak, tidak diberihak atau yang tertunggak (“**Data**”).

Entiti-entiti Broadcom menggunakan Data untuk tujuan melaksanakan, mengurus dan mentadbir Pelan untuk pelaporan pematuhan dan kewangan (“**Tujuan-tujuan**”).

Entiti-entiti Broadcom mungkin memindah, dan anda bersetuju kepada pemindahan ini dengan penerimaan RSU, Data kepada Entiti-entiti Broadcom lain, entiti-entiti yang dinyatakan dalam **Lampiran 2** atau mana-mana entiti yang membantu Entiti-entiti Broadcom untuk Tujuan-tujuan. Entiti-entiti Broadcom juga mungkin membenarkan Data untuk diakses oleh pihak berkuasa awam di mana diperlukan oleh undang-undang atau peraturan. Pihak-pihak ketiga dan pihak berkuasa awam mungkin terletak di Amerika Syarikat, Kawasan Ekonomik Eropah atau tempat-tempat lain termasuk kawasan-kawasan di mana undang-undang perlindungan data mungkin tidak seketat yang terdapat di bidanguasa tempat tinggal anda.

Anda boleh, pada bila-bila masa, menilai Data, meminta pemindaan yang diperlukan kepadanya atau menarik balik kebenaran anda secara bertulis dengan menghubungi Syarikat melalui Pengarah Sumber Manusia anda. Jika anda menarik balik kebenaran anda, anda mesti berbuat demikian dengan menulis kepada Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., atau menghantar emel kepada stockadmin.pdl@broadcom.com. Jika anda menarik balik kebenaran anda, Syarikat mungkin tidak dapat menguruskan pemberian ini. Sejurus dengan itu, jika anda menarik balik kebenaran anda, Pemberian ini akan dibatalkan sebaik sahaja penarikbalikkan anda diterima.

**Saya membenarkan Entiti-entiti Broadcom dan pihak-pihak ketiga memproses Data saya sepertimana yang dinyatakan di atas, termasuk pemindahan dan penggunaan di negara di mana undang-undang perlindungan data tidak seketat yang terdapat di bidangkuasa tempat tinggal saya.**

## **MEXICO**

No country-specific provisions.

## **NETHERLANDS**

### **Terms and Conditions**

By accepting the RSUs, you acknowledge that it is your responsibility to be aware of the Dutch insider trading rules, which may affect the sale of Ordinary Shares you acquire upon vesting of the RSUs. In particular, you understand and acknowledge that (i) you have reviewed the summary of the Dutch insider trading rules and (ii) you may be prohibited from effecting certain transactions in Ordinary Shares if you have insider information regarding the Company. You acknowledge and understand that you have been advised to read the discussion carefully to determine whether the insider rules could apply to you. If you are uncertain whether the insider rules apply to you or your situation, you acknowledge that the Company recommends that you consult with a legal advisor. You acknowledge and agree that the Company cannot be held liable if you violate the Dutch insider trading rules. You acknowledge and agree that you are responsible for ensuring your own compliance with these rules.

### Summary of Dutch Prohibition Against Insider Trading.

Dutch securities laws prohibit insider trading. The regulations are based upon the European Market Abuse Directive and are stated in section 5:56 of the Dutch Financial Supervision Act (Wet op het financieel toezicht or Wft) and in section 2 of the Market Abuse Decree (Besluit marktmisbruik Wft). For further information, see the website of the Authority for the Financial Markets (AFM); <http://www.afm.nl/~media/Files/brochures/2012/insider-dealing.ashx>.

## **POLAND**

### Exchange Control Information.

If you hold foreign securities (including Ordinary Shares) and maintain accounts abroad, then it is your responsibility to report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets held abroad) exceeds PLN7,000,000. If required, the reports are due on a quarterly basis on



special forms available on the website of the National Bank of Poland. Further, any transfer of funds in excess of a specified threshold (currently €15,000) must be effected through a bank account in Poland. By accepting the RSUs, you acknowledge and agree that it is your obligation to maintain evidence of such foreign exchange transactions for five years, in case of a request for their production by the National Bank of Poland.

## RUSSIA

### General.

This offer is being made from the United States and neither this Agreement nor any materials related to the Plan shall be construed to constitute advertising or offering of securities in Russia. The Ordinary Shares have not been and will not be registered in Russia.

### Financial Reporting Requirements.

You are required to notify the applicable Russian tax authorities of any actions with respect to the opening, closing or changing the essential details of bank accounts outside Russia, and must complete various reporting requirements with respect to your financial transactions, including declaring profits you earn in connection with the RSUs and the Ordinary Shares. You are solely responsible for declaring any taxable proceeds arising from this Agreement and the Ordinary Shares, including, but not limited to, any dividend payments or other distributions, as well as any proceeds you receive in connection with the disposition of the Ordinary Shares, and you are solely responsible for payment of all respective taxes that may arise under Russian law in connection therewith.

### Foreign Exchange.

The proceeds from the sale of any Ordinary Shares acquired before January 1, 2018 may only be transferred to a bank account opened in the territory of Russia. The proceeds of the sale of Ordinary Shares obtained on or after January 1, 2018, may be transferred to your bank account opened in a bank located in OECD and FATF member countries.

### Approvals.

You acknowledge and agree that it is your responsibility to obtain any consents or approvals from any third party that may be required from time-to-time by any then applicable Russian law for the disposal of any Ordinary Shares.

## SINGAPORE

### Securities Law Information.

**The award of the RSUs is being made in reliance of section 273(1)(f) of the Securities and Futures Act (Cap. 289) (“SFA”) for which it is exempt from the prospectus and registration requirements under the SFA.** You understand that the Ordinary Shares have not been registered with the SFA. Unless you sell any Ordinary Shares you acquire pursuant to the Plan via a public exchange outside of Singapore (e.g., NASDAQ), you agree that you shall not, within six (6) months of your acquisition of any Ordinary

Shares, sell, transfer, gift, hypothecate or otherwise transfer such Ordinary Shares within Singapore except as expressly approved by the Company in writing. The Company believes that a typical sale through a U.S. brokerage firm would not require the Company's consent under these rules.

#### Director Notification Obligation.

If you are a director, shadow director, or hold any similar position of a Singapore-incorporated company (each a “**Singapore company**”) (e.g., the Company, any Singapore Subsidiary or Singapore affiliate), you are subject to certain notification requirements under section 164 of the Singapore Companies Act to enable the Singapore company to comply with its obligations to maintain a register of director's shareholdings (“**Register**”). Among these requirements is an obligation to notify the Singapore company in writing of:

- (a) shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation which are held by you;
- (b) any interest that you have in shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation, and the nature and extent of that interest under Section 7 of the Singapore Companies Act (which provides for the circumstances under which a deemed interest in shares may arise);
- (c) rights or options that you have in respect of the acquisition or disposal of shares in the Singapore company or its related corporation; and
- (d) contracts to which you are a party or under which you are entitled to a benefit, being contracts under which a person has a right to call for or to make delivery of shares in the Singapore company or its related corporation.

You must notify the Singapore company in writing when there is any change in the particulars of your interests as mentioned above (including when you sell Ordinary Shares issued upon vesting and settlement of the RSUs).

You are deemed to hold or have an interest or a right in or over any shares or debentures, if:

- (a) your spouse (not being himself or herself a director or chief executive officer) holds or has an interest or a right in or over such shares or debentures; or
- (b) your child of less than 18 years of age, including stepson, stepdaughter, adopted son or adopted daughter (not being himself or herself a director or chief executive officer) holds or has an interest in such shares or debentures.

In addition, any contract, assignment or right of subscription shall be deemed to have been entered into or exercised or made by, or a grant shall be deemed as having been made to, you if any contract, assignment or right of subscription is entered into, exercised or made by, or a grant is made to, members of your family as aforesaid (not being himself or herself a director or chief executive officer).

Particulars of your interests as mentioned above must be given within two business days after (i) the date on which you became a director of the Singapore company, or (ii) the date on which you became a registered holder of or acquired an interest as mentioned above, whichever last occurs. Particulars of any change in your interests must also be given within two business days of the change.

## **SOUTH KOREA**

No country specific provisions.

## **SPAIN**

No country specific provisions.

## **SWEDEN**

No country specific provisions.

## **SWITZERLAND**

No country specific provisions.

## **TAIWAN**

### **Terms and Conditions**

You understand that the offer of the RSUs has not been and will not be registered with or approved by the Financial Supervisory Commission of the Republic of China pursuant to relevant securities laws and regulations and the RSUs may not be offered or sold within the Republic of China through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Law of the Republic of China that requires a registration or approval of the Financial Supervisory Commission of the Republic of China.

You acknowledge and agree that you may be required to do certain acts and/or execute certain documents in connection with the grant of the RSUs, the vesting of the RSUs and the disposition of the resulting Ordinary Shares, including but not limited to obtaining foreign exchange approval for remittance of funds and other governmental approvals within the Republic of China. You shall pay your own costs and expenses with respect to any event concerning a holder of the RSUs, or Ordinary Shares received upon the vesting thereof.

### Exchange Control Information.

**If you are a Taiwan resident (those who are over 20 years of age and holding a Republic of China citizen's ID Card, Taiwan Resident Certificate or an Alien Resident Certificate that is valid for a period no less than one year), you may acquire and remit foreign currency (including proceeds from the sale of Ordinary Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD\$500,000 or more in a single transaction, you must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.**

If the transaction amount is US\$500,000 or more, you may be required to provide additional supporting documentation (including the contracts for such transaction, approval letter, etc.) to the satisfaction of the

remitting bank. You acknowledge that you are advised to consult your personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## THAILAND

### Exchange Control Information.

When you sell Ordinary Shares you receive following vesting of RSUs, you must immediately repatriate all cash proceeds to Thailand thereafter, you must convert such proceeds to Thai Baht or deposit it into a foreign currency account within 360 days of repatriation. If the amount of your proceeds is US\$50,000 (or its equivalent) or more, you must specifically report the inward remittance to a commercial bank being an authorized agent or other authorized agent of the Bank of Thailand on a foreign exchange transaction form to declare the purpose of such inward remittance. If you fail to comply with these obligations, you may be subject to penalties assessed by the Bank of Thailand. You should consult your personal advisor before taking action with respect to remittance of proceeds from the sale of Ordinary Shares into Thailand. You are responsible for ensuring compliance with all exchange control laws in Thailand.

## TURKEY

### Securities Law Information.

You acknowledge and agree that the offer of this award of RSUs has been made by the Company to you personally in connection with your existing relationship with the Company or one or more of its affiliates, and further, that the Award, any Ordinary Shares issued upon vesting of the RSUs and the related offer thereof are not subject to regulation by any securities regulator in Turkey.

## UNITED KINGDOM

### **Terms and Conditions**

#### Definitions.

The definition of “Termination of Services” shall be replaced in its entirety by the following definition:

**“Termination of Services”** shall mean Participant’s Termination of Employment.

The definition of “Termination of Employment” shall be replaced in its entirety by the following definition:

**“Termination of Employment”** shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary. The Plan Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

#### Notice to Participants.

The Agreement as amended pursuant to this Exhibit A forms the rules of the employee share scheme applicable to the United Kingdom based Participants of the Company and any Subsidiaries. Only employees of the Company or any subsidiary of the Company are eligible to be granted RSUs or be issued Ordinary Shares under the Agreement. Other service providers (including consultants or non-employee director of the Board) who are not employees are not eligible to receive RSUs under the Agreement in the United Kingdom. Accordingly, all references in the Agreement to the Participant's service or termination of service shall be interpreted as references to the Participant's employment or Termination of Employment.

The following provision replaces Section 3.11 of the Agreement in its entirety:

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue to serve as an employee of the Company or any of its Subsidiaries and the grant of an RSU does not form part of the Participant's entitlement to remuneration or benefits in terms of his employment with the Company or any Subsidiary.

#### Special Tax Consequences.

In relation to United Kingdom based Participants only:

(a) You agree to indemnify and keep indemnified the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a "**Tax Liability**" being any liability for income tax, withholding tax and any other employment related taxes, employee's national insurance contributions or employer's national insurance contributions or equivalent social security contributions in any jurisdiction) that is attributable to (1) the grant or settlement of, or any benefit derived by you from, the RSUs, (2) your acquisition of Ordinary Shares upon vesting of the RSUs, or (3) the disposal of any Ordinary Shares.

(b) the RSUs cannot be settled until you have made such arrangements as the Company may require for the satisfaction of any Tax Liability that may arise in connection with the vesting and settlement of the RSUs and/or your acquisition of the Ordinary Shares. The Company shall not be required to issue, allot or transfer Ordinary Shares until the you have satisfied this obligation.

(c) at the discretion of the Company, the RSUs cannot be settled until you have entered into an election with the Company (or your employer) (as appropriate) in a form approved by the Company and Her Majesty's Revenue & Customs (a "**Joint Election**") under which any liability of the Company and/or the employer for employer's national insurance contributions arising in respect of the granting, vesting, settlement of or other dealing in the RSUs, or the acquisition of Ordinary Shares on the settlement of the RSUs, is transferred to and met by you.

#### Tax and National Insurance Contributions Acknowledgment.

You agree that if you do not pay or your employer (the "**Employer**") or the Company does not withhold from you, the full amount of all taxes applicable to the taxable income resulting from the grant of the RSUs, the vesting of the RSUs, or the issuance of Ordinary Shares (the "**Tax-Related Items**") that you owe due to the vesting of the RSUs, or the release or assignment of the RSUs for consideration, or the receipt of any other benefit in connection with the RSUs (the "**Taxable Event**") by 90 days after the end of the tax year in which the Taxable Event occurred, then the amount that should have been withheld shall constitute a loan owed by you to your employer, effective 90 days after the end of the tax year in which the Taxable Event occurred. You agree that the loan will bear interest at the HMRC's official rate and will

be immediately due and repayable by you, and the Company and/or the employer may recover it at any time thereafter by withholding the funds from salary, bonus or any other funds due to you by the employer, by withholding in Shares issued upon vesting and settlement of the RSUs or from the cash proceeds from the sale of Ordinary Shares or by demanding cash or a cheque from you. You also authorize the Company to delay the issuance of any Ordinary Shares to you unless and until the loan is repaid in full.

Notwithstanding the foregoing, if you are an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that you are an officer or executive director and Tax-Related Items are not collected from or paid by you within 90 days of the Taxable Event, the amount of any uncollected Tax-Related Items may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Section 2.6 of the Agreement.

References to “withholding tax” in Sections 2.6(b)(4) and 2.8(d) of the Agreement shall include social security contributions including primary and secondary class 1 national insurance contributions.

## **Annex 1**

Broadcom Limited and its subsidiaries  
c/o Broadcom Limited

1 Yishun Avenue 7  
Singapore 768923

Or

1320 Ridder Park Drive  
San Jose, CA 95131  
United States

## Annex 2

### **Payroll Providers**

Automatic Data Processing, Inc.  
Allsec Technologies Limited  
Baker Tilly Revas Limited  
Balmer-Etienne AG  
BOSS YONETISIM AS  
Bridgehead B.V.  
Ceridian  
Chronos Consulting  
CIIC Shanghai Financial Co. Consulting Ltd  
Deloitte  
Grant Thornton  
Hilan  
HR Outsourcing Korea  
HTLC Network Group  
HTM Corporation  
In Extenso  
Innovation  
Made Finance  
N.S.N. Consulting & Investmentservices  
Partena  
Payfront Technologies India Private Limited  
Payroll Services Company Ltd.  
PKF – Littlejohn Network Group  
Rivor  
RSM  
Rueter & Partner  
SCS Global Tax Consulting Corporation  
Sigmagest  
Spira Twist & Associates  
Studio Arlati Ghislandi  
Squires Payroll Services  
TMF Services Ltd  
TMF Hong Kong Ltd  
TMF Corporate Services (Australia) Pty Ltd  
TMF Administrative Services Malaysia Sdn BhdTricor Services Limited  
Wirtschaftsprüfer / Steuerberater

### **Other vendors**

Box, Inc.  
Compensia, Inc.  
Deloitte Tax LLP  
Diligent Corporation  
Fidelity Stock Plan Services, LLC  
Google Inc.  
International Law Solutions, PC  
Latham & Watkins LLP



My Equity Comp  
NAVEX Global, Inc.  
PwC  
ServiceNow  
Workday, Inc.

### Annex 3

#### ADDITIONAL PROVISIONS FOR EMPLOYEES IN DENMARK

##### ERKLÆRING OM TILDELING AF BETINGEDE AKTIEENHEDER, HERUNDER ERKLÆRING I HENHOLD TIL AKTIEOPTIONSLOVEN

##### STATEMENT CONCERNING GRANTING OF RESTRICTED SHARE UNITS, INCLUDING STATEMENT PURSUANT TO THE DANISH STOCK OPTION ACT

Brocade Communications Denmark ApS  
("Selskabet")

Brocade Communications Denmark ApS  
(the "**Company**")

Og And

Medarbejderen, der elektronisk har givet samtykke til vilkårene og betingelserne i Restricted Share Unit Award Agreement.  
("Medarbejderen")

The individual providing services to the Company electronically consenting to the terms and conditions of the Restricted Share Unit Award Agreement.  
(the "**Service Provider**")

1. Og And

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
("Moderselskabet")

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
(the "**Parent Company**")

har indgået Restricted Share Unit Award Agreement og alle bilag og tillæg hertil ("**Tildelingsaftalen**") i relation til de Restricted Share Units ("**RSU'er**"), som Moderselskabet har tildelt Medarbejderen.

have entered into the Restricted Share Unit Award Agreement, including all exhibits and appendices thereto (the "**Agreement**") concerning the Restricted Share Units (the "**RSUs**") granted by the Parent Company to the Service Provider.

Denne erklæring ("**Erklæringen**") udgør en erklæring til Medarbejderen i henhold til § 3, stk. 1 i lov om brug af køberet eller tegningsret til aktier m.v. i ansættelsesforhold ("**Aktieoptionsloven**").

This statement (the "**Statement**") constitutes a statement to the Service Provider pursuant to section 3 (1) of the Danish Act on the exercise of stock acquisition rights or stock subscription rights in employment relationships, etc. (the "**Stock Option Act**").

I tilfælde af uoverensstemmelser mellem Erklæringen og Tildelingsaftalen og/eller Medarbejderens ansættelsesaftale med Selskabet har Tildelingsaftalen forrang.

In the event of any discrepancies between the Statement and the Agreement and/or Service Provider's contract of employment with the Company, this Agreement shall prevail.

Moderselskabet har vedtaget et Restricted Share Unit program, der omfatter medarbejdere i Moderselskabet og dets datterselskaber, herunder Selskabets medarbejdere. Vilkårene for Restricted Share Unit-programmet, der også omfatter de Restricted Share Units, der tildeles i medfør af Tildelingsaftalen, er fastsat i "Broadcom Corporation 2012 Stock Incentive Plan" (benævnt "**Aktieincitamentsprogrammet**").

Vilkårene i Aktieincitamentsprogrammet finder anvendelse på Medarbejderens Restricted Share Units, medmindre Tildelingsaftalen fastsætter vilkår, der fraviger vilkårene i Aktieincitamentsprogrammet. I sådanne tilfælde har Tildelingsaftalen vilkår forrang.

Definitioner anvendt i Tildelingsaftalen skal have samme betydning som i Aktieincitamentsprogrammet, medmindre andet følger af Tildelingsaftalen.

## 1. RESTRICTED SHARE UNITS OG VEDERLAG

1.1 Medarbejderen tildeles løbende Restricted Share Units, der giver Medarbejderen ret til aktier ("**Aktier**") i Moderselskabet og/eller kontantbetaling. De pågældende Restricted Share Units tildeles vederlagsfrit.

1.2 Værdien pr. aktie, som Restricted Share Units'erne repræsenterer vil blive som nærmere fastsat i Tildelingsaftalen.

## 2. ØVRIGE VILKÅR OG BETINGELSER

2.1 Restricted Share Units'erne tildeles i overensstemmelse med Aktieincitamentsprogrammet.

2.2 Restricted Share Units'erne tildeles efter Administrator af Ordningens skøn og når Administrator af Ordningen måtte beslutte det.

The Parent Company has adopted a Restricted Share Unit program covering the Service Providers of the Parent Company and its subsidiaries, including the employees of the Company. The terms of the Restricted Share Unit program, which also include the Restricted Share Units granted under the Agreement, appear from the "Broadcom Corporation 2012 Stock Incentive Plan" (the "**Equity Incentive Program**").

The terms of the Equity Incentive Program apply to the Service Provider's Restricted Share Units, unless the Agreement stipulates terms that deviate from the terms of the Equity Incentive Program. In such situations, the terms of the Agreement shall prevail.

The definitions of the Agreement shall have the same meaning as the definitions of the Equity Incentive Program, unless otherwise provided by Agreement.

## 1. RESTRICTED SHARE UNITS AND CONSIDERATION

1.1 The Service Provider is granted Restricted Share Units on a current basis entitling the Service Provider to shares ("**Ordinary Shares**") in the Parent Company and/or cash payment. The Restricted Share Units are granted free of charge.

1.2 The value per share that the Restricted Share Units represent shall be as specified in the Agreement.

## 2. OTHER TERMS AND CONDITIONS

2.1 The Restricted Share Units are granted under the Equity Incentive Program.

2.2 The Restricted Share Units are granted at the discretion of the Plan Administrator and at the timing of its discretion.

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| <p>2.3 Restricted Share Units'erne optjenes i overensstemmelse med Tildelingsaftalen.</p> <p>2.4 Optjeningen af Restricted Share Units er betinget af, at Medarbejderen er ansat i Selskabet i optjeningsperioden, og der hverken tildeles eller optjenes Restricted Share Units efter ansættelsesforholdets ophør, uanset årsag hertil, <i>jf.</i> dog nedenfor. Optjeningen af Restricted Share Units påvirkes ikke af lovreguleret orlov.</p>   | <p>2.3 The Restricted Share Units shall vest as set forth in the Agreement.</p> <p>2.4 The earning of Restricted Share Units is conditional on the Service Provider being employed with the Company for the duration of the vesting period and no Restricted Share Units are granted or earned after the termination of the employment, regardless of the reason for such termination, <i>cf.</i> however below. The earning of Restricted Share Units is not influenced by statutory leave.</p>  |
| <p>3. UDNYTTELSE</p> <p>3.1 Efter optjeningsperioden kan Optjente Restricted Share Units udnyttes forudsat, at de ikke er bortfaldet efter vilkårene i Tildelingsaftalen og indtil det tidspunkt, hvor sådanne Restricted Share Units ophører, bortfalder og/eller fortabes i overensstemmelse med vilkårene i Tildelingsaftalen.</p> <p>3.2 Såfremt (i) Selskabet opsiger Medarbejderens ansættelsesforhold, uden at Medarbejderen har misligholdt ansættelsesforholdet, eller (ii) Medarbejderen opsiger ansættelsesforholdet som følge af Selskabets grove misligholdelse, har Medarbejderen uanset opsigelsen ret til betaling af ikke-optjente og ikke-udbetalte Restricted Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.</p> | <p>3. EXERCISE</p> <p>3.1 Following vesting, earned Restricted Share Units will be exercisable as long as they remain validly outstanding pursuant to the Agreement, until the date such Restricted Share Units are terminated, cancelled and/or forfeited pursuant to the terms of the Agreement.</p> <p>3.2 In the event that (i) the Company terminates the Service Provider's employment for reasons other than the Service Provider's breach of the employment, or (ii) the Service Provider terminates the employment due to material breach on the part of the Company, the Service Provider is, irrespective of the termination, entitled to settlement of any unvested Restricted Share Units remaining unsettled in accordance with the Equity Incentive Program and the Agreement.</p> |

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| <p>3.3 I tilfælde af Medarbejderens opsigelse, uden at Selskabet groft har misligholdt ansættelsesforholdet, fortabes og bortfalder alle ikke-optjente Restricted Share Units, der ikke er udbetalt på det tidspunkt, hvor ansættelsen ophører, uden yderligere varsel og uden kompensation. Medarbejderen bevarer dog retten til betaling for optjente og ikke-udbetalte Restricted Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.</p> | <p>3.3 If the Service Provider terminates the employment without the Company being in gross breach of the employment, all unvested Restricted Share Units, which have not been exercised at the time of the termination, will be forfeited and lapse without further notice or compensation. The Service Provider, however, is entitled to settlement of all vested Restricted Share Units which have not been settled at the time of the termination in accordance with the Equity Incentive Program and the Agreement.</p> |
| <p>3.4 I tilfælde af Selskabets opsigelse og/eller bortvisning som følge af Medarbejderens misligholdelse af ansættelsesforholdet bortfalder Medarbejderens Restricted Share Units som ikke er optjent uden yderligere varsel eller kompensation pr. ansættelsesforholdets ophør.</p>  | <p>3.4 If the Company terminates and/or summarily dismisses the Service Provider due the Service Provider's breach of the employment, all Restricted Share Units, which have not vested at the time of termination, will lapse without further notice or compensation at the effective date of termination.</p>  |
| <p>3.5 Ved Medarbejderens død bortfalder Medarbejderens ikke-optjente Restricted Share Units uden yderligere varsel og kompensation pr. dødstidspunktet. Boet og/eller arvingerne er i øvrigt i enhver henseende underlagt de for Medarbejderen fastsatte vilkår for Restricted Share Units og de dertil knyttede aktier.</p>  | <p>3.5 In the event of the Service Provider's death, unvested Restricted Share Units will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the Service Provider's Restricted Share Units and the related Ordinary Shares.</p>   |

3.6 Ved aldersbetinget pensionering (folkepension) eller særskilt aftale herom og ved invaliditet har Medarbejderen ret til at få udbetaling for tildelte, ikke-udbetalte Restricted Share Units. Medarbejderen er underlagt de for Medarbejderne fastsatte vilkår for Restricted Share Units og de dertil knyttede aktier.

#### 4. REGULERING AF RESTRICTED SHARE UNITS

##### *Regulering ved kapitalændringer*

4.1 Såfremt der sker en ændring i antallet af udestående Aktier som følge af ændring i Moderselskabets kapitalstruktur uden vederlag såsom aktieudbytte, rekapitalisering, aktiesplit, omvendt aktiesplit, rekonstruktion, fusion, konsolidering, opdeling, kombination, genkøb eller ombytning af Selskabets Aktier eller øvrige værdipapirer eller andre ændringer i Moderselskabets selskabsstruktur, der kan påvirke Aktien, kan der gennemføres justeringer, der kan påvirke Aktieincitamentsprogrammet, herunder en justering af antallet af samt klassen af Aktier, der kan opnås i henhold til Programmet, af Købsprisen pr. aktie og af det antal Aktier for hver option i henhold til Programmet, der endnu ikke er udnyttet, og de talmæssige begrænsninger i Aktieincitamentsprogrammet.

##### *Andre ændringer*

3.6 Upon retirement due to old age ("**folkepension**") or separate agreement in this respect and in the event of disability, the Service Provider is entitled to settlement of granted and unsettled Restricted Share Units. The Service Provider is subject to the terms governing the Restricted Share Units and the related Ordinary Shares.

#### 4. ADJUSTMENT OF THE RESTRICTED SHARE UNITS

##### *Adjustment in connection with capital changes*

4.1 If the number of outstanding Ordinary Shares is changed by a modification in the capital structure of the Parent Company without consideration such as a stock dividend, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, combination, repurchase or exchange of Ordinary Shares or other securities of the Parent Company or other change in the corporate structure of the Parent Company affecting the Ordinary Shares, adjustments may be made that may impact the Equity Incentive Program and the Restricted Share Units including adjusting the number and class of Ordinary Shares that may be delivered under the Equity Incentive Program and the numerical limits of the Equity Incentive Program.

##### *Other changes*

4.2 I tilfælde af forslag om opløsning eller likvidation af Selskabet, og i tilfælde af fusion eller ændring i kontrollen med Selskabet eller Moderselskabet, kan der ske andre reguleringer i Aktieincitamentsprogrammet og Restricted Share Units.

*Administrator af Ordningens regulering af Optioner*

4.1 Administrator af Ordningens adgang til at regulere Restricted Share Units i de i § 4 omhandlede situationer er reguleret af vilkårene i Aktieincitamentsprogrammet. Med hensyn til Administrator af Ordningens generelle adgang til at ændre eller opsigte Aktieincitamentsprogrammet, henvises der til artikel fem, punkt IV og punkt 3.7 i Aktieincitamentsprogrammet.

5. ØKONOMISKE ASPEKTER VED DELTAGELSE I ORDNINGEN

5.1 Restricted Share Units'erne er risikobetonede værdipapirer, der er afhængige af aktiemarkedet og Moderselskabets resultater. Som følge heraf er der ingen garanti for, at Restricted Share Units'erne udløser en fortjeneste. Restricted Share Units'erne skal ikke medregnes ved opgørelsen af feriepenge, fratrædelsesgodtgørelse, godtgørelse eller kompensation fastsat ved lov, pension og lignende.

6. SKATTEMÆSSIGE FORHOLD

4.2 In the event of a proposed dissolution or liquidation of the Parent Company and in the event of a merger or a change in control of the Parent Company, other adjustments may be made to the Equity Incentive Program and the Restricted Share Units.

*Plan Administrator's regulation of Options*

4.3 The Plan Administrator's access to regulation of the Restricted Share Units in the situations comprised by this section 4 shall be regulated by the terms and conditions of the Equity Incentive Program. As regards the Plan Administrator's, general access to amend or terminate the Equity Incentive Program reference is made to the Equity Incentive Program Article Five, Section IV and Section 3.7 of the Agreement.

5. THE FINANCIAL ASPECTS OF PARTICIPATING IN THE SCHEME

5.1 The Restricted Share Units are risky securities the potential value of which is influenced by the market for Ordinary Shares and the Parent Company's results. Consequently, there is no guarantee that the vesting of the Restricted Share Units will trigger a profit. The Restricted Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

6. TAX MATTERS

- |   |  |
|---|--|
| <p>6.1 De skattemæssige konsekvenser for Medarbejderen som følge af tildelingen af Restricted Share Units og den efterfølgende udnyttelse heraf er i sidste ende Medarbejderens ansvar. Selskabet opfordrer Medarbejderen til selvstændigt at indhente rådgivning om den skattemæssige behandling af tildeling og udnyttelse af Restricted Share Units.</p> | <p>6.1 Any tax consequences for the Service Provider arising out of the Restricted Share Units and the exercise thereof are ultimately the responsibility of the Service Provider. The Company encourages the Service Provider to obtain individual tax advice in relation to the effect of grant and vesting of the Restricted Share Units.</p> |
| <p>7. OVERDRAGELSE OG PANTSÆTNING AF OPTIONER MV.</p>   | <p>7. TRANSFER AND PLEDGING OF OPTIONS, ETC.</p>   |
| <p>7.1 Restricted Share Units er personlige. Ingen rettigheder om betaling for Restricted Share Units eller tildeling af Aktier i henhold til Aktieincitamentsprogrammet kan overdrages, overføres, pantsættes eller på anden vis disponeres over af Medarbejderen, frivilligt eller ved udlæg.</p>   | <p>7.1 The Options are personal instruments. No rights with regard to settlement of Restricted Share Units or to receive Ordinary Shares under the Equity Incentive Program may assigned, transferred, pledged or otherwise disposed of in any way by the Service Provider whether voluntarily or by execution.</p>                              |



**Notice of Grant of Performance Share Unit Award**  
**Under the Broadcom Corporation 2012 Stock Incentive Plan**

**BROADCOM LIMITED**  
**1 Yishun Avenue 7**  
**Singapore 768923**

**GRANTEE NAME:** <Participant Name>

**GRANTEE ID:** <Employee ID>

**GRANT NUMBER:** <Client Grant ID>

**Grant Date:** <Grant Date>

**Number of Performance Share Units:** <Grant Custom Field 4>

The maximum number of ordinary shares that may be issued in respect of the Performance Share Units is <Number of Awards Granted> shares.

On the grant date shown above (the “**Grant Date**”), Broadcom Limited (the “**Company**”) granted to the grantee identified above (“**you**” or the “**Participant**”) the number of performance share units shown above (the “**PSUs**” or “**Performance Share Units**”) under the Broadcom Corporation 2012 Stock Incentive Plan, as amended (the “**Plan**”). If and when it vests, each PSU entitles you to receive a number of ordinary shares of the Company (each, an “**Ordinary Share**”) as determined in accordance with Exhibit A. By accepting this award of PSUs, you are affirmatively agreeing to the following in respect of these PSUs (a “**Sell to Cover**”):

**Sell to Cover:** Upon vesting of the PSUs and release of the resulting Ordinary Shares, the Company, on your behalf, will instruct Fidelity Stock Plan Services, LLC or one of its affiliates or such other agent instructed by the Company from time to time (collectively, the “**Agent**”) to sell that number of such Ordinary Shares determined in accordance with Section 2.6 of the attached Performance Share Unit Award Agreement (with respect to the PSUs) to satisfy any resulting tax withholding obligations of the Company, and the Agent will remit cash proceeds of such sale to the Company sufficient to satisfy such tax withholding obligations. The Company or a Subsidiary will then pay the required tax withholding obligations to the appropriate taxing authorities.

Pursuant to Exhibit A attached hereto, the number of Ordinary Shares issuable upon the later of (i) the Determination Date (as defined in Exhibit A) of each Performance Period or (ii) the anniversary of the Grant Date immediately following the end of the applicable Performance Period shall be determined by multiplying the Achievement Factor (as determined in accordance with Exhibit A) for such Performance Period by twenty-five percent (25%) of the total number of PSUs subject hereto if you have not incurred a Termination of Services prior to the anniversary of the Grant Date immediately following the end of the applicable Performance Period.

By accepting this award electronically through the Plan service provider’s online grant acceptance process:

- (1) You agree that the PSUs are governed by this Notice of Grant and the attached Performance Share Unit Award Agreement (including Exhibit A and Exhibit B thereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.
- (2) You have received, read and understand the Agreement, the Plan and the prospectus for the Plan.
- (3) You agree to accept as binding all decisions or interpretations of the Plan Administrator or its delegate regarding any questions relating to the Plan or the Agreement, including, if you provide services outside the United States, the global provisions and any specific provisions for the country in which you provide services, attached to the Agreement as Exhibit B.
- (4) You have read and agree to comply with the Company’s Insider Trading Policy.

Capitalized terms not specifically defined in this Notice shall have the meanings specified in the Plan or the Agreement.

**BROADCOM CORPORATION  
2012 STOCK INCENTIVE PLAN**

**PERFORMANCE SHARE UNIT AWARD AGREEMENT  
(SELL TO COVER)**

Broadcom Limited, a company organized under the laws of Singapore (the “**Company**”), pursuant to the Broadcom Corporation 2012 Stock Incentive Plan, as amended from time to time (the “**Plan**”), has granted to the grantee indicated in the attached Notice of Grant (the “**Notice of Grant**”) an award of performance share units (“**Performance Share Units**” or “**PSUs**”). The PSUs are subject to all of the terms and conditions set forth in this Performance Share Unit Award Agreement (including Exhibit A and Exhibit B hereto and together with the Notice of Grant, the “**Agreement**”) and the Plan.

**BY ACCEPTING THIS AWARD, YOU CONSENT TO THE USE AND SHARING OF YOUR PERSONAL DATA AS SET FORTH IN THE APPLICABLE PROVISIONS IN EXHIBIT B.**

**ARTICLE I**

**GENERAL**

1.1 Defined Terms. Capitalized terms not specifically defined in this Agreement shall have the meanings specified in the Plan or in the Notice of Grant, unless the context clearly requires otherwise.

(a) “**Termination of Consultancy**” shall mean the time when the engagement of Participant as a consultant to the Company or a Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, by resignation, discharge, death, disability, or retirement, but excluding: (a) terminations where there is a simultaneous employment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations where there is a simultaneous re-establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Plan Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Consultancy, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Consultancy. Notwithstanding any other provision of the Plan, the Company or any Subsidiary has an absolute and unrestricted right to terminate a consultant’s service at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in writing.

(b) “**Termination of Directorship**” shall mean the time when Participant, if he or she is or becomes a non-employee director of the Board, ceases to be a director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or retirement. The Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to Termination of Directorship with respect to non-employee directors.

(c) “**Termination of Employment**” shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding: (a) terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary, and (b) terminations where there is a simultaneous establishment of a consulting relationship or continuing consulting relationship between Participant and the Company or any Subsidiary. The Plan Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

(d) “**Termination of Services**” shall mean Participant’s Termination of Consultancy, Termination of Directorship or Termination of Employment, as applicable.

1.2 General. Each Performance Share Unit represents the right to receive a number of Ordinary Shares determined in accordance with Exhibit A if and when it vests. The Performance Share Units shall not be treated as property or as a trust fund of any kind.

1.3 Incorporation of Terms of Plan. PSUs are subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

## **ARTICLE II**

### **GRANT OF PERFORMANCE SHARE UNITS**

2.1 Grant of PSUs. In consideration of your continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the Grant Date set forth in the Notice of Grant (the “**Grant Date**”), the Company granted to you the number of PSUs set forth in the Notice of Grant.

2.2 Company’s Obligation to Pay. Subject to and until the PSUs will have vested in the manner set forth in Article II hereof, you will have no right to payment of any such PSUs.

Prior to actual payment of any vested PSUs, such PSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.4, your PSUs will vest and become nonforfeitable according to the vesting schedule set forth in the Exhibit A as long as you have not had a Termination of Services prior to the anniversary of the Grant Date immediately following the end of the applicable Performance Period (each, a “**Vesting Date**”). Unless otherwise determined by the Plan Administrator, employment or service for a portion, even a substantial portion, of the vesting period will not entitle you to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a Termination of Services as provided in Section 2.5 below or under the Plan.

2.4 Change in Control Treatment. In the event of a Change in Control prior to the end of any Performance Period (as defined in Exhibit A), each Performance Period then in effect shall be shortened to end at such date within ten (10) days prior to the closing of the Change in Control as determined by the Plan Administrator, the Achievement Factor for each such Performance Period shall be calculated on a date occurring prior to the closing of the Change in Control, as determined by the Plan Administrator, in its sole discretion, and such Performance Share Units will vest on the Vesting Date following the originally scheduled Performance Period related to such Performance Share Units, with the number of Ordinary Shares to be issued upon such vesting determined using the Achievement Factor calculated in accordance with this Section 2.4, subject, in each case, you not experiencing a Termination of Services prior to the applicable Vesting Date. For the avoidance of doubt, the Performance Share Units shall be subject to any accelerated vesting applicable to such Performance Share Units under any change in control plan you participate in or any change in control agreement you are party to, in each case, in accordance with the terms thereof and using the Achievement Factor determined in accordance with this Section 2.4.

2.5 Forfeiture, Termination and Cancellation upon Termination of Services. Upon your Termination of Services prior to a Vesting Date for any or no reason, the PSUs subject to such Performance Period will be automatically forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and you, or your beneficiary or personal representative, as the case may be, shall have no further rights hereunder. In addition, any PSUs that do not vest in accordance with Exhibit A will be automatically forfeited, terminated and cancelled as of the Determination Date applicable to such PSUs without payment of any consideration by the Company, and you, or your beneficiary or personal representative, as the case may be, shall have no further rights hereunder.

2.6 Payment after Vesting.

(a) On or before the tenth (10<sup>th</sup>) day following the later of (i) the Determination Date or (ii) the Vesting Date for each Performance Period, the Company shall deliver to the Participant that number of Ordinary Shares, if any, calculated by multiplying the Achievement Factor determined in accordance with Exhibit A for such Performance Period times the number of Performance Share Units subject to vesting on such Vesting Date. Notwithstanding the foregoing, in the event Ordinary Shares cannot be issued because of the failure to meet one or more of the

conditions set forth in Section 2.8(a), (b) or (c) hereof, then the Ordinary Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Plan Administrator determines that Ordinary Shares can again be issued in accordance with Sections 2.8(a), (b) and (c) hereof. Notwithstanding any discretion in the Plan, the Notice of Grant or this Agreement to the contrary, upon vesting of the PSUs, Ordinary Shares will be issued, if at all, as set forth in this section. In no event will the PSUs be settled in cash.

(b) Notwithstanding anything to the contrary in this Agreement, the Company shall be entitled to require you to pay any sums required by applicable law to be withheld with respect to the PSUs, the issuance of Ordinary Shares or with respect to any other restricted share units, if any, granted to you prior to the Grant Date under the Plan or any other Company equity incentive plan (each, a “**Prior Award**”). Such payment shall be made by using a Sell to Cover. The award agreements covering your Prior Awards (if any) will be deemed amended to the extent necessary to reflect this Section 2.6(b). By accepting this award of PSUs, you agree (with respect to the PSUs and all Prior Awards, if any) to Sell to Cover to satisfy any tax withholding obligations and:

(i) You hereby appoint the Agent as your agent and direct the Agent to (1) sell on the open market at the then prevailing market price(s), on your behalf, promptly after the settlement of any PSUs (or vesting of Prior Awards), such number of the Ordinary Shares that are issued in respect of such PSUs (or subject to or issued in respect of such Prior Awards) as the Agent determines will generate sufficient proceeds to cover (x) any estimated tax, social insurance, payroll, fringe benefit or similar withholding obligations with respect to such issuance and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) in the Company’s discretion, apply any remaining funds to your federal tax withholding or remit such remaining funds to you.

(ii) You hereby authorize the Company and the Agent to cooperate and communicate with one another to determine the number of Ordinary Shares to be sold pursuant to subsection (i) above. You understand that to protect against declines in the market price of Ordinary Shares, the Agent may determine to sell more than the minimum number of Ordinary Shares needed to generate the required funds.

(iii) You understand that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to your account. In addition, you acknowledge that it may not be possible to sell Ordinary Shares as provided in subsection (i) above due to (1) a legal or contractual restriction applicable to the Agent, (2) a market disruption, or (3) rules governing order execution priority on the national exchange where the Ordinary Shares may be traded. In the event of the Agent’s inability to sell Ordinary Shares, you will continue to be responsible for the timely payment to the Company and/or its affiliates of all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld, including but not limited to those amounts specified in subsection (i) above.

(iv) You acknowledge that, regardless of any other term or condition of this Section 2.6(b), neither the Company nor the Agent will have any liability to you for (1) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control, or (3) any claim relating to the timing of any Sell to Cover, the price at which Ordinary Shares are sold in any Sell to Cover, or the timing of the delivery to you of any Ordinary Shares following any Sell to Cover. Regardless of the Company's or any Subsidiary's actions in connection with tax withholding pursuant to this Agreement, you acknowledge that the ultimate responsibility for any and all tax-related items imposed on you in connection with any aspect of the PSUs (and any Prior Awards) and any Ordinary Shares issued upon settlement of the PSUs (or subject to or issued in respect of your Prior Awards) is and remains your responsibility and liability. Except as expressly stated herein, neither the Company nor any Subsidiary makes any commitment to structure of the PSUs (or any Prior Award) to reduce or eliminate your liability for tax-related items.

(v) You hereby agree to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.6(b). The Agent is a third-party beneficiary of this Section 2.6(b).

(vi) This Section 2.6(b) shall survive termination of this Agreement until all tax withholding obligations arising in connection with this Award have been satisfied.

The Company shall not be obligated to deliver any Ordinary Shares to you unless and until you have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes required to be withheld in connection with the grant, vesting or settlement of the PSUs.

2.7 Rights as Shareholder. As a holder of PSUs you are not, and do not have any of the rights or privileges of, a shareholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the PSUs and any Ordinary Shares issuable upon vesting or settlement thereof unless and until such Ordinary Shares shall have been actually issued by the Company to you. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Ordinary Shares are issued, except as provided in Section II.A of Article Three of the Plan.

2.8 Conditions to Delivery of Ordinary Shares. Subject to Section VI of Article Five of the Plan, the Ordinary Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Ordinary Shares or issued Ordinary Shares which have then been reacquired by the Company. Such Ordinary Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Ordinary Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Ordinary Shares to listing on all stock exchanges on which the Ordinary Shares are then listed;

(b) The completion of any registration or other qualification of such Ordinary Shares under any state, federal or foreign law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Plan Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state, federal or foreign governmental agency which the Plan Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such Ordinary Shares, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 2.6 hereof; and

(e) The lapse of such reasonable period of time following a Vesting Date as the Plan Administrator may from time to time establish for reasons of administrative convenience.

### **ARTICLE III**

#### **OTHER PROVISIONS**

3.1 **Administration.** The Plan Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Plan Administrator in good faith shall be final and binding upon you, the Company and all other interested persons. No member of the Plan Administrator or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the PSUs.

3.2 **Adjustments Upon Specified Events.** In addition, upon the occurrence of certain events relating to the Ordinary Shares contemplated by Section V.E of Article One and Section II of Article Three of the Plan (including, without limitation, an extraordinary cash dividend on such Ordinary Shares), the Plan Administrator shall make such adjustments as the Plan Administrator deems appropriate in the number of Performance Share Units then outstanding and the number and kind of securities that may be issued in respect of the Performance Share Units. You acknowledge that the PSUs are subject to modification and termination in certain events as provided in this Agreement and Articles One and Three of the Plan.

3.3 **Grant is Not Transferable.** Your PSUs may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of the PSUs, or any right or privilege conferred hereby,



or upon any attempted sale under any execution, attachment or similar process, the PSUs will terminate immediately and will become null and void.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at the Participant's last address reflected on the Company's records, including any email address. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice to the Company shall be deemed given when actually received. Any notice given by the Company shall be deemed given when sent via email or 5 U.S. business days after mailing.

3.5 Titles. Titles provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law; Severability. The laws of the State of California shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. You acknowledge that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state and foreign securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the PSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

3.8 Amendments, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Plan Administrator or the Board, *provided*, that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the PSUs in any material way without your prior written consent.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if you are subject to Section 16 of the Exchange Act, the Plan, the PSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by and necessary to comply with applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon you any right to continue to serve as an employee or other service provider of the Company or any of its Subsidiaries.

3.12 Entire Agreement. The Plan, the Notice of Grant and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.13 Section 409A. The PSUs are not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, “**Section 409A**”). However, notwithstanding any other provision of the Plan or this Agreement, if at any time the Plan Administrator determines that the PSUs (or any portion thereof) may be subject to Section 409A, the Plan Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify you or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Plan Administrator determines are necessary or appropriate either for the PSUs to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Limitation on Participant’s Rights. Participation in the Plan confers no rights or interests other than as herein provided. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the PSUs, and rights no greater than the right to receive the Ordinary Shares as a general unsecured creditor with respect to PSUs, as and when payable hereunder.

3.15 Additional Terms for Participants Providing Services Outside the United States. To the extent you provide services to the Company or a Subsidiary in a country other than the United States, the PSUs shall be subject to such additional or substitute terms as shall be set forth for such country in Exhibit B attached hereto. If you relocate to one of the countries included in Exhibit B during the life of the PSUs, Exhibit B, including the provisions for such country, shall apply to you and the PSUs, to the extent the Company determines that the application of such

provisions is necessary or advisable in order to comply with applicable law or facilitate the administration of the Plan. In addition, the Company reserves the right to impose other requirements on the PSUs and the Ordinary Shares issued upon vesting of the PSUs, to the extent the Company determines it is necessary or advisable in order to comply with local laws or facilitate the administration of the Plan, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

\* \* \* \* \*

EXHIBIT A  
TO BROADCOM CORPORATION  
2012 STOCK INCENTIVE PLAN  
PERFORMANCE SHARE UNIT AWARD AGREEMENT  
  
PERFORMANCE CRITERIA AND MEASUREMENT

1. Definitions.

For the purposes of the charts, calculations and conditions below:

- a. “**Average Market Value**,” with respect to a company, shall mean the average closing trading price of a company’s shares on the principal exchange on which such shares are then traded, during the 30 consecutive calendar days ending on (and including) a specified date, as reported by the applicable principal exchange on which such company’s shares are listed or quoted, or by such other authoritative source as the Plan Administrator may determine.
- b. “**Prior Achievement Sum**” means the sum of the Achievement Factors (as defined below) for Performance Period 1, Performance Period 2 and Performance Period 3.
- c. “**Relative TSR**” shall mean the Company’s TSR relative to the TSR of the companies that comprise the S&P 500 Index as of the last day of the Performance Period, expressed as a percentile.
- d. “**TSR**” means the compound annual total shareholder return of the Company (or of a company in the S&P 500 Index, as applicable), as measured by the change in the price of an Ordinary Share (or the publicly traded securities of a company in the S&P 500 Index, as applicable) over the Performance Period (positive or negative), calculated based on the Average Market Value ending on the first day of the Performance Period as the beginning share price, and the Average Market Value ending on the last day of the Performance Period as the ending share price, and assuming dividends (if any) are reinvested based on the price of an Ordinary Share (or the publicly traded securities of a company in the S&P 500 Index, as applicable) in accordance with the “gross” or “total” return methodology as defined by S&P Dow Jones.

2. Performance Periods. There shall be four performance periods (each, a “**Performance Period**”) as follows: March 15, 2017 through March 14, 2018 (“**Performance Period 1**”), March 15, 2017 through March 14, 2019 (“**Performance Period 2**”), March 15, 2017

through March 14, 2020 (“**Performance Period 3**”) and March 15, 2017 through March 14, 2021 (“**Performance Period 4**”).

3. **Achievement Factor.** As soon as administratively practicable, and in any event within 60 days, following the end of each Performance Period, the Plan Administrator shall determine the Relative TSR for such Performance Period and calculate the Achievement Factor (such date of determination, the “**Determination Date**”). For the purposes hereof, “**Achievement Factor**” shall mean that factor determined under the applicable table below.

Relative TSR Achievement for Performance Periods 1, 2 and 3	Achievement Factor
Less than 25 <sup>th</sup> percentile of the S&P 500	0
25 <sup>th</sup> percentile of the S&P 500	0.50
50 <sup>th</sup> percentile or better of the S&P 500	1

Relative TSR Achievement for Performance Period 4	Achievement Factor
Less than 25 <sup>th</sup> percentile of the S&P 500	0
25 <sup>th</sup> percentile of the S&P 500	If the Prior Achievement Sum is greater than or equal to 1.5, 0.5. If the Prior Achievement Sum is less than 1.5, 2 less the Prior Achievement Sum.
50 <sup>th</sup> percentile of the S&P 500	4 less the Prior Achievement Sum.
75 <sup>th</sup> percentile or better of the S&P 500	If Company TSR is negative, 4 less the Prior Achievement Sum. If Company TSR is neutral or positive, 8 less the Prior Achievement Sum.

If the Relative TSR achieved during the applicable Performance Period is between two of the levels set forth in the tables above, the Achievement Factor shall be determined using linear interpolation. For the avoidance of doubt, the Ordinary Shares issuable in respect of the PSUs shall in no event exceed two times the target number of PSUs, and in the event the Relative TSR for the Performance Period is less than the 25<sup>th</sup> percentile, the Achievement Factor shall be 0 (i.e., no linear interpolation between the two lowest Relative TSR Achievement levels set forth in the tables above).

**EXHIBIT B  
TO BROADCOM CORPORATION  
2012 STOCK INCENTIVE PLAN  
PERFORMANCE SHARE UNIT AWARD AGREEMENT**

This Exhibit B includes (i) additional terms and conditions applicable to all Participants providing services to the Company or a Subsidiary outside the United States, and (ii) additional terms applicable to Participants providing services to the Company or a Subsidiary in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit B without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

For your convenience and information, we have provided certain general information regarding some of the tax and/or exchange control requirements that may apply to participants in certain of the countries identified in Section II below. Such information is current only as of September 2017 (except as otherwise indicated below), and the Company undertakes no obligation to update any such information and does not ensure that it is complete or correct. This information may not apply to your individual situation, and may not be current as of any particular date in the future. The absence of any information on tax or foreign exchange requirements for any particular country should not be regarded as an indication that no such requirements may apply in that country. The laws, rules and regulations of any country regarding the holding of securities may be subject to frequent change.

**You are advised to seek appropriate professional advice as to how the relevant exchange control and tax laws in your country may apply to your individual situation.**

**I. GLOBAL PROVISIONS APPLICABLE TO PARTICIPANTS IN ALL COUNTRIES OTHER THAN THE UNITED STATES**

1. General Acknowledgements and Agreements: You further acknowledge and agree that:

(a) No Guarantee of Continued Service. THE VESTING OF THE PERFORMANCE SHARE UNITS PURSUANT TO THE VESTING SCHEDULE WILL OCCUR ONLY IF YOU CONTINUE AS A DIRECTOR, CONSULTANT OR EMPLOYEE (AS APPLICABLE) TO THE COMPANY OR A SUBSIDIARY THROUGH THE APPLICABLE VESTING DATE. YOU FURTHER ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A DIRECTOR, CONSULTANT OR EMPLOYEE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE RIGHT OF THE COMPANY OR ANY SUBSIDIARY TO EFFECT A TERMINATION OF SERVICES AT ANY TIME, WITH OR WITHOUT CAUSE, NOR SHALL IT BE CONSTRUED TO AMEND OR MODIFY THE TERMS OF ANY CONSULTANCY, DIRECTORSHIP, EMPLOYMENT OR OTHER SERVICE AGREEMENT BETWEEN YOU AND THE COMPANY OR ANY SUBSIDIARY.

- (b) The Plan is discretionary in nature and that, subject to the terms of the Plan, the Company can amend, cancel or terminate the Plan at any time.
- (c) The grant of the PSUs under the Plan is voluntary and occasional and does not give you any contractual or other right to receive PSUs or benefits in lieu of PSUs in the future, even if you have received PSUs repeatedly in the past.
- (d) All determinations with respect to any future awards, including, but not limited to, the times when awards under the Plan shall be granted and the terms thereof, including the time or times when any PSUs may vest, will be at the sole discretion of the Company.
- (e) Your participation in the Plan is voluntary.
- (f) The value of the PSUs is an extraordinary item of compensation that is outside of the scope of your directorship, consultancy or employment contract or relationship.
- (g) The PSUs are not part of normal or expected compensation or salary for any purpose, including, without limitation, calculating severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or similar payments.
- (h) The PSUs shall expire, terminate and be forfeited upon your Termination of Services for any reason, except as otherwise explicitly provided in this Agreement and/or the Plan.
- (i) The future value of the Ordinary Shares that may be issued upon vesting of the PSUs is unknown and cannot be predicted with any certainty.
- (j) If you are not an employee of the Company as of the grant date shown on the Notice of Grant, the grant of the PSUs shall in no event be understood or interpreted to mean that the Company is your employer or that you have an employment relationship with the Company.
- (k) No claim or entitlement to compensation or damages arises from the expiration, termination or forfeiture of the PSUs or any portion thereof. You irrevocably release the Company, its parent(s) and subsidiaries from any such claim. Such a claim will not constitute an element of damages in the event of a Termination of Services for any reason, even if the termination is in violation of an obligation of the Company or any Subsidiary, to you.
- (l) Neither the Company nor any Subsidiary has provided you, and nor will they provide you, with any specific tax, legal or financial advice with respect to the PSUs, the Ordinary Shares issuable upon vesting of PSUs, this Agreement or the Plan. Neither the Company nor any Subsidiary is making nor have they made any recommendations relating to your participation in the Plan, the receipt of the PSUs or the acquisition or sale of Ordinary Shares upon vesting of PSUs.
- (m) You shall bear any and all risk associated with the exchange of currency and the fluctuation of currency exchange rates in connection with this Award, including without limitation in connection with the sale of any Ordinary Shares issued upon vesting of the PSUs ("Currency Exchange Risk"), and you hereby waive and release the Company and its Subsidiaries from any claims arising out of Currency Exchange Risk.
- (n) You agree that it is your responsibility to comply, and you shall comply, with any and all exchange control requirements applicable to the PSUs and the sale of Ordinary Shares issued upon

vesting of the PSUs and any resulting funds including, without limitation, reporting or repatriation requirements.

(o) Neither the Company nor any Subsidiary is responsible for your legal compliance requirements relating to the PSUs or the ownership and possible sale of any Ordinary Shares issued upon vesting of the PSUs, including, but not limited to, tax reporting, the exchange of U.S. dollars into or from your local currency, the transfer of funds to or from the United States, and the opening and use of a U.S. brokerage account.

(p) If this Agreement, the Plan, any website or any other document related to the PSUs is translated into a language other than English, and if the translated version is different from the English version, the English language version will take precedence. You confirm having read and understood the documents relating to the Plan and the PSUs, including, without limitation, this Agreement, which were provided to you in English, and waive any requirement for the Company to provide these documents in any other language.

(q) Your right to vest in the PSUs will terminate effective as of the date that is the earlier of (1) the effective date of the your Termination of Services (whether or not in breach of local labor laws), or (2) the date you are no longer actively providing service, regardless of any notice period or period of pay in lieu of such notice required under applicable laws (including, but not limited to statutory law, regulatory law and/or common law); the Company shall have the exclusive discretion to determine when the you are no longer actively providing service for purposes of the PSUs.

(q) To the extent you are providing services in a country identified in Section II of this Exhibit B, you understand and agree that the provisions for such country apply and are incorporated into the Agreement.

**2. Consent to Personal Data Processing and Transfer.** The entities listed in **Annex 1** (the "Broadcom Entities") may hold, and by accepting the PSUs you consent to their holding, your personal information, including your name, home address, telephone number, date of birth, social security number or other employee tax identification number, national identification number, passport number, employment history and status, salary, nationality, job title, and information about any equity compensation grants or Ordinary Shares awarded, cancelled, purchased, vested, unvested or outstanding in your favor (the "Data").

The Broadcom Entities use the Data for the purpose of implementing, managing and administering the Plan and employee compensation and for compliance and financial reporting purposes (the "**Purpose**").

The Broadcom Entities may transfer, and by accepting the PSUs you consent to any such transfer of, the Data to other Broadcom Entities, to entities listed in **Annex 2** or to other entities to assist the Broadcom Entities in the Purpose. The Broadcom Entities may also make the Data available to public authorities where required by law or regulation. The third parties and public authorities may be located in the United States, the European Economic Area, or elsewhere, including in territories where data protection laws may not be as protective as in your jurisdiction of residence.

You may, at any time, review the Data, require any necessary amendments to it or withdraw the consents given herein in writing by contacting the Company through your local H.R. Director. If you withdraw your consent, you must do so by writing to the Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to [stockadmin.pdl@broadcom.com](mailto:stockadmin.pdl@broadcom.com). If you



withdraw your consent, the Company will not be able to administer this award. Accordingly, if you withdraw your consent, this Award will be cancelled when your withdrawal is received.

**I agree that the Broadcom Entities and third parties may process my Data as described above, including transfer to and use in countries in which data protection laws may not be as protective as in my jurisdiction of residence.**

## **II. COUNTRY SPECIFIC PROVISIONS APPLICABLE TO PARTICIPANTS WHO PROVIDE SERVICES IN THE IDENTIFIED COUNTRIES**

### **AUSTRALIA**

#### **Terms and Conditions**

##### Definitions.

For the purposes of this section:

“**ASIC**” means the Australian Securities & Investments Commission;

“**Australian Offerees**” means all persons to whom an offer or invitation of Performance Share Units are made in Australia under the Plan;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Exchange**” means the NASDAQ Global Select Market; and

“**Related Body Corporate**” has the meaning given in section 50 of the Corporations Act.

##### General Advice Only.

Any advice given by the Company or a Related Body Corporate of the Company in relation to the PSUs offered under the Plan does not take into account an Australian Offeree's objectives, financial situation and needs. Australian Offerees should consider obtaining their own financial product advice from an independent person who is licensed by ASIC to give such advice.

##### Acquisition Price.

No acquisition price is payable by you for the Company to grant you the number of PSUs set forth in the Notice of Grant.

##### Risks of Acquiring Ordinary Shares.

The paragraph below provides general information about the risks of acquiring and holding Ordinary Shares. Before acquiring PSUs, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Ordinary Shares are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position.

Factors that could affect the market price of our Ordinary Shares include any risks associated with loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturers and outsourced supply chain; any acquisitions we may make, such as delays, challenges and expenses associated with integrating acquired companies with our existing businesses and our ability to achieve the benefits, growth prospects and synergies expected from such acquisitions; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the need to generate sufficient cash flows to service and repay such debt; our ability to improve our manufacturing efficiency and quality; increased dependence on a small number of markets; dependence on and risks associated with distributors of our products; quarterly and annual fluctuations in operating results; cyclicalities in the semiconductor industry or in our target markets; global economic conditions and concerns; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of those design wins; rates of growth in our target markets; prolonged disruptions of our or our contract manufacturers' manufacturing facilities or other significant operations; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our ability to maintain tax concessions in certain jurisdictions; our ability to protect our intellectual property and the unpredictability of any associated litigation expenses; any expenses or reputational damage associated with resolving customer product and warranty and indemnification claims; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; and other events and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature.

The foregoing information is as of August 24, 2017. For more information about these and other risks related to an investment in the Company's Ordinary Shares, please see the Company's Annual Report on Form 10-K for the year ended October 30, 2016, and subsequent Quarterly Reports on Form 10-Q filed by the Company with the U.S. Securities and Exchange Commission, available at [www.sec.gov](http://www.sec.gov) or <http://investors.broadcom.com/phoenix.zhtml?c=203541&p=irol-sec>. Subsequently filed Forms 10-K and 10-Q may have more recent information.

In addition, there is no assurance that we will continue to pay dividends or that such payments will remain constant or increase. Payment of future dividends, if any, and the timing and amount of any dividends we determine to pay, are at the discretion of our Board of Directors. We may declare dividends as interim dividends, which are wholly provisional under Singapore law and may be revoked by our Board at any time prior to the payment thereof.

#### Market Price in Australian Dollars.

An Australian Offeree could, from time to time, ascertain the market price of Ordinary Shares by obtaining that price from the Exchange website, the Company website or The Wall Street Journal, and multiplying that price by a published exchange rate to convert U.S. Dollars into Australian Dollars.

### **AUSTRIA**

#### Exchange Control Information.

If you hold Ordinary Shares acquired pursuant to PSUs outside of Austria, you must submit a report to the Austrian National Bank. An exemption applies if the value of the Ordinary Shares as of the end of any given calendar quarter does not exceed €3,000,000 or as of December 31 does not exceed €5,000,000. Such amounts are the amounts in effect as of October 1, 2015 and may change in the future. If the first threshold is exceeded, quarterly reporting obligations are imposed. If only the second threshold is exceeded, annual reports must be given. The annual reporting date is December 31 and the deadline for filing the annual report is March 31 of the following year.

When you sell Ordinary Shares acquired pursuant to PSUs, there may be exchange control obligations if the cash proceeds are held outside Austria. If the value of all your accounts abroad exceeds €3,000,000, the movements and balances of all accounts must be reported as of the last day of each month, on or before the fifteenth day of the following month, on the prescribed form (*Meldungen SI-Forderungen und/oder SI-Verpflichtungen*).

#### Consumer Protection Information.

If the provisions of the Austrian Consumer Protection Act are considered to be applicable to the Agreement and the Plan, you may be entitled to revoke your acceptance of the Agreement under the conditions listed below:

- (i) If you accept the PSUs outside the business premises of the Company or its relevant Subsidiary, you may be entitled to revoke your acceptance of the Agreement, provided the revocation is made within one week after you accept the Agreement.
- (ii) The revocation must be in written form to be valid. It is sufficient if you return the Agreement to the Company or the Company's representative with language which can be understood as your refusal to conclude or honor the Agreement, provided the revocation is sent within the period set forth above.

### **BELGIUM**

#### Tax Information.

Beginning on January 1, 2017, sales of Ordinary Shares you acquire hereunder will generally be subject to a transaction tax (the initial rate of which is 0.27%, up to a cap) upon your sale of the Ordinary Shares, which you will be responsible for reporting and paying. If you sell through a Belgian bank or broker, that bank or broker may facilitate reporting and payment of this tax on your behalf. Alternatively, if you sell through another bank or broker, you should report and pay the tax directly. Consult your tax advisor or the website of the General Administration of Taxation for more information.

### Foreign Asset/Account Reporting Information.

You are required to report any taxable income attributable to PSUs and Ordinary Shares on your annual tax return. In addition, you are required to report any bank accounts opened and maintained outside Belgium on your annual tax return. In a separate report, you may be required to provide the National Bank of Belgium with certain details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). You should consult with your personal tax advisor to determine your personal reporting obligations.

## **BRAZIL**

### Exchange Control Information.

*Notice to PSU Recipients:* If you hold assets and rights outside Brazil with an aggregate value exceeding US\$100,000, you will be required to prepare and submit to the Central Bank of Brazil an annual declaration of such assets and rights, including: (i) bank deposits; (ii) loans; (iii) financing transactions; (iv) leases; (v) direct investments; (vi) portfolio investments, including Ordinary Shares acquired under the Plan; (vii) financial derivatives investments; and (viii) other investments, including real estate and other assets. Please note that foreign individuals holding Brazilian visas are considered Brazilian residents for purposes of this reporting requirement and must declare at least the assets held abroad that were acquired subsequent to the date of admittance as a resident of Brazil. Individuals holding assets and rights outside Brazil valued at less than US\$100,000 are not required to submit a declaration. Please note that the US\$100,000 threshold may be changed annually.

## **BULGARIA**

No country-specific provisions.

## **CANADA**

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

### French Language Provisions.

The following provisions will apply if you are a resident of Quebec: The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

*Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention ("**Agreement**"), ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à la présente convention.*

## **CHILE**

### Securities Notification.

The Company and the Ordinary Shares will not be registered in the *Registro de Valores Extranjeros* (Foreign Securities Registry) maintained by the *Superintendencia de Valores y Seguros de Chile* (Chilean Securities and Insurance Commission or "**SVS**") and are not subject to the supervision of the SVS. The Plan is ruled by number 2 of the SVS General Regulation 345. As the securities are not registered, the

Company has no obligation under Chilean law to deliver public information regarding the Ordinary Shares in Chile. The Shares cannot be publicly offered in Chile unless they are registered with the SVS or they comply with SVS General Regulation 345. The commencement date of the offer is the Grant Date indicated in the beginning of this Agreement.

*La Compañía (a la que se hace referencia aquí como “**the Company**”) y los Valores Ordinarios a la que se hace referencia aquí como “**the Ordinary Shares**”) no serán registrados en el Registro de Valores Extranjeros de la Superintendencia de Valores Ordinarios y Seguros de Chile o “**SVS**” y no están sujetos a la fiscalización de la SVS. Este Plan se acoge al numeral 2 de la Norma de Carácter General 345 de la SVS. Por tratarse de valores no inscritos, la Compañía no tiene obligación bajo la ley chilena de entregar en Chile información pública acerca de los Valores Ordinarios. Los Valores Ordinarios no pueden ser ofrecidos públicamente en Chile en tanto éstos no se inscriban en el Registro de Valores correspondiente a menos que se cumpla las condiciones establecidas en la Norma de Carácter General 345 de la SVS. La fecha de inicio de la presente oferta es la indicada en la portada de este document como “**the Grant Date**”.*

#### Foreign Assets Reporting.

You may be required to report the Ordinary Shares you acquire in connection with the Agreement to the Chilean authorities. In general, this reporting is required when an individual’s foreign asserts including investments, deposits or credits and/or foreign securities exceed US\$5 million. You are advised to consult with your advisors to confirm if this requirement applies to you.

### **CHINA**

#### Settlement of Performance Share Units and Sale of Shares.

The following provisions supplement Section 2.6(b) of the Agreement.

#### Sale of Ordinary Shares May be Required.

The Company may, in its sole discretion, require you to sell at, or any time following, vesting, the Ordinary Shares you receive when your PSUs vest. You authorize the Company or a brokerage firm designated by the Company to perform this transaction for you, and agree that applicable commissions and fees due in connection with the sale may be deducted from your proceeds. You acknowledge that such Ordinary Shares will be sold at prevailing market prices and waive any claim based on the timing of the sale or the price received for the Ordinary Shares.

The award agreements for some restricted shares units granted to you in the past (if any), whether under the Plan or any other Company equity incentive plan (collectively, the “**Prior RSUs**”) may have required that whenever such Prior RSUs vest, all Ordinary Shares issued as a result of such vesting must be sold. You agree that, with respect to the Prior RSUs (if any), the Company may conduct a Sell to Cover when Prior RSUs vest and allow you to hold the remaining Ordinary Shares, subject to compliance with these

country provisions for China. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

If Sale of Ordinary Shares is not Required at Vest,

When your PSUs vest, if the Company does not require the immediate sale of the Ordinary Shares you are entitled to receive, the Company may require that you retain those Ordinary Shares in your account at a brokerage firm designated by the Company until you sell the Ordinary Shares, even if you stop providing services for the Company or a Subsidiary.

Following your Termination of Services, the Company may restrict your ability to sell or transfer any Ordinary Shares remaining in your account and sell those Ordinary Shares at a time determined by the Company in its sole discretion. You agree not to bring any claim against the Company, any Subsidiary or the Agent based on the timing of any such sale or the price at which any such Ordinary Shares are sold.

Without limiting the foregoing, all the Ordinary Shares issued in respect of your PSUs or your Prior RSUs (if any) must be sold within six (6) months following your Termination of Services. The Company may, in its sole discretion, require you to sell at any time during this six (6)-month period, such Ordinary Shares. Any Ordinary Shares issued in respect of your PSUs or your Prior RSUs (if any) that remain in your account at a brokerage firm during the last two (2) weeks of such six (6)-month period may be automatically sold by the Agent during such two (2) week period, with the actual date of such sale determined by the Company or the Agent in its sole discretion. Neither the Company nor the Agent will guarantee the sale price for any such sale and you shall be solely responsible for fluctuations in the value of the Ordinary Shares until sale. The award agreements covering your Prior RSUs (if any) will be deemed amended to the extent necessary to reflect this paragraph.

Payment of Sale Proceeds.

You understand and agree that, pursuant to exchange control requirements in China, you may be required to repatriate to China the cash proceeds from the sale of the Ordinary Shares issued upon the settlement of the PSUs and that the Company may be required to effect that repatriation through a special exchange control account established by the Company or a Subsidiary. You agree that any proceeds from the sale of any Ordinary Shares you acquire may be transferred to such special account prior to being delivered to you. You also understand that there may be significant delays in delivering the funds to you due to exchange control requirements in China and agree not to make any claim against the Company or any Subsidiary as a result of the amount of time it takes to deliver the funds to you.

Proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the proceeds are paid to you in U.S. dollars, you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, the Company is under no obligation to obtain any particular exchange conversion rate and the Company may face delays in converting the proceeds to local currency due to exchange control restrictions.

Further Actions.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

## COLOMBIA

### Exchange Control Requirements.

By accepting this Award, you understand that you are generally required to register large international investments (generally over US\$500,000) with the Colombian Central Bank (by completing and submitting a 'Form 11'). In addition, repatriation of any sales proceeds of from the Ordinary Shares may need to be affected through the foreign exchange market in order to comply with Colombian foreign exchange requirements. You are advised to consult your own advisors regarding these requirements.

## DENMARK

### **Terms and Conditions**

### Labor Law Acknowledgement.

By accepting this Award, you acknowledge that you understand and agree that the PSUs relate to future services to be performed and do not form any part of, and are not, a bonus or compensation for past services.

### Stock Option Act.

With respect to Danish employees comprised (covered) by the Danish Stock Option Act, the following shall apply:

You acknowledge that you have received an employer statement in Danish setting forth the terms of your Award, a copy of which is included as Annex 3 to this Exhibit B.

In the event that (i) your employer ("**Employer**") terminates your employment for reasons other than your breach of the terms or conditions of your employment or any applicable employment agreement covering you (collectively, the "**Employment Terms**"), or (ii) you terminate the Employment Terms due to material breach on the part of the Company or Employer, you, irrespective of the termination, will be entitled to receive settlement of any granted PSUs in accordance with this Agreement and the Plan.

If you terminate your employment with Employer without the Company or Employer being in material breach of the Employment Terms, all PSUs will be forfeited and lapse without further notice or compensation.

If Employer terminates and/or summarily dismisses you due to your breach of the Employment Terms, all unvested PSUs will be forfeited and lapse without further notice or compensation at the effective date of termination.

In the event of your death, the PSUs will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the PSUs and the related Ordinary Shares, including this Agreement and the Plan.

Upon retirement due to old age ("folkepension") or separate agreement in this respect and in the event of disability, you, irrespective of the termination of employment, will be entitled to settlement of unvested PSUs in accordance with the terms of this Agreement and the Plan.

The Performance Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.

For the avoidance of doubt, under this heading, the term "**Stock Option Act**" shall only apply to employees who by virtue of applicable choice of law rules fall within Danish employment law regulations and the scope of the Danish Stock Option Act.

#### Foreign Bank Account Reporting.

If you establish an account holding Ordinary Shares or an account holding cash outside of Denmark, you must report the account to the Danish Tax Administration, the form for which can be obtained from a local bank. (Please note that these obligations are separate from and in addition to the obligations described below.)

#### Exchange Control and Tax Reporting Notification.

To the extent permitted by the Company, you may hold Ordinary Shares acquired under the Plan in a safety-deposit account (*e.g.*, brokerage account) with either a Danish bank or with an approved foreign broker or bank. If the Ordinary Shares are held with a non-Danish broker or bank, you are required to inform the Danish Tax Administration about the safety-deposit account. For this purpose, a Danish Plan participant must file a Declaration V (Erklæring V) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration V. By signing the Declaration V, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable broker or bank with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form V, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration V can be found at: [www.skat.dk/getFile.aspx?Id=47392](http://www.skat.dk/getFile.aspx?Id=47392).

In addition, when you open a deposit account or brokerage account for the purpose of holding cash outside of Denmark, the account will be treated as a deposit account because cash may be held in the account. Therefore, you must also file a Declaration K (Erklæring K) with the Danish Tax Administration. Both you and the bank/broker must sign the Declaration K. By signing the Declaration K, the bank/broker undertakes an obligation, without further request from you, not later than February 1 of each year, to forward certain information to the Danish Tax Administration concerning the content of the account. In the event that the applicable financial institution with which the account is held does not wish to, or pursuant to the laws of the country in question, is not allowed to assume such obligations to report, you will be solely responsible for providing certain details regarding the foreign account and any shares acquired and held in such account to the Danish Tax Administration as part of your annual income tax return. By signing the Form K, you at the same time authorize the Danish Tax Administration to examine the account. A sample of the Declaration K can be found at: [www.skat.dk/getFile.aspx?Id=42409&newwindow=true](http://www.skat.dk/getFile.aspx?Id=42409&newwindow=true).

## **FINLAND**



No country-specific provisions.

## GERMANY

### Tax Indemnity.

You agree to indemnify the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a “***Tax Liability***” being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction, including but not limited to wage tax, solidarity surcharge, church tax or social security contributions) that is attributable to (1) the grant or vesting of, or any benefit you derive from, the PSUs, (2) your acquisition of Ordinary Shares on settlement of the PSUs, or (3) the disposal of any Ordinary Shares.

### Exchange Control Information.

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. If you use a German bank to transfer a cross-border payment in excess of €12,500 in connection with the sale of Ordinary Shares acquired under the Plan, the bank will make the report for you. In addition, you must report any receivables, payables, or debts in foreign currency exceeding an amount of €5,000,000 on a monthly basis. Finally, you must report on an annual basis if you hold Ordinary Shares that exceed 10% of the total voting capital of the Company.

## GREECE

No country-specific provisions.

## HONG KONG

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

**Warning:** *The PSUs and Ordinary Shares issued at settlement do not constitute a public offering of securities under Hong Kong law and are available only to Employees, Consultants and Non-Employee Directors of the Company, its parent, Subsidiary or affiliate. The Agreement, including this Exhibit B, the Plan and other incidental award documentation have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, nor has the award documentation been reviewed by any regulatory authority in Hong Kong. The PSUs are intended only for the personal use of the recipient Participant and may not be distributed to any other person. If you are in any doubt about any of the contents of the Agreement, including this Exhibit B, or the Plan, you should obtain independent professional advice.*

### Sale of Ordinary Shares.

In the event the PSUs vest and are settled within six months of the Grant Date, you agree that you will not dispose of any Ordinary Shares acquired prior to the six-month anniversary of the Grant Date.

### Nature of Scheme.

The Company specifically intends that the Plan will not be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance.

## INDIA

The following paragraphs shall be inserted immediately after the last paragraph of the Agreement:

### Foreign Assets Reporting Information.

You must declare foreign bank accounts and any foreign financial assets (including Ordinary Shares subject to the PSUs held outside India) in your annual tax return. It is your responsibility to comply with this reporting obligation and you should consult with your personal tax advisor in this regard. Indian residents should consult with their personal tax advisor to determine their personal reporting obligations.

### Exchange Control Information.

You must repatriate any proceeds from the sale of Ordinary Shares acquired under the Plan or the receipt of any dividends to India within 90 days of receipt and convert such amounts to local currency within 180 days of receipt. You must obtain a foreign inward remittance certificate (“**FIRC**”) from the bank where you deposit the foreign currency and maintain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or your employer requests proof of repatriation.

## IRELAND

### Director Reporting Obligation.

If you are a director, shadow director or secretary of a parent or subsidiary in Ireland, you must notify the Irish parent or subsidiary in writing within five business days of receiving or disposing of an interest in the Company (*e.g.*, Performance Share Units, Ordinary Shares), or within five business days of becoming aware of the event giving rise to the notification requirement or within five days of becoming a director or secretary if such an interest exists at the time. This notification requirement also applies with respect to the interests of your spouse or children under the age of 18 (whose interests will be attributed to the you if you are a director, shadow director or secretary).

## ISRAEL

### **Terms and Conditions**

#### Award Payable Only in Ordinary Shares.

The grant of the PSUs does not give you any right to receive a cash payment, and the PSUs are payable in Ordinary Shares only.

#### Definitions.

The following definitions supplement the definitions set forth in the Agreement:

A. “**Holding Period**” shall mean the holding period required with respect to Capital Gain Awards, which is currently 24 months from the date of grant.

B. “**Plan**” shall mean the Broadcom Corporation 2012 Stock Incentive Plan, as amended and restated from time to time, and the Addendum for Participants in Israel.

All capitalized terms that are not defined in these country provisions for Participants in Israel shall have the meaning assigned to them in the Plan (as defined above) or the Agreement.

#### Capital Gain Award.

The Award is intended to be a Capital Gain Award (as defined in the Plan). In the event of any inconsistencies between the provisions of these country provisions for Participants in Israel and the Agreement, the provisions of these country provisions for Participants in Israel shall govern the Award and any related Ordinary Shares.

By accepting the Agreement, you: (a) acknowledge receipt of and represent that you have read and are familiar with the Agreement, the Plan and these country provisions for Participants in Israel; (b) accept the Award subject to all of the terms and conditions of the Agreement and the Plan (including these country provisions for Participants in Israel); (c) agree that the Award will be issued to and deposited with the Trustee (as defined in the Plan) and shall be held in trust for your benefit as required by law and any approval by the Israel Tax Authority (“ITA”) pursuant to the terms of the Ordinance and the Plan; and (d) accept the provisions of the trust agreement signed between the Company and the Trustee. Furthermore, by accepting the Agreement, you confirm that you are familiar with the terms and provisions of Section 102, and agree that you will not require the Trustee to release the Awards or Ordinary Shares to you, including any rights issued to you as a consequence of holding such Awards or Ordinary Shares, or to sell the Awards or Ordinary Shares to a third party during the Holding Period, unless permitted to do so by applicable law.

You are advised to consult with your personal tax advisor with respect to the tax consequences of receiving the PSUs and the issuance of Ordinary Shares in settlement of vested PSUs.

#### Limited Transferability.

These provisions supplement Section 3.3 of the Agreement:

As long as your Award or any issued Ordinary Shares are held by the Trustee on your behalf, all of your rights over the Award or the Ordinary Shares are personal and cannot be transferred, assigned, pledged or mortgaged, other than by will or the laws of descent and distribution.

With respect to a Capital Gain Award, subject to the provisions of the Plan, Section 102 and any rules or regulations or orders or procedures promulgated thereunder, to obtain favorable tax treatment for Capital Gain Awards, you may not sell or release from trust any Ordinary Shares received upon vesting of the Award and/or any Ordinary Shares received subsequently following any realization of rights, including without limitation, bonus Ordinary Shares, until the lapse of the Holding Period. Notwithstanding the above, if any such sale or release occurs during the Holding Period, the sanctions under Section 102 and under any rules or regulation or orders or procedures promulgated thereunder will apply to and will be borne by you.

#### Issuance of Ordinary Shares.

This provision supplements Section 2.6(a) of the Agreement:

If the Ordinary Shares are to be issued during the Holding Period, the Ordinary Shares shall be allocated in the name, or under the supervision, of the Trustee and held in trust on your behalf by the Trustee. In the event that the Ordinary Shares are to be issued after the expiration of the Holding Period, you may elect to have the Ordinary Shares issued directly to you, provided that you first provide for any taxes required to be withheld in connection with a transfer of the Award or the Ordinary Shares to the Trustee's and Company's satisfaction, or in trust on your behalf to the Trustee.

This provision supplements Section 2.6(b) of the Agreement:

You hereby agree to indemnify the Company (and any parent or Subsidiary) and/or the Trustee and hold them harmless against and from any and all liability for any withholding taxes required to be withheld relating to the Award and any Ordinary Shares issued under the Award and other amounts, or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such amounts from any payment made to you. Any reference to the Company or the Subsidiary employing you shall include a reference to the Trustee. You hereby undertake to release the Trustee from any liability in respect of any action or decisions duly taken and *bona fide* executed in relation to the Plan or any PSUs or Ordinary Shares granted thereunder. You agree to execute any and all documents which the Company or the Trustee may reasonably determine to be necessary in order to comply with the Ordinance.

You shall not be liable for the employer's components of payments to the national insurance institute, unless and to the extent that such payments by the employer are a result of your election to sell the Ordinary Shares before the end of the Holding Period (if allowed by applicable law). Furthermore, you agree to indemnify the Company, your employer and/or the Trustee and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to you for which you are responsible.

Notwithstanding anything to the contrary in the Agreement, no tax withholding obligation will be settled by withholding Ordinary Shares, unless the ITA approves doing so in writing.

#### Governing Law.

This section supplements Section 3.6 of the Agreement:

To the extent any covenant, condition, or other provision of the Agreement and the rights of the Participant hereunder are determined to be subject to Israeli law, such covenant, condition, or other provision of the Agreement shall be subject to applicable Israeli law, but shall in no way affect, impair or invalidate any other provision of the Agreement, and the applicability of the Plan to such covenant, condition, or other provision of the Agreement.

**ITALY**

#### **Terms and Conditions**

#### Method of Payment.

B - 15

The following provision supplements Section 2.6 of the Agreement:

You understand that you will be required to sell all Ordinary Shares received upon vesting of the PSUs and that you will not be permitted to hold any Ordinary Shares issued upon vesting of your PSUs. In order to effect such sale, you agree that the Plan broker shall be instructed to: (i) sell all of the Ordinary Shares issued upon the vesting of PSUs; (ii) use the proceeds to pay the brokerage commissions and fees and any Tax Liability (a "Tax Liability" being any liability for income tax, withholding tax and any other employment related taxes in any jurisdiction); and (iii) remit the balance to you. Depending upon the development of laws and your status as a national of a country other than Italy, the Company reserves the right to modify the methods of settling the PSUs in its sole discretion.

Authorization to Release and Transfer Necessary Personal Information. The following supplements Section 2 of Part I of this Exhibit B.

**You understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage your participation in the Plan and employee compensation or for compliance or financial reporting purposes. You understand that pursuant to art.7 of D.lgs 196/2003, you have rights, including but not limited to, the right to access, delete, update, request the rectification of your Data and cease the Data processing and to object, in whole or in part, on legitimate grounds, to the processing of your Data, even though they are relevant to the purpose of collection. Furthermore, you are aware that your Data will not be used for direct marketing purposes. In addition, the Data provided can be reviewed and questions or complaints can be addressed by contacting a local HR representative. If you request that the Company cease processing your personal data, you must do so by writing to the Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., or sending an email to stockadmin.pdl@broadcom.com. If you request that the Company cease processing your Data, the Company will not be able to administer this award. Accordingly, if you request that the Company cease processing your Data, this Award will be cancelled when your withdrawal is received.**

Furthermore, having read and understood the information given on the processing of the Data and being acquainted of the rights set forth in art. 7 of D.lgs. 196/2003, you expressly and specifically consent according to art. 23 of D.lgs. 196/2003, to the processing of any Data as reported in the Plan and the Agreement, including the clauses "Consent to Personal Data Processing and Transfer" in Section 2 of Part I of this Exhibit B and "Authorization to Release and Transfer Necessary Personal Information" and further expressly and specifically consent, according to art. 43 and art. 44 of D.lgs. 196/2003 to the transfer of the Data, even sensitive data, in foreign Countries outside the European Union.

Exchange Control Information.

You are required to report in your annual tax return: (a) any transfers of cash or Ordinary Shares to or from Italy exceeding €10,000 or the equivalent amount in U.S. dollars; and (b) any foreign investments or investments (including proceeds from the sale of Ordinary Shares acquired under the Plan) held outside of Italy exceeding €10,000 or the equivalent amount in U.S. dollars, if the investment may give rise to income in Italy. You are exempt from the formalities in clause (a) if the investments are made through an authorized broker resident in Italy, as the broker will comply with the reporting obligation on your behalf.

## JAPAN

### Foreign Asset/Account Reporting Information.

Japanese residents are required to report details of any assets, including Ordinary Shares held outside Japan as of December 31, to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report is due on or before March 15 each year. Japanese residents are responsible for complying with this reporting obligation and should confer with their personal tax advisor in this regard.

## LUXEMBOURG

No country-specific provisions.

## MALAYSIA

### Malaysian Insider Trading Notification.

You should be aware of the Malaysian insider-trading rules, which may impact your acquisition or disposal of Ordinary Shares or rights to Ordinary Shares under the Plan. Under the Malaysian insider-trading rules, you are prohibited from acquiring or selling Ordinary Shares or rights to Ordinary Shares (e.g., an Award under the Plan) when you are in possession of information which is not generally available and which you know or should know will have a material effect on the price of Ordinary Shares once such information is generally available.

### Director Notification Obligation.

If you are a director of a Malaysian Subsidiary or affiliate of the Company, you are subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the relevant Malaysian Subsidiary or affiliate in writing when you receive or dispose of an interest (e.g., an Award under the Plan or Ordinary Shares) in the Company or any related company. Such notifications must be made within 5 business days of receiving or disposing of any interest in the Company or any related company.

Data Privacy Information: Below is a translation of Section I(2) of this Exhibit B into Bahasa Malaysian for your reference:

**Kebenaran untuk memproses dan memindah data peribadi.** Entiti-entiti yang dinyatakan dalam **Lampiran 1** (“Entiti-entiti Broadcom”) mungkin memegang dan anda membenarkan mereka memegang, melalui penerimaan PSU, maklumat peribadi anda termasuk nama anda, alamat rumah, nombor telefon, tarikh lahir, nombor sekuriti sosial atau nombor pengenalan cukai pekerja, nombor pengenalan nasional, nombor paspot, sejarah dan status penggajian, kewarganegaraan, jawatan pekerjaan dan maklumat berkenaan mana-mana geran pampasan ekuiti atau Saham Biasa yang diberi, dibatalkan, dibeli, diberihak, tidak diberihak atau yang tertunggak (“**Data**”).

Entiti-entiti Broadcom menggunakan Data untuk tujuan melaksanakan, mengurus dan mentadbir Pelan untuk pelaporan pematuhan dan kewangan (“**Tujuan-tujuan**”).

Entiti-entiti Broadcom mungkin memindah, dan anda bersetuju kepada pemindahan ini dengan penerimaan PSU, Data kepada Entiti-entiti Broadcom lain, entiti-entiti yang dinyatakan dalam **Lampiran 2** atau mana-mana entiti yang membantu Entiti-entiti Broadcom untuk Tujuan-tujuan. Entiti-entiti Broadcom juga mungkin membenarkan Data untuk diakses oleh pihak berkuasa awam di mana diperlukan oleh undang-undang atau peraturan. Pihak-pihak ketiga dan pihak berkuasa awam mungkin terletak di Amerika Syarikat, Kawasan Ekonomik Eropah atau tempat-tempat lain termasuk kawasan-kawasan di mana undang-undang perlindungan data mungkin tidak seketat yang terdapat di bidangkuasa tempat tinggal anda.

Anda boleh, pada bila-bila masa, menilai Data, meminta pemindaan yang diperlukan kepadanya atau menarik balik kebenaran anda secara bertulis dengan menghubungi Syarikat melalui Pengarah Sumber Manusia anda. Jika anda menarik balik kebenaran anda, anda mesti berbuat demikian dengan menulis kepada Company's Stock Administration Department, 1320 Ridder Park Drive, San Jose, CA 95131, U.S.A., atau menghantar emel kepada stockadmin.pdl@broadcom.com. Jika anda menarik balik kebenaran anda, Syarikat mungkin tidak dapat menguruskan pemberian ini. Sejurus dengan itu, jika anda menarik balik kebenaran anda, Pemberian ini akan dibatalkan sebaik sahaja penarikbalikkan anda diterima.

**Saya membenarkan Entiti-entiti Broadcom dan pihak-pihak ketiga memproses Data saya sepertimana yang dinyatakan di atas, termasuk pemindahan dan penggunaan di negara di mana undang-undang perlindungan data tidak seketat yang terdapat di bidangkuasa tempat tinggal saya.**

## MEXICO

No country-specific provisions.

## NETHERLANDS

### Terms and Conditions

By accepting the PSUs, you acknowledge that it is your responsibility to be aware of the Dutch insider trading rules, which may affect the sale of Ordinary Shares you acquire upon vesting of the PSUs. In particular, you understand and acknowledge that (i) you have reviewed the summary of the Dutch insider trading rules and (ii) you may be prohibited from effecting certain transactions in Ordinary Shares if you have insider information regarding the Company. You acknowledge and understand that you have been advised to read the discussion carefully to determine whether the insider rules could apply to you. If you are uncertain whether the insider rules apply to you or your situation, you acknowledge that the Company recommends that you consult with a legal advisor. You acknowledge and agree that the Company cannot be held liable if you violate the Dutch insider trading rules. You acknowledge and agree that you are responsible for ensuring your own compliance with these rules.

### Summary of Dutch Prohibition Against Insider Trading.

Dutch securities laws prohibit insider trading. The regulations are based upon the European Market Abuse Directive and are stated in section 5:56 of the Dutch Financial Supervision Act (Wet op het financieel toezicht or Wft) and in section 2 of the Market Abuse Decree (Besluit marktmisbruik Wft). For further information, see the website of the Authority for the Financial Markets (AFM); <http://www.afm.nl/~media/Files/brochures/2012/insider-dealing.ashx>.

## **POLAND**

### Exchange Control Information.

If you hold foreign securities (including Ordinary Shares) and maintain accounts abroad, then it is your responsibility to report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets held abroad) exceeds PLN7,000,000. If required, the reports are due on a quarterly basis on special forms available on the website of the National Bank of Poland. Further, any transfer of funds in excess of a specified threshold (currently €15,000) must be effected through a bank account in Poland. By accepting the PSUs, you acknowledge and agree that it is your obligation to maintain evidence of such foreign exchange transactions for five years, in case of a request for their production by the National Bank of Poland.

## **RUSSIA**

### General.

This offer is being made from the United States and neither this Agreement nor any materials related to the Plan shall be construed to constitute advertising or offering of securities in Russia. The Ordinary Shares have not been and will not be registered in Russia.

### Financial Reporting Requirements.

You are required to notify the applicable Russian tax authorities of any actions with respect to the opening, closing or changing the essential details of bank accounts outside Russia, and must complete various reporting requirements with respect to your financial transactions, including declaring profits you earn in connection with the PSUs and the Ordinary Shares. You are solely responsible for declaring any taxable proceeds arising from this Agreement and the Ordinary Shares, including, but not limited to, any dividend payments or other distributions, as well as any proceeds you receive in connection with the disposition of the Ordinary Shares, and you are solely responsible for payment of all respective taxes that may arise under Russian law in connection therewith.

### Foreign Exchange.

The proceeds from the sale of any Ordinary Shares acquired before January 1, 2018 may only be transferred to a bank account opened in the territory of Russia. The proceeds of the sale of Ordinary Shares obtained on or after January 1, 2018, may be transferred to your bank account opened in a bank located in OECD and FATF member countries.

### Approvals.

You acknowledge and agree that it is your responsibility to obtain any consents or approvals from any third party that may be required from time-to-time by any then applicable Russian law for the disposal of any Ordinary Shares.

## **SINGAPORE**



Securities Law Information.

**The award of the PSUs is being made in reliance of section 273(1)(f) of the Securities and Futures Act (Cap. 289) (“SFA”) for which it is exempt from the prospectus and registration requirements under the SFA.** You understand that the Ordinary Shares have not been registered with the SFA. Unless you sell any Ordinary Shares you acquire pursuant to the Plan via a public exchange outside of Singapore (e.g., NASDAQ), you agree that you shall not, within six (6) months of your acquisition of any Ordinary Shares, sell, transfer, gift, hypothecate or otherwise transfer such Ordinary Shares within Singapore except as expressly approved by the Company in writing. The Company believes that a typical sale through a U.S. brokerage firm would not require the Company’s consent under these rules.

Director Notification Obligation.

If you are a director, shadow director, or hold any similar position of a Singapore-incorporated company (each a “**Singapore company**”) (e.g., the Company, any Singapore Subsidiary or Singapore affiliate), you are subject to certain notification requirements under section 164 of the Singapore Companies Act to enable the Singapore company to comply with its obligations to maintain a register of director’s shareholdings (“**Register**”). Among these requirements is an obligation to notify the Singapore company in writing of:

- (a) shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation which are held by you;
- (b) any interest that you have in shares in, debentures of, or participatory interests made available by, the Singapore company or its related corporation, and the nature and extent of that interest under Section 7 of the Singapore Companies Act (which provides for the circumstances under which a deemed interest in shares may arise);
- (c) rights or options that you have in respect of the acquisition or disposal of shares in the Singapore company or its related corporation; and
- (d) contracts to which you are a party or under which you are entitled to a benefit, being contracts under which a person has a right to call for or to make delivery of shares in the Singapore company or its related corporation.

You must notify the Singapore company in writing when there is any change in the particulars of your interests as mentioned above (including when you sell Ordinary Shares issued upon vesting and settlement of the PSUs).

You are deemed to hold or have an interest or a right in or over any shares or debentures, if:

- (a) your spouse (not being himself or herself a director or chief executive officer) holds or has an interest or a right in or over such shares or debentures; or
- (b) your child of less than 18 years of age, including stepson, stepdaughter, adopted son or adopted daughter (not being himself or herself a director or chief executive officer) holds or has an interest in such shares or debentures.

In addition, any contract, assignment or right of subscription shall be deemed to have been entered into or exercised or made by, or a grant shall be deemed as having been made to, you if any contract, assignment or right of subscription is entered into, exercised or made by, or a grant is made to, members of your family as aforesaid (not being himself or herself a director or chief executive officer).

Particulars of your interests as mentioned above must be given within two business days after (i) the date on which you became a director of the Singapore company, or (ii) the date on which you became a registered holder of or acquired an interest as mentioned above, whichever last occurs. Particulars of any change in your interests must also be given within two business days of the change.

#### **SOUTH KOREA**

No country specific provisions.

#### **SPAIN**

No country specific provisions.

#### **SWEDEN**

No country specific provisions.

#### **SWITZERLAND**

No country specific provisions.

#### **TAIWAN**

### **Terms and Conditions**

You understand that the offer of the PSUs has not been and will not be registered with or approved by the Financial Supervisory Commission of the Republic of China pursuant to relevant securities laws and regulations and the PSUs may not be offered or sold within the Republic of China through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Law of the Republic of China that requires a registration or approval of the Financial Supervisory Commission of the Republic of China.

You acknowledge and agree that you may be required to do certain acts and/or execute certain documents in connection with the grant of the PSUs, the vesting of the PSUs and the disposition of the resulting Ordinary Shares, including but not limited to obtaining foreign exchange approval for remittance of funds and other governmental approvals within the Republic of China. You shall pay your own costs and expenses with respect to any event concerning a holder of the PSUs, or Ordinary Shares received upon the vesting thereof.

#### Exchange Control Information.

**If you are a Taiwan resident (those who are over 20 years of age and holding a Republic of China citizen's ID Card, Taiwan Resident Certificate or an Alien Resident Certificate that is valid for a period no less than one year), you may acquire and remit foreign currency (including proceeds from the sale of Ordinary Shares) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD\$500,000 or more in a single transaction, you must submit a foreign**

**exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.**

If the transaction amount is US\$500,000 or more, you may be required to provide additional supporting documentation (including the contracts for such transaction, approval letter, etc.) to the satisfaction of the remitting bank. You acknowledge that you are advised to consult your personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

## **THAILAND**

### Exchange Control Information.

When you sell Ordinary Shares you receive following vesting of PSUs, you must immediately repatriate all cash proceeds to Thailand thereafter, you must convert such proceeds to Thai Baht or deposit it into a foreign currency account within 360 days of repatriation. If the amount of your proceeds is US\$50,000 (or its equivalent) or more, you must specifically report the inward remittance to a commercial bank being an authorized agent or other authorized agent of the Bank of Thailand on a foreign exchange transaction form to declare the purpose of such inward remittance. If you fail to comply with these obligations, you may be subject to penalties assessed by the Bank of Thailand. You should consult your personal advisor before taking action with respect to remittance of proceeds from the sale of Ordinary Shares into Thailand. You are responsible for ensuring compliance with all exchange control laws in Thailand.

## **TURKEY**

### Securities Law Information.

You acknowledge and agree that the offer of this award of PSUs has been made by the Company to you personally in connection with your existing relationship with the Company or one or more of its affiliates, and further, that the Award, any Ordinary Shares issued upon vesting of the PSUs and the related offer thereof are not subject to regulation by any securities regulator in Turkey.

## **UNITED KINGDOM**

### **Terms and Conditions**

#### Definitions.

The definition of “Termination of Services” shall be replaced in its entirety by the following definition:

**“Termination of Services”** shall mean Participant’s Termination of Employment.

The definition of “Termination of Employment” shall be replaced in its entirety by the following definition:

**“Termination of Employment”** shall mean the time when the employee-employer relationship between Participant and the Company or any Subsidiary is terminated for any reason, with or

without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where there is a simultaneous reemployment or continuing employment of Participant by the Company or any Subsidiary. The Plan Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a particular leave of absence constitutes a Termination of Employment.

#### Notice to Participants.

The Agreement as amended pursuant to this Exhibit B forms the rules of the employee share scheme applicable to the United Kingdom based Participants of the Company and any Subsidiaries. Only employees of the Company or any subsidiary of the Company are eligible to be granted PSUs or be issued Ordinary Shares under the Agreement. Other service providers (including consultants and non-employee directors of the Board) who are not employees are not eligible to receive PSUs under the Agreement in the United Kingdom. Accordingly, all references in the Agreement to the Participant's service or termination of service shall be interpreted as references to the Participant's employment or Termination of Employment.

The following provision replaces Section 3.11 of the Agreement in its entirety:

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue to serve as an employee of the Company or any of its Subsidiaries and the grant of a PSU does not form part of the Participant's entitlement to remuneration or benefits in terms of his employment with the Company or any Subsidiary.

#### Special Tax Consequences.

In relation to United Kingdom based Participants only:

(a) You agree to indemnify and keep indemnified the Company, any Subsidiary and your employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a "**Tax Liability**" being any liability for income tax, withholding tax and any other employment related taxes, employee's national insurance contributions or employer's national insurance contributions or equivalent social security contributions in any jurisdiction) that is attributable to (1) the grant or settlement of, or any benefit derived by you from, the PSUs, (2) your acquisition of Ordinary Shares upon vesting of the PSUs, or (3) the disposal of any Ordinary Shares.

(b) the PSUs cannot be settled until you have made such arrangements as the Company may require for the satisfaction of any Tax Liability that may arise in connection with the vesting and settlement of the PSUs and/or your acquisition of the Ordinary Shares. The Company shall not be required to issue, allot or transfer Ordinary Shares until the you have satisfied this obligation.

(c) at the discretion of the Company, the PSUs cannot be settled until you have entered into an election with the Company (or your employer) (as appropriate) in a form approved by the Company

and Her Majesty's Revenue & Customs (a "**Joint Election**") under which any liability of the Company and/or the employer for employer's national insurance contributions arising in respect of the granting, vesting, settlement of or other dealing in the PSUs, or the acquisition of Ordinary Shares on the settlement of the PSUs, is transferred to and met by you.

Tax and National Insurance Contributions Acknowledgment.

You agree that if you do not pay or your employer (the "**Employer**") or the Company does not withhold from you, the full amount of all taxes applicable to the taxable income resulting from the grant of the PSUs, the vesting of the PSUs, or the issuance of Ordinary Shares (the "**Tax-Related Items**") that you owe due to the vesting of the PSUs, or the release or assignment of the PSUs for consideration, or the receipt of any other benefit in connection with the PSUs (the "**Taxable Event**") by 90 days after the end of the tax year in which the Taxable Event occurred, then the amount that should have been withheld shall constitute a loan owed by you to your employer, effective 90 days after the end of the tax year in which the Taxable Event occurred. You agree that the loan will bear interest at the HMRC's official rate and will be immediately due and repayable by you, and the Company and/or the employer may recover it at any time thereafter by withholding the funds from salary, bonus or any other funds due to you by the employer, by withholding in Shares issued upon vesting and settlement of the PSUs or from the cash proceeds from the sale of Ordinary Shares or by demanding cash or a cheque from you. You also authorize the Company to delay the issuance of any Ordinary Shares to you unless and until the loan is repaid in full.

Notwithstanding the foregoing, if you are an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that you are an officer or executive director and Tax-Related Items are not collected from or paid by you within 90 days of the Taxable Event, the amount of any uncollected Tax-Related Items may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Section 2.6 of the Agreement.

References to "withholding tax" in Sections 2.6(b)(4) and 2.8(d) of the Agreement shall include social security contributions including primary and secondary class 1 national insurance contributions.

## **Annex 1**

Broadcom Limited and its subsidiaries  
c/o Broadcom Limited

1 Yishun Avenue 7  
Singapore 768923

Or

1320 Ridder Park Drive  
San Jose, CA 95131  
United States

Annex 1 - 1

Broadcom Plan PSU Agreement post 3.15 (2017.11)

## Annex 2

### **Payroll Providers**

Automatic Data Processing, Inc.  
Allsec Technologies Limited  
Baker Tilly Revas Limited  
Balmer-Etienne AG  
BOSS YONETISIM AS  
Bridgehead B.V.  
Ceridian  
Chronos Consulting  
CIIC Shanghai Financial Co. Consulting Ltd  
Deloitte  
Grant Thornton  
Hilan  
HR Outsourcing Korea  
HTLC Network Group  
HTM Corporation  
In Extenso  
Innovation  
Made Finance  
N.S.N. Consulting & Investmentservices  
Partena  
Payfront Technologies India Private Limited  
Payroll Services Company Ltd.  
PKF – Littlejohn Network Group  
Rivor  
RSM  
Rueter & Partner  
SCS Global Tax Consulting Corporation  
Sigmagest  
Spira Twist & Associates  
Studio Arlati Ghislandi  
Squires Payroll Services  
TMF Services Ltd  
TMF Hong Kong Ltd  
TMF Corporate Services (Australia) Pty Ltd  
TMF Administrative Services Malaysia Sdn BhdTricor Services Limited  
Wirtschaftsprüfer / Steuerberater

### **Other vendors**

Box, Inc.  
Compensia, Inc.  
Deloitte Tax LLP  
Diligent Corporation  
Fidelity Stock Plan Services, LLC  
Google Inc.  
International Law Solutions, PC  
Latham & Watkins LLP

My Equity Comp  
NAVEX Global, Inc.  
PwC  
ServiceNow  
Workday, Inc.

Annex 2 - 2

Broadcom Plan PSU Agreement post 3.15 (2017.11)



**Annex 3**  
**ADDITIONAL PROVISIONS FOR EMPLOYEES IN DENMARK**

**ERKLÆRING OM TILDELING AF BETINGEDE  
AKTIEENHEDER, HERUNDER ERKLÆRING I  
HENHOLD TIL AKTIEOPTIONSLOVEN**

**STATEMENT CONCERNING GRANTING OF  
PERFORMANCE SHARE UNITS, INCLUDING  
STATEMENT PURSUANT TO THE DANISH STOCK  
OPTION ACT**

Brocade Communications Denmark ApS  
(**"Selskabet"**)

Brocade Communications Denmark ApS  
(the **"Company"**)

Og And

Medarbejderen, der elektronisk har givet samtykke til vilkårene  
og betingelserne i Performance Share Unit Award Agreement.  
(**"Medarbejderen"**)

The individual providing services to the Company  
electronically consenting to the terms and conditions of the  
Performance Share Unit Award Agreement.  
(the **"Service Provider"**)

1. Og And

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
(**"Moderselskabet"**)

Broadcom Limited  
1 Yishun Avenue 7  
Singapore 768923  
(the **"Parent Company"**)

har indgået Performance Share Unit Award Agreement og alle  
bilag og tillæg hertil (**"Tildelingsaftalen"**) i relation til de  
Performance Share Units (**"PSU'er"**), som Moderselskabet har  
tildelt Medarbejderen.

have entered into the Performance Share Unit Award  
Agreement, including all exhibits and appendices thereto (the  
**"Agreement"**) concerning the Performance Share Units (the  
**"PSUs"**) granted by the Parent Company to the Service  
Provider.

Denne erklæring (**"Erklæringen"**) udgør en erklæring til  
Medarbejderen i henhold til § 3, stk. 1 i lov om brug af køberet  
eller tegningsret til aktier m.v. i ansættelsesforhold  
(**"Aktieoptionsloven"**).

This statement (the **"Statement"**) constitutes a statement to  
the Service Provider pursuant to section 3 (1) of the Danish  
Act on the exercise of stock acquisition rights or stock  
subscription rights in employment relationships, etc. (the  
**"Stock Option Act"**).

I tilfælde af uoverensstemmelser mellem Erklæringen og Tildelingsaftalen og/eller Medarbejderens ansættelsesaftale med Selskabet har Tildelingsaftalen forrang.

In the event of any discrepancies between the Statement and the Agreement and/or Service Provider's contract of employment with the Company, this Agreement shall prevail.

Moderselskabet har vedtaget et Performance Share Unit program, der omfatter medarbejdere i Moderselskabet og dets datterselskaber, herunder Selskabets medarbejdere. Vilkårene for Performance Share Unit-programmet, der også omfatter de Performance Share Units, der tildeles i medfør af Tildelingsaftalen, er fastsat i "Broadcom Corporation 2012 Stock Incentive Plan" (benævnt "**Aktieincitamentsprogrammet**").

The Parent Company has adopted a Performance Share Unit program covering the Service Providers of the Parent Company and its subsidiaries, including the employees of the Company. The terms of the Performance Share Unit program, which also include the Performance Share Units granted under the Agreement, appear from the "Broadcom Corporation 2012 Stock Incentive Plan" (the "**Equity Incentive Program**").

Vilkårene i Aktieincitamentsprogrammet finder anvendelse på Medarbejderens Performance Share Units, medmindre Tildelingsaftalen fastsætter vilkår, der fraviger vilkårene i Aktieincitamentsprogrammet. I sådanne tilfælde har Tildelingsaftalen vilkår forrang.

The terms of the Equity Incentive Program apply to the Service Provider's Performance Share Units, unless the Agreement stipulates terms that deviate from the terms of the Equity Incentive Program. In such situations, the terms of the Agreement shall prevail.

Definitioner anvendt i Tildelingsaftalen skal have samme betydning som i Aktieincitamentsprogrammet, medmindre andet følger af Tildelingsaftalen.

The definitions of the Agreement shall have the same meaning as the definitions of the Equity Incentive Program, unless otherwise provided by Agreement.

## 1. PERFORMANCE SHARE UNITS OG VEDERLAG

## 1. PERFORMANCE SHARE UNITS AND CONSIDERATION

1.1 Medarbejderen tildeles løbende Performance Share Units, der giver Medarbejderen ret til aktier ("**Aktier**") i Moderselskabet og/eller kontantbetaling. De pågældende Performance Share Units tildeles vederlagsfrit.

1.1 The Service Provider is granted Performance Share Units on a current basis entitling the Service Provider to shares ("**Ordinary Shares**") in the Parent Company and/or cash payment. The Performance Share Units are granted free of charge.

1.2 Værdien pr. aktie, som Performance Share Units'erne repræsenterer vil blive som nærmere fastsat i Tildelingsaftalen.

1.2 The value per share that the Performance Share Units represent shall be as specified in the Agreement.

## 2. ØVRIGE VILKÅR OG BETINGELSER

## 2. OTHER TERMS AND CONDITIONS

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| 2.1 Performance Share Units'erne tildeles i overensstemmelse med Aktieincitamentsprogrammet.   | 2.1 | The Performance Share Units are granted under the Equity Incentive Program.  |
| 2.2 Performance Share Units'erne tildeles efter Administrator af Ordningens skøn og når Administrator af Ordningen måtte beslutte det.   | 2.2 | The Performance Share Units are granted at the discretion of the Plan Administrator and at the timing of its discretion.   |
| 2.3 Performance Share Units'erne optjenes i overensstemmelse med Tildelingsaftalen.  | 2.3 | The Performance Share Units shall vest as set forth in the Agreement.  |
| 2.4 Optjeningen af Performance Share Units er betinget af, at Medarbejderen er ansat i Selskabet i optjeningsperioden, og der hverken tildeles eller optjenes Performance Share Units efter ansættelsesforholdets ophør, uanset årsag hertil, <i>jf.</i> dog nedenfor. Optjeningen af Performance Share Units påvirkes ikke af lovreguleret orlov. | 2.4 | The earning of Performance Share Units is conditional on the Service Provider being employed with the Company for the duration of the vesting period and no Performance Share Units are granted or earned after the termination of the employment, regardless of the reason for such termination, <i>cf.</i> however below. The earning of Performance Share Units is not influenced by statutory leave. |

### 3. UDNYTTELSE

- 3.1 Efter optjeningsperioden kan Optjente Performance Share Units udnyttes forudsat, at de ikke er bortfaldet efter vilkårene i Tildelingsaftalen og indtil det tidspunkt, hvor sådanne Performance Share Units ophører, bortfalder og/eller fortabes i overensstemmelse med vilkårene i Tildelingsaftalen.

### 3. EXERCISE

- 3.1 Following vesting, earned Performance Share Units will be exercisable as long as they remain validly outstanding pursuant to the Agreement, until the date such Performance Share Units are terminated, cancelled and/or forfeited pursuant to the terms of the Agreement.

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| <p>3.2 Såfremt (i) Selskabet opsiger Medarbejderens ansættelsesforhold, uden at Medarbejderen har misligholdt ansættelsesforholdet, eller (ii) Medarbejderen opsiger ansættelsesforholdet som følge af Selskabets grove misligholdelse, har Medarbejderen uanset opsigelsen ret til betaling af ikke-optjente og ikke-udbetalte Performance Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.</p>  | <p>3.2 In the event that (i) the Company terminates the Service Provider's employment for reasons other than the Service Provider's breach of the employment, or (ii) the Service Provider terminates the employment due to material breach on the part of the Company, the Service Provider is, irrespective of the termination, entitled to settlement of any unvested Performance Share Units remaining unsettled in accordance with the Equity Incentive Program and the Agreement.</p>                                    |
| <p>3.3 I tilfælde af Medarbejderens opsigelse, uden at Selskabet groft har misligholdt ansættelsesforholdet, fortabes og bortfalder alle ikke-optjente Performance Share Units, der ikke er udbetalt på det tidspunkt, hvor ansættelsen ophører, uden yderligere varsel og uden kompensation. Medarbejderen bevarer dog retten til betaling for optjente og ikke-udbetalte Performance Share Units i overensstemmelse med Aktieincitamentsprogrammet og Tildelingsaftalen.</p> | <p>3.3 If the Service Provider terminates the employment without the Company being in gross breach of the employment, all unvested Performance Share Units, which have not been exercised at the time of the termination, will be forfeited and lapse without further notice or compensation. The Service Provider, however, is entitled to settlement of all vested Performance Share Units which have not been settled at the time of the termination in accordance with the Equity Incentive Program and the Agreement.</p> |
| <p>3.4 I tilfælde af Selskabets opsigelse og/eller bortvisning som følge af Medarbejderens misligholdelse af ansættelsesforholdet bortfalder Medarbejderens Performance Share Units som ikke er optjent uden yderligere varsel eller kompensation pr. ansættelsesforholdets ophør.</p>   | <p>3.4 If the Company terminates and/or summarily dismisses the Service Provider due the Service Provider's breach of the employment, all Performance Share Units, which have not vested at the time of termination, will lapse without further notice or compensation at the effective date of termination.</p>   |

3.5 Ved Medarbejderens død bortfalder Medarbejderens ikke-optjente Performance Share Units uden yderligere varsel og kompensation pr. dødstidspunktet. Boet og/eller arvingerne er i øvrigt i enhver henseende underlagt de for Medarbejderen fastsatte vilkår for Performance Share Units og de dertil knyttede aktier.

3.6 Ved aldersbetinget pensionering (folkepension) eller særskilt aftale herom og ved invaliditet har Medarbejderen ret til at få udbetaling for tildelte, ikke-udbetalte Performance Share Units. Medarbejderen er underlagt de for Medarbejderne fastsatte vilkår for Performance Share Units og de dertil knyttede aktier.

#### 4. REGULERING AF PERFORMANCE SHARE UNITS

*Regulering ved kapitalændringer*

3.5 In the event of the Service Provider's death, unvested Performance Share Units will lapse without further notice and compensation as at the time of death. The estate and/or the beneficiaries are subject to the terms governing the Service Provider's Performance Share Units and the related Ordinary Shares.

3.6 Upon retirement due to old age ("**folkepension**") or separate agreement in this respect and in the event of disability, the Service Provider is entitled to settlement of granted and unsettled Performance Share Units. The Service Provider is subject to the terms governing the Performance Share Units and the related Ordinary Shares.

#### 4. ADJUSTMENT OF THE PERFORMANCE SHARE UNITS

*Adjustment in connection with capital changes*

4.1 Såfremt der sker en ændring i antallet af udestående Aktier som følge af ændring i Moderselskabets kapitalstruktur uden vederlag såsom aktieudbytte, rekapitalisering, aktiesplit, omvendt aktiesplit, rekonstruktion, fusion, konsolidering, opdeling, kombination, genkøb eller ombytning af Selskabets Aktier eller øvrige værdipapirer eller andre ændringer i Moderselskabets selskabsstruktur, der kan påvirke Aktien, kan der gennemføres justeringer, der kan påvirke Aktieincitamentsprogrammet, herunder en justering af antallet af samt klassen af Aktier, der kan opnås i henhold til Programmet, af Købsprisen pr. aktie og af det antal Aktier for hver option i henhold til Programmet, der endnu ikke er udnyttet, og de talmæssige begrænsninger i Aktieincitamentsprogrammet.

*Andre ændringer*

4.2 I tilfælde af forslag om opløsning eller likvidation af Selskabet, og i tilfælde af fusion eller ændring i kontrollen med Selskabet eller Moderselskabet, kan der ske andre reguleringer i Aktieincitamentsprogrammet og Performance Share Units.

*Administrator af Ordningens regulering af Optioner*

4.1 If the number of outstanding Ordinary Shares is changed by a modification in the capital structure of the Parent Company without consideration such as a stock dividend, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, combination, repurchase or exchange of Ordinary Shares or other securities of the Parent Company or other change in the corporate structure of the Parent Company affecting the Ordinary Shares, adjustments may be made that may impact the Equity Incentive Program and the Performance Share Units including adjusting the number and class of Ordinary Shares that may be delivered under the Equity Incentive Program and the numerical limits of the Equity Incentive Program.

*Other changes*

4.2 In the event of a proposed dissolution or liquidation of the Parent Company and in the event of a merger or a change in control of the Parent Company, other adjustments may be made to the Equity Incentive Program and the Performance Share Units.

*Plan Administrator's regulation of Options*

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|---|--|
| <p>4.1 Administrator af Ordningens adgang til at regulere Performance Share Units i de i § 4 omhandlede situationer er reguleret af vilkårene i Aktieincitamentsprogrammet. Med hensyn til Administrator af Ordningens generelle adgang til at ændre eller opsiges Aktieincitamentsprogrammet, henvises der til artikel fem, punkt IV og punkt 3.7 i Aktieincitamentsprogrammet.</p>                                    | <p>4.3 The Plan Administrator's access to regulation of the Performance Share Units in the situations comprised by this section 4 shall be regulated by the terms and conditions of the Equity Incentive Program. As regards the Plan Administrator's, general access to amend or terminate the Equity Incentive Program reference is made to the Equity Incentive Program Article Five, Section IV and Section 3.7 of the Agreement.</p>                            |
| <p>5. ØKONOMISKE ASPEKTER VED DELTAGELSE I ORDNINGEN</p>  | <p>5. THE FINANCIAL ASPECTS OF PARTICIPATING IN THE SCHEME</p>   |
| <p>5.1 Performance Share Units'erne er risikobetonede værdipapirer, der er afhængige af aktiemarkedet og Moderselskabets resultater. Som følge heraf er der ingen garanti for, at Performance Share Units'erne udløser en fortjeneste. Performance Share Units'erne skal ikke medregnes ved opgørelsen af feriepenge, fratrædelsesgodtgørelse, godtgørelse eller kompensation fastsat ved lov, pension og lignende.</p> | <p>5.1 The Performance Share Units are risky securities the potential value of which is influenced by the market for Ordinary Shares and the Parent Company's results. Consequently, there is no guarantee that the vesting of the Performance Share Units will trigger a profit. The Performance Share Units are not to be included in the calculation of holiday allowance, severance pay, statutory allowance and compensation, pension and similar payments.</p> |
| <p>6. SKATTEMÆSSIGE FORHOLD</p>   | <p>6. TAX MATTERS</p>  |
| <p>6.1 De skattemæssige konsekvenser for Medarbejderen som følge af tildelingen af Performance Share Units og den efterfølgende udnyttelse heraf er i sidste ende Medarbejderens ansvar. Selskabet opfordrer Medarbejderen til selvstændigt at indhente rådgivning om den skattemæssige behandling af tildeling og udnyttelse af Performance Share Units.</p>   | <p>6.1 Any tax consequences for the Service Provider arising out of the Performance Share Units and the exercise thereof are ultimately the responsibility of the Service Provider. The Company encourages the Service Provider to obtain individual tax advice in relation to the effect of grant and vesting of the Performance Share Units.</p>   |
| <p>7. OVERDRAGELSE OG PANTSÆTNING AF OPTIONER MV.</p>   | <p>7. TRANSFER AND PLEDGING OF OPTIONS, ETC.</p>   |

7.1 Performance Share Units er personlige. Ingen rettigheder om betaling for Performance Share Units eller tildeling af Aktier i henhold til Aktieincitamentsprogrammet kan overdrages, overføres, pantsættes eller på anden vis disponeres over af Medarbejderen, frivilligt eller ved udlæg.

7.1 The Performance Share Units are personal instruments. No rights with regard to settlement of Performance Share Units or to receive Ordinary Shares under the Equity Incentive Program may assigned, transferred, pledged or otherwise disposed of in any way by the Service Provider whether voluntarily or by execution.



# BROADCOM LIMITED

## SEVERANCE BENEFIT AGREEMENT

This Severance Benefit Agreement (the “**Agreement**”) is made and entered into by and between Mark Brazeal, (“**Executive**”) and Broadcom Limited (company registration number 201505572G), a public company incorporated under the Singapore Companies Act (the “**Company**”), and is effective as of the latest date set forth by the signatures of the parties hereto below (the “**Effective Date**”).

### RECITALS

A. The Compensation Committee (the “**Compensation Committee**”) of the Board of Directors of the Company (the “**Board**”) recognizes that the possibility of an acquisition of the Company or an involuntary termination can be a distraction to Executive and can cause Executive to consider alternative employment opportunities. The Compensation Committee has determined that it is in the best interests of the Company and its shareholders to assure that the Company will have the continued dedication and objectivity of Executive, notwithstanding the possibility, threat or occurrence of such an event.

B. The Compensation Committee believes that it is in the best interests of the Company and its shareholders to provide Executive with an incentive to continue Executive’s employment and to motivate Executive to maximize the value of the Company upon a Change in Control (as defined below) for the benefit of its shareholders.

C. The Compensation Committee believes that it is imperative to provide Executive with severance benefits upon certain terminations of Executive’s service to the Company and its subsidiaries (collectively, “**Broadcom**”) that enhance Executive’s financial security and provide incentive and encouragement to Executive to remain with Broadcom notwithstanding the possibility of such an event.

D. Unless otherwise defined herein, capitalized terms used in this Agreement are defined in Section 8 below.

The parties hereto agree as follows:

1. Term of Agreement. This Agreement shall become effective as of the Effective Date and terminate upon the date that all obligations of the parties hereto with respect to this Agreement have been satisfied.

2. At-Will Employment. The Company and Executive acknowledge that Executive’s employment with Broadcom is and shall continue to be “at-will,” as defined under applicable law. If Executive’s employment with Broadcom terminates for any reason, Executive shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement.

3. Change in Control. In the event that the price per Company ordinary share paid by an acquirer in a Change in Control is equal to or greater than the minimum share price contingency upon which a portion of a performance-based share option or other equity award would become vested and/or exercisable under the applicable award agreement, then such minimum share price contingency shall be deemed to have been satisfied as of immediately prior to the Change in Control. In the event Executive holds performance-based equity awards that vest based upon the achievement of performance goals other than average share price, then the performance goals applicable to such performance-based equity awards shall be deemed satisfied up to 100% to the extent determined appropriate by the Board, in its sole discretion, based upon the performance of the Company through the date of such Change in Control.

4. Covered Termination Other Than During a Change in Control Period. If Executive experiences a Covered Termination at any time other than during a Change in Control Period, and if Executive delivers to the Company a general release of all claims against the Company and its affiliates in a form acceptable to the Company (a “**Release of Claims**”) that becomes effective and irrevocable within sixty (60) days, or such shorter period of time specified by Broadcom, following such Covered Termination, then in addition to any accrued but unpaid salary, bonus, benefits, vacation and expense reimbursement payable in accordance with applicable law, Broadcom shall provide Executive with the following:

(a) Severance. Executive shall be entitled to receive Executive’s base salary at the rate in effect immediately prior to the Termination Date during the period of time commencing on the Termination Date and ending on the nine (9) month anniversary of the Termination Date. Executive shall also be entitled to receive an additional amount equal to the lesser of fifty percent (50%) of (i) Executive’s actual cash bonus for the prior year and (ii) Executive’s target cash bonus for the prior year, provided that for Executive’s first year of employment, Executive’s actual bonus for the prior year and Executive’s target bonus for the prior year shall both be deemed to be your first year’s target bonus. Such payments shall be made in substantially equal installments in accordance with Broadcom’s standard payroll policies, less applicable withholdings, with such installments to commence on the first payroll date following the date the Release of Claims becomes effective and irrevocable and with the first

installment to include any amount that would have been paid had the Release of Claims been effective and irrevocable on the Termination Date.

(b) Continued Healthcare. If Executive elects to receive continued healthcare coverage pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”), Broadcom shall directly pay, or reimburse Executive for, the premium for Executive and Executive’s covered dependents through the earlier of (i) the six (6) month anniversary of the Termination Date and (ii) the date Executive and Executive’s covered dependents, if any, become eligible for healthcare coverage under another employer’s plan(s). After Broadcom ceases to pay premiums pursuant to the preceding sentence, Executive may, if eligible, elect to continue healthcare coverage at Executive’s expense in accordance the provisions of COBRA.

5. Covered Termination During a Change in Control Period. If Executive experiences a Covered Termination during a Change in Control Period, and if Executive delivers to Broadcom a Release of Claims that becomes effective and irrevocable within sixty (60) days, or such shorter period of time specified by Broadcom, following such Covered Termination, then in addition to any accrued but unpaid salary, bonus, benefits, vacation and expense reimbursement payable in accordance with applicable law, Broadcom shall provide Executive with the following:

(a) Severance. Executive shall be entitled to receive Executive’s base salary at the rate in effect immediately prior to the Termination Date during the period of time commencing on the Termination Date and ending on the twelve (12) month anniversary of the Termination Date. Executive shall also be entitled to receive an additional amount equal to the lesser of one hundred percent (100%) of (i) Executive’s actual cash bonus for the prior year and (ii) Executive’s target cash bonus for the prior year, provided that for Executive’s first year of employment, Executive’s actual bonus for the prior year and Executive’s target cash bonus for the prior year shall both be deemed to be Executive’s first year’s target cash bonus. Such payments shall be made in substantially equal installments in accordance with Broadcom’s standard payroll policies, less applicable withholdings, with such installments to commence on the first payroll date following the date the Release of Claims becomes effective and irrevocable and with the first installment to include any amount that would have been paid had the Release of Claims been effective and irrevocable on the Termination Date.

(b) Equity Awards. Each outstanding and unvested equity and equity-linked award that, pursuant to its terms and after giving effect to any deemed satisfaction of performance goals pursuant to Section 3, vests solely based upon continued service, including, without limitation, each time-based share option and restricted share unit award, held by Executive shall automatically become vested and, if applicable, any forfeiture restrictions or rights of repurchase thereon shall immediately lapse, in each case, with respect to one-hundred percent (100%) of that number of unvested shares underlying such equity award as of the Termination Date.

(c) Continued Healthcare. If Executive elects to receive continued healthcare coverage pursuant to the provisions of COBRA, Broadcom shall directly pay, or reimburse Executive for, the premium for Executive and Executive’s covered dependents through the earlier of (i) the twelve (12) month anniversary of the Termination Date and (ii) the date Executive and Executive’s covered dependents, if any, become eligible for healthcare coverage under another employer’s plan(s). After Broadcom ceases to pay premiums pursuant to the preceding sentence, Executive may, if eligible, elect to continue healthcare coverage at Executive’s expense in accordance the provisions of COBRA.

6. Other Terminations. If Executive’s service with Broadcom is terminated by Broadcom or by Executive for any or no reason other than as a Covered Termination, then Executive shall not be entitled to any benefits hereunder other than accrued but unpaid salary, bonus, vacation and expense reimbursement in accordance with applicable law and to elect any continued healthcare coverage as may be required under COBRA or similar state law.

7. Limitation on Payments. Notwithstanding anything in this Agreement to the contrary, if any payment or distribution Executive would receive pursuant to this Agreement or otherwise (“**Payment**”) would (a) constitute a “parachute payment” within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the “**Code**”), and (b) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the “**Excise Tax**”), then such Payment shall either be (i) delivered in full, or (ii) delivered as to such lesser extent which would result in no portion of such Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the largest payment, notwithstanding that all or some portion the Payment may be taxable under Section 4999 of the Code. The accounting firm engaged by Broadcom for general audit purposes as of the day prior to the effective date of the Change in Control shall perform the foregoing calculations. Broadcom shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The accounting firm shall provide its calculations to Broadcom and Executive within fifteen (15) calendar days after the date on which Executive’s right to a Payment is triggered (if requested at that time by Broadcom or Executive) or such other time as requested by Broadcom or Executive. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon Broadcom and Executive. Any reduction in payments and/or benefits pursuant to this Section 7 will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than share options; (3) cancellation of accelerated vesting of share options; and (4) reduction of other benefits payable to Executive.

8. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) Cause. “**Cause**” means (i) Executive’s willful refusal to perform in any material respect Executive’s lawful duties or responsibilities for Broadcom or willful disregard in any material respect of any financial or other budgetary limitations established in good faith by the Board; (ii) Executive’s material breach of any provision of this Agreement that is not cured upon ten (10) days notice thereof; (iii) the engaging by Executive in conduct that causes material and demonstrable injury, monetarily or otherwise, to Broadcom, including, but not limited to, misappropriation or conversion of assets of Broadcom (other than non-material assets); or (iv) Executive’s conviction of or entry of a plea of *nolo contendere* to a felony.

(b) Change in Control. “**Change in Control**” shall mean and includes each of the following:

i. A transaction or series of transactions (other than an offering of Company ordinary shares to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any “person” or related “group” of “persons” (as such terms are used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934) (other than the Company, any of its subsidiaries, an employee benefit plan maintained by the Company or any of its subsidiaries or a “person” that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934) of securities of the Company possessing more than 50% of the total combined voting power of the Company’s securities outstanding immediately after such acquisition; or

ii. During any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than a director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in Sections 8(b)(i) or 8(b)(iii) hereof) whose election by the Board or nomination for election by the Company’s shareholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

iii. The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company’s assets in any single transaction or series of related transactions or (z) the acquisition of assets or shares of another entity, in each case other than a transaction:

A. Which results in the Company’s voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company’s assets or otherwise succeeds to the business of the Company (the Company or such person, the “**Successor Entity**”)) directly or indirectly, at least a majority of the combined voting power of the Successor Entity’s outstanding voting securities immediately after the transaction, and

B. After which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 8(b)(iii)(B) as beneficially owning 50% or more of combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction; or

iv. The Company’s shareholders approve a liquidation or dissolution of the Company.

Notwithstanding the foregoing, a “**Change in Control**” must also constitute a “change in control event,” as defined in Treasury Regulation §1.409A-3(i)(5).

(c) Change in Control Period. “**Change in Control Period**” means the twelve (12) month period of time commencing upon a Change in Control.

(d) Covered Termination. “**Covered Termination**” means the termination of Executive’s employment by Broadcom other than for Cause, by Executive for Good Reason, or because of Executive’s death or permanent disability, in each case, to the extent necessary, that constitutes a “Separation from Service” (as defined below).

(e) Good Reason. “**Good Reason**” means any of the following: (A) a material reduction in Executive’s salary (other than as part of a broad salary reduction program instituted because Broadcom is in financial distress); (B) a substantial reduction in Executive’s duties and responsibilities; (C) the elimination or reduction of Executive’s eligibility to participate in Broadcom’s benefit programs that is inconsistent with the eligibility of executive employees of Broadcom to participate therein; (D) Broadcom informs Executive of its intention to transfer Executive’s primary workplace to a location that is more than 50 miles from the location of Executive’s primary workplace as of such date; (E) Broadcom’s material breach of this Agreement that is not cured within sixty (60) days written notice thereof; and (F) any serious chronic mental or physical illness of Executive or a member of Executive’s family that requires Executive to terminate Executive’s employment because of substantial interference with Executive’s duties at Broadcom; provided, that at Broadcom’s request Executive shall provide Broadcom with a written physician’s

statement confirming the existence of such mental or physical illness. Notwithstanding the foregoing, Executive shall not be deemed to have “Good Reason” under this Agreement unless Executive provides written notice to Broadcom of the event or condition giving rise to Good Reason within ninety (90) days after its initial occurrence, such event or condition continues to exist on the thirtieth (30<sup>th</sup>) day following Broadcom’s receipt of such notice (the “**Cure Period**”) and Executive’s resignation is effective within sixty (60) days following the end of the Cure Period.

(f) Termination Date. “**Termination Date**” means the date Executive experiences a Covered Termination.

9. Successors.

(a) Company’s Successors. Except as set forth in Sections 4(b) and 5(c) above, any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company’s business and/or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term “**Company**” shall include any successor to the Company’s business and/or assets which executes and delivers the assumption agreement described in this Section 9(a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Executive’s Successors. The terms of this Agreement and all rights of Executive hereunder shall inure to the benefit of, and be enforceable by, Executive’s personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

10. Notices. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or one day following mailing via Federal Express or similar overnight courier service. In the case of Executive, mailed notices shall be addressed to Executive at Executive’s home address that Broadcom has on file for Executive. In the case of the Company or Broadcom, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of the Company’s General Counsel.

11. Confidentiality; Non-Disparagement.

(a) Confidentiality. Executive hereby expressly confirms Executive’s continuing obligations to Broadcom pursuant to Executive’s invention assignment and confidentiality agreement with the Company (the “**Confidential Information Agreement**”).

(b) Non-Disparagement. Executive agrees that he or she shall not disparage, criticize or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, shareholders or employees, either publicly or privately. The Company agrees that it shall not, and it shall instruct its officers and members of its Board to not, disparage, criticize or defame Executive, either publicly or privately. Nothing in this Section 11(b) shall have application to any evidence or testimony required by any court, arbitrator or government agency.

12. Dispute Resolution. To ensure the timely and economical resolution of disputes that arise in connection with this Agreement, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance or interpretation of this Agreement, Executive’s employment, or the termination of Executive’s employment, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in Santa Clara County, California, conducted by Judicial Arbitration and Mediation Services, Inc. (“**JAMS**”) under the applicable JAMS employment rules. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The arbitrator shall: (i) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (ii) issue a written arbitration decision, to include the arbitrator’s essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. Broadcom shall pay all JAMS’ arbitration fees in excess of the amount of court fees that would be required if the dispute were decided in a court of law. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Notwithstanding the foregoing, Executive and the Company each have the right to resolve any issue or dispute over intellectual property rights by Court action instead of arbitration.

13. Miscellaneous Provisions.

(a) Section 409A.

i. Separation from Service. Notwithstanding any provision to the contrary in this Agreement, no amount deemed deferred compensation subject to Section 409A of the Code shall be payable pursuant to Sections 4 or 5 above unless Executive’s termination of employment constitutes a “separation from service” with Broadcom within the meaning of Section 409A of the Code and the Department of Treasury regulations and other guidance promulgated thereunder (“**Separation**

from Service”) and, except as provided under Section 13(a)(ii) of this Agreement, any such amount shall not be paid, or in the case of installments, commence payment, until the sixtieth (60<sup>th</sup>) day following Executive’s Separation from Service. Any installment payments that would have been made to Executive during the sixty (60) day period immediately following Executive’s Separation from Service but for the preceding sentence shall be paid to Executive on the sixtieth (60<sup>th</sup>) day following Executive’s Separation from Service and the remaining payments shall be made as provided in this Agreement.

ii. Specified Employee. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed at the time of his separation from service to be a “specified employee” for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the benefits to which Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of Executive’s benefits shall not be provided to Executive prior to the earlier of (a) the expiration of the six (6)-month period measured from the date of Executive’s Separation from Service or (b) the date of Executive’s death. Upon the first business day following the expiration of the applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section 12(a)(ii) shall be paid in a lump sum to Executive, and any remaining payments due under this Agreement shall be paid as otherwise provided herein.

iii. Expense Reimbursements. To the extent that any reimbursements payable pursuant to this Agreement are subject to the provisions of Section 409A of the Code, any such reimbursements payable to Executive pursuant to this Agreement shall be paid to Executive no later than December 31 of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, and Executive’s right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

iv. Installments. For purposes of Section 409A of the Code (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii)), Executive’s right to receive any installment payments under this Agreement shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment.

(b) Waiver. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Whole Agreement. This Agreement and the Confidential Information Agreement represent the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior arrangements and understandings regarding same, including, without limitation, any severance or change in control benefits in Executive’s offer letter agreement, employment agreement and any equity award agreement.

(d) Choice of Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California.

(e) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(f) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

*(Signature page follows)*

IN WITNESS WHEREOF, each of the parties has executed this Severance Benefit Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

**BROADCOM LIMITED**  
(Company Registration Number 201505572G)

By: /s/ Hock E. Tan  
Name: Hock E. Tan  
Title: President and Chief Executive Officer  
Date:

**EXECUTIVE**

Mark Brazeal  
Date: 9/26/17

## BROADCOM LIMITED AND BROADCOM CAYMAN L.P.

## COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Fiscal Year Ended				
	October 29, 2017	October 30, 2016	November 1, 2015	November 2, 2014	November 3, 2013
(in millions, except ratio data)					
<b>Fixed charges (1):</b>					
Interest expense	\$ 430	\$ 549	\$ 169	\$ 96	\$ 1
Capitalized interest	23	17	5	2	—
Amortization of debt issuance costs and accretion of debt discount	24	36	22	14	1
Portion of rental expense representative of interest (2)	84	76	26	14	4
Total fixed charges	<u>\$ 561</u>	<u>\$ 678</u>	<u>\$ 222</u>	<u>\$ 126</u>	<u>\$ 6</u>
<b>Earnings:</b>					
Income (loss) from continuing operations before income taxes	\$ 1,825	\$ (1,107)	\$ 1,467	\$ 342	\$ 568
Fixed charges per above	561	678	222	126	6
Amortization of capitalized interest	1	1	—	—	—
Less: capitalized interest	(23)	(17)	(5)	(2)	—
Total earnings	<u>\$ 2,364</u>	<u>\$ (445)</u>	<u>\$ 1,684</u>	<u>\$ 466</u>	<u>\$ 574</u>
Deficiency of earnings to fixed charges	—	\$ (1,123)	—	—	—
Ratio of earnings to fixed charges	4.2	—	7.6	3.7	94.4

(1) For purposes of computing this ratio of earnings to fixed charges, "fixed charges" consist of interest expense on all indebtedness plus amortization of debt issuance costs and accretion of debt discount, capitalized interest and an estimate of interest expense within rental expense. "Earnings" consist of income (loss) from continuing operations before income taxes plus fixed charges and amortization of capitalized interest less capitalized interest.

(2) The Company uses one-third of rental expense as an estimation of the interest factor on its rental expense.

**Broadcom Limited and Broadcom Cayman L.P. – List of Subsidiaries****As of October 29, 2017**

<b><u>Name of Subsidiary</u></b>	<b><u>Country of Incorporation</u></b>
Agere Systems LLC	Delaware (U.S.A.)
AT Luxembourg S.a. r.l.	Luxembourg
Avago Technologies Cayman Holdings Ltd	Cayman Islands
Avago Technologies Cayman Ltd.	Cayman Islands
Avago Technologies Finance Pte. Ltd.	Singapore
Avago Technologies General IP (Singapore) Pte. Ltd.	Singapore
Avago Technologies Holdings B.V.	Netherlands
Avago Technologies International Sales Pte. Limited	Singapore
Avago Technologies Manufacturing (Singapore) Pte. Ltd.	Singapore
Avago Technologies U.S. Inc.	Delaware (U.S.A.)
Avago Technologies Wireless (U.S.A.) Manufacturing LLC	Delaware (U.S.A.)
BC Luxembourg S.a r.l.	Luxembourg
Broadcom Asia Distribution Pte. Ltd.	Singapore
Broadcom Bermuda LP	Bermuda
Broadcom Cayman Finance Limited	Cayman Islands
Broadcom Cayman L.P.†	Cayman Islands
Broadcom Cayman Limited	Cayman Islands
Broadcom Communications Bermuda Limited	Bermuda
Broadcom Communications Netherlands B.V.	Netherlands
Broadcom Corporation	California (U.S.A.)
Broadcom Distribution Unlimited Company	Ireland
Broadcom International Limited	Cayman Islands
Broadcom International LLC	Delaware (U.S.A.)
Broadcom International Pte. Ltd.	Singapore
Broadcom Europe Limited	England
Broadcom Netherlands B.V.	Netherlands
Broadcom Products Unlimited Company	Ireland
Broadcom Singapore Pte Ltd.	Singapore
Broadcom Technologies Bermuda Unlimited	Bermuda
Broadcom UK Ltd.	Delaware (U.S.A.)
CMK LLC	Delaware (U.S.A.)
Cyoptics, Inc.	Delaware (U.S.A.)
Emulex Corporation	California (U.S.A.)
Global Locate, Inc.	Delaware (U.S.A.)
LSI Corporation	Delaware (U.S.A.)
LSI Logic HK Holdings	Cayman Islands
LSI Storage Ireland Limited	Ireland
LSI Technology (Singapore) Pte. Ltd.	Singapore
Netlogic I LLC	Delaware (U.S.A.)
NetLogic Microsystems Caymans Limited	Cayman Islands
O.C. Property Company, LLC	Delaware (U.S.A.)
RMI International Caymans Limited	Cayman Islands
Serverworks Corporation	Delaware (U.S.A.)



**Name of Subsidiary**

ServerWorks International Ltd.

Teknovus, Inc.

Silicon Manufacturing Partners Pte Ltd.\*

**Country of Incorporation**

Cayman Islands

California (U.S.A.)

Singapore

† This subsidiary is the only subsidiary of Broadcom Limited that is not a subsidiary of Broadcom Cayman L.P.

\* 51% LSI Technology (Singapore) Pte. Ltd.; 49% GlobalFoundries

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-215291, 333-221654, 333-209331) and S-3 (No. 333-209923) of Broadcom Limited of our report dated December 21, 2017 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP  
San Jose, California  
December 21, 2017

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Hock E. Tan, certify that:

1. I have reviewed this Annual Report on Form 10-K of Broadcom Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 21, 2017

/s/ Hock E. Tan

Hock E. Tan

Chief Executive Officer

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Thomas H. Krause, Jr., certify that:

1. I have reviewed this Annual Report on Form 10-K of Broadcom Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 21, 2017

/s/ Thomas H. Krause, Jr.

Thomas H. Krause, Jr.

Chief Financial Officer and Principal Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Hock E. Tan, certify that:

1. I have reviewed this Annual Report on Form 10-K of Broadcom Cayman L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 21, 2017

/s/ Hock E. Tan

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Hock E. Tan

Chief Executive Officer of Broadcom Limited, the Registrant's sole general partner

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Thomas H. Krause, Jr., certify that:

1. I have reviewed this Annual Report on Form 10-K of Broadcom Cayman L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 21, 2017

/s/ Thomas H. Krause, Jr.

Thomas H. Krause, Jr.

Chief Financial Officer and Principal Financial Officer of Broadcom Limited,  
the Registrant's sole general partner

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Broadcom Limited (the “Company”) for the fiscal year ended October 29, 2017 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, Hock E. Tan, Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 21, 2017

/s/ Hock E. Tan

\_\_\_\_\_  
Hock E. Tan

Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

**CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Broadcom Limited (the “Company”) for the fiscal year ended October 29, 2017 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, Thomas H. Krause, Jr., Chief Financial Officer and Principal Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 21, 2017

/s/ Thomas H. Krause, Jr.

\_\_\_\_\_  
Thomas H. Krause, Jr.

Chief Financial Officer and Principal Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.



**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Broadcom Cayman L.P. (the "Partnership") for the fiscal year ended October 29, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Hock E. Tan, Chief Executive Officer of Broadcom Limited, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: December 21, 2017

/s/ Hock E. Tan

\_\_\_\_\_  
Hock E. Tan

Chief Executive Officer of Broadcom Limited, the Registrant's sole  
general partner

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

**CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Broadcom Cayman L.P. (the "Partnership") for the fiscal year ended October 29, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Thomas H. Krause, Jr., Chief Financial Officer and Principal Financial Officer of Broadcom Limited, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: December 21, 2017

/s/ Thomas H. Krause, Jr.

\_\_\_\_\_  
Thomas H. Krause, Jr.

Chief Financial Officer and Principal Financial Officer of Broadcom Limited, the  
Registrant's sole general partner

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.