

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended May 6, 2018

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-38449

**Broadcom Inc.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

35-2617337

(I.R.S. Employer  
Identification No.)

1320 Ridder Park Drive  
San Jose, CA 95131-2313  
(408) 433-8000

(Address, including zip code, of  
principal executive offices and registrant's  
telephone number, including area code)

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. 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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):

Large accelerated filer     Accelerated filer     Non-accelerated filer     Smaller reporting company     Emerging growth company   
(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). YES  NO

As of June 1, 2018, there were 431,680,880 shares of our common stock, \$0.001 par value per share, outstanding.

**BROADCOM INC.**  
**Quarterly Report on Form 10-Q**  
**For the Quarterly Period Ended May 6, 2018**

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PART I — FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements — Unaudited

BROADCOM INC.

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**BROADCOM INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS — UNAUDITED**

	May 6, 2018	October 29, 2017
(In millions, except par value)		
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 8,187	\$ 11,204
Trade accounts receivable, net	2,749	2,448
Inventory	1,235	1,447
Other current assets	303	724
Total current assets	12,474	15,823
Long-term assets:		
Property, plant and equipment, net	2,720	2,599
Goodwill	26,908	24,706
Intangible assets, net	12,346	10,832
Other long-term assets	488	458
Total assets	\$ 54,936	\$ 54,418
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 836	\$ 1,105
Employee compensation and benefits	417	626
Current portion of long-term debt	117	117
Other current liabilities	754	681
Total current liabilities	2,124	2,529
Long-term liabilities:		
Long-term debt	17,481	17,431
Other long-term liabilities	3,264	11,272
Total liabilities	22,869	31,232
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 100 shares authorized; none and 22 shares issued and outstanding as of May 6, 2018 and October 29, 2017, respectively	—	—
Common stock and additional paid-in capital, \$0.001 par value; 2,900 shares authorized; 436 and 409 shares issued and outstanding as of May 6, 2018 and October 29, 2017, respectively	24,305	20,505
Retained earnings (accumulated deficit)	7,868	(129)
Accumulated other comprehensive loss	(106)	(91)
Total Broadcom Inc. stockholders' equity	32,067	20,285
Noncontrolling interest	—	2,901
Total stockholders' equity	32,067	23,186
Total liabilities and stockholders' equity	\$ 54,936	\$ 54,418

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

**BROADCOM INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS — UNAUDITED**

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions, except per share data)			
Net revenue	\$ 5,014	\$ 4,190	\$ 10,341	\$ 8,329
Cost of products sold:				
Cost of products sold	1,696	1,564	3,595	3,137
Purchase accounting effect on inventory	—	1	70	1
Amortization of acquisition-related intangible assets	765	639	1,480	1,198
Restructuring charges	2	10	17	16
Total cost of products sold	<u>2,463</u>	<u>2,214</u>	<u>5,162</u>	<u>4,352</u>
Gross margin	2,551	1,976	5,179	3,977
Research and development	936	829	1,861	1,637
Selling, general and administrative	294	204	585	405
Amortization of acquisition-related intangible assets	67	442	406	882
Restructuring, impairment and disposal charges	53	27	183	73
Total operating expenses	<u>1,350</u>	<u>1,502</u>	<u>3,035</u>	<u>2,997</u>
Operating income	1,201	474	2,144	980
Interest expense	(148)	(112)	(331)	(223)
Loss on extinguishment of debt	—	—	—	(159)
Other income, net	46	3	81	34
Income from continuing operations before income taxes	1,099	365	1,894	632
Benefit from income taxes	(2,637)	(103)	(8,423)	(93)
Income from continuing operations	3,736	468	10,317	725
Loss from discontinued operations, net of income taxes	(3)	(4)	(18)	(9)
Net income	3,733	464	10,299	716
Net income attributable to noncontrolling interest	15	24	351	37
Net income attributable to common stock	<u>\$ 3,718</u>	<u>\$ 440</u>	<u>\$ 9,948</u>	<u>\$ 679</u>
Basic income (loss) per share:				
Income per share from continuing operations	\$ 8.84	\$ 1.10	\$ 24.01	\$ 1.72
Loss per share from discontinued operations	(0.01)	(0.01)	(0.04)	(0.03)
Net income per share	<u>\$ 8.83</u>	<u>\$ 1.09</u>	<u>\$ 23.97</u>	<u>\$ 1.69</u>
Diluted income (loss) per share:				
Income per share from continuing operations	\$ 8.34	\$ 1.06	\$ 23.03	\$ 1.65
Loss per share from discontinued operations	(0.01)	(0.01)	(0.04)	(0.02)
Net income per share	<u>\$ 8.33</u>	<u>\$ 1.05</u>	<u>\$ 22.99</u>	<u>\$ 1.63</u>
Weighted-average shares:				
Basic	421	403	415	401
Diluted	448	442	448	440
Cash dividends declared and paid per share	\$ 1.75	\$ 1.02	\$ 3.50	\$ 2.04

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

**BROADCOM INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME — UNAUDITED**

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)			
Net income	\$ 3,733	\$ 464	\$ 10,299	\$ 716
Other comprehensive income (loss), net of tax:				
Change in unrealized gain on available-for-sale investments	(9)	—	—	—
Amortization of actuarial loss and prior service costs associated with defined benefit pension plans and post-retirement benefit plans	1	1	1	1
Other comprehensive income (loss)	(8)	1	1	1
Comprehensive income	3,725	465	10,300	717
Comprehensive income attributable to noncontrolling interest	15	24	351	37
Comprehensive income attributable to common stock	<u>\$ 3,710</u>	<u>\$ 441</u>	<u>\$ 9,949</u>	<u>\$ 680</u>

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

**BROADCOM INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS — UNAUDITED**

	Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017
(In millions)		
<b>Cash flows from operating activities:</b>		
Net income	\$ 10,299	\$ 716
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,148	2,307
Stock-based compensation	595	418
Deferred taxes and other non-cash taxes	(8,534)	(111)
Non-cash portion of debt extinguishment loss	—	159
Non-cash restructuring, impairment and disposal charges	10	40
Amortization of debt issuance costs and accretion of debt discount	12	14
Other	17	(15)
Changes in assets and liabilities, net of acquisitions and disposals:		
Trade accounts receivable, net	(78)	108
Inventory	306	96
Accounts payable	(312)	(251)
Employee compensation and benefits	(292)	(53)
Contributions to defined benefit pension plans	(129)	(11)
Other current assets and current liabilities	354	(391)
Other long-term assets and long-term liabilities	(398)	(90)
Net cash provided by operating activities	<u>3,998</u>	<u>2,936</u>
<b>Cash flows from investing activities:</b>		
Acquisitions of businesses, net of cash acquired	(4,786)	(37)
Proceeds from sales of businesses	782	10
Purchases of property, plant and equipment	(409)	(581)
Proceeds from disposals of property, plant and equipment	238	—
Purchases of investments	(249)	(200)
Proceeds from sale of investment	54	—
Other	(12)	(4)
Net cash used in investing activities	<u>(4,382)</u>	<u>(812)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of long-term debt	—	13,446
Repayment of debt	(856)	(13,668)
Payment of debt issuance costs	—	(23)
Dividend and distribution payments	(1,521)	(868)
Repurchases of common stock	(347)	—
Issuance of common stock, net	112	150
Payment of capital lease obligations	(21)	(4)
Net cash used in financing activities	<u>(2,633)</u>	<u>(967)</u>
Net change in cash and cash equivalents	(3,017)	1,157
Cash and cash equivalents at beginning of period	11,204	3,097
Cash and cash equivalents at end of period	<u>\$ 8,187</u>	<u>\$ 4,254</u>

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

**BROADCOM INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY — UNAUDITED**

	Preferred Stock		Common Stock and Additional Paid-in Capital		Retained Earnings/(Accumulated Deficit)	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
(In millions)								
<b>Balance as of October 29, 2017</b>	22	\$ —	409	\$20,505	\$ (129)	\$ (91)	\$ 2,901	\$ 23,186
Net income	—	—	—	—	6,230	—	336	6,566
Other comprehensive income	—	—	—	—	—	9	—	9
Cumulative effect of accounting change	—	—	—	—	(252)	—	(14)	(266)
Cash dividends declared and paid to common stockholders	—	—	—	—	(717)	—	—	(717)
Cash distribution declared and paid by Broadcom Cayman L.P. on exchangeable limited partnership units	—	—	—	—	—	—	(38)	(38)
Exchange of exchangeable limited partnership units for common stock	—	—	—	5	—	—	(5)	—
Issuance of common stock in connection with equity incentive plans	—	—	1	34	—	—	—	34
Stock-based compensation	—	—	—	299	—	—	—	299
Fair value of partially vested equity awards assumed in connection with the acquisition of Brocade Communications Systems, Inc.	—	—	—	8	—	—	—	8
<b>Balance as of February 4, 2018</b>	22	—	410	20,851	5,132	(82)	3,180	29,081
Net income	—	—	—	—	3,718	—	15	3,733
Other comprehensive loss	—	—	—	—	—	(8)	—	(8)
Cumulative effect of accounting change	—	—	—	—	15	(16)	1	—
Cash dividends declared and paid to common stockholders	—	—	—	—	(727)	—	—	(727)
Cash distribution declared and paid by Broadcom Cayman L.P. on exchangeable limited partnership units	—	—	—	—	—	—	(39)	(39)
Exchange of exchangeable limited partnership units for common stock and redemption of preferred stock due to the Redomiciliation Transaction	(22)	—	22	3,157	—	—	(3,157)	—
Issuance of common stock in connection with equity incentive plans, net	—	—	6	78	—	—	—	78
Stock-based compensation	—	—	—	296	—	—	—	296
Repurchases of common stock	—	—	(2)	(77)	(270)	—	—	(347)
<b>Balance as of May 6, 2018</b>	—	\$ —	436	\$24,305	\$ 7,868	\$ (106)	\$ —	\$ 32,067

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

**BROADCOM INC.****NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****1. Overview, Basis of Presentation and Significant Accounting Policies****Overview**

Broadcom Inc., a Delaware corporation, is the successor to Broadcom Limited, a company organized under the laws of the Republic of Singapore, or Broadcom-Singapore. As part of the plan to cause the publicly traded parent company of Broadcom to be a Delaware corporation, or the Redomiciliation Transaction, after the close of market trading on April 4, 2018, Broadcom Inc. and Broadcom-Singapore completed a statutory scheme of arrangement under Singapore law, or the Scheme of Arrangement. Pursuant to the Scheme of Arrangement, all Broadcom-Singapore ordinary shares outstanding immediately prior to the effective time of the Scheme of Arrangement were exchanged on a one-for-one basis for newly issued shares of Broadcom Inc. common stock and Broadcom-Singapore became an indirect wholly-owned subsidiary of Broadcom Inc.

In conjunction with the Redomiciliation Transaction and pursuant to an amendment to the Amended and Restated Limited Partnership Agreement of Broadcom Cayman L.P., or the Partnership, all outstanding exchangeable limited partnership units, or LP Units, were mandatorily exchanged, or the Mandatory Exchange, on a one-for-one basis for newly issued shares of Broadcom Inc. common stock immediately prior to the effective time of the Scheme of Arrangement. As a result, all limited partners of the Partnership became common stockholders of Broadcom Inc. In addition, all related outstanding special preference shares of Broadcom-Singapore were automatically redeemed pursuant to Broadcom-Singapore's governing documents upon the Mandatory Exchange of the LP Units. Consequently, the limited partners no longer hold a noncontrolling interest in the Partnership and we subsequently deregistered the Partnership.

The Scheme of Arrangement was accounted for as an exchange of equity interests among entities under common control. All assets and liabilities of Broadcom-Singapore were assumed by Broadcom Inc., resulting in the retention of the historical basis of accounting as if they had always been combined for accounting and financial reporting purposes.

The financial statements for periods prior to April 4, 2018, the effective date of the Redomiciliation Transaction, relate to Broadcom-Singapore and relate to Broadcom Inc. for the period after April 4, 2018. Unless stated otherwise or the context otherwise requires, references to "Broadcom," "we," "our" and "us" mean Broadcom Inc. and its consolidated subsidiaries from and after the effective time of the Redomiciliation Transaction and, prior to that time, to our predecessor, Broadcom-Singapore.

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, smartphones 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.

**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 ending November 4, 2018, or fiscal year 2018, is a 53-week fiscal year, with our first fiscal quarter containing 14 weeks. The first quarter of our fiscal year 2018 ended on February 4, 2018, the second quarter ended on May 6, 2018 and the third quarter ends on August 5, 2018. Our fiscal year ended October 29, 2017, or fiscal year 2017, was a 52-week fiscal year.

On November 17, 2017, we acquired Brocade Communications Systems, Inc., or Brocade. The unaudited condensed consolidated financial statements include the results of operations of Brocade commencing as of the acquisition date. See Note 2. "Acquisition of Brocade" for additional information.

The accompanying condensed consolidated financial statements include the accounts of Broadcom and our subsidiaries, and have been prepared by us in accordance with generally accepted accounting principles in the United States, or GAAP, for interim financial information. The financial information included herein is unaudited, and reflects all adjustments which are, in the opinion of our management, of a normal recurring nature and necessary for a fair statement of the results for the periods presented. The October 29, 2017 condensed consolidated balance sheet data were derived from Broadcom-Singapore's audited consolidated financial statements included in its Annual Report on Form 10-K for fiscal year 2017 as filed with the Securities and Exchange Commission, or SEC, but do not include all disclosures required by GAAP. All intercompany transactions and balances have been eliminated in consolidation. The operating results for the fiscal quarter and two fiscal quarters ended May 6, 2018 are not necessarily indicative of the results that may be expected for fiscal year 2018, or for any other future period.

**Significant Accounting Policies**

*Use of estimates.* The preparation of condensed consolidated financial statements in conformity with 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 condensed consolidated 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.

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

**Recently Adopted Accounting Guidance**

In the first quarter of fiscal year 2018, we early adopted guidance issued by the Financial Accounting Standards Board, or FASB, in October 2016 related to the recognition of income tax consequences of an intra-entity transfer of an asset other than inventory. 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. The adoption of this guidance resulted in a decrease in current and long-term prepaid tax expense of \$67 million and \$199 million, respectively, an increase of \$252 million to our accumulated deficit and a decrease of \$14 million to our noncontrolling interest.

In the second quarter of fiscal year 2018, we early adopted guidance issued by the FASB in February 2018 that allows companies to reclassify stranded income tax effects resulting from the U.S. Tax Cuts and Jobs Act, or the 2017 Tax Reform Act, from accumulated other comprehensive loss to retained earnings. The stranded income tax effects resulted from the change in the federal tax rate for deferred taxes recorded in accumulated other comprehensive loss. The adoption of this guidance resulted in a cumulative-effect adjustment as of the beginning of the second quarter of fiscal year 2018, which consisted of an increase to our accumulated other comprehensive loss of \$16 million, an increase to retained earnings of \$15 million and a \$1 million increase to noncontrolling interest.

**Recent Accounting Guidance Not Yet Adopted**

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 on a retrospective basis; and early adoption is permitted. We do not intend to adopt this guidance early and will present our statements of cash flows in accordance with this guidance upon 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 this guidance will have on our condensed 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. 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: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) 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: (i) retrospectively to each prior period presented ("full retrospective method"), or (ii) 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 the 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.

## 2. Acquisition of Brocade

On November 17, 2017, or the Brocade Acquisition Date, we acquired Brocade, or the Brocade Merger. Brocade was a supplier of networking hardware, software and services, including Fibre Channel Storage Area Network, or FC SAN, solutions and Internet Protocol Networking, or IP Networking, solutions. We acquired Brocade to enhance our position as a provider of enterprise storage connectivity solutions, broaden our portfolio for enterprise storage, and to increase our ability to address the evolving needs of our original equipment manufacturer, or OEM, customers. We financed the Brocade Merger with a portion of the net proceeds from the issuance of the 2017 Senior Notes, as defined and discussed in further detail in Note 6. "Borrowings," as well as cash on hand.

### Purchase Consideration

	(In millions)
Cash paid for outstanding Brocade common stock	\$ 5,298
Cash paid by Broadcom to retire Brocade's term loan	701
Cash paid for Brocade equity awards	31
Fair value of partially vested assumed equity awards	8
Total purchase consideration	6,038
Less: cash acquired	1,250
Total purchase consideration, net of cash acquired	\$ 4,788

We assumed all unvested Brocade stock options, restricted stock units, or RSUs, and performance stock units, or PSUs, held by continuing employees. The portion of the fair value of partially vested equity awards associated with prior service of Brocade employees represents a component of the total consideration as presented above. All vested in-the-money Brocade stock options, after giving effect to any acceleration, were cashed out upon the completion of the Brocade Merger. RSUs and PSUs were valued based on our share price as of the Brocade Acquisition Date.

We allocated the purchase price to tangible and identified intangible assets acquired and liabilities assumed based on their estimated fair values. The fair value of identified intangible assets acquired was based on estimates and assumptions made by management at the time of acquisition. As additional information becomes available, such as finalization of the estimated fair value of tax related items, we may further revise our preliminary purchase price allocation during the remainder of the measurement period (which will not exceed 12 months from the Brocade Acquisition Date). Any such revisions or changes may be material.

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

	<b>Estimated Fair Value</b>	
	<b>(In millions)</b>	
Current assets	\$	1,294
Goodwill		2,189
Intangible assets		3,396
Other long-term assets		79
<b>Total assets acquired</b>		<b>6,958</b>
Current portion of long-term debt		(856)
Other current liabilities		(370)
Long-term debt		(38)
Other long-term liabilities		(906)
<b>Total liabilities assumed</b>		<b>(2,170)</b>
<b>Fair value of net assets acquired</b>	<b>\$</b>	<b>4,788</b>

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

Current assets included assets held-for-sale related to Brocade's IP Networking business, which was not aligned with our strategic objectives and was sold during our fiscal quarter ended February 4, 2018. The sale of Brocade's IP Networking business is discussed further in Note 3. "Supplemental Financial Information." Current assets also included assets held-for-sale for Brocade's headquarters, which was sold for \$224 million during the first quarter of fiscal year 2018, for no gain or loss. We leased back a portion of the campus at market rental rates for six months.

Revenue from the Brocade acquisition has been included primarily in our enterprise storage segment. Transaction costs of \$8 million and \$29 million related to the Brocade Merger were included in selling, general and administrative expense for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively.

#### **Intangible Assets**

	<b>Fair Value</b>	<b>Weighted-Average Amortization Periods</b>
	<b>(In millions)</b>	<b>(In years)</b>
Developed technology	\$ 2,925	10
Customer contracts and related relationships	255	11
Trade name and other	61	6
<b>Total identified finite-lived intangible assets</b>	<b>3,241</b>	
In-process research and development	155	N/A
<b>Total identified intangible assets</b>	<b>\$ 3,396</b>	

Developed technology relates to products for FC SAN 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 Brocade. Customer contracts and related relationships were valued using the distributor method and the with-and-without-method under the income approach. The distributor method determines the fair value by measuring the economic profits generated by an intermediary, which in our case represents OEM customers. In the with-and-without 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. In both instances, the economic useful life was determined based on historical customer turnover rates.

Trade name relates to the "Brocade" 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 in-process research and development, or 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 represent the fair values of, and approximate the amounts a market participant would pay for, these intangible assets as of the Brocade Acquisition Date.

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

Description	IPR&D	Percentage of Completion	Estimated Cost to Complete	Expected Release Date (By Fiscal Year)
(Dollars in millions)				
Directors	\$ 64	72%	\$ 45	2019
Switches	\$ 50	81%	\$ 21	2018
Embedded	\$ 31	74%	\$ 22	2019
Networking software	\$ 10	73%	\$ 27	2018

The discount rate of 11% was applied to the projected cash flows to reflect the risk related to these IPR&D projects. The discount rate represents a premium of 1% over the weighted-average cost of capital to reflect the higher risk and uncertainty of the cash flows for IPR&D relative to the overall businesses.

#### Unaudited Pro Forma Information

The following unaudited pro forma financial information presents combined results of operations for each of the periods presented, as if Brocade had been acquired as of the beginning of fiscal year 2017. The unaudited pro forma information includes adjustments to amortization and depreciation for intangible assets and property, plant and equipment acquired, adjustments to stock-based compensation expense, the purchase accounting effect on inventory acquired, restructuring charges related to the acquisition and transaction costs. For fiscal year 2017, non-recurring pro forma adjustments directly attributable to the Brocade Merger included (i) the purchase accounting effect of inventory acquired of \$70 million and (ii) acquisition costs of \$76 million. The unaudited pro forma information presented below is for informational purposes only and is not necessarily indicative of our consolidated results of operations of the combined business had the acquisition actually occurred at the beginning of fiscal year 2017 or of the results of our future operations of the combined business.

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
(In millions)				
Pro forma net revenue	\$ 5,017	\$ 4,662	\$ 10,464	\$ 9,301
Pro forma net income attributable to common stock	\$ 3,744	\$ 442	\$ 10,077	\$ 554

### 3. Supplemental Financial Information

#### Cash Equivalents

Cash equivalents included \$4,362 million and \$6,002 million of time deposits as of May 6, 2018 and October 29, 2017, respectively. As of May 6, 2018 and October 29, 2017, cash equivalents also included \$402 million and \$401 million of money-market funds, respectively. 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

In connection with a factoring agreement with a third-party financial institution, 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 condensed consolidated statements of cash flows. Total trade accounts receivable sold under the factoring agreement were \$57 million during the fiscal quarter and two fiscal quarters ended May 6, 2018. Factoring fees for the sales of receivables were recorded in other income, net and were not material.

### Inventory

	May 6, 2018	October 29, 2017
	(In millions)	
Finished goods	\$ 510	\$ 562
Work-in-process	542	696
Raw materials	183	189
Total inventory	<u>\$ 1,235</u>	<u>\$ 1,447</u>

### Other current assets

	May 6, 2018	October 29, 2017
	(In millions)	
Prepaid expenses	\$ 174	\$ 440
Other receivables	87	155
Other	42	129
Total other current assets	<u>\$ 303</u>	<u>\$ 724</u>

### Accrued Rebate Activity

	Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017
	(In millions)	
Beginning balance	\$ 124	\$ 317
Charged as a reduction of revenue	64	120
Reversal of unclaimed rebates	(10)	(36)
Payments	(125)	(222)
Ending balance	<u>\$ 53</u>	<u>\$ 179</u>

We recorded customer rebate charges of \$25 million and \$56 million in the fiscal quarters ended May 6, 2018 and April 30, 2017, respectively.

### Other Long-Term Liabilities

	May 6, 2018	October 29, 2017
	(In millions)	
Deferred tax liabilities (a)	\$ 266	\$ 10,019
Unrecognized tax benefits (a) (b)	2,700	1,011
Other	298	242
Total other long-term liabilities	<u>\$ 3,264</u>	<u>\$ 11,272</u>

(a) Refer to Note 8. "Income Taxes" for additional information regarding these balances.

(b) Includes accrued interest and penalties.

### Discontinued Operations

On December 1, 2017, we sold Brocade's IP Networking business to ARRIS International plc, or ARRIS, for cash consideration of \$800 million, adjusted for closing working capital balances. In connection with this sale, we indemnified ARRIS for \$116 million of potential income tax liabilities. We provided transitional services as short-term assistance to ARRIS in assuming the operations of the purchased business. We do not have any material continuing involvement with this business and have presented its results in discontinued operations.

The following table summarizes the selected financial information of discontinued operations:

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)			
Net revenue	\$ —	\$ 3	\$ 18	\$ 5
Loss from discontinued operations	\$ (3)	\$ (4)	\$ (18)	\$ (9)

### Supplemental Cash Flow Information

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)			
Cash paid for interest	\$ 1	\$ 1	\$ 233	\$ 103
Cash paid for income taxes	\$ 87	\$ 121	\$ 196	\$ 218

At May 6, 2018 and October 29, 2017, we had \$27 million and \$122 million, respectively, of unpaid purchases of property, plant and equipment included in accounts payable and other current liabilities.

## 4. Goodwill and Intangible Assets

### Goodwill

	Wireless Communications		Enterprise Storage	Industrial & Other	Total
	Wired Infrastructure				
	(In millions)				
Balance as of October 29, 2017	\$ 17,622	\$ 5,945	\$ 995	\$ 144	\$ 24,706
Brocade Merger	70	—	2,119	—	2,189
Other acquisition	13	—	—	—	13
Balance as of May 6, 2018	\$ 17,705	\$ 5,945	\$ 3,114	\$ 144	\$ 26,908

During the two fiscal quarters ended May 6, 2018, we made one immaterial acquisition in addition to the Brocade Merger.

**Intangible Assets**

	Gross Carrying Amount	Accumulated Amortization	Net Book Value
(In millions)			
<b>As of May 6, 2018:</b>			
Purchased technology	\$ 15,770	\$ (5,295)	\$ 10,475
Customer contracts and related relationships	1,792	(770)	1,022
Trade names	578	(143)	435
Other	151	(37)	114
Intangible assets subject to amortization	<u>18,291</u>	<u>(6,245)</u>	<u>12,046</u>
IPR&D	300	—	300
Total	<u>\$ 18,591</u>	<u>\$ (6,245)</u>	<u>\$ 12,346</u>
<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	<u>17,627</u>	<u>(7,507)</u>	<u>10,120</u>
IPR&D	712	—	712
Total	<u>\$ 18,339</u>	<u>\$ (7,507)</u>	<u>\$ 10,832</u>

Based on the amount of intangible assets subject to amortization at May 6, 2018, the expected amortization expense for each of the next five years and thereafter was as follows:

Fiscal Year:	Expected Amortization Expense
(In millions)	
2018 (remainder)	\$ 1,669
2019	2,872
2020	2,424
2021	1,930
2022	1,425
Thereafter	1,726
Total	<u>\$ 12,046</u>

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

Amortizable intangible assets:	May 6, 2018
(In years)	
Purchased technology	6
Customer contracts and related relationships	6
Trade names	12
Other	9

**5. Net Income Per Share**

Basic net income per share is computed by dividing net income attributable to common stock by the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is computed by dividing net income by the weighted-average number of shares of common stock and potentially dilutive shares of common stock outstanding during the period.

Diluted shares include the dilutive effect of in-the-money stock options, RSUs and employee stock purchase plan rights under the Broadcom Limited Second Amended and Restated Employee Share Purchase Plan, as amended, or ESPP (together referred to as equity awards). Diluted shares also included shares issuable upon exchange of the LP Units for the periods presented prior to the effective time of Mandatory Exchange (refer to Note 7. "Stockholders' Equity" for additional information).

The dilutive effect of equity awards is calculated based on the average stock price for each fiscal period, using the treasury stock method. Under the treasury stock method, the amount the employee must pay for exercising stock 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 shares.

The dilutive effect of the LP Units was calculated using the if-converted method. The if-converted method assumed that the LP Units were converted at the beginning of the reporting period and included net income attributable to noncontrolling interest for the period.

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

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
<b>Numerator - Basic:</b>				
	(In millions, except per share data)			
Income from continuing operations	\$ 3,736	\$ 468	\$ 10,317	\$ 725
Less: Income from continuing operations attributable to noncontrolling interest	15	24	352	37
Income from continuing operations attributable to common stock	3,721	444	9,965	688
Loss from discontinued operations, net of income taxes	(3)	(4)	(18)	(9)
Less: Loss from discontinued operations, net of income taxes, attributable to noncontrolling interest	—	—	(1)	—
Loss from discontinued operations, net of income taxes, attributable to common stock	(3)	(4)	(17)	(9)
Net income attributable to common stock	\$ 3,718	\$ 440	\$ 9,948	\$ 679
<b>Numerator - Diluted:</b>				
Income from continuing operations	\$ 3,736	\$ 468	\$ 10,317	\$ 725
Loss from discontinued operations, net of income taxes	(3)	(4)	(18)	(9)
Net income	\$ 3,733	\$ 464	\$ 10,299	\$ 716
<b>Denominator:</b>				
Weighted-average shares outstanding - basic	421	403	415	401
Dilutive effect of equity awards	13	16	15	16
Exchange of noncontrolling interest	14	23	18	23
Weighted-average shares outstanding - diluted	448	442	448	440
<b>Basic income (loss) per share:</b>				
Income per share from continuing operations	\$ 8.84	\$ 1.10	\$ 24.01	\$ 1.72
Loss per share from discontinued operations	(0.01)	(0.01)	(0.04)	(0.03)
Net income per share	\$ 8.83	\$ 1.09	\$ 23.97	\$ 1.69
<b>Diluted income (loss) per share:</b>				
Income per share from continuing operations	\$ 8.34	\$ 1.06	\$ 23.03	\$ 1.65
Loss per share from discontinued operations	(0.01)	(0.01)	(0.04)	(0.02)
Net income per share	\$ 8.33	\$ 1.05	\$ 22.99	\$ 1.63

## 6. Borrowings

	As of May 6, 2018:		As of October 29, 2017:	
	Effective Interest Rate	Aggregate Principal Amount	Effective Interest Rate	Aggregate Principal Amount
(In millions, except for percentages)				
<b>2017 Senior Notes</b>				
Fixed rate 2.375% notes due January 2020	2.615%	\$ 2,750	2.615%	\$ 2,750
Fixed rate 2.200% notes due January 2021	2.406%	750	2.406%	750
Fixed rate 3.000% notes due January 2022	3.214%	3,500	3.214%	3,500
Fixed rate 2.650% notes due January 2023	2.781%	1,000	2.781%	1,000
Fixed rate 3.625% notes due January 2024	3.744%	2,500	3.744%	2,500
Fixed rate 3.125% notes due January 2025	3.234%	1,000	3.234%	1,000
Fixed rate 3.875% notes due January 2027	4.018%	4,800	4.018%	4,800
Fixed rate 3.500% notes due January 2028	3.596%	1,250	3.596%	1,250
		17,550		17,550
<b>Assumed BRCM Senior Notes</b>				
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
<b>Assumed Brocade Convertible Notes</b>				
Fixed rate 1.375% convertible notes due January 2020	0.628%	38		—
Total principal amount outstanding		17,727		17,689
Less: Unaccreted discount and unamortized debt issuance costs		(129)		(141)
Total carrying value of debt		\$ 17,598		\$ 17,548

### Senior Notes and Assumed BRCM Senior Notes

In fiscal year 2017, Broadcom Corporation, or BRCM, and Broadcom Cayman Finance Limited, or together with BRCM referred to as the Subsidiary Issuers, completed the issuance and sale of senior unsecured notes, or the 2017 Senior Notes, in an aggregate principal amount of \$17,550 million. Our 2017 Senior Notes were fully and unconditionally guaranteed, jointly and severally, on an unsecured, unsubordinated basis by Broadcom-Singapore and the Partnership, subject to certain release conditions described in the indentures governing the 2017 Senior Notes, or the 2017 Indentures. On April 9, 2018, Broadcom Inc., or Parent Guarantor, became a guarantor of the 2017 Senior Notes and entered into supplemental indentures with the Subsidiary Issuers and the trustee of the 2017 Senior Notes. At that time, Broadcom-Singapore, a guarantor at the issuance of the 2017 Senior Notes, became an indirect wholly-owned subsidiary of Broadcom Inc. and a subsidiary guarantor, or Subsidiary Guarantor. In addition, the Partnership was released from its guarantee of the 2017 Senior Notes under each of the 2017 Indentures in accordance with their terms. Each series of 2017 Senior Notes pays interest semi-annually in cash in arrears on January 15 and July 15 of each year. As of May 6, 2018 and October 29, 2017, we accrued interest payable of \$194 million and \$136 million, respectively.

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

In connection with the issuance of the 2017 Senior Notes, we entered into registration rights agreements, pursuant to which we were obligated to use commercially reasonable efforts to file with the SEC, and cause to be declared effective, a registration statement with respect to an offer to exchange, or the Exchange Offer, each series of 2017 Senior Notes for notes that are registered with the SEC, or the Registered Notes, with substantially identical terms. On January 9, 2018, we launched the Exchange Offer and on February 21, 2018, substantially all of the 2017 Senior Notes were tendered and exchanged for Registered Notes in the Exchange Offer.

We were in compliance with all of the covenants related to the 2017 Senior Notes and senior unsecured notes assumed in the connection with acquisition of BRCM, or the Assumed BRCM Senior Notes, as of May 6, 2018.

#### **Assumed Brocade Debt**

As a result of the Brocade Merger, we assumed \$575 million in aggregate principal amount of Brocade's 1.375% convertible senior unsecured notes due 2020, or the Assumed Brocade Convertible Notes. The Brocade Merger was a "fundamental change" as well as a "make-whole fundamental change" as defined under the terms of the indenture governing the Assumed Brocade Convertible Notes. Accordingly, the holders of the Assumed Brocade Convertible Notes received the right to require us to repurchase their notes for cash. In the first quarter of fiscal year 2018, we repurchased \$537 million in aggregate principal amount for \$548 million at a conversion rate of \$1,018 for each \$1,000 of principal surrendered for conversion. As of May 6, 2018, the outstanding principal amount of the Assumed Brocade Convertible Notes was \$38 million. The remaining outstanding Assumed Brocade Convertible Notes are convertible into cash at a conversion rate of \$812 for each \$1,000 of principal. We were in compliance with all of the covenants related to the Assumed Brocade Convertible Notes as of May 6, 2018.

We also assumed \$300 million in aggregate principal amount of Brocade's 4.625% senior unsecured notes due 2023. On January 16, 2018, we called and redeemed all of these outstanding notes for a total payment of \$308 million, including the redemption price.

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

As of May 6, 2018, the estimated aggregate fair value of the 2017 Senior Notes, the Assumed BRCM Senior Notes and the Assumed Brocade Convertible Notes was \$17,024 million and was primarily 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 2017 Senior Notes, Assumed BRCM Senior Notes and Assumed Brocade Convertible Notes as of May 6, 2018 were as follows:

Fiscal Year:	Future Scheduled Principal Payments
	(In millions)
2018 (remainder)	\$ 117
2019	—
2020	2,788
2021	750
2022	3,509
Thereafter	10,563
Total	<u>\$ 17,727</u>

## **7. Stockholders' Equity**

### **Completion of the Redomiciliation Transaction**

For the period prior to the Redomiciliation Transaction, our stockholders' equity reflects Broadcom-Singapore's outstanding ordinary shares, all of which were publicly traded on the NASDAQ Global Select Market. After the close of market trading on April 4, 2018, pursuant to the Scheme of Arrangement, all Broadcom-Singapore ordinary shares outstanding immediately prior to the effective time of Scheme of Arrangement were exchanged on a one-for-one basis for newly issued shares of Broadcom Inc. common stock and Broadcom-Singapore became an indirect wholly-owned subsidiary of Broadcom Inc.

In conjunction with the Redomiciliation Transaction and pursuant to the Mandatory Exchange, immediately prior to the effective time of the Scheme of Arrangement all outstanding LP Units held by the limited partners were mandatorily exchanged for approximately 22 million newly issued shares of Broadcom Inc. common stock on a one-for-one basis. As a result, all limited partners of the Partnership have become common stockholders of Broadcom Inc. In addition, all related outstanding special preference shares of Broadcom-Singapore were automatically redeemed pursuant to Broadcom-Singapore's governing documents upon the Mandatory Exchange.

#### Noncontrolling Interest

As of October 29, 2017 and immediately prior to the effective time of the Scheme of Arrangement, the limited partners held a noncontrolling interest of approximately 5% in the Partnership through their ownership of LP Units. Accordingly, net income attributable to our common stock in our condensed consolidated statements of operations excludes the noncontrolling interest's proportionate share of the results for the periods presented. In addition, we presented the proportionate share of equity attributable to the noncontrolling interest as a separate component of stockholders' equity within our condensed consolidated balance sheet as of October 29, 2017 and condensed consolidated statements of stockholders' equity for the periods immediately prior to the effective time of the Scheme of Arrangement.

#### Dividends and Distributions

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions, except per share data)			
Cash dividends and distributions paid per share/unit	\$ 1.75	\$ 1.02	\$ 3.50	\$ 2.04
Cash dividends paid to stockholders	\$ 727	\$ 414	\$ 1,444	\$ 822
Cash distributions paid to limited partners	\$ 39	\$ 23	\$ 77	\$ 46

#### Stock Repurchase Program

In April 2018, our Board of Directors authorized the repurchase of up to \$12 billion of our common stock from time to time on or prior to November 3, 2019, the end of our fiscal year 2019. Under our stock repurchase program, we repurchased and retired approximately 1.5 million shares of our common stock at a weighted average price of \$230.50 in the fiscal quarter ended May 6, 2018. As of May 6, 2018, \$11,653 million of the current authorization remained available under our stock repurchase program.

Repurchases under our stock repurchase program may be effected through a variety of methods, including open market or privately negotiated purchases. The timing and number of shares of common stock repurchased will depend on a variety of factors, including price, general business and market conditions and alternative investment opportunities. We are not obligated to repurchase any specific number of shares of common stock, and we may suspend or discontinue our repurchase program at any time.

#### Stock-Based Compensation Expense

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)			
Cost of products sold	\$ 21	\$ 15	\$ 41	\$ 29
Research and development	205	150	408	291
Selling, general and administrative	70	51	146	97
Total stock-based compensation expense	\$ 296	\$ 216	\$ 595	\$ 417

### Equity Incentive Award Plans

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

	Number of RSUs Outstanding	Weighted- Average Grant Date Fair Value Per Share
(In millions, except per share data)		
Balance as of October 29, 2017	18	\$ 163.42
Granted	7	\$ 240.87
Vested	(5)	\$ 155.45
Forfeited	(1)	\$ 161.95
Balance as of May 6, 2018	19	\$ 194.00

The aggregate fair value of time- and market-based RSUs that vested during the two fiscal quarters ended May 6, 2018 was \$1,355 million, which represents the market value of our common stock on the date that the RSUs vested. The number of RSUs vested included shares of common stock that we withheld for settlement of employees' withholding obligations due upon the vesting of RSUs. Total unrecognized compensation cost related to unvested RSUs as of May 6, 2018 was \$3,048 million, which is expected to be recognized over the remaining weighted-average service period of 3.1 years.

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

	Number of Options 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 October 29, 2017	10	\$ 49.54		
Exercised	(1)	\$ 45.76		\$ 318
Cancelled	— *	\$ 74.66		
Balance as of May 6, 2018	9	\$ 50.08	2.41	\$ 1,593
Fully vested as of May 6, 2018	8	\$ 48.96	2.38	\$ 1,543
Fully vested and expected to vest as of May 6, 2018	9	\$ 50.08	2.41	\$ 1,593

\* Represents fewer than 0.5 million shares.

The total unrecognized compensation cost related to unvested stock options as of May 6, 2018 was \$3 million, which is expected to be recognized over the remaining weighted-average service period of 0.5 years.

### 8. Income Taxes

For the fiscal quarter and two fiscal quarters ended May 6, 2018, our benefit from income taxes was \$2,637 million and \$8,423 million, respectively, compared to \$103 million and \$93 million for the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively.

The benefit for the fiscal quarter ended May 6, 2018 included the impact from the April 4, 2018 completion of the Redomiciliation Transaction and related internal reorganizations. The impact included tax benefits from the reduction of \$1,063 million in unrecognized federal tax benefits related to a one-time transition tax, or the Transition Tax, \$431 million in the Transition Tax payable and \$1,162 million from the remeasurement of withholding taxes on undistributed earnings, partially offset by a \$91 million tax provision on foreign earnings and profit subject to U.S. tax.

The benefit from income taxes in the two fiscal quarters ended May 6, 2018 was principally a result of provisional income tax benefits realized from the enactment of the 2017 Tax Reform Act on December 22, 2017 and included the net deferred tax liabilities established in connection with the Brocade Merger.

The 2017 Tax Reform Act makes significant changes to the U.S. Internal Revenue Code, including, but not limited to, a decrease in the U.S. corporate tax rate from 35% to 21% effective for tax years beginning after December 31, 2017, the transition of U.S. international taxation from a worldwide tax system to a participation exemption regime, and the Transition Tax on the mandatory deemed repatriation of accumulated non-U.S. earnings of U.S. controlled foreign corporations as of December 31, 2017.

On December 22, 2017, the SEC issued Staff Accounting Bulletin No. 118, or SAB 118, to address the application of GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the 2017 Tax Reform Act.

Based on our interpretation of the 2017 Tax Reform Act and available guidance, including SAB 118, we recorded a total provisional benefit of \$7,303 million, which we believe was a reasonable estimate as of May 6, 2018. The provisional benefit includes \$92 million related to the remeasurement of certain deferred tax assets and liabilities, which was based on the tax rates at which they are expected to be reversed in the future as a result of the 2017 Tax Reform Act. The provisional benefit also includes \$7,212 million related to the Transition Tax, which was primarily due to a reduction of \$10,392 million in our federal deferred income tax liabilities on accumulated non-U.S. earnings, partially offset by \$2,116 million of federal provisional long-term Transition Tax payable and \$1,116 million of unrecognized federal tax benefits related to the Transition Tax. The provisional benefit includes a \$1,494 million reduction of the Transition Tax in the fiscal quarter ended May 6, 2018 primarily as a result of the completion of the Redomiciliation Transaction and related internal reorganizations. Additional detailed analysis of historical foreign earnings, as well as potential correlative adjustments is ongoing. Any subsequent adjustment to these amounts, which must be completed within 12 months of the enactment of the 2017 Tax Reform Act, will be recorded as a discrete adjustment to provision for (benefit from) income taxes in the period in which the analysis is complete.

In connection with the Brocade Merger, we established \$845 million of net deferred tax liabilities on the excess of book basis over the tax basis of acquired identified intangible assets and investments in certain foreign subsidiaries that have not been indefinitely reinvested, partially offset by acquired tax attributes. The net deferred tax liabilities are based upon certain assumptions underlying our preliminary purchase price allocation. Upon finalization of the purchase price allocation, additional adjustments to the amount of our net deferred taxes may be required, provided we are within the measurement period.

We also recognized discrete benefits from the recognition of \$127 million and \$155 million of excess tax benefits from stock-based awards that were vested and/or exercised during the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively.

The benefit from income taxes in the corresponding 2017 fiscal periods was primarily due to a discrete benefit from the recognition of \$139 million and \$181 million of excess tax benefits from stock-based awards that were vested and/or exercised during the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively.

#### ***Uncertain Tax Positions***

The balance of gross unrecognized tax benefits was \$3,430 million and \$2,256 million as of May 6, 2018 and October 29, 2017, respectively. Gross unrecognized tax benefits increased by \$1,174 million compared to the balance as of October 29, 2017, primarily due to the recognition of uncertain tax positions related to the Transition Tax and to a lesser extent, the Brocade Merger, which were initially estimated as of the Brocade Acquisition Date. We continue to reevaluate these items with any adjustments to our preliminary estimates recognized, provided we are within the measurement period and we continue to collect information in order to determine their estimated values.

Accrued interest and penalties are included in other long-term liabilities on the condensed consolidated balance sheets. As of May 6, 2018 and October 29, 2017, the combined amount of cumulative accrued interest and penalties was approximately \$155 million and \$132 million, respectively.

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 May 6, 2018 and October 29, 2017, approximately \$3,586 million and \$2,388 million, respectively, of the unrecognized tax benefits, including accrued interest and penalties, would affect our effective tax rate if favorably resolved.

We are subject to U.S. income tax examination for fiscal years 2010 and later. Certain of our acquired companies are subject to tax examinations in major jurisdictions outside the United States for fiscal years 2013 and later. It is possible that our existing unrecognized tax benefits may change by up to \$257 million as a result of lapses of statutes of limitations for certain audit periods and/or audit examinations expected to be completed within the next 12 months.

## 9. 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.

In the first quarter of fiscal year 2018, we completed the Brocade Merger. The operating results are reported primarily within the enterprise storage segment. See Note 2. "Acquisition of Brocade" for additional information.

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 our 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 such as global operations, including manufacturing support, logistics and quality control, in addition to expenses associated with selling, general and 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, stock-based compensation expense, restructuring, impairment and disposal charges, acquisition-related costs, charges related to inventory step-up to fair value, 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 Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)			
<b>Net revenue:</b>				
Wired infrastructure	\$ 2,295	\$ 2,111	\$ 4,170	\$ 4,195
Wireless communications	1,294	1,150	3,504	2,325
Enterprise storage	1,162	712	2,153	1,419
Industrial & other	263	217	514	390
Total net revenue	<u>\$ 5,014</u>	<u>\$ 4,190</u>	<u>\$ 10,341</u>	<u>\$ 8,329</u>
<b>Operating income:</b>				
Wired infrastructure	\$ 1,058	\$ 937	\$ 1,845	\$ 1,870
Wireless communications	522	414	1,581	841
Enterprise storage	720	382	1,299	757
Industrial & other	152	109	294	170
Unallocated expenses	(1,251)	(1,368)	(2,875)	(2,658)
Total operating income	<u>\$ 1,201</u>	<u>\$ 474</u>	<u>\$ 2,144</u>	<u>\$ 980</u>

### Significant Customer Information

We sell our products through our direct sales force and a select network of distributors globally. One direct customer accounted for 13% and 17% of our net accounts receivable balance at May 6, 2018 and October 29, 2017, respectively. During the two fiscal quarters ended May 6, 2018, one direct customer represented 12% of our net revenue. No customer accounted for 10% or more of our net revenue for the fiscal quarter ended May 6, 2018. During the fiscal quarter and two fiscal quarters ended April 30, 2017, one direct customer represented 13% and 14% of our net revenue, respectively. 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.

### 10. Related Party Transactions

During the fiscal quarter and two fiscal quarters ended May 6, 2018 and April 30, 2017, in the ordinary course of business, we purchased from, or sold to, entities of which one of our directors also serves or served as a director, or entities that are otherwise affiliated with one of our directors.

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)			
Total net revenue	\$ 200	\$ 71	\$ 382	\$ 148
Total costs and expenses, including inventory purchases	\$ 31	\$ 46	\$ 67	\$ 65
	(In millions)			
Total receivables			\$ 76	\$ 31
Total payables			\$ 8	\$ 12

### 11. Commitments and Contingencies

#### Commitments

The following table summarizes contractual obligations and commitments as of May 6, 2018 that materially changed from the end of fiscal year 2017:

	Total	Fiscal Year					Thereafter
		2018 (remainder)	2019	2020	2021	2022	
	(In millions)						
Debt principal, interest and fees	\$ 21,371	\$ 430	\$ 566	\$ 3,321	\$ 1,242	\$ 3,940	\$ 11,872
Purchase commitments	\$ 931	\$ 843	\$ 69	\$ 18	\$ 1	\$ —	\$ —

*Debt Principal, Interest and Fees.* Represents principal and interest on borrowings under the 2017 Senior Notes, the Assumed BRCM Senior Notes, and the Assumed Brocade Convertible 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.

Due to the inherent uncertainty with respect to the timing of future cash outflows associated with our unrecognized tax benefits at May 6, 2018, we are unable to reliably estimate the timing of cash settlement with the respective taxing authorities. Therefore, \$2,700 million of unrecognized tax benefits and accrued interest classified within other long-term liabilities on our condensed consolidated balance sheet as of May 6, 2018 have been excluded from the contractual obligations table above.

## **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 named as defendants Brocade, the members of Brocade's board of directors, Broadcom, BRCM and Bobcat Merger Sub, Inc. The Gross, Jha and Chuakay complaints named as defendants Brocade and the members of Brocade's board of directors. All of the complaints asserted claims under Sections 14(a) and 20(a) of the Exchange Act and Rule 14a-9 promulgated thereunder. The complaints alleged, 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 sought 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 were then 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. On December 29, 2017, Lead Plaintiff voluntarily dismissed the consolidated action without prejudice and withdrew as Lead Plaintiff. On February 16, 2018, Plaintiffs Gross, Chuakay and Jha filed a joint motion for an award of attorneys' fees. On March 2, 2018, the defendants filed a joint opposition to the motion for attorneys' fees. On May 3, 2018, Plaintiffs Gross, Chuakay and Jha withdrew their motion for an award of attorneys' fees. As of May 6, 2018, all actions have been dismissed and motions withdrawn, thereby concluding all actions with respect to these lawsuits.

**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 alleged infringement by Broadcom and our subsidiaries, BRCM, Avago Technologies Limited, or 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, were 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 sought 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.

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 sought 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 sought 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 included distributors EBV Elektronik GmbH, Arrow Central Europe GmbH, and Mouser Electronics Netherlands B.V. The requested relief included 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 requested relief included damages in an unspecified amount and an injunction preventing the sale of the accused products.

On November 7, 2016, Invensas filed a complaint against Avago, Avago U.S., Emulex Corporation, or Emulex, LSI Corporation 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 sought 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 were also at issue in case No. 1-16-cv-00379 pending in Delaware. The complaint sought 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 was terminated and all of the other litigations were dismissed, thereby concluding all actions with respect to these matters.

### ***Lawsuits 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 alleges, 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. On April 20, 2018, the Ninth Circuit Court issued an opinion affirming in part and reversing in part the decision of the U.S. Central District Court and remanding Plaintiff-Appellant's claims under Sections 14(e) and 20(a) of the Exchange Act to the U.S. Central District Court for reconsideration. On May 4, 2018, the Defendants-Appellees filed a Petition for Rehearing En Banc with the Ninth Circuit Court. 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, Inc., 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.

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. A bench trial was held in the Delaware class action on April 10, 2018 and a decision is expected later this year.

#### ***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.

#### ***Contingency Assessment***

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 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.

## 12. Restructuring, Impairment and Disposal Charges

### Restructuring Charges

The following is a summary of significant restructuring expense recognized in continuing operations, primarily operating expenses:

- During the first quarter of fiscal year 2018, we began the implementation of cost reduction activities associated with the Brocade Merger. In connection with the Brocade Merger, we recognized \$35 million and \$143 million of restructuring costs primarily related to employee termination costs during the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively. Approximately 1,100 employees have been terminated from our workforce across all business and functional areas on a global basis as a result of the Brocade Merger. Management is in the process of further evaluating our resources and business needs and may eliminate additional positions, which would result in additional restructuring costs.
- In connection with the acquisition of BRCM in the second quarter of fiscal year 2016, or the Broadcom Merger, we began the implementation of cost reduction activities associated with the Broadcom Merger. Restructuring costs recorded were \$14 million and \$45 million for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively, and \$22 million and \$64 million for the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively. Restructuring costs were primarily related to lease and other exit costs for the fiscal quarter and two fiscal quarters ended May 6, 2018 and employee termination costs for the fiscal quarter and two fiscal quarters ended April 30, 2017.

	Employee Termination Costs	Leases and Other Exit Costs	Total
	(In millions)		
Balance as of October 29, 2017	\$ 28	\$ 17	\$ 45
Restructuring charges (a)	129	61	190
Utilization	(121)	(55)	(176)
Balance as of May 6, 2018 (b)	<u>\$ 36</u>	<u>\$ 23</u>	<u>\$ 59</u>

(a) Included \$2 million of restructuring expense related to discontinued operations recognized during the two fiscal quarters ended May 6, 2018, which was included in loss from discontinued operations in our condensed consolidated statements of operations.

(b) The majority of the employee termination costs balance is expected to be paid in the third 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 the fiscal quarter and two fiscal quarters ended May 6, 2018, we recorded impairment and disposal charges of \$6 million and \$12 million, respectively. These charges primarily related to impairments of leasehold improvements. During the fiscal quarter and two fiscal quarters ended April 30, 2017, we recorded impairment and disposal charges of \$15 million and \$25 million, respectively. These charges included impairment of property, plant and equipment acquired through the Broadcom Merger and IPR&D projects.

## 13. Condensed Consolidating Financial Information

In connection with the Exchange Offer, we are required to provide certain financial information regarding the Parent Guarantor, the Subsidiary Guarantor, the Subsidiary Issuers and our other subsidiaries, collectively, the Non-Guarantor Subsidiaries. The following information sets forth the condensed consolidating financial information as of May 6, 2018 and October 29, 2017 and for the fiscal quarter and two fiscal quarters ended May 6, 2018 and April 30, 2017 for the Parent Guarantor, the Subsidiary Guarantor, the Subsidiary Issuers, and the Non-Guarantor Subsidiaries. Investments in subsidiaries are accounted for under the equity method; accordingly, entries necessary to consolidate the Parent Guarantor, the Subsidiary Guarantor, the Subsidiary Issuers and the 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.

See Note 6. "Borrowings" for more information regarding the 2017 Senior Notes and changes in guarantors resulting from the Redomiciliation Transaction. We have applied the impacts from the Redomiciliation Transaction and the change in guarantors retrospectively to all periods presented.

**Condensed Consolidating Balance Sheet**
**May 6, 2018**

	Parent Guarantor	Subsidiary Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
(In millions)						
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ —	\$ 495	\$ 5,913	\$ 1,779	\$ —	\$ 8,187
Trade accounts receivable, net	—	—	—	2,749	—	2,749
Inventory	—	—	—	1,235	—	1,235
Intercompany receivable	10	6	1,693	1,393	(3,102)	—
Intercompany loan receivable	—	—	1,320	2,554	(3,874)	—
Other current assets	—	—	37	266	—	303
<b>Total current assets</b>	<b>10</b>	<b>501</b>	<b>8,963</b>	<b>9,976</b>	<b>(6,976)</b>	<b>12,474</b>
Long-term assets:						
Property, plant and equipment, net	—	—	241	2,479	—	2,720
Goodwill	—	—	1,360	25,548	—	26,908
Intangible assets, net	—	—	—	12,346	—	12,346
Investment in subsidiaries	32,405	32,413	35,187	96,595	(196,600)	—
Intercompany loan receivable, long-term	—	—	43,565	937	(44,502)	—
Other long-term assets	—	—	27	461	—	488
<b>Total assets</b>	<b>\$ 32,415</b>	<b>\$ 32,914</b>	<b>\$ 89,343</b>	<b>\$ 148,342</b>	<b>\$ (248,078)</b>	<b>\$ 54,936</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>						
Current liabilities:						
Accounts payable	\$ 2	\$ 22	\$ 38	\$ 774	\$ —	\$ 836
Employee compensation and benefits	—	—	137	280	—	417
Current portion of long-term debt	—	—	117	—	—	117
Intercompany payable	346	463	1,158	1,135	(3,102)	—
Intercompany loan payable	—	—	2,554	1,320	(3,874)	—
Other current liabilities	—	—	677	77	—	754
<b>Total current liabilities</b>	<b>348</b>	<b>485</b>	<b>4,681</b>	<b>3,586</b>	<b>(6,976)</b>	<b>2,124</b>
Long-term liabilities:						
Long-term debt	—	—	17,444	37	—	17,481
Deferred tax liabilities	—	—	5	261	—	266
Intercompany loan payable, long-term	—	21	915	43,566	(44,502)	—
Unrecognized tax benefits	—	—	1,941	759	—	2,700
Other long-term liabilities	—	—	163	135	—	298
<b>Total liabilities</b>	<b>348</b>	<b>506</b>	<b>25,149</b>	<b>48,344</b>	<b>(51,478)</b>	<b>22,869</b>
Total stockholders' equity	32,067	32,408	64,194	99,998	(196,600)	32,067
<b>Total liabilities and stockholders' equity</b>	<b>\$ 32,415</b>	<b>\$ 32,914</b>	<b>\$ 89,343</b>	<b>\$ 148,342</b>	<b>\$ (248,078)</b>	<b>\$ 54,936</b>

**Condensed Consolidating Balance Sheet**
**October 29, 2017**

	Parent Guarantor	Subsidiary Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
(In millions)						
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ —	\$ 194	\$ 7,555	\$ 3,455	\$ —	\$ 11,204
Trade accounts receivable, net	—	—	—	2,448	—	2,448
Inventory	—	—	—	1,447	—	1,447
Intercompany receivable	—	32	279	309	(620)	—
Intercompany loan receivable	—	28	1,891	8,849	(10,768)	—
Other current assets	—	—	350	374	—	724
<b>Total current assets</b>	<b>—</b>	<b>254</b>	<b>10,075</b>	<b>16,882</b>	<b>(11,388)</b>	<b>15,823</b>
Long-term assets:						
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	20,285	23,112	28,049	63,739	(135,185)	—
Intercompany loan receivable, long-term	—	—	41,547	—	(41,547)	—
Other long-term assets	—	—	213	245	—	458
<b>Total assets</b>	<b>\$ 20,285</b>	<b>\$ 23,366</b>	<b>\$ 81,451</b>	<b>\$ 117,436</b>	<b>\$ (188,120)</b>	<b>\$ 54,418</b>
<b>LIABILITIES AND STOCKHOLDERS' 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	—	123	186	311	(620)	—
Intercompany loan payable	—	50	8,799	1,919	(10,768)	—
Other current liabilities	—	—	254	427	—	681
<b>Total current liabilities</b>	<b>—</b>	<b>180</b>	<b>9,702</b>	<b>4,035</b>	<b>(11,388)</b>	<b>2,529</b>
Long-term liabilities:						
Long-term debt	—	—	17,431	—	—	17,431
Deferred tax liabilities	—	—	10,293	(274)	—	10,019
Intercompany loan payable, long-term	—	—	—	41,547	(41,547)	—
Unrecognized tax benefits	—	—	497	514	—	1,011
Other long-term liabilities	—	—	76	166	—	242
<b>Total liabilities</b>	<b>—</b>	<b>180</b>	<b>37,999</b>	<b>45,988</b>	<b>(52,935)</b>	<b>31,232</b>
Total stockholders' equity	20,285	20,285	43,452	71,448	(135,185)	20,285
Noncontrolling interest	—	2,901	—	—	—	2,901
<b>Total liabilities and stockholders' equity</b>	<b>\$ 20,285</b>	<b>\$ 23,366</b>	<b>\$ 81,451</b>	<b>\$ 117,436</b>	<b>\$ (188,120)</b>	<b>\$ 54,418</b>

## Condensed Consolidating Statements of Operations and Comprehensive Income

	Fiscal Quarter Ended					
	May 6, 2018					
	Parent Guarantor	Subsidiary Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
	(In millions)					
Net revenue	\$ —	\$ —	\$ —	\$ 5,014	\$ —	\$ 5,014
Intercompany revenue	—	—	566	—	(566)	—
Total revenue	—	—	566	5,014	(566)	5,014
Cost of products sold:						
Cost of products sold	—	—	35	1,661	—	1,696
Intercompany cost of products sold	—	—	—	37	(37)	—
Amortization of acquisition-related intangible assets	—	—	—	765	—	765
Restructuring charges	—	—	—	2	—	2
Total cost of products sold	—	—	35	2,465	(37)	2,463
Gross margin	—	—	531	2,549	(529)	2,551
Research and development	—	—	407	529	—	936
Intercompany operating expense	—	—	—	529	(529)	—
Selling, general and administrative	2	50	72	170	—	294
Amortization of acquisition-related intangible assets	—	—	—	67	—	67
Restructuring, impairment and disposal charges	—	—	11	42	—	53
Total operating expenses	2	50	490	1,337	(529)	1,350
Operating income (loss)	(2)	(50)	41	1,212	—	1,201
Interest expense	—	—	(148)	—	—	(148)
Intercompany interest expense	—	—	(81)	(519)	600	—
Other income, net	—	1	28	17	—	46
Intercompany interest income	—	—	519	81	(600)	—
Intercompany other income (expense), net	—	50	—	(50)	—	—
Income (loss) from continuing operations before income taxes and earnings in subsidiaries	(2)	1	359	741	—	1,099
Benefit from income taxes	—	—	(2,521)	(116)	—	(2,637)
Income (loss) from continuing operations before earnings in subsidiaries	(2)	1	2,880	857	—	3,736
Earnings in subsidiaries	3,720	3,734	3,680	10,278	(21,412)	—
Income from continuing operations and earnings in subsidiaries	3,718	3,735	6,560	11,135	(21,412)	3,736
Loss from discontinued operations, net of income taxes	—	—	(2)	(1)	—	(3)
Net income	3,718	3,735	6,558	11,134	(21,412)	3,733
Net income attributable to noncontrolling interest	—	15	—	—	—	15
Net income attributable to common stock	\$ 3,718	\$ 3,720	\$ 6,558	\$ 11,134	\$ (21,412)	\$ 3,718
Net income	\$ 3,718	\$ 3,735	\$ 6,558	\$ 11,134	\$ (21,412)	\$ 3,733
Other comprehensive income (loss), net of tax:						
Change in unrealized gain on available-for-sale investments	—	—	(9)	—	—	(9)
Amortization of actuarial loss and prior service costs associated with defined benefit pension plans and post-retirement benefit plans	—	—	—	1	—	1
Other comprehensive income (loss)	—	—	(9)	1	—	(8)
Comprehensive income	3,718	3,735	6,549	11,135	(21,412)	3,725
Comprehensive income attributable to noncontrolling interest	—	15	—	—	—	15
Comprehensive income attributable to common stock	\$ 3,718	\$ 3,720	\$ 6,549	\$ 11,135	\$ (21,412)	\$ 3,710

**Condensed Consolidating Statements of Operations and  
Comprehensive Income (Loss)**

Fiscal Quarter Ended

April 30, 2017

	Parent Guarantor	Subsidiary Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
(In millions)						
Net revenue	\$ —	\$ —	\$ 1	\$ 4,189	\$ —	\$ 4,190
Intercompany revenue	—	—	529	12	(541)	—
<b>Total revenue</b>	<b>—</b>	<b>—</b>	<b>530</b>	<b>4,201</b>	<b>(541)</b>	<b>4,190</b>
Cost of products sold:						
Cost of products sold	—	—	42	1,522	—	1,564
Intercompany cost of products sold	—	—	—	63	(63)	—
Purchase accounting effect on inventory	—	—	—	1	—	1
Amortization of acquisition-related intangible assets	—	—	—	639	—	639
Restructuring charges	—	—	5	5	—	10
<b>Total cost of products sold</b>	<b>—</b>	<b>—</b>	<b>47</b>	<b>2,230</b>	<b>(63)</b>	<b>2,214</b>
<b>Gross margin</b>	<b>—</b>	<b>—</b>	<b>483</b>	<b>1,971</b>	<b>(478)</b>	<b>1,976</b>
Research and development	—	—	345	484	—	829
Intercompany operating expense	—	—	—	478	(478)	—
Selling, general and administrative	—	6	81	117	—	204
Amortization of acquisition-related intangible assets	—	—	—	442	—	442
Restructuring, impairment and disposal charges	—	—	3	24	—	27
<b>Total operating expenses</b>	<b>—</b>	<b>6</b>	<b>429</b>	<b>1,545</b>	<b>(478)</b>	<b>1,502</b>
Operating income (loss)	—	(6)	54	426	—	474
Interest expense	—	—	(118)	6	—	(112)
Intercompany interest expense	—	(2)	(16)	(972)	990	—
Other income (expense), net	—	1	8	(6)	—	3
Intercompany interest income	—	—	972	18	(990)	—
Intercompany other income (expense), net	—	812	(413)	(399)	—	—
Income (loss) from continuing operations before income taxes and earnings in (loss from) subsidiaries	—	805	487	(927)	—	365
Provision for (benefit from) income taxes	—	—	(139)	36	—	(103)
Income (loss) from continuing operations, before earnings in (loss from) subsidiaries	—	805	626	(963)	—	468
Earnings in (loss from) subsidiaries	440	(341)	(1,830)	(762)	2,493	—
Income (loss) from continuing operations and earnings in (loss from) subsidiaries	440	464	(1,204)	(1,725)	2,493	468
Income (loss) from discontinued operations, net of income taxes	—	—	2	(6)	—	(4)
Net income (loss)	440	464	(1,202)	(1,731)	2,493	464
Net income attributable to noncontrolling interest	—	24	—	—	—	24
Net income (loss) attributable to common stock	<u>\$ 440</u>	<u>\$ 440</u>	<u>\$ (1,202)</u>	<u>\$ (1,731)</u>	<u>\$ 2,493</u>	<u>\$ 440</u>
Net income (loss)	\$ 440	\$ 464	\$ (1,202)	\$ (1,731)	\$ 2,493	\$ 464
Other comprehensive income, net of tax:						
Amortization of actuarial loss and prior service costs associated with defined benefit pension plans and post-retirement benefit plans	—	—	—	1	—	1
Other comprehensive income	—	—	—	1	—	1
Comprehensive income (loss)	440	464	(1,202)	(1,730)	2,493	465
Comprehensive income attributable to noncontrolling interest	—	24	—	—	—	24
Comprehensive income (loss) attributable to common stock	<u>\$ 440</u>	<u>\$ 440</u>	<u>\$ (1,202)</u>	<u>\$ (1,730)</u>	<u>\$ 2,493</u>	<u>\$ 441</u>

## Condensed Consolidating Statements of Operations and Comprehensive Income

Two Fiscal Quarters Ended

May 6, 2018

	Parent Guarantor	Subsidiary Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
(In millions)						
Net revenue	\$ —	\$ —	\$ —	\$ 10,341	\$ —	\$ 10,341
Intercompany revenue	—	—	1,150	—	(1,150)	—
Total revenue	—	—	1,150	10,341	(1,150)	10,341
Cost of products sold:						
Cost of products sold	—	—	67	3,528	—	3,595
Intercompany cost of products sold	—	—	—	71	(71)	—
Purchase accounting effect on inventory	—	—	—	70	—	70
Amortization of acquisition-related intangible assets	—	—	—	1,480	—	1,480
Restructuring charges	—	—	2	15	—	17
Total cost of products sold	—	—	69	5,164	(71)	5,162
Gross margin	—	—	1,081	5,177	(1,079)	5,179
Research and development	—	—	813	1,048	—	1,861
Intercompany operating expense	—	—	—	1,079	(1,079)	—
Selling, general and administrative	2	84	157	342	—	585
Amortization of acquisition-related intangible assets	—	—	—	406	—	406
Restructuring, impairment and disposal charges	—	—	44	139	—	183
Total operating expenses	2	84	1,014	3,014	(1,079)	3,035
Operating income (loss)	(2)	(84)	67	2,163	—	2,144
Interest expense	—	—	(329)	(2)	—	(331)
Intercompany interest expense	—	—	(140)	(1,093)	1,233	—
Other income, net	—	2	47	32	—	81
Intercompany interest income	—	—	1,093	140	(1,233)	—
Intercompany other income (expense), net	—	229	(57)	(172)	—	—
Income (loss) from continuing operations before income taxes and earnings in subsidiaries	(2)	147	681	1,068	—	1,894
Benefit from income taxes	—	—	(7,981)	(442)	—	(8,423)
Income (loss) from continuing operations before earnings in subsidiaries	(2)	147	8,662	1,510	—	10,317
Earnings in subsidiaries	9,950	10,154	9,503	28,113	(57,720)	—
Income from continuing operations and earnings in subsidiaries	9,948	10,301	18,165	29,623	(57,720)	10,317
Loss from discontinued operations, net of income taxes	—	—	(2)	(16)	—	(18)
Net income	9,948	10,301	18,163	29,607	(57,720)	10,299
Net income attributable to noncontrolling interest	—	351	—	—	—	351
Net income attributable to common stock	\$ 9,948	\$ 9,950	\$ 18,163	\$ 29,607	\$ (57,720)	\$ 9,948
Net income	\$ 9,948	\$ 10,301	\$ 18,163	\$ 29,607	\$ (57,720)	\$ 10,299
Other comprehensive income, net of tax:						
Amortization of actuarial loss and prior service costs associated with defined benefit pension plans and post-retirement benefit plans	—	—	—	1	—	1
Other comprehensive income	—	—	—	1	—	1
Comprehensive income	9,948	10,301	18,163	29,608	(57,720)	10,300
Comprehensive income attributable to noncontrolling interest	—	351	—	—	—	351
Comprehensive income attributable to common stock	\$ 9,948	\$ 9,950	\$ 18,163	\$ 29,608	\$ (57,720)	\$ 9,949

**Condensed Consolidating Statements of Operations and  
Comprehensive Income (Loss)**

**Two Fiscal Quarters Ended**

**April 30, 2017**

	<b>Parent Guarantor</b>	<b>Subsidiary Guarantor</b>	<b>Subsidiary Issuers</b>	<b>Non-Guarantor Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidated Totals</b>
	<b>(In millions)</b>					
Net revenue	\$ —	\$ —	\$ 74	\$ 8,255	\$ —	\$ 8,329
Intercompany revenue	—	—	910	9	(919)	—
<b>Total revenue</b>	<b>—</b>	<b>—</b>	<b>984</b>	<b>8,264</b>	<b>(919)</b>	<b>8,329</b>
Cost of products sold:						
Cost of products sold	—	—	87	3,050	—	3,137
Intercompany cost of products sold	—	—	(12)	122	(110)	—
Purchase accounting effect on inventory	—	—	—	1	—	1
Amortization of acquisition-related intangible assets	—	—	7	1,191	—	1,198
Restructuring charges	—	—	8	8	—	16
<b>Total cost of products sold</b>	<b>—</b>	<b>—</b>	<b>90</b>	<b>4,372</b>	<b>(110)</b>	<b>4,352</b>
<b>Gross margin</b>	<b>—</b>	<b>—</b>	<b>894</b>	<b>3,892</b>	<b>(809)</b>	<b>3,977</b>
Research and development	—	—	713	924	—	1,637
Intercompany operating expense	—	—	(80)	889	(809)	—
Selling, general and administrative	—	13	175	217	—	405
Amortization of acquisition-related intangible assets	—	—	7	875	—	882
Restructuring, impairment and disposal charges	—	—	18	55	—	73
<b>Total operating expenses</b>	<b>—</b>	<b>13</b>	<b>833</b>	<b>2,960</b>	<b>(809)</b>	<b>2,997</b>
Operating income (loss)	—	(13)	61	932	—	980
Interest expense	—	—	(169)	(54)	—	(223)
Intercompany interest expense	—	(3)	(90)	(976)	1,069	—
Loss on extinguishment of debt	—	—	(52)	(107)	—	(159)
Other income, net	—	1	6	27	—	34
Intercompany interest income	—	1	976	92	(1,069)	—
Intercompany other income (expense), net	—	1,013	(479)	(534)	—	—
Income (loss) from continuing operations before income taxes and earnings in (loss from) subsidiaries	—	999	253	(620)	—	632
Provision for (benefit from) income taxes	—	—	(109)	16	—	(93)
Income (loss) from continuing operations, before earnings in (loss from) subsidiaries	—	999	362	(636)	—	725
Earnings in (loss from) subsidiaries	679	(283)	(2,061)	(1,028)	2,693	—
Income (loss) from continuing operations and earnings in (loss from) subsidiaries	679	716	(1,699)	(1,664)	2,693	725
Loss from discontinued operations, net of income taxes	—	—	(8)	(1)	—	(9)
<b>Net income (loss)</b>	<b>679</b>	<b>716</b>	<b>(1,707)</b>	<b>(1,665)</b>	<b>2,693</b>	<b>716</b>
Net income attributable to noncontrolling interest	—	37	—	—	—	37
<b>Net income (loss) attributable to common stock</b>	<b>\$ 679</b>	<b>\$ 679</b>	<b>\$ (1,707)</b>	<b>\$ (1,665)</b>	<b>\$ 2,693</b>	<b>\$ 679</b>
<b>Net income (loss)</b>	<b>\$ 679</b>	<b>\$ 716</b>	<b>\$ (1,707)</b>	<b>\$ (1,665)</b>	<b>\$ 2,693</b>	<b>\$ 716</b>
Other comprehensive income, net of tax:						
Amortization of actuarial loss and prior service costs associated with defined benefit pension plans and post-retirement benefit plans	—	—	—	1	—	1
Other comprehensive income	—	—	—	1	—	1
<b>Comprehensive income (loss)</b>	<b>679</b>	<b>716</b>	<b>(1,707)</b>	<b>(1,664)</b>	<b>2,693</b>	<b>717</b>
Comprehensive income attributable to noncontrolling interest	—	37	—	—	—	37
<b>Comprehensive income (loss) attributable to common stock</b>	<b>\$ 679</b>	<b>\$ 679</b>	<b>\$ (1,707)</b>	<b>\$ (1,664)</b>	<b>\$ 2,693</b>	<b>\$ 680</b>

## Condensed Consolidating Statements of Cash Flows

Two Fiscal Quarters Ended

May 6, 2018

	Parent Guarantor	Subsidiary Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
(In millions)						
<b>Cash flows from operating activities:</b>						
Net income	\$ 9,948	\$ 10,301	\$ 18,163	\$ 29,607	\$ (57,720)	\$ 10,299
Adjustments to reconcile net income to net cash provided by (used in) operating activities	(9,611)	(10,001)	(18,528)	(26,110)	57,949	(6,301)
<b>Net cash provided by (used in) operating activities</b>	<b>337</b>	<b>300</b>	<b>(365)</b>	<b>3,497</b>	<b>229</b>	<b>3,998</b>
<b>Cash flows from investing activities:</b>						
Intercompany contributions paid	—	(102)	(9,099)	(3,002)	12,203	—
Distributions received from subsidiaries	—	1,521	—	1,521	(3,042)	—
Net change in intercompany loans	—	28	8,346	2,181	(10,555)	—
Acquisitions of businesses, net of cash acquired	—	—	—	(4,786)	—	(4,786)
Proceeds from sales of businesses	—	—	—	782	—	782
Purchases of property, plant and equipment	—	—	(114)	(295)	—	(409)
Proceeds from disposals of property, plant and equipment	—	—	1	237	—	238
Purchases of investments	—	—	(50)	(199)	—	(249)
Proceeds from sale of investment	—	—	54	—	—	54
Other	—	—	—	(12)	—	(12)
<b>Net cash provided by (used in) investing activities</b>	<b>—</b>	<b>1,447</b>	<b>(862)</b>	<b>(3,573)</b>	<b>(1,394)</b>	<b>(4,382)</b>
<b>Cash flows from financing activities:</b>						
Intercompany contributions received	—	—	3,231	9,201	(12,432)	—
Dividend and distribution payments	—	(1,521)	(1,521)	(1,521)	3,042	(1,521)
Net intercompany borrowings	—	(27)	(2,125)	(8,403)	10,555	—
Repayment of debt	—	—	—	(856)	—	(856)
Repurchases of common stock	(347)	—	—	—	—	(347)
Issuance of common stock, net	10	102	—	—	—	112
Payment of capital lease obligations	—	—	—	(21)	—	(21)
<b>Net cash used in financing activities</b>	<b>(337)</b>	<b>(1,446)</b>	<b>(415)</b>	<b>(1,600)</b>	<b>1,165</b>	<b>(2,633)</b>
Net change in cash and cash equivalents	—	301	(1,642)	(1,676)	—	(3,017)
Cash and cash equivalents at the beginning of period	—	194	7,555	3,455	—	11,204
Cash and cash equivalents at end of period	\$ —	\$ 495	\$ 5,913	\$ 1,779	\$ —	\$ 8,187

## Condensed Consolidating Statements of Cash Flows

Two Fiscal Quarters Ended

April 30, 2017

	Parent Guarantor	Subsidiary Guarantor	Subsidiary Issuers	Non-Guarantor Subsidiaries	Eliminations	Consolidated Totals
(In millions)						
<b>Cash flows from operating activities:</b>						
Net income (loss)	\$ 679	\$ 716	\$ (1,707)	\$ (1,665)	\$ 2,693	\$ 716
Adjustments to reconcile net income (loss) to net cash provided by operating activities	(679)	(463)	1,912	4,143	(2,693)	2,220
<b>Net cash provided by operating activities</b>	<b>—</b>	<b>253</b>	<b>205</b>	<b>2,478</b>	<b>—</b>	<b>2,936</b>
<b>Cash flows from investing activities:</b>						
Net change in intercompany loans	—	410	129	6,393	(6,932)	—
Acquisitions of businesses, net of cash acquired	—	—	—	(37)	—	(37)
Proceeds from sale of business	—	—	—	10	—	10
Purchases of property, plant and equipment	—	—	(185)	(396)	—	(581)
Purchases of investments	—	—	(200)	—	—	(200)
Other	—	—	—	(4)	—	(4)
<b>Net cash provided by (used in) investing activities</b>	<b>—</b>	<b>410</b>	<b>(256)</b>	<b>5,966</b>	<b>(6,932)</b>	<b>(812)</b>
<b>Cash flows from financing activities:</b>						
Net intercompany borrowings	—	465	(6,004)	(1,393)	6,932	—
Proceeds from issuance of long-term debt	—	—	13,446	—	—	13,446
Repayment of debt	—	—	(5,705)	(7,963)	—	(13,668)
Payment of debt issuance costs	—	—	(23)	—	—	(23)
Dividend and distribution payments	—	(868)	—	—	—	(868)
Issuance of common stock, net	—	150	—	—	—	150
Other	—	—	(2)	(2)	—	(4)
<b>Net cash provided by (used in) financing activities</b>	<b>—</b>	<b>(253)</b>	<b>1,712</b>	<b>(9,358)</b>	<b>6,932</b>	<b>(967)</b>
Net change in cash and cash equivalents	—	410	1,661	(914)	—	1,157
Cash and cash equivalents at the beginning of period	—	53	1,092	1,952	—	3,097
Cash and cash equivalents at end of period	\$ —	\$ 463	\$ 2,753	\$ 1,038	\$ —	\$ 4,254

**14. Subsequent Event**
**Cash Dividends Declared**

On June 6, 2018, our Board of Directors declared a cash dividend of \$1.75 per share, payable on June 29, 2018 to stockholders of record at the close of business on June 20, 2018.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the financial condition and results of operations should be read in conjunction with the unaudited condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q, or Form 10-Q, and the audited consolidated financial statements and notes thereto and management's discussion and analysis of financial condition and results of operations for the fiscal year ended October 29, 2017, or fiscal year 2017, included in the Annual Report on Form 10-K for fiscal year 2017, or 2017 Annual Report on Form 10-K, filed by our predecessor, Broadcom Limited, a company organized under the laws of the Republic of Singapore, or Broadcom-Singapore. This is our first Quarterly Report on Form 10-Q following the redomiciliation on April 4, 2018 of our ultimate parent company to the U.S., or the Redomiciliation Transaction. The financial information and results of operations in this Form 10-Q for periods prior to April 4, 2018 relate to our predecessor for accounting and financial reporting purposes, Broadcom-Singapore, and relate to Broadcom Inc. for the period after April 4, 2018, the effective date of the Redomiciliation Transaction. Similarly, unless stated otherwise or the context otherwise requires, references to "Broadcom," "we," "our" and "us" mean Broadcom Inc. and its consolidated subsidiaries, from and after the effective date of the Redomiciliation Transaction and, prior to that time, to our predecessor. This Form 10-Q may contain predictions, estimates and other forward-looking statements that involve a number of risks and uncertainties, which are made under the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These forward-looking statements may include 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, customer concentration and relationships, or enforceability of our intellectual property rights, or IP; and the effects of seasonality on our business. Such statements are based on current expectations, estimates, forecasts and projections of our 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 II, Item 1A of this Form 10-Q, and in other documents we file from time to time with the Securities and Exchange Commission, or SEC. All of the forward-looking statements in this Form 10-Q are qualified in their entirety by reference to the factors listed above and those discussed under the heading "Risk Factors" below. 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.

### Overview

Broadcom is the successor to Broadcom-Singapore. Following the Redomiciliation Transaction on April 4, 2018, Broadcom became the ultimate parent company of Broadcom-Singapore.

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, smartphones 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.

Our fiscal year ending November 4, 2018, or fiscal year 2018, is a 53-week fiscal year, with our first fiscal quarter containing 14 weeks compared to 13 weeks in the first fiscal quarter ended January 29, 2017. The additional week in the first quarter of fiscal year 2018 resulted in higher net revenue, gross margin dollars, research and development expense, and selling general and administrative expense in the first quarter and first two quarters of fiscal year 2018, compared to the corresponding prior year periods.

### Recent Developments and Highlights

Highlights during the two fiscal quarters ended May 6, 2018 include the following:

- Our cash and cash equivalents were \$8,187 million at May 6, 2018. This compares with \$11,204 million at October 29, 2017, which included net proceeds of \$3,980 million from the issuance of senior unsecured notes in October 2017 used to fund the acquisition of Brocade Communications Systems, Inc., or Brocade.

- On November 17, 2017, or the Brocade Acquisition Date, we completed the acquisition of Brocade for aggregate consideration of approximately \$6 billion.
- We had an \$8,423 million benefit from incomes taxes primarily due to provisional income tax benefits realized from the enactment of the U.S. Tax Cuts and Jobs Act, or the 2017 Tax Reform Act, and the impact from the Redomiciliation Transaction.
- We generated \$3,998 million of cash from operations.
- We paid \$1,521 million for cash dividends and distributions and \$347 million to repurchase shares of our common stock.

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

After the close of market trading on April 4, 2018, Broadcom Inc. and Broadcom-Singapore completed a statutory scheme of arrangement under Singapore law, or the Scheme of Arrangement. Pursuant to the Scheme of Arrangement, all Broadcom-Singapore ordinary shares outstanding immediately prior to the effective time of the Scheme of Arrangement were exchanged on a one-for-one basis for newly issued shares of Broadcom Inc. common stock and Broadcom-Singapore became an indirect wholly-owned subsidiary of Broadcom Inc.

In conjunction with the Redomiciliation Transaction and pursuant to an amendment to the Amended and Restated Limited Partnership Agreement of Broadcom Cayman L.P., or the Partnership, all outstanding exchangeable limited partnership units of the Partnership were mandatorily exchanged, or the Mandatory Exchange, on a one-for-one basis for newly issued shares of Broadcom Inc. common stock immediately prior to the completion of the Scheme of Arrangement. As a result, all limited partners of the Partnership, or the Limited Partners, became common stockholders of Broadcom Inc. In addition, all related outstanding special preference shares of Broadcom-Singapore were automatically redeemed upon the Mandatory Exchange. Consequently, the Limited Partners no longer hold a noncontrolling interest in the Partnership and we subsequently deregistered the Partnership.

#### **Acquisition & Divestitures**

##### ***Acquisition of Brocade***

On the Brocade Acquisition Date, one of our indirect subsidiaries merged with and into Brocade with Brocade as the surviving corporation, or the Brocade Merger. As a result of the Brocade Merger, Brocade stockholders received, in aggregate, approximately \$5,298 million 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 all unvested Brocade stock options, restricted stock units and performance stock units held by continuing employees. All vested in-the-money Brocade stock options, after giving effect to any acceleration, were cashed out upon the Brocade Merger.

Brocade was a leading supplier of networking hardware, software and services, including Fibre Channel Storage Area Network, or 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, broaden our portfolio for enterprise storage, and to increase our ability to address the evolving needs of our original equipment manufacturer, or OEM, customers.

We financed the Brocade Merger with the net proceeds from the October 2017 issuance of senior unsecured notes, 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, adjusted for closing working capital balances.

## Critical Accounting Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States 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, stock-based compensation, and employee bonus programs.

There were no significant changes in our critical accounting policies during the two fiscal quarters ended May 6, 2018 compared to those previously disclosed in "Critical Accounting Estimates" in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the 2017 Annual Report on Form 10-K.

## Results of Operations

### *Fiscal Quarter and Two Fiscal Quarters Ended May 6, 2018 Compared to Fiscal Quarter and Two Fiscal Quarters Ended April 30, 2017*

The following tables set forth our results of operations for the periods presented:

	Fiscal Quarter Ended			
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)		(As a percentage of net revenue)	
<b>Statements of Operations Data:</b>				
Net revenue	\$ 5,014	\$ 4,190	100%	100%
Cost of products sold:				
Cost of products sold	1,696	1,564	34	38
Purchase accounting effect on inventory	—	1	—	—
Amortization of acquisition-related intangible assets	765	639	15	15
Restructuring charges	2	10	—	—
Total cost of products sold	2,463	2,214	49	53
Gross margin	2,551	1,976	51	47
Research and development	936	829	19	20
Selling, general and administrative	294	204	6	5
Amortization of acquisition-related intangible assets	67	442	1	10
Restructuring, impairment and disposal charges	53	27	1	1
Total operating expenses	1,350	1,502	27	36
Operating income	\$ 1,201	\$ 474	24%	11%

	Two Fiscal Quarters Ended			
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions)		(As a percentage of net revenue)	
<b>Statements of Operations Data:</b>				
Net revenue	\$ 10,341	\$ 8,329	100%	100%
Cost of products sold:				
Cost of products sold	3,595	3,137	35	38
Purchase accounting effect on inventory	70	1	1	—
Amortization of acquisition-related intangible assets	1,480	1,198	14	14
Restructuring charges	17	16	—	—
Total cost of products sold	5,162	4,352	50	52
Gross margin	5,179	3,977	50	48
Research and development	1,861	1,637	18	20
Selling, general and administrative	585	405	5	5
Amortization of acquisition-related intangible assets	406	882	4	10
Restructuring, impairment and disposal charges	183	73	2	1
Total operating expenses	3,035	2,997	29	36
Operating income	\$ 2,144	\$ 980	21%	12%

### Net Revenue

Our overall net revenue, as well as the percentage of total net revenue generated by sales in each of our segments, varies 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".

Historically, a relatively small number of customers has accounted for a significant portion of our net revenue. Direct sales to Foxconn Technology Group companies (including Hon Hai Precision Industries), together referred to as Foxconn, accounted for 12%, 13% and 14% of our net revenue for the two fiscal quarters ended May 6, 2018, fiscal quarter ended April 30, 2017 and two fiscal quarters ended April 30, 2017, respectively. No customer accounted for 10% or more of our net revenue for the fiscal quarter ended May 6, 2018. We believe aggregate sales to our top five end customers, through all channels, accounted for approximately 38% and 43% of our net revenue for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively, and approximately 39% of our net revenue during both the fiscal quarter and two fiscal quarters ended April 30, 2017. We believe aggregate sales to Apple Inc., through all channels, accounted for approximately 17% of our net revenue for the fiscal quarter ended May 6, 2018, 25% of our net revenue for the two fiscal quarters ended May 6, 2018 and 15% of our net revenue for both the fiscal quarter and two fiscal quarters ended April 30, 2017. 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 and 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.

The following tables set forth net revenue by segment for the periods presented:

Net Revenue	Fiscal Quarter Ended				Two Fiscal Quarters Ended			
	May 6, 2018	April 30, 2017	\$ Change	% Change	May 6, 2018	April 30, 2017	\$ Change	% Change
(In millions, except for percentages)								
Wired infrastructure	\$ 2,295	\$ 2,111	\$ 184	9%	\$ 4,170	\$ 4,195	\$ (25)	(1)%
Wireless communications	1,294	1,150	144	13%	3,504	2,325	1,179	51 %
Enterprise storage	1,162	712	450	63%	2,153	1,419	734	52 %
Industrial & other	263	217	46	21%	514	390	124	32 %
Total net revenue	<u>\$ 5,014</u>	<u>\$ 4,190</u>	<u>\$ 824</u>	<u>20%</u>	<u>\$ 10,341</u>	<u>\$ 8,329</u>	<u>\$ 2,012</u>	<u>24 %</u>

% of Net Revenue	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
Wired infrastructure	46%	50%	40%	50%
Wireless communications	26	28	34	28
Enterprise storage	23	17	21	17
Industrial & other	5	5	5	5
Total net revenue	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

*Fiscal quarter ended May 6, 2018 compared to corresponding prior year period.* Net revenue from our wired infrastructure segment increased primarily due to an increase in demand for our networking application-specific integrated circuit, or ASIC, products and an increase in demand from our data center and enterprise customers for our standard networking products. This increase was partially offset by a decrease in demand for our set top box and fiber optic products. Net revenue from our wireless communications segment increased primarily due to an increase in our wireless content in handsets. Net revenue from our enterprise storage segment increased primarily due to contributions from the Brocade FC SAN business and an increase in demand for our server storage connectivity products, partially offset by a decrease in demand for our hard disk drive, or HDD, products. Net revenue from our industrial & other segment increased primarily due to an increase in demand for our optocoupler and motion control products.

*Two fiscal quarters ended May 6, 2018 compared to corresponding prior year period.* Net revenue from our wired infrastructure segment was relatively flat, reflecting a decrease in demand for our standard networking, optical and set top box products primarily offset by an increase in demand for our networking ASIC products. Net revenue from our wireless communications segment increased primarily due to an increase in our wireless content in handsets, as well as a later than typical new handset ramp with a major customer, which resulted in higher shipments in the two quarters, as compared to the corresponding prior year period. Net revenue from our enterprise storage segment increased primarily due to contributions from the Brocade FC SAN business and an increase in demand for our server storage connectivity products, partially offset by a decrease in demand for our HDD products. Net revenue from our industrial & other segment increased primarily due to an increase in IP licensing revenue and an increase in demand for our optocoupler products.

#### Gross Margin

Gross margin was \$2,551 million for the fiscal quarter ended May 6, 2018 compared to \$1,976 million for the fiscal quarter ended April 30, 2017. Gross margin was \$5,179 million for the two fiscal quarters ended May 6, 2018 compared to \$3,977 million for the two fiscal quarters ended April 30, 2017. These increases were primarily due to the increases in net revenue compared to the prior periods, partially offset by increases in amortization of acquisition-related intangible assets.

As a percentage of net revenue, gross margin was 51% and 47% for the fiscal quarters ended May 6, 2018 and April 30, 2017, respectively. As a percentage of net revenue, gross margin was 50% and 48% for the two fiscal quarters ended May 6, 2018 and April 30, 2017, respectively. These increases were primarily due to the favorable gross margin impact of FC SAN products, as well as a more favorable product mix.

**Research and Development Expense**

Research and development expense increased \$107 million, or 13%, for the fiscal quarter ended May 6, 2018 compared to the fiscal quarter ended April 30, 2017. Research and development expense increased \$224 million, or 14%, for the two fiscal quarters ended May 6, 2018 compared to the two fiscal quarters ended April 30, 2017. Research and development expense as a percentage of net revenue was 18% and 20% for the two fiscal quarters ended May 6, 2018 and April 30, 2017, respectively. These increases in research and development expense dollars were primarily due to increases in stock-based compensation expense as well as the acquisition of Brocade. Stock-based compensation expense was higher in the fiscal quarter and two fiscal quarters ended May 6, 2018 primarily due to annual employee equity awards granted at higher grant-date fair values. Research and development expense as a percentage of net revenue decreased in the fiscal year 2018 periods compared to the prior year periods, as revenue growth outpaced the increase in research and development expense.

**Selling, General and Administrative Expense**

Selling, general and administrative expense increased \$90 million, or 44%, for the fiscal quarter ended May 6, 2018, compared to the fiscal quarter ended April 30, 2017. The increase in selling, general and administrative expense dollars was primarily due to an increase in acquisition-related costs, the acquisition of Brocade and an increase in stock-based compensation expense. Stock-based compensation expense was higher in the fiscal quarter ended May 6, 2018 due to annual employee equity awards granted at higher grant-date fair values.

Selling, general and administrative expense increased \$180 million, or 44%, for the two fiscal quarters ended May 6, 2018, compared to the two fiscal quarters ended April 30, 2017. The increase in selling, general and administrative expense dollars was primarily due to the acquisition of Brocade, an increase in acquisition-related costs and an increase in stock-based compensation expense. Stock-based compensation expense was higher in the fiscal quarter ended May 6, 2018 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 was \$67 million and \$406 million for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively, compared to \$442 million and \$882 million for the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively. The decreases were primarily due to the full amortization of certain intangible assets acquired in our acquisition of Broadcom Corporation, or BRCM, partially offset by the addition of amortization of intangible assets acquired in the Brocade Merger.

**Restructuring, Impairment and Disposal Charges**

Restructuring, impairment and disposal charges recognized in operating expenses, primarily related to employee termination costs, were \$53 million and \$183 million for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively, compared to \$27 million and \$73 million for the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively. These increases were mainly due to increases in restructuring activities resulting from the Brocade Merger.

## Segment Operating Results

The following table sets forth operating income by segment for the periods presented:

Operating Income	Fiscal Quarter Ended				Two Fiscal Quarters Ended			
	May 6, 2018	April 30, 2017	\$ Change	% Change	May 6, 2018	April 30, 2017	\$ Change	% Change
(In millions, except for percentages)								
Wired infrastructure	\$ 1,058	\$ 937	\$ 121	13 %	\$ 1,845	\$ 1,870	\$ (25)	(1)%
Wireless communications	522	414	108	26 %	1,581	841	740	88 %
Enterprise storage	720	382	338	88 %	1,299	757	542	72 %
Industrial & other	152	109	43	39 %	294	170	124	73 %
Unallocated expenses	(1,251)	(1,368)	117	(9)%	(2,875)	(2,658)	(217)	8 %
Total operating income	\$ 1,201	\$ 474	\$ 727	153 %	\$ 2,144	\$ 980	\$ 1,164	(119)%

*Fiscal quarter ended May 6, 2018 compared to corresponding prior year period.* Operating income from our wired infrastructure segment increased primarily due to an increase in demand for our networking ASIC products and an increase in demand from our data center and enterprise customers for our standard networking products, partially offset by a decrease in demand for our set top box and fiber optic products. Operating income from our wireless communications segment increased primarily due to higher revenue, largely resulting from an increase in our wireless content in handsets. Operating income from our enterprise storage segment increased due to contributions from the Brocade FC SAN business and an increase in revenue from our server storage connectivity products, partially offset by a decrease in demand for our HDD products. Operating income from our industrial & other segment increased primarily due to an increase in demand for our optocoupler and motion control products.

*Two fiscal quarters ended May 6, 2018 compared to corresponding prior year period.* Operating income from our wired infrastructure segment was largely flat, reflecting a decrease in demand for our standard networking, optical and set top box products primarily offset by an increase in demand for our networking ASIC products. Operating income from our wireless communications segment increased primarily due to an increase in our wireless content in handsets, as well as a later than typical new handset ramp with a major customer, which resulted in higher shipments in the two quarters, as compared to the corresponding prior year period. Operating income from our enterprise storage segment increased primarily due to contributions from the Brocade FC SAN business and an increase in demand for our server storage connectivity products, partially offset by a decrease in demand for our HDD products. Operating income from our industrial & other segment increased primarily due to an increase in revenue from IP licensing and an increase in demand for our optocoupler products.

Unallocated expenses include amortization of acquisition-related intangible assets, stock-based compensation expense, restructuring, impairment and disposal charges, acquisition-related costs, and other costs that are not used in evaluating the results of, or in allocating resources to, our segments. Unallocated expenses decreased 9% in the fiscal quarter ended May 6, 2018 compared with the corresponding prior year period primarily due to a reduction in amortization of acquisition-related intangible assets, partially offset by an increase in stock-based compensation. Unallocated expenses increased 8% in the two fiscal quarters ended May 6, 2018 compared with the corresponding prior year period, primarily due to increases in stock-based compensation expense, restructuring, impairment and disposal charges, purchase accounting effect on inventory and acquisition-related costs, partially offset by a reduction in amortization of acquisition-related intangible assets.

### Non-Operating Income and Expenses

*Interest expense.* Interest expense was \$148 million and \$331 million for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively, and \$112 million and \$223 million, for the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively. These increases were primarily due to the issuance and sale of our senior unsecured notes in October 2017 and debt commitment fees related to the Brocade Merger.

*Loss on extinguishment of debt.* Loss on extinguishment of debt was \$159 million for the two fiscal quarters ended April 30, 2017. We issued senior unsecured notes in January 2017 to repay all of the term loans outstanding under our guaranteed, collateralized credit agreement dated February 1, 2016. As a result, we wrote-off \$159 million of debt issuance costs.

*Other income, net.* Other income, net includes interest income, gains (losses) on foreign currency remeasurement and other miscellaneous items. Other income, net was \$46 million and \$81 million for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively, and \$3 million and \$34 million for the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively. These increases were primarily due to an increase in interest income and gains on foreign currency remeasurement.

*Benefit from income taxes.* For the fiscal quarter and two fiscal quarters ended May 6, 2018, we had a benefit from income taxes of \$2,637 million and \$8,423 million, respectively, compared to \$103 million and \$93 million for the fiscal quarter and two fiscal quarters ended April 30, 2017, respectively. The benefit from income taxes in the two fiscal quarters ended May 6, 2018 was principally a result of provisional income tax benefits realized from the enactment of the 2017 Tax Reform Act on December 22, 2017 and included the net deferred tax liabilities established in connection with the Brocade Merger. The benefit for the fiscal quarter ended May 6, 2018 included the impact from the April 4, 2018 completion of the Redomiciliation Transaction and related internal reorganizations. The impact included tax benefits from the reduction of \$1,063 million in unrecognized federal tax benefits related to a one-time transition tax, or the Transition Tax, \$431 million in the Transition Tax payable and \$1,162 million from the remeasurement of withholding taxes on undistributed earnings, partially offset by a \$91 million tax provision on foreign earnings and profit subject to U.S. tax. We also recognized discrete benefits from the recognition of \$127 million and \$155 million of excess tax benefits from stock-based awards that were vested and/or exercised during the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively.

Our provision for (benefit from) income taxes in future periods is likely to change as a result of the impact of internal restructuring and reorganizations, excess tax benefits or tax deficiencies from stock-based awards, and changes in tax regulation.

#### **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 generally 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 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 May 6, 2018 consisted of: (i) \$8,187 million in cash and cash equivalents 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 the fiscal quarter and two fiscal quarters ended May 6, 2018, we sold \$57 million of trade accounts receivable in connection with our factoring facility.

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) cash dividend payments (if and when declared by our Board of Directors), (v) stock repurchases, if any, (vi) interest and principal payments related to outstanding indebtedness and (vii) payment of income taxes, including taxes resulting from the intercompany transfer of IP. Beginning in April 2018, we expect to settle applicable withholding tax amounts due upon vesting of compensatory equity awards using cash on hand, and withholding from the grant recipient that number of shares having a value equivalent to the withholding tax amount, referred to as the Tax Shares. This net settlement method reduces the dilutive effects of such awards as they vest. Previously, Tax Shares were issued and mandatorily sold into the market, and the cash proceeds were used to pay such withholding tax amounts. We expect this change to result in an increased use of our cash, particularly in our second fiscal quarter when the majority of our outstanding equity awards vest. 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.

We expect our capital expenditures for fiscal year 2018 will be lower than fiscal year 2017, due primarily to completion of construction at our Irvine and San Jose campuses.

We believe that our cash and cash equivalents on hand and cash flows from operations will provide sufficient liquidity to operate our business and fund our current and assumed obligations for at least the next 12 months.

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. 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 our senior unsecured 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 decreased by \$3,017 million to \$8,187 million at May 6, 2018 from \$11,204 million at October 29, 2017.

The decrease was largely due to the following:

- \$4,780 million paid to fund the Brocade Merger;
- \$856 million payment of Brocade's assumed debt;
- \$1,521 million of dividend and distribution payments;
- \$409 million in capital expenditures;
- \$347 million for repurchases of common stock; and
- \$249 million for investment purchases.

The decrease was partially offset by the following:

- \$3,998 million in net cash provided by operating activities;
- \$782 million of proceeds from sales of businesses;
- \$238 million of proceeds from disposals of property, plant and equipment; and
- \$112 million from shares issued upon exercises of stock options and purchase rights under our employee stock purchase plan.

### Capital Returns

In April 2018, our Board of Directors authorized the repurchase of up to \$12 billion of our common stock from time to time on or prior to November 3, 2019, the end of our fiscal year 2019. Under our stock repurchase program, we repurchased and retired approximately 1.5 million shares of our common stock at a weighted average price of \$230.50 in the fiscal quarter ended May 6, 2018. As of May 6, 2018, \$11,653 million of the current authorization remained available under our stock repurchase program.

Repurchases under our stock repurchase program may be effected through a variety of methods, including open market or privately negotiated purchases. The timing and number of shares of common stock repurchased will depend on a variety of factors, including price, general business and market conditions and alternative investment opportunities. We are not obligated to repurchase any specific number of shares of common stock, and we may suspend or discontinue our repurchase program at any time.

	Fiscal Quarter Ended		Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017	May 6, 2018	April 30, 2017
	(In millions, except per share data)			
Cash dividends and distributions paid per share/unit	\$ 1.75	\$ 1.02	\$ 3.50	\$ 2.04
Cash dividends and distributions paid	\$ 766	\$ 437	\$ 1,521	\$ 868
Stock repurchases	\$ 347	\$ —	\$ 347	\$ —

**Cash Flows**

	Two Fiscal Quarters Ended	
	May 6, 2018	April 30, 2017
	(In millions)	
Net cash provided by operating activities	\$ 3,998	\$ 2,936
Net cash used in investing activities	(4,382)	(812)
Net cash used in financing activities	(2,633)	(967)
Net change in cash and cash equivalents	<u>\$ (3,017)</u>	<u>\$ 1,157</u>

**Operating Activities**

Cash provided by operating activities represents net income adjusted for certain non-cash items and changes in assets and liabilities. The \$1,062 million increase in cash provided by operations during the two fiscal quarters ended May 6, 2018, compared to the two fiscal quarters ended April 30, 2017, was due to the impact of net income and adjustments for non-cash items, offset by changes in assets and liabilities. Net income for the two fiscal quarters ended May 6, 2018 reflects an income tax benefit of \$8,423 million principally resulting from the enactment of the 2017 Tax Reform Act and the impact from the Redomiciliation Transaction and related internal reorganizations. This benefit was primarily non-cash and resulted in a significant adjustment to net income and included in the deferred taxes and non-cash taxes line in the condensed consolidated statement of cash flows for the two fiscal quarters ended May 6, 2018. Other non-cash adjustments to net income during the two fiscal quarters ended May 6, 2018, as compared to the two fiscal quarters ended April 30, 2017, primarily included a decrease in depreciation and amortization and a decrease in the non-cash portion of the debt extinguishment loss, partially offset by an increase in stock-based compensation.

**Investing Activities**

Cash used in investing activities consisted primarily of cash used for acquisitions, capital expenditures and investments, offset by proceeds from sales of businesses and assets. The change in investing cash flows for the two fiscal quarters ended May 6, 2018 compared to the two fiscal quarters ended April 30, 2017 primarily related to \$4,780 million paid for the Brocade Merger and a \$49 million increase in purchases of investments in the two fiscal quarters ended May 6, 2018, partially offset by a \$772 million increase in proceeds from sales of businesses, a \$238 million increase in proceeds from asset sales and a \$172 million decrease in capital expenditures.

**Financing Activities**

Cash used in financing activities consisted primarily of net proceeds and payments related to our long-term-debt, dividend and distribution payments, stock repurchases, the issuance of common stock pursuant to our employee equity incentive plans and payments of debt issuance costs. The change in financing cash flows for the two fiscal quarters ended May 6, 2018 compared to the two fiscal quarters ended April 30, 2017 was primarily due to an \$856 million payment of debt assumed in the Brocade Merger, a \$653 million increase in dividend and distribution payments and \$347 million of stock repurchases.

**Indebtedness**

See Note 6. "Borrowings" in Part I, Item 1 of this Form 10-Q.

**Contractual Commitments**

See Note 11. "Commitments and Contingencies" in Part I, Item 1 of this Form 10-Q.

**Off-Balance Sheet Arrangements**

We had no material off-balance sheet arrangements at May 6, 2018 as defined in Item 303(a)(4)(ii) of Regulation S-K under the Exchange Act.

**Indemnifications**

See Note 11. "Commitments and Contingencies" in Part I, Item 1 of this Form 10-Q.

**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 condensed consolidated financial statements, see Note 1. "Overview, Basis of Presentation and Significant Accounting Policies" in Part I, Item 1 of this Form 10-Q.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

There have been no material changes in market risk from the information presented in Part II, Item 7A. "Quantitative and Qualitative Disclosures About Market Risk," in the 2017 Annual Report on Form 10-K.

**Item 4. Controls and Procedures**

(a) *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 our disclosure controls and procedures as of May 6, 2018. We maintain disclosure controls and procedures that are intended to ensure that the information required to be disclosed in our Exchange Act filings is properly and timely recorded, processed, summarized and reported. These disclosure controls and procedures are also intended to ensure that information is accumulated and communicated to management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosures. Based on this evaluation, our CEO and CFO concluded that, as of May 6, 2018, our disclosure controls and procedures were effective at the reasonable assurance level.

In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their desired control objectives, and our management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

(b) *Changes in Internal Control over Financial Reporting.* There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**PART II — OTHER INFORMATION****Item 1. Legal Proceedings**

The information set forth under Note 11. "Commitments and Contingencies" included in Part I, Item 1 of this Form 10-Q, is incorporated herein by reference. For an additional discussion of certain risks associated with legal proceedings, see "Risk Factors" immediately below.

**Item 1A. Risk Factors**

As noted above, Broadcom Inc. is the successor to Broadcom-Singapore. Following the Redomiciliation Transaction, after close of market trading on April 4, 2018, Broadcom-Singapore became an indirect wholly-owned subsidiary of Broadcom Inc. and we subsequently deregistered the Partnership.

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 common stock. 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 come 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. For the two fiscal quarters ended May 6, 2018, sales to distributors accounted for 27% of our net revenue. Direct sales to Foxconn accounted for 12% of our net revenue for the two fiscal quarters ended May 6, 2018. We believe our aggregate sales to our top five end customers, through all channels, accounted for approximately 38% and 43% of our net revenue for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively. We believe aggregate sales to Apple Inc., through all channels, accounted for approximately 17% and 25% of our net revenue for the fiscal quarter and two fiscal quarters ended May 6, 2018, respectively. 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. In addition, we are selling an increasing amount of our products through a limited number of distributors, which may expose us to additional customer concentration and related credit risks.

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 contract 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 Taiwan Semiconductor Manufacturing Company Limited, or 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 two fiscal quarters ended May 6, 2018. 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 customers 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 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, gallium arsenide and indium phosphide 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, components and finished goods used in our products from a few materials providers, some of which are single source suppliers. During the two fiscal quarters ended May 6, 2018, 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. 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.

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. If we fail to complete an acquisition, our stock 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 industry sectors or geographic markets 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 stockholders. 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.

From time to time, we may also seek to divest or wind down portions of our business, both acquired or otherwise, 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 27% of our net revenue in the two fiscal quarters ended May 6, 2018. 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. 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 taxation of international businesses, which could increase our overall cash tax costs;
- 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 common stock may occur.

***If we are unable to attract and retain qualified personnel, especially our engineering 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 engineering 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.

***The Redomiciliation Transaction will likely increase our cash tax cost.***

As a result of the Redomiciliation Transaction and the effects of the 2017 Tax Reform Act, we expect our cash tax costs and overall effective cash tax rate will increase. There is still significant uncertainty as to how the 2017 Tax Reform Act will be implemented and as a result, our estimates of the overall cash tax impact of the Redomiciliation Transaction are expected to change as we continue to refine our analysis and as additional guidance becomes available. 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.

***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 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 integrated device manufacturers 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 integrated circuits, or 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 the film bulk acoustic resonator components used in many of our wireless devices and for the indium phosphide-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.

***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 May 6, 2018, 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 increasing protectionism, import/export restrictions, import/export duties and quotas, trade sanctions and customs duties and tariffs, all of which could increase under the current U.S. administration;
- uncertainty regarding social, political and trade policies in the United States and abroad;
- 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.

***Data privacy regulations are expanding and compliance with, and any violations of, these regulations may cause us to incur significant expenses.***

Privacy legislation, enforcement and policy activity in this area are expanding rapidly in many jurisdictions and creating a complex regulatory compliance environment. Costs to comply with and implement these privacy-related and data protection measures could be significant. In addition, even our inadvertent failure to comply with federal, state or international privacy-related or data protection laws and regulations could result in proceedings against us by governmental entities or others, and substantial fines and damages. The theft, loss or misuse of personal data collected, used, stored or transferred by us to run our business could result in significantly increased business and security costs or costs related to defending legal claims.

***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 stock 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 common stock 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 common stock may decline, and we may be subject to sanctions or investigation by regulatory authorities, including the SEC or The Nasdaq Global Select Market.

***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 earnings of non-U.S. subsidiaries of U.S. entities as well as the Transition Tax on accumulated earnings of non-U.S. subsidiaries of U.S. entities. 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.

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 and Development'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 by the Redomiciliation Transaction, all of which could materially, adversely affect financial results.***

We are a 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 Redomiciliation Transaction;
- 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.

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 comprehensive 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.

***The Internal Revenue Service may not agree that prior to the Redomiciliation Transaction Broadcom-Singapore should have been treated as a foreign corporation for U.S. federal income tax purposes.***

Although Broadcom-Singapore is a Singapore entity, the Internal Revenue Service, or IRS, may assert that following our acquisition of BRCM, Broadcom-Singapore should have been treated as a U.S. corporation for U.S. federal income tax purposes pursuant to Section 7874 of the Internal Revenue Code of 1986, as amended, or the Code. If the IRS were to determine that under Section 7874 of the Code, the former shareholders of BRCM held at least 60% of the vote or value of the ordinary shares of Broadcom-Singapore immediately after our acquisition of BRCM, such percentage referred to as the "Section 7874 Percentage", Broadcom-Singapore would be treated as a "surrogate foreign corporation" and several limitations could then 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 our acquisition of BRCM or any income received or accrued during such period by reason of a license of any property by BRCM to a foreign related person. 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 former shareholders as a result of our acquisition of BRCM. If the IRS were to determine the Section 7874 Percentage was 80% or more, then Broadcom-Singapore would be treated as a U.S. corporation for U.S. federal income tax purposes.

While we believe the Section 7874 Percentage was significantly less than 60%, determining the Section 7874 Percentage is complex and is subject to factual and legal uncertainties. There can be no assurance that the IRS will agree with our position.

#### **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, exposes us to interest rate risk to the extent of our variable rate indebtedness and prevent us from fulfilling our obligations under our indebtedness.***

As of May 6, 2018, our total consolidated indebtedness under our senior unsecured notes that were issued and sold in January 2017 and October 2017, collectively the 2017 Senior Notes, was \$17,550 million.

Our substantial indebtedness could have important consequences including:

- increasing our vulnerability to adverse general economic and industry conditions;
- exposing us to interest rate risk to the extent of our variable rate indebtedness, and we do not typically hedge against changes in interest rates;
- 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.

We receive debt ratings from the major credit rating agencies in the United States. 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 2017 Senior Notes or the trading market for our 2017 Senior Notes. Any credit rating downgrade could adversely impact our ability to access debt markets in the future and increase the cost of current or future debt.

***The instruments governing our indebtedness impose restriction on our business.***

The indentures governing the 2017 Senior Notes contain certain covenants imposing restrictions on our business. These restrictions may affect our ability to operate our business, to plan for, or react to, changes in the market conditions or our capital needs and may limit our ability to take advantage of potential business opportunities as they arise. The restrictions placed on us include 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.

***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. Our business may not continue to generate cash flow from operations in the future sufficient to satisfy our obligations under the 2017 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 2017 Senior Notes may be volatile.***

To the extent trading markets for the 2017 Senior Notes develop, the trading prices of the 2017 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 Owning Our Common Stock**

***At times, our stock 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 our common stock 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;
- stock price and volume fluctuations attributable to inconsistent trading volume levels of our common stock; and
- changes in our dividend or stock repurchase policies.

These fluctuations are often unrelated or disproportionate to our operating performance. 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 common stock. 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. and Emulex Corporation. 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.

***The amount and frequency of our stock repurchases may fluctuate.***

The amount, timing and execution of our stock repurchase program may fluctuate based on our priorities for the use of cash for other purposes, including operational spending, capital spending, acquisitions, and returning cash to our stockholders as dividend payments. Changes in cash flows, tax laws and our stock price could also impact our repurchase program.

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

As of March 31, 2018, we believe 15 of our 20 largest stockholders were active institutional investors who held approximately 35% of our outstanding shares of common stock in the aggregate, with Capital World Investors being our largest stockholder with 11% of our outstanding shares of common stock. These investors may sell their shares at any time for a variety of reasons and such sales could depress the market price of our common stock. In addition, any such sales of our common stock 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 our common stock 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.

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; our stock repurchase program; 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. Because we are a holding company, our ability to pay cash dividends is also limited by restrictions on our ability to obtain sufficient funds through dividends from subsidiaries.

***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 Quarterly Report on Form 10-Q could result in the actual operating results being different than the guidance, and such differences may be adverse and material.

## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

### Unregistered Sales of Equity Securities

As previously disclosed in our Current Report on Form 8-K12B filed with the SEC on April 4, 2018, all issued ordinary shares of Broadcom-Singapore as of immediately prior to the effective time of the Redomiciliation Transaction were exchanged on a one-for-one basis for newly issued shares of our common stock, \$0.001 par value per share. The Redomiciliation Transaction was effected by means of a statutory scheme of arrangement under the laws of the Republic of Singapore and was approved by the High Court of the Republic of Singapore.

The 415 million shares of our common stock issued in exchange for Broadcom-Singapore ordinary shares in the Redomiciliation Transaction were issued in reliance upon Section 3(a)(10) of the Securities Act of 1933, as amended, or the Securities Act, which exempts from the registration requirements any security that is issued in exchange for one or more bona fide outstanding securities where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange shall have the right to appear, by any court expressly authorized by law to grant such approval. Additional information about the Redomiciliation Transaction was filed by Broadcom-Singapore in a definitive proxy statement on Schedule 14A on March 9, 2018.

### Issuer Purchases of Equity Securities

In April 2018, our Board of Directors authorized the repurchase of up to \$12 billion of our common stock from time to time on or prior to November 3, 2019, the end of our fiscal year 2019.

The following table presents details of our various repurchases during the fiscal quarter ended May 6, 2018:

Period	Total Number of Shares Purchased	Average Price per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plan
(In millions, except per share data)				
April 23, 2018 — May 6, 2018	1.5	\$ 230.50	1.5	\$ 11,653

Repurchases under our stock repurchase program may be effected through a variety of methods, including open market or privately negotiated purchases in compliance with Rule 10b-18 promulgated under the Exchange Act, which may include purchases under plans complying with Rule 10b5-1 of the Exchange Act. The timing and number of shares of common stock repurchased will depend on a variety of factors, including price, general business and market conditions and alternative investment opportunities. We are not obligated to repurchase any specific number of shares of common stock, and we may suspend or discontinue our stock repurchase program at any time.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

None.

### Item 5. Other Information

None.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Description	Incorporated by Reference Herein		Filed Herewith
		Form	Filing Date	
2.1#	<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	
2.2	<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	
2.3#	<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="#">Amended and Restated Certificate of Incorporation of Broadcom Inc., adopted as of April 2, 2018</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
3.2	<a href="#">Amended and Restated Bylaws of Broadcom Inc., adopted as of April 2, 2018</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
4.1	<a href="#">Form of Common Stock Certificate.</a>			X
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="#">Supplement Indenture to the January 2017 Indenture, dated as of April 9, 2018.</a>	Broadcom Inc. Current Report on Form 8-K (Commission File No. 333-222898)	April 9, 2018	
4.4	<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	
4.5	<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	
4.6	<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	
4.7	<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 Number	Description	Incorporated by Reference Herein		Filed Herewith
		Form	Filing Date	
4.8	<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	
4.9	<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	
4.10	<a href="#">Supplemental Indenture to October 2017 Indenture, dated as of April 9, 2018.</a>	Broadcom Inc. Current Report on Form 8-K (Commission File No. 333-222898)	April 9, 2018	
4.11	<a href="#">Form of 2.200% Senior Note due 2021 (included in Exhibit 4.9).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.12	<a href="#">Form of 2.650% Senior Note due 2023 (included in Exhibit 4.9).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.13	<a href="#">Form of 3.125% Senior Note due 2025 (included in Exhibit 4.9).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.14	<a href="#">Form of 3.500% Senior Note due 2028 (included in Exhibit 4.9).</a>	Broadcom Limited Current Report on Form 8-K (Commission File No. 001-37690)	October 17, 2017	
4.15	<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 and Advancement Agreement.</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
10.2+	<a href="#">Amendment to the Broadcom Corporation 2012 Stock Incentive Plan.</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
10.3+	<a href="#">Amendment to the LSI Corporation 2003 Equity Incentive Plan.</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
10.4+	<a href="#">Amendment to the Emulex Corporation 2005 Equity Incentive Plan.</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
10.5+	<a href="#">Amendment to the Brocade Communication Systems, Inc., 2009 Stock Plan.</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	

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Exhibit Number	Description	Incorporated by Reference Herein		Filed Herewith
		Form	Filing Date	
10.6+	<a href="#">Amendment to the Brocade Communications Systems, Inc., Amended and Restated Inducement Award Plan.</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
10.7+	<a href="#">Amendment to the Broadcom Limited Second Amended and Restated Employee Stock Purchase Plan.</a>	Broadcom Inc. Current Report on Form 8-K12B (Commission File No. 333-222898)	April 4, 2018	
10.8+	<a href="#">Form of Restricted Stock Unit Award Agreement under Avago Technologies Limited 2009 Equity Incentive Plan (effective April 4, 2018).</a>			X
10.9+	<a href="#">Form of Performance Share Unit Agreement (Relative TSR) under Avago Technologies Limited 2009 Equity Incentive Award Plan (effective March 13, 2018).</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 15, 2018	
10.10+	<a href="#">Form of Performance Stock Unit Award Agreement (Relative TSR) under Avago Technologies Limited 2009 Equity Incentive Plan (effective April 4, 2018).</a>			X
10.11+	<a href="#">Form of Restricted Stock Unit Award Agreement under LSI Corporation 2003 Equity Incentive Plan, as amended (effective April 4, 2018).</a>			X
10.12+	<a href="#">Form of Restricted Stock Unit Award Agreement under Broadcom Corporation 2012 Stock Incentive Plan, as amended (effective April 4, 2018).</a>			X
10.13+	<a href="#">Form of Performance Share Unit Agreement (Relative TSR) under Broadcom Corporation 2012 Stock Incentive Plan (effective March 13, 2018).</a>	Broadcom Limited Quarterly Report on Form 10-Q (Commission File No. 001-37690)	March 15, 2018	
10.14+	<a href="#">Form of Performance Stock Unit Award Agreement (Relative TSR) under Broadcom Corporation 2012 Stock Incentive Plan (effective April 4, 2018).</a>			X
10.15+	<a href="#">Severance Benefit Agreement, dated January 23, 2014, between Avago Technologies Limited and Hock E. Tan.</a>			X
10.16+	<a href="#">Severance Benefit Agreement, dated October 17, 2016, between Broadcom Limited and Thomas H. Krause, Jr.</a>			X
10.17+	<a href="#">Severance Benefit Agreement, dated June 3, 2015, between Avago Technologies Limited and Charlie Kawwas.</a>			X
10.18+	<a href="#">Severance Benefit Agreement, dated September 26, 2017, between Broadcom Limited and Mark Brazeal.</a>			X
10.19+	<a href="#">Severance Benefit Agreement, dated January 30, 2014, between Avago Technologies Limited and Bryan Ingram.</a>			X
31.1	<a href="#">Certification of Principal Executive Officer of Broadcom Inc. 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

Exhibit Number	Description	Incorporated by Reference Herein		Filed Herewith
		Form	Filing Date	
31.2	<a href="#">Certification of Principal Financial Officer of Broadcom Inc. 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 Inc. 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 Inc. 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
#	Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Broadcom Inc. hereby undertakes to furnish supplementally copies of any omitted schedules upon request by the SEC.			
+	Indicates a management contract or compensatory plan or arrangement.			

**SIGNATURES**

Pursuant to the requirements 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 INC.**

By: /s/ Thomas H. Krause, Jr.  
Thomas H. Krause, Jr.  
Vice President and Chief Financial Officer

Date: June 14, 2018

COMMON SHARES

PAR VALUE \$0.001 per share

COMMON SHARES



BROADCOM INC.

INCORPORATED IN THE STATE OF DELAWARE  
COMPUTERSHARE TRUST COMPANY, N.A. 250 ROYALL STREET, CANTON, MA 02021

Certificate Number  
**ZQ00000000**

Shares  
\*\*\*\*\*000000\*\*\*\*\*  
\*\*\*\*\*000000\*\*\*\*\*  
\*\*\*\*\*000000\*\*\*\*\*  
\*\*\*\*\*000000\*\*\*\*\*  
\*\*\*\*\*000000\*\*\*\*\*

THIS CERTIFIES THAT

MR. SAMPLE & MRS. SAMPLE & MR. SAMPLE & MRS. SAMPLE

SEE REVERSE FOR CERTAIN DEFINITIONS  
CUSIP 11135F 10 1

is the owner of

\*\*\*ZERO HUNDRED THOUSAND ZERO HUNDRED AND ZERO\*\*\*

THIS CERTIFICATE IS TRANSFERABLE IN CITIES DESIGNATED BY THE TRANSFER AGENT, AVAILABLE ONLINE AT www.computershare.com

FULLY PAID COMMON SHARES PAR VALUE \$0.001 PER SHARE, OF

**Broadcom Inc. (hereinafter called the "Company")**, transferable on the books of the Company in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby, are issued and shall be held subject to all of the provisions of the Certificate of Incorporation, as amended, and the Bylaws, as amended, of the Company (copies of which are on file with the Company and with the Transfer Agent), to all of which each holder, by acceptance hereof, assents. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

DIRECTOR



DATED DD-MM-YYYY  
COUNTERSIGNED AND REGISTERED:  
COMPUTERSHARE TRUST COMPANY, N.A.  
TRANSFER AGENT AND REGISTRAR,

SECRETARY

By \_\_\_\_\_ AUTHORIZED SIGNATURE

SECURITY INSTRUCTIONS ON REVERSE



PO BOX 43804, Providence, RI 02904-3004

MR. A. SAMPLE  
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CUSIP	Holder ID	Insurance Value	Number of Shares	DTC	Certificate Numbers	Num.No.	Denom.	Total
XXXXXXXX XX X	XXXXXXXXXXXX	1,000,000.00	123456	123456	12345678901234567890	1	1	1
			2		12345678901234567890	2	2	2
			3		12345678901234567890	3	3	3
			4		12345678901234567890	4	4	4
			5		12345678901234567890	5	5	5
			6		12345678901234567890	6	6	6
			7		12345678901234567890	7	7	7
			<b>Total Transaction</b>					

**BROADCOM INC.**

THE CORPORATION WILL FURNISH TO ANY SHAREHOLDER UPON REQUEST AND SUBJECT TO A PAYMENT OF \$5 OR SUCH LESSER SUM AS MAY BE FIXED BY THE DIRECTORS OF THE CORPORATION, A COPY OF THE CORPORATION'S CERTIFICATE OF INCORPORATION.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT MIN ACT - .....Custodian..... (Cust) (Minor)
TEN ENT - as tenants by the entireties	under Uniform Gifts to Minors Act..... (State)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT - .....Custodian (unit age)..... (Cust) (State)
	.....under Uniform Transfers to Minors Act..... (Minor) (State)

Additional abbreviations may also be used though not in the above list.

For value received, \_\_\_\_\_ hereby sell, assign and transfer unto \_\_\_\_\_  
PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE

\_\_\_\_\_ fully-paid Common Shares represented by the within Certificate, and do hereby irrevocably constitute and appoint \_\_\_\_\_ Attorney to transfer and register the said shares on the Register of Members of the within named Corporation.

Dated: \_\_\_\_\_ 20\_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate, in every particular, without alteration or enlargement, or any change whatever.

**Signature(s) Guaranteed: Medallion Guarantee Stamp**  
THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17A-15.

SECURITY INSTRUCTIONS  
THIS IS WATERMARKED PAPER. DO NOT ACCEPT WITHOUT NOTING WATERMARK. HOLD TO LIGHT TO VERIFY WATERMARK.



The IRS requires that the named transfer agent ("we") report the cost basis of certain shares or units acquired after January 1, 2011. If your shares or units are covered by the legislation, and you requested to sell or transfer the shares or units using a specific cost basis calculation method, then we have processed as you requested. If you did not specify a cost basis calculation method, then we have defaulted to the first-in, first-out (FIFO) method. Please consult your tax advisor if you need additional information about cost basis.  
If you do not keep in contact with the issuer or do not have any activity in your account for the time period specified by state law, your property may become subject to state unclaimed property laws and transferred to the appropriate state.

1534201



**Notice of Grant of Restricted Stock Unit Award  
Under the Avago Technologies Limited  
2009 Equity Incentive Award Plan**

**BROADCOM INC.  
1320 Ridder Park Drive  
San Jose, CA 95131**

**GRANTEE NAME:** <Participant Name>  
**GRANTEE ID:** <Employee ID>  
**GRANT NUMBER:** <Client Grant ID>

**Grant Date:** <Grant Date>  
**Number of Restricted Stock Units:** <Number of Awards Granted>

On the grant date shown above, Broadcom Inc., a Delaware corporation (the “*Company*”), granted to the grantee identified above (“*you*” or the “*Participant*”) the number of restricted stock units shown above (the “*RSUs*” or “*Restricted Stock 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 share of the Company’s common stock (each, a “*Share*”).

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 Stock Unit Award Agreement (including Exhibits and Annexes 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 that the Company, in its sole discretion, may satisfy any withholding obligations in respect of the RSUs and any other restricted stock 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*”) in accordance with Section 2.6 of the Agreement by (i) withholding Shares otherwise issuable to you upon vesting of the RSUs or such Prior Award, (ii) instructing a broker on your behalf to sell Shares otherwise issuable to you upon vesting of the RSUs or such Prior Award and submit the proceeds of such sale to the Company or (iii) using any other method permitted by Section 2.6 of the Agreement, the Plan or the equity incentive plan pursuant to which such Prior Award was granted.
- (4) 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.
- (5) 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 STOCK UNIT AWARD AGREEMENT**

Broadcom Inc., a Delaware corporation (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 stock units (“*Restricted Stock Units*” or “*RSUs*”). The RSUs are subject to all of the terms and conditions set forth in this Restricted Stock Unit Award Agreement (including Exhibits and Annexes 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 Stock Unit represents the right to receive one Share if and when it vests. The Restricted Stock 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 STOCK 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 Stock Units pursuant to Section 2.3, 2.4 or 3.2, the Company shall deliver to the Participant a number of Shares equal

to the number of Restricted Stock Units that so vested, unless such Restricted Stock Units terminate prior to the given vesting date pursuant to Section 2.5. Notwithstanding the foregoing, in the event 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 Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that 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, 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 or the agreements evidencing any Prior Awards, 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 Shares or with respect to any Prior Awards. Such payment shall be made in such form of consideration as determined by the Company in its sole discretion, including:

(i) Cash or check;

(ii) Surrender of Shares otherwise issuable under the RSUs or Prior Awards, as applicable, and having an aggregate Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by applicable law;

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that you have placed a market sell order with a broker (the "**Agent**") with respect to the Shares then issuable under the RSUs or Prior Awards, as applicable (or the Company placing such an order on your behalf), and that the Agent has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; provided that payment of such proceeds is then made to the Company upon settlement of such sale (a "**Sell to Cover**")); or

(iv) By deduction from other compensation payable to you.

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 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 Stockholder. As a holder of RSUs you are not, and do not have any of the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the RSUs and any Shares issuable upon vesting thereof unless and until such 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 Shares are issued, except as provided in Section 14.2 of the Plan.

2.8 Conditions to Delivery of Shares. Subject to Section 11.4 of the Plan, the Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Shares to listing on all stock exchanges on which the Shares are then listed;

(b) The completion of any registration or other qualification of such 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 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 Stock 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 Shares contemplated by Section 14.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Shares), the Administrator shall make such adjustments as the Administrator deems appropriate in the number of Restricted Stock Units then outstanding and the number and kind of securities that may be issued in respect of the Restricted Stock 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 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 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.

\* \* \* \* \*

Notice of Grant of Performance Stock Unit Award  
Under the Avago Technologies Limited  
2009 Equity Incentive Award Plan

BROADCOM INC.  
1320 Ridder Park Drive  
San Jose, CA 95131

GRANTEE NAME: <Participant Name>

Grant Date:

<Grant Date>

GRANTEE ID: <Employee ID>

Number of Performance Stock Units:

<Grant Custom Field 4>

GRANT NUMBER: <Client Grant ID>

The maximum number of shares that may be issued in respect of the Performance Stock Units is <Number of Awards Granted> shares.

On the grant date shown above (the “**Grant Date**”), Broadcom Inc., a Delaware corporation (the “**Company**”), granted to the grantee identified above (“**you**” or the “**Participant**”) the number of performance stock units shown above (the “**PSUs**” or “**Performance Stock 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 shares of the Company’s common stock (each, a “**Share**”) as determined below.

The number of Shares issuable in respect of each Performance Period (as defined in Exhibit A) 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 shown above if you have not incurred a Termination of Services prior to the anniversary of the Grant Date immediately following the end of such Performance Period (each such anniversary, a “**Vesting Date**”).

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 Stock Unit Award Agreement (including Exhibits and Annexes 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 that the Company, in its sole discretion, may satisfy any withholding obligations in respect of the PSUs and any other restricted stock 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**”) in accordance with Section 2.6 of the Agreement by (i) withholding Shares otherwise issuable to you upon vesting of the PSUs or such Prior Award, (ii) instructing a broker on your behalf to sell Shares otherwise issuable to you upon vesting of the PSUs or such Prior Award and submit the proceeds of such sale to the Company or (iii) using any other method permitted by Section 2.6 of the Agreement, the Plan or the equity incentive plan pursuant to which such Prior Award was granted.

(4) 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 (the “**Foreign Provisions**”).

(5) 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 STOCK UNIT AWARD AGREEMENT

Broadcom Inc., a Delaware corporation (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 stock units (“*Performance Stock Units*” or “*PSUs*”). The PSUs are subject to all of the terms and conditions set forth in this Performance Stock Unit Award Agreement (including Exhibits and Annexes thereto 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 Stock Unit represents the right to receive a number of Shares determined in accordance with Exhibit A if and when it vests. The Performance Stock 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 STOCK 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 Notice of Grant as long as you have not had a Termination of Services prior to the applicable 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 Stock Units will vest on the Vesting Date following the originally scheduled Performance Period related to such Performance Stock Units, with the number of Shares to be issued upon such vesting determined using the Achievement Factor calculated in accordance with this Section 2.4, subject, in each case, to you not experiencing a Termination of Services prior to the applicable Vesting Date. For the avoidance of doubt, the Performance Stock Units shall be subject to any accelerated vesting applicable to such Performance Stock 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 the Notice of Grant and 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 Shares, if any, issuable in respect of such Performance Period, as determined in accordance with the Notice of Grant. Notwithstanding the foregoing, in the event 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 Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that 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, 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 or the agreements evidencing any Prior Awards, 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 Shares or with respect to any Prior Awards. Such payment shall be made in such form of consideration as determined by the Company in its sole discretion, including:

(i) Cash or check;

(ii) Surrender of Shares otherwise issuable under the PSUs or Prior Awards, as applicable, and having an aggregate Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by applicable law;

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that you have placed a market sell order with a broker (the “*Agent*”) with respect to the Shares then issuable under the PSUs or Prior Awards, as applicable (or the Company placing such an order on your behalf), and that the Agent has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; provided that payment of such proceeds is then made to the Company upon settlement of such sale (a “*Sell to Cover*”)); or

(iv) By deduction from other compensation payable to you.

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 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 Stockholder. As a holder of PSUs you are not, and do not have any of the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the PSUs and any Shares issuable upon vesting or settlement thereof unless and until such 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 Shares are issued, except as provided in Section 14.2 of the Plan.

2.8 Conditions to Delivery of Shares. Subject to Section 11.4 of the Plan, the Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Shares to listing on all stock exchanges on which the Shares are then listed;

(b) The completion of any registration or other qualification of such 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 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 Shares contemplated by Section 14.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Shares), the Administrator shall make such adjustments as the Administrator deems appropriate in the number of Performance Stock Units then outstanding and the number and kind of securities that may be issued in respect of the Performance Stock 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 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 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 STOCK 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 stockholder 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 a 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 on the first day of the Performance Period as the beginning share price, and the Average Market Value 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 a 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 2 on or immediately preceding the Grant Date (the **“Performance Period Commencement Date”**) through March 1 of the first calendar year following the Performance Period Commencement Date (**“Performance Period 1”**), the Performance Period Commencement Date through March 1 of the second calendar year

following the Performance Period Commencement Date (“**Performance Period 2**”), the Performance Period Commencement Date through the March 1 of the third calendar year following the Performance Period Commencement Date (“**Performance Period 3**”) and the Performance Period Commencement Date through March 1 of the fourth calendar year following the Performance Period Commencement Date (“**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 Performance Periods 1, 2 and 3	Achievement Factor
Below the 25 <sup>th</sup> percentile of the S&P 500	0
At the 25 <sup>th</sup> percentile of the S&P 500	0.50
At or above the 50 <sup>th</sup> percentile of the S&P 500	1

Relative TSR Performance Period 4	Achievement Factor
Below the 25 <sup>th</sup> percentile of the S&P 500	0
At the 25 <sup>th</sup> percentile of the S&P 500	Prior Achievement Sum greater than or equal to 1.5 = 0.5. Prior Achievement Sum less than 1.5 = 2 less the Prior Achievement Sum.
At the 50 <sup>th</sup> percentile of the S&P 500	4 less the Prior Achievement Sum.
At or above the 75 <sup>th</sup> percentile of the S&P 500	Absolute TSR Negative = 4 less the Prior Achievement Sum. Absolute TSR 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 Shares issuable in respect of the PSUs shall in no event exceed two times the number of PSUs shown in the Notice of Grant, 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). If our absolute TSR is negative for Performance Period 4, then the maximum number of Shares issuable in respect of the PSUs is 100% of the number of PSUs shown in the Notice of Grant.

**Notice of Grant of Restricted Stock Unit Award  
Under the LSI Corporation  
2003 Equity Incentive Plan**

**BROADCOM INC.  
1320 Ridder Park Drive  
San Jose, CA 95131**

**GRANTEE NAME:** <Participant Name>  
**GRANTEE ID:** <Employee ID>  
**GRANT NUMBER:** <Client Grant ID>

**Grant Date:** <Grant Date>  
**Number of Restricted Stock Units:** <Number of Awards Granted>

On the grant date shown above, Broadcom Inc., a Delaware corporation (the “*Company*”), granted to the grantee identified above (“*you*” or the “*Participant*”) the number of restricted stock units shown above (the “*RSUs*” or “*Restricted Stock 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 share of the Company’s common stock (each, a “*Share*”).

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 Stock Unit Award Agreement (including Exhibits and Annexes 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 that the Company, in its sole discretion, may satisfy any withholding obligations in respect of the RSUs and any other restricted stock 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*”) in accordance with Section 2.6 of the Agreement by (i) withholding Shares otherwise issuable to you upon vesting of the RSUs or such Prior Award, (ii) instructing a broker on your behalf to sell Shares otherwise issuable to you upon vesting of the RSUs or such Prior Award and submit the proceeds of such sale to the Company or (iii) using any other method permitted by Section 2.6 of the Agreement, the Plan or the equity incentive plan pursuant to which such Prior Award was granted.
- (4) 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.
- (5) 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 STOCK UNIT AWARD AGREEMENT

Broadcom Inc., a Delaware corporation (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 stock units (“*Restricted Stock Units*” or “*RSUs*”). The RSUs are subject to all of the terms and conditions set forth in this Restricted Stock Unit Award Agreement (including Exhibits and Annexes 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 Stock Unit represents the right to receive one Share if and when it vests. The Restricted Stock 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 STOCK 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 Stock Units pursuant to Section 2.3, 2.4 or 3.2, the Company shall deliver to the Participant a number of Shares equal to the number of Restricted Stock Units that so vested, unless such Restricted Stock Units terminate prior to the given vesting date pursuant to Section 2.5. Notwithstanding the foregoing, in the event 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 Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Committee determines that 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, 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 or the agreements evidencing any Prior Awards, 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 Shares or with respect to any Prior Awards. Such payment shall be made in such form of consideration as determined by the Company in its sole discretion, including:

(i) Cash or check;

(ii) Surrender of Shares otherwise issuable under the RSUs or Prior Awards, as applicable, and having an aggregate Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by applicable law;

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that you have placed a market sell order with a broker (the "**Agent**") with respect to the Shares then issuable under the RSUs or Prior Awards, as applicable (or the Company placing such an order on your behalf), and that the Agent has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; provided that payment of such proceeds is then made to the Company upon settlement of such sale (a "**Sell to Cover**")); or

(iv) By deduction from other compensation payable to you.

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 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 Stockholder. As a holder of RSUs you are not, and do not have any of the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the RSUs and any Shares issuable upon vesting thereof unless and until such 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 Shares are issued, except as provided in Section 4.3 of the Plan.

2.8 Conditions to Delivery of Shares. Subject to Section 13.3 of the Plan, the Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Shares to listing on all stock exchanges on which the Shares are then listed;

(b) The completion of any registration or other qualification of such 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 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 Stock 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 Shares contemplated by Section 4.3 of the Plan (including, without limitation, an extraordinary cash dividend on such Shares), the Committee shall make such adjustments as the Committee deems appropriate in the number of Restricted Stock Units then outstanding and the number and kind of securities that may be issued in respect of the Restricted Stock 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 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 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.

\* \* \* \* \*

**Notice of Grant of Restricted Stock Unit Award  
Under the Broadcom Corporation  
2012 Stock Incentive Plan**

**BROADCOM INC.  
1320 Ridder Park Drive  
San Jose, CA 95131**

**GRANTEE NAME:** <Participant Name>  
**GRANTEE ID:** <Employee ID>  
**GRANT NUMBER:** <Client Grant ID>

**Grant Date:** <Grant Date>  
**Number of Restricted Stock Units:** <Number of Awards Granted>

On the grant date shown above, Broadcom Inc., a Delaware corporation (the “*Company*”), granted to the grantee identified above (“*you*” or the “*Participant*”) the number of restricted stock units shown above (the “*RSUs*” or “*Restricted Stock 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 share of the Company’s common stock (each, a “*Share*”).

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 Stock Unit Award Agreement (including Exhibits and Annexes 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 that the Company, in its sole discretion, may satisfy any withholding obligations in respect of the RSUs and any other restricted stock 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*”) in accordance with Section 2.6 of the Agreement by (i) withholding Shares otherwise issuable to you upon vesting of the RSUs or such Prior Award, (ii) instructing a broker on your behalf to sell Shares otherwise issuable to you upon vesting of the RSUs or such Prior Award and submit the proceeds of such sale to the Company or (iii) using any other method permitted by Section 2.6 of the Agreement, the Plan or the equity incentive plan pursuant to which such Prior Award was granted.
- (4) 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.
- (5) 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 STOCK UNIT AWARD AGREEMENT**

Broadcom Inc., a Delaware corporation (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 stock units (“*Restricted Stock Units*” or “*RSUs*”). The RSUs are subject to all of the terms and conditions set forth in this Restricted Stock Unit Award Agreement (including Exhibits and Annexes 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 Stock Unit represents the right to receive one Share if and when it vests. The Restricted Stock 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 STOCK 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 Stock Units pursuant to Section 2.3, 2.4 or 3.2, the Company shall deliver to the Participant a number of Shares equal

to the number of Restricted Stock Units that so vested, unless such Restricted Stock Units terminate prior to the given vesting date pursuant to Section 2.5. Notwithstanding the foregoing, in the event 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 Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Plan Administrator determines that 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, 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 or the agreements evidencing any Prior Awards, 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 Shares or with respect to any Prior Awards. Such payment shall be made in such form of consideration as determined by the Company in its sole discretion, including:

(i) Cash or check;

(ii) Surrender of Shares otherwise issuable under the RSUs or Prior Awards, as applicable, and having an aggregate Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by applicable law;

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that you have placed a market sell order with a broker (the "**Agent**") with respect to the Shares then issuable under the RSUs or Prior Awards, as applicable (or the Company placing such an order on your behalf), and that the Agent has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; provided that payment of such proceeds is then made to the Company upon settlement of such sale (a "**Sell to Cover**")); or

(iv) By deduction from other compensation payable to you.

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 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 Stockholder. As a holder of RSUs you are not, and do not have any of the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the RSUs and any Shares issuable upon vesting thereof unless and until such 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 Shares are issued, except as provided in Section II.A of Article Three of the Plan.

2.8 Conditions to Delivery of Shares. Subject to Section VI of Article Five of the Plan, the Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares deliverable hereunder prior to fulfillment of all of the following conditions:

(a) The admission of such Shares to listing on all stock exchanges on which the Shares are then listed;

(b) The completion of any registration or other qualification of such 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 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 Stock 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 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 Shares), the Plan Administrator shall make such adjustments as the Plan Administrator deems appropriate in the number of Restricted Stock Units then outstanding and the number and kind of securities that may be issued in respect of the Restricted Stock 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 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 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.

\* \* \* \* \*

Notice of Grant of Performance Stock Unit Award  
Under the Broadcom Corporation 2012 Stock Incentive Plan

BROADCOM INC.  
1320 Ridder Park Drive  
San Jose, CA 95131

GRANTEE NAME: <Participant Name>

Grant Date:

<Grant Date>

GRANTEE ID: <Employee ID>

Number of Performance Stock Units:

<Grant Custom Field 4>

GRANT NUMBER: <Client Grant ID>

The maximum number of shares that may be issued in respect of the Performance Stock Units is <Number of Awards Granted> shares.

On the grant date shown above (the “*Grant Date*”), Broadcom Inc., a Delaware corporation (the “*Company*”), granted to the grantee identified above (“*you*” or the “*Participant*”) the number of performance stock units shown above (the “*PSUs*” or “*Performance Stock 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 shares of the Company’s common stock (each, a “*Share*”) as determined below.

The number of Shares issuable in respect of each Performance Period (as defined in Exhibit A) 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 shown above, if you have not incurred a Termination of Services prior to the anniversary of the Grant Date immediately following the end of such Performance Period (each such anniversary, a “*Vesting Date*”).

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 Stock Unit Award Agreement (including Exhibits and Annexes 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 that the Company, in its sole discretion, may satisfy any withholding obligations in respect of the PSUs and any other restricted stock 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*”) in accordance with Section 2.6 of the Agreement by (i) withholding Shares otherwise issuable to you upon vesting of the PSUs or such Prior Award, (ii) instructing a broker on your behalf to sell Shares otherwise issuable to you upon vesting of the PSUs or such Prior Award and submit the proceeds of such sale to the Company or (iii) using any other method permitted by Section 2.6 of the Agreement, the Plan or the equity incentive plan pursuant to which such Prior Award was granted.
- (4) 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 (the “*Foreign Provisions*”).
- (5) 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 STOCK UNIT AWARD AGREEMENT

Broadcom Inc., a Delaware corporation (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 stock units (“*Performance Stock Units*” or “*PSUs*”). The PSUs are subject to all of the terms and conditions set forth in this Performance Stock Unit Award Agreement (including Exhibits and Annexes thereto 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 Stock Unit represents the right to receive a number of Shares determined in accordance with Exhibit A if and when it vests. The Performance Stock 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 STOCK 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 Notice of Grant as long as you have not had a Termination of Services prior to the applicable 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 Stock Units will vest on the Vesting Date following the originally scheduled Performance Period related to such Performance Stock Units, with the number of Shares to be issued upon such vesting determined using the Achievement Factor calculated in accordance with this Section 2.4, subject, in each case, to you not experiencing a Termination of Services prior to the applicable Vesting Date. For the avoidance of doubt, the Performance Stock Units shall be subject to any accelerated vesting applicable to such Performance Stock 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 the Notice of Grant and 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 Shares, if any, issuable in respect of such Performance Period, as determined in accordance with the Notice of Grant. Notwithstanding the foregoing, in the event 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 Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Plan Administrator determines that 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, 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 or the agreements evidencing any Prior Awards, 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 Shares or with respect to any Prior Awards. Such payment shall be made in such form of consideration as determined by the Company in its sole discretion, including:

(i) Cash or check;

(ii) Surrender of Shares otherwise issuable under the PSUs or Prior Awards, as applicable, and having an aggregate Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by applicable law;

(iii) Other property acceptable to the Company in its sole discretion (including, without limitation, through the delivery of a notice that you have placed a market sell order with a broker (the **“Agent”**) with respect to the Shares then issuable under the PSUs or Prior Awards, as applicable (or the

Company placing such an order on your behalf), and that the Agent has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; provided that payment of such proceeds is then made to the Company upon settlement of such sale (a “**Sell to Cover**”); or

- (iv) By deduction from other compensation payable to you.

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 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 Stockholder.** As a holder of PSUs you are not, and do not have any of the rights or privileges of, a stockholder of the Company, including, without limitation, any dividend rights or voting rights, in respect of the PSUs and any Shares issuable upon vesting or settlement thereof unless and until such 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 Shares are issued, except as provided in Section II.A of Article Three of the Plan.

2.8 **Conditions to Delivery of Shares.** Subject to Section VI of Article Five of the Plan, the Shares deliverable hereunder, or any portion thereof, may be either previously authorized but unissued Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any Shares deliverable hereunder prior to fulfillment of all of the following conditions:

- (a) The admission of such Shares to listing on all stock exchanges on which the Shares are then listed;

(b) The completion of any registration or other qualification of such 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 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 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 Shares), the Plan Administrator shall make such adjustments as the Plan Administrator deems appropriate in the number of Performance Stock Units then outstanding and the number and kind of securities that may be issued in respect of the Performance Stock 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 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 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 STOCK 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 stockholder 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 a 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 on the first day of the Performance Period as the beginning share price, and the Average Market Value 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 a 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 2 on or immediately preceding the Grant Date (the “**Performance Period Commencement Date**”) through March 1 of the first calendar year following the Performance Period Commencement Date (“**Performance Period 1**”), the Performance Period Commencement Date through March 1 of the second calendar year following the Performance Period Commencement Date (“**Performance Period 2**”), the Performance Period Commencement Date through the March 1 of the third calendar year following the Performance Period Commencement Date (“**Performance Period 3**”) and the Performance Period Commencement Date through March 1 of the fourth calendar year following the Performance Period Commencement Date (“**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 Performance Periods 1, 2 and 3	Achievement Factor
Below the 25 <sup>th</sup> percentile of the S&P 500	0
At the 25 <sup>th</sup> percentile of the S&P 500	0.50
At or above the 50 <sup>th</sup> percentile of the S&P 500	1

Relative TSR Performance Period 4	Achievement Factor
Below the 25 <sup>th</sup> percentile of the S&P 500	0
At the 25 <sup>th</sup> percentile of the S&P 500	Prior Achievement Sum greater than or equal to 1.5 = 0.5. Prior Achievement Sum less than 1.5 = 2 less the Prior Achievement Sum.
At the 50 <sup>th</sup> percentile of the S&P 500	4 less the Prior Achievement Sum.
At or above the 75 <sup>th</sup> percentile of the S&P 500	Absolute TSR Negative = 4 less the Prior Achievement Sum. Absolute TSR 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 Shares issuable in respect of the PSUs shall in no event exceed two times the number of PSUs shown in the Notice of Grant, 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). If our absolute TSR is negative for Performance Period 4, then the maximum number of Shares issuable in respect of the PSUs is 100% of the number of PSUs shown in the Notice of Grant.

**AVAGO TECHNOLOGIES LIMITED**  
**SEVERANCE BENEFIT AGREEMENT**

This Severance Benefit Agreement (the “**Agreement**”) is made and entered into by and between Hock E. Tan (“**Executive**”) and Avago Technologies Limited (company registration number 200510713C), a public company incorporated under the Singapore Companies Act (the “**Company**”), effective as of the later of the (i) the latest date set forth by the signatures of the parties hereto below or (ii) the date the Company’s shareholders approve this Agreement (the “**Effective Date**”). Upon the Effective Date, this Agreement supersedes the change in control and severance provisions of that certain offer letter agreement between the Company and Executive, as amended (the “**Offer Letter**”), in their entirety. In the event, the shareholders of the Company fail to approve this Agreement at the Company’s 2014 annual general meeting of shareholders, it shall become void ab initio, and the change in control and severance provisions of the Offer Letter shall remain in full force and effect.

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, “**Avago**”) that enhance Executive’s financial security and provide incentive and encouragement to Executive to remain with Avago 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 Avago is and shall continue to be “at-will,” as defined under applicable law. If Executive’s employment with Avago 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 Avago, 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, 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 first (1st) anniversary of the Termination Date. Executive shall also be entitled to receive an additional amount equal to the lesser of (i) Executive’s actual cash bonus for the prior year and (ii) Executive’s target cash bonus for the prior year. Such payments shall be made in substantially equal installments in accordance with Avago’s standard payroll policies, less applicable withholdings, with such installments to commence on the sixtieth (60th) day following the Termination Date with the first installment to include any amount that would have been paid had installments commenced on the Termination Date.

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 Avago a Release of Claims that becomes effective and irrevocable within sixty (60) days, or such shorter period of time specified by Avago, 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, Avago shall provide Executive with the following, provided that such payments shall be reduced by any payments which as of such date have already been made pursuant to Section 4 hereof:

(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 second (2nd) anniversary of the Termination Date. Executive shall also be entitled to receive an additional amount equal to the lesser of two hundred percent (200%) of (i) Executive’s actual cash bonus for the prior year and (ii) Executive’s target cash bonus for the prior year. Such payments shall be made in substantially equal installments in accordance with Avago’s standard payroll policies, less applicable withholdings, with such installments to commence on the sixtieth (60th) day following the Termination Date and with the first installment to include any amount that would have been paid had the installments commenced 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.

6. Other Terminations. If Executive's service with Avago is terminated by Avago 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 Avago for general audit purposes as of the day prior to the effective date of the Change in Control shall perform the foregoing calculations. Avago 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 Avago 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 Avago or Executive) or such other time as requested by Avago or Executive. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon Avago 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 Avago 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 Avago, including, but not limited to, misappropriation or conversion of assets of Avago (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 period of time commencing three (3) months prior to and ending twelve (12) months following a Change in Control.

(d) Covered Termination. “**Covered Termination**” means the termination of Executive’s employment by Avago 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 Avago 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 Avago’s benefit programs that is inconsistent with the eligibility of executive employees of Avago to participate therein; (D) Avago 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) Avago’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 Avago; provided, that at Avago’s request Executive shall provide Avago 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 Avago 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 (30th) day following Avago’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. 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 Avago has on file for Executive. In the case of the Company or Avago, 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 Avago pursuant to Executive's confidential information and inventions assignment 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. Avago 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 Avago within the meaning of Section 409A of the Code and the Department of Treasury regulations and other guidance promulgated thereunder ("**Separation from Service**").

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 13(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. 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, the change in control and severance provisions of the Offer Letter.

(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.

**AVAGO TECHNOLOGIES LIMITED**

(Company Registration Number 200510713C)

By: /s/ James V. Diller

Title: Chairman of the Board of Directors Date: January 23, 2014

**EXECUTIVE**

/s/ Hock E. Tan

Hock E. Tan

Date: January 23, 2014

Broadcom Inc.  
1320 Ridder Park Drive San Jose, CA 95131

April 4, 2018

Hock E. Tan  
1320 Ridder Park Drive  
San Jose, California 95131

Re: Assumption of Severance Benefit Agreement

Dear Hock E. Tan:

Reference is made to that certain Severance Benefit Agreement entered into between you and Avago Technologies Limited as of January 23, 2014 and previously assumed by Broadcom Limited, a public company limited by shares incorporated under the laws of the Republic of Singapore ("**Broadcom Singapore**") and such agreement, (the "**Severance Benefit Agreement**"). Broadcom Singapore entered into an Implementation Agreement dated February 28, 2018 with Broadcom Inc., a Delaware corporation ("**Broadcom Delaware**"), in connection with which, among other things, all of the outstanding ordinary shares of Broadcom Singapore were exchanged for shares of Broadcom Delaware common stock and Broadcom Delaware became the publicly traded parent company of the Broadcom corporate group (the "**Redomiciliation Transaction**").

In connection with the closing of the Redomiciliation Transaction and in accordance with Section 9(a) of the Severance Benefit Agreement, Broadcom Delaware assumed Broadcom Singapore's obligations under the Severance Benefit Agreement. Accordingly, all references to Broadcom Singapore or Avago Technologies Limited in the Severance Benefit Agreement shall be deemed to mean and refer to Broadcom Delaware, and all references to compensatory equity or equity-linked awards shall be deemed to mean and refer to compensatory equity or equity-linked awards covering shares of Broadcom Delaware's common stock.

Please indicate your receipt and acknowledgment of this letter by signing below. If you have any questions, please contact Mark Brazeal at (408) 433-6336 and [mark.brazeal@broadcom.com](mailto:mark.brazeal@broadcom.com).

*(signature page follows)*

Very truly yours,

/s/ James Diller Sr.  
James Diller Sr.  
Chairman of the Board of Directors

Acknowledged:

/s/ Hock E. Tan  
Hock E. Tan  
Date: April 4, 2018

*(Signature Page to letter Regarding Assumption of Severance Benefit Agreement)*

**BROADCOM LIMITED**

**SEVERANCE BENEFIT AGREEMENT**

This Severance Benefit Agreement (the “**Agreement**”) is made and entered into by and between Thomas H. Krause, Jr., (“**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: October 17, 2016

**EXECUTIVE**

/s/ Thomas H. Krause, Jr.

Thomas H. Krause, Jr.

Date: October 17, 2016

Broadcom Inc.  
1320 Ridder Park Drive  
San Jose, CA 95131

April 4, 2018

Thomas H. Krause, Jr. 1320 Ridder Park Drive San Jose, California 95131

Re: Assumption of Severance Benefit Agreement

Dear Thomas H. Krause, Jr.:

Reference is made to that certain Severance Benefit Agreement entered into between you and Broadcom Limited, a public company limited by shares incorporated under the laws of the Republic of Singapore ("**Broadcom Singapore**") as of October 17, 2016 (the "**Severance Benefit Agreement**"). Broadcom Singapore entered into an Implementation Agreement dated February 28, 2018 with Broadcom Inc., a Delaware corporation ("**Broadcom Delaware**"), in connection with which, among other things, all of the outstanding ordinary shares of Broadcom Singapore were exchanged for shares of Broadcom Delaware common stock and Broadcom Delaware became the publicly traded parent company of the Broadcom corporate group (the "**Redomiciliation Transaction**").

In connection with the closing of the Redomiciliation Transaction and in accordance with Section 9(a) of the Severance Benefit Agreement, Broadcom Delaware assumed Broadcom Singapore's obligations under the Severance Benefit Agreement. Accordingly, all references to Broadcom Singapore in the Severance Benefit Agreement shall be deemed to mean and refer to Broadcom Delaware, and all references to compensatory equity or equity-linked awards shall be deemed to mean and refer to compensatory equity or equity-linked awards covering shares of Broadcom Delaware's common stock.

Please indicate your receipt and acknowledgment of this letter by signing below. If you have any questions, please contact Mark Brazeal at (408) 433-6336 and mark.brazeal@broadcom.com.

*(signature page follows)*

Very truly yours,

/s/ Hock E. Tan  
Hock E. Tan  
President and Chief Executive Officer

Acknowledged:

/s/ Thomas H. Krause Jr.  
Thomas H. Krause Jr.  
Date: April 4, 2018

*(Signature Page to Letter Regarding Assumption of Severance Benefit Agreement)*

**AVAGO TECHNOLOGIES LIMITED**  
**SEVERANCE BENEFIT AGREEMENT**

This Severance Benefit Agreement (the “**Agreement**”) is made and entered into by and between Charlie Kawwas (“**Executive**”) and Avago Technologies Limited (company registration number 200510713C), 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, “**Avago**”) that enhance Executive’s financial security and provide incentive and encouragement to Executive to remain with Avago 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 Avago is and shall continue to be “at-will,” as defined under applicable law. If Executive’s employment with Avago 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 Avago, 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, Avago 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 Avago'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**"), Avago 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 Avago 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 Avago a Release of Claims that becomes effective and irrevocable within sixty (60) days, or such shorter period of time specified by Avago, 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, Avago 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 Avago'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, Avago 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 Avago 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 Avago is terminated by Avago 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 Avago for general audit purposes as of the day prior to the effective date of the Change in Control shall perform the foregoing calculations. Avago 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 Avago 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 Avago or Executive) or such other time as requested by Avago or Executive. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon Avago 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 Avago 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 Avago, including, but not limited to, misappropriation or conversion of assets of Avago (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 Avago 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 Avago 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 Avago’s benefit programs that is inconsistent with the eligibility of executive employees of Avago to participate therein; (D) Avago 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) Avago’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 Avago; provided, that at Avago’s request Executive shall provide Avago 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 Avago 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 Avago’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

Avago has on file for Executive. In the case of the Company or Avago, 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 Avago 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. Avago 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 Avago 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.

**AVAGO TECHNOLOGIES LIMITED**  
(Company Registration Number 200510713C)

By:           /s/ Hock E. Tan            
Name: Hock E. Tan  
Title: President and Chief Executive Officer  
Date: June 3, 2015

**EXECUTIVE**

          /s/ Charlie Kawwas            
Charlie Kawwas  
Date: June 9, 2015

Broadcom Inc.  
1320 Ridder Park Drive  
San Jose, CA 95131

April 4, 2018

Charles B. Kawwas, Ph.D. 1320 Ridder Park Drive San Jose, California 95131

Re: Assumption of Severance Benefit Agreement

Dear Charles B. Kawwas, Ph.D.:

Reference is made to that certain Severance Benefit Agreement entered into between you and Avago Technologies Limited as of June 9, 2015 and previously assumed by Broadcom Limited, a public company limited by shares incorporated under the laws of the Republic of Singapore ("**Broadcom Singapore**" and such agreement, (the "**Severance Benefit Agreement**"). Broadcom Singapore entered into an Implementation Agreement dated February 28, 2018 with Broadcom Inc., a Delaware corporation ("**Broadcom Delaware**"), in connection with which, among other things, all of the outstanding ordinary shares of Broadcom Singapore were exchanged for shares of Broadcom Delaware common stock and Broadcom Delaware became the publicly traded parent company of the Broadcom corporate group (the "**Redomiciliation Transaction**").

In connection with the closing of the Redomiciliation Transaction and in accordance with Section 9(a) of the Severance Benefit Agreement, Broadcom Delaware assumed Broadcom Singapore's obligations under the Severance Benefit Agreement. Accordingly, all references to Broadcom Singapore or Avago Technologies Limited in the Severance Benefit Agreement shall be deemed to mean and refer to Broadcom Delaware, and all references to compensatory equity or equity-linked awards shall be deemed to mean and refer to compensatory equity or equity-linked awards covering shares of Broadcom Delaware's common stock.

Please indicate your receipt and acknowledgment of this letter by signing below. If you have any questions, please contact Mark Brazeal at (408) 433-6336 and mark.brazeal@broadcom.com.

*(signature page follows)*

Very truly yours,

/s/ Hock E. Tan  
Hock E. Tan  
President and Chief Executive Officer

Acknowledged:

/s/ Charlie B. Kawwas, Ph.D.  
Charlie B. Kawwas, Ph.D.  
Date: April 4, 2018

*(Signature Page to letter Regarding Assumption of Severance Benefit Agreement)*

**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**

/s/ Mark Brazeal

Mark Brazeal

Date: 9/26/17

Broadcom Inc.  
1320 Ridder Park Drive  
San Jose, CA 95131

April 4, 2018

Mark D. Brazeal  
1320 Ridder Park Drive San Jose, California 95131

Re: Assumption of Severance Benefit Agreement

Dear Mark D. Brazeal:

Reference is made to that certain Severance Benefit Agreement entered into between you and Broadcom Limited, a public company limited by shares incorporated under the laws of the Republic of Singapore ("**Broadcom Singapore**") as of September 26, 2017 (the "**Severance Benefit Agreement**"). Broadcom Singapore entered into an Implementation Agreement dated February 28, 2018 with Broadcom Inc., a Delaware corporation ("**Broadcom Delaware**"), in connection with which, among other things, all of the outstanding ordinary shares of Broadcom Singapore were exchanged for shares of Broadcom Delaware common stock and Broadcom Delaware became the publicly traded parent company of the Broadcom corporate group (the "**Redomiciliation Transaction**").

In connection with the closing of the Redomiciliation Transaction and in accordance with Section 9(a) of the Severance Benefit Agreement, Broadcom Delaware assumed Broadcom Singapore's obligations under the Severance Benefit Agreement. Accordingly, all references to Broadcom Singapore in the Severance Benefit Agreement shall be deemed to mean and refer to Broadcom Delaware, and all references to compensatory equity or equity-linked awards shall be deemed to mean and refer to compensatory equity or equity-linked awards covering shares of Broadcom Delaware's common stock.

Please indicate your receipt and acknowledgment of this letter by signing below. If you have any questions, please contact Rebecca Boyden at (408) 433-6330 and rebecca.boyden@broadcom.com.

*(signature page follows)*

Very truly yours,

/s/ Hock E. Tan  
Hock E. Tan  
President and Chief Executive Officer

Acknowledged:

/s/ Mark D. Brazeal  
Mark D. Brazeal  
Date: April 4, 2018

*(Signature Page to Letter Regarding Assumption of Severance Benefit Agreement)*

**AVAGO TECHNOLOGIES LIMITED**  
**AMENDED AND RESTATED SEVERANCE BENEFIT AGREEMENT**

This Amended and Restated Severance Benefit Agreement (the “**Agreement**”) is made and entered into by and between Bryan T. Ingram (“**Executive**”) and Avago Technologies Limited (company registration number 200510713C), a public company incorporated under the Singapore Companies Act (the “**Company**”) and amends and restates that certain Severance Benefits Agreement entered into between Executive and the Company dated as of March 9, 2011 (the “**Prior Agreement**”). This Agreement 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, “Avago”) that enhance Executive’s financial security and provide incentive and encouragement to Executive to remain with Avago 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 Avago is and shall continue to be “at-will,” as defined under applicable law. If Executive’s employment with Avago 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 Avago, 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, Avago 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 Avago’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**”), Avago 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 Avago 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 Avago a Release of Claims that becomes effective and irrevocable within sixty (60) days, or such shorter period of time specified by Avago, 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, Avago 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 Avago'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, Avago 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 Avago 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 Avago is terminated by Avago 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 Avago for general audit purposes as of the day prior to the effective date of the Change in Control shall perform the foregoing calculations. Avago 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 Avago 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 Avago or Executive) or such other time as requested by Avago or Executive. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon Avago 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 Avago 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 Avago, including, but not limited to, misappropriation or conversion of assets of Avago (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 Avago 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 Avago 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 Avago's benefit programs that is inconsistent with the eligibility of executive employees of Avago to participate

therein; (D) Avago 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) Avago'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 Avago; provided, that at Avago's request Executive shall provide Avago 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 Avago 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 (30th) day following Avago'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 Avago has on file for Executive. In the case of the Company or Avago, 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 Avago pursuant to Executive's confidential information and inventions assignment 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. Avago 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 Avago 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 (60th) 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 (60th) 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, the Prior Agreement and any severance or change in control benefits in Executive’s offer letter agreement, employment agreement and any share option 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 Amended and Restated Severance Benefit Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

**AVAGO TECHNOLOGIES LIMITED** (Company Registration Number 200510713C)

By: /s/ Hock E. Tan

Title: President and Chief Executive Officer

Date: January 23, 2014

**EXECUTIVE**

/s/ Bryan T. Ingram

BRYAN T. INGRAM

Date: January 23, 2014



Broadcom Inc.  
1320 Ridder Park Drive San Jose, CA 95131

April 4, 2018

Bryan Ingram  
1320 Ridder Park Drive  
San Jose, California 95131

Re: Assumption of Severance Benefit Agreement

Dear Bryan Ingram:

Reference is made to that certain Severance Benefit Agreement entered into between you and Avago Technologies Limited as of January 23, 2014 and previously assumed by Broadcom Limited, a public company limited by shares incorporated under the laws of the Republic of Singapore ("**Broadcom Singapore**" and such agreement, (the "**Severance Benefit Agreement**"). Broadcom Singapore entered into an Implementation Agreement dated February 28, 2018 with Broadcom Inc., a Delaware corporation ("**Broadcom Delaware**"), in connection with which, among other things, all of the outstanding ordinary shares of Broadcom Singapore were exchanged for shares of Broadcom Delaware common stock and Broadcom Delaware became the publicly traded parent company of the Broadcom corporate group (the "**Redomiciliation Transaction**").

In connection with the closing of the Redomiciliation Transaction and in accordance with Section 9(a) of the Severance Benefit Agreement, Broadcom Delaware assumed Broadcom Singapore's obligations under the Severance Benefit Agreement. Accordingly, all references to Broadcom Singapore or Avago Technologies Limited in the Severance Benefit Agreement shall be deemed to mean and refer to Broadcom Delaware, and all references to compensatory equity or equity-linked awards shall be deemed to mean and refer to compensatory equity or equity-linked awards covering shares of Broadcom Delaware's common stock.

Please indicate your receipt and acknowledgment of this letter by signing below. If you have any questions, please contact Mark Brazeal at (408) 433-6336 and [mark.brazeal@broadcom.com](mailto:mark.brazeal@broadcom.com).

*(signature page follows)*

Very truly yours,

/s/ Hock E. Tan  
Hock E. Tan  
President and Chief Executive Officer

Acknowledged:

/s/ Bryan Ingram  
Bryan Ingram  
Date: April 4, 2018

*(Signature Page to Letter Regarding Assumption of Severance Benefit Agreement)*

**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 Quarterly Report on Form 10-Q of Broadcom Inc.;
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: June 14, 2018

/s/ Hock E. Tan

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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 Quarterly Report on Form 10-Q of Broadcom Inc.;
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: June 14, 2018

/s/ Thomas H. Krause, Jr.

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Thomas H. Krause, Jr.

Chief Financial Officer and Principal Financial Officer

**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 Quarterly Report on Form 10-Q of Broadcom Inc. (the "Company") for the fiscal quarter ended May 6, 2018 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: June 14, 2018

/s/ Hock E. Tan

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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 Quarterly Report on Form 10-Q of Broadcom Inc. (the "Company") for the fiscal quarter ended May 6, 2018 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: June 14, 2018

/s/ Thomas H. Krause, Jr.

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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.