





Device), (ii) connectivity technology (e.g., cable, fiber optic, digital subscriber 14 (r)3

3.

- AA. “Retroactive Advantage” means a Price Advantage or Non-Price Advantage that is provided to a Customer based upon the Customer’s purchases of a Product reaching a specified threshold (in units, revenues, share, or any other measure), but excluding any Price Advantage or Non-Price Advantage provided to the Customer only with respect to the Customer’s purchases of a Product beyond such a specified threshold. By way of example, a discount of X% on all units if sales exceed Y units (including on the units sold up to and including Y) is a Retroactive Advantage, while a discount of X% on all units sold that are in excess of Y (but not on those units sold up to and including Y) is not a Retroactive Advantage.
- BB. “Requirements” means a Customer’s requirements of a Product or Grouping for use (a) Worldwide or (b) in Customer Devices for end users in the United States.
- CC. “Retention Custodians” means Respondents’ officers and employees serving in the positions listed on Nonpublic Appendix C.
- DD. “Secondary Product” means a product identified on Appendix B of this Order.
- EE. “Secondary Product Grouping” means a Grouping of Secondary Products.
- FF. “Service Provider” means a provider of subscription video or internet connectivity

( §

§

1. Conditioning sale of a Primary Product on a Majority Share Requirement for such Primary Product;
2. Conditioning a Price Advantage or Non-Price Advantage for a Primary Product on a Majority Share Requirement for such Primary Product;
3. Conditioning a flat or lump sum payment of monies (or any other item of pecuniary value) on the Customer implementing a Majority Share Requirement for a Primary Product or Primary Product Grouping; or
- 4.



independent, verifiable business reasons unrelated to one or more Prohibited Reasons:

- a. enforcing the terms of an agreement with a Customer that do not otherwise violate this order, for example, terms requiring prompt payment;
- b. offering a Customer terms and conditions that Respondent offers to other, similarly situated Customers (or offering a Customer terms and conditions different from those that Respondent offers to other Customers that are not similarly situated to the Customer);
- c. implementing or offering a volume-based discount or rebate that is not a Retroactive Advantage; or
- d. making product allocations among Customers when Respondent does not have the practical ability to supply a Product to all Customers in the quantities and on the timeframes they have requested.

D. Notwithstanding any other provision of this Order, it shall not be a violation of this Order for Respondent to enforce a Majority Share Requirement in a Legacy Service Provider Contract until the earlier of termination of the contract or February 28, 2022, if:

1. Within 5 days of issuance of this Order, Respondent notifies each Customer with



- a. No later than 30 days after this Order is issued,
  - b. No later than 30 days after an employee first becomes Executive and Sales and Marketing Staff, and
  - c. At least annually;
- that if at the time the Order is issued Respondent has

Respondent shall file verified written reports (“Compliance Report”) in accordance with the following:

- A. Respondent shall submit an interim Compliance Report 60 days after the date this Order is issued and an annual Compliance Report one year after the date this Order is issued and annually for the next nine years on the anniversary of that date; and additional Compliance Reports as the Commission or its staff may request.
- B. Each Compliance Report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondent is in compliance with the Order. Conclusory statements that Respondent has complied with its obligations under the Order are insufficient. Respondent shall include in its reports, among other information or documentation that may be necessary to demonstrate compliance:
  - 1. The name, title, business address, e-mail address, and business telephone number of the Antitrust Compliance Officer;
  - 2. A list of all persons who received the notice required by Paragraph III.B.1. or III.B.2. of this Order, together with proof of service of the notice; and
  - 3. A copy of each agreement or other document that contains or reflects a Majority Share Requirement for (a) a Primary Product or (b) a Secondary Product sold to a Customer that also purchases a Primary Product.
- C. For a period of 5 years after filing a Compliance Report, Respondent shall retain the following documents that are within the custody or control of Respondent’s Retention Custodians and contain relevant information concerning whether or not Respondent is fulfilling or has fulfilled its obligations under this Order: written communications with any third party identified in the Compliance Report, and non-privileged internal memoranda and reports. Respondent shall provide copies of these documents to Commission staff upon request.
- D. Respondent shall verify each Compliance Report in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondent shall submit an original and 2 copies of

D.

- C. Any other change in Respondent, including assignment and the creation, sale, or dissolution of subsidiaries, if such change might affect compliance obligations arising out of this Order.

for purposes of determining or securing compliance with this Order, and subject to any legally recognized privilege, upon written request and 10 business days' notice to Respondent, made to its principal place of business as identified in this

SOCs for DSL Broadband Devices	An integrated circuit that serves as the core component within, and directs functions and features of, a Broadband Device that accesses internet service via a digital subscriber line (DSL) network.
SOCs for Fiber Broadband Devices	An integrated circuit that serves as the core component within, and directs functions and features of, a Broadband Device that accesses internet service via a fiber optic network.
SOCs for Broadcast Set Top Boxes	An integrated circuit that serves as the core component within, and directs functions and features of, a Broadcast Set Top Box.

SOCs for Cable Broadband Devices	An integrated circuit that serves as the core component within, and directs functions and features of, a Broadband Device that accesses internet service via a cable (DOCSIS) network.
Front End Chips for Set Top Boxes or Broadband Devices	An integrated circuit that converts incoming analog signals to digital signals to be read by the SOC in a Set Top Box or Broadband Device.
WiFi Chips for Set Top Boxes or Broadband Devices	An integrated circuit that enables Set Top Boxes or Broadband Devices to connect to wireless networks.
SOCs for Streaming Set Top Boxes	An integrated circuit that serves as the core component within, and directs functions and features of, a Streaming Set Top Box.





[Broadcom letterhead]

[Name and address of Customer]

Dear [name of Customer]:

Broadcom is required to send you this notice by the FTC's Decision and Order in C-xxxx. The Decision and Order reflects a settlement without litigation between the FTC and Broadcom and does not constitute an admission by Broadcom that it has violated the law or that any of the facts alleged by the FTC regarding Broadcom's conduct are true. Attached is a copy of the Order. You also may read and download a copy of the Order from the FTC's website at [web link to case on FTC website]. Broadcom's obligations under the Order are set out in Paragraph II. of the Order. Capitalized terms used in the Order are defined in Paragraph I. of the Order. All capitalized terms in this letter refer to terms defined in the Order.

Generally, the Order prohibits Broadcom from requiring you to purchase from Broadcom more than 50% of your requirements for certain components used in certain Set Top Boxes and Broadband Devices, subject to the exceptions set forth in the Order. For the term of the Order, this prohibition applies to your existing agreements with Broadcom and to any new agreements you enter with Broadcom. The Order also prohibits Broadcom from conditioning the sale of certain components to you (or price or non-price advantages for those components) on you purchasing more than 50% of your requirements for certain other components from Broadcom, subject to the limitations in the Decision and Order. Finally, the Order prohibits Broadcom from retaliating against customers for using an alternative source of any relevant component.

If you have concerns in the future about whether Broadcom is complying with its obligations under the Order, you may contact us, the FTC, or both. You may contact Broadcom through the [



[Broadcom letterhead]

[Name and address of Customer]

Dear [name of Customer]:

Broadcom is required to send you this notice by the FTC's Decision and Order in

C-xxxx. The Decision and Order reflects a settlement without litigation between the FTC and Broadcom and does not constitute an admission by Broadcom that it has violated the law or that any of the facts alleged by the FTC regarding Broadcom's conduct are true. You may read and download a copy of the Order from the FTC's website at [web link to case on FTC website]. Broadcom's obligations under the Order are set out in Paragraph II. of the Order. Capitalized terms used in the Order are defined in Paragraph I. of the Order. All capitalized terms in this letter rP MCI9r rttmt.,on rmolarms ielrO6.1 rttmten

[Broadcom letterhead]

[Name and address of Customer]

Dear [name of Customer]:

Broadcom is required to send you this notice by the FTC's Decision and Order in  
C-xxxx. The Decision and Order reflects a settlement without litigation between

e-mailing at  
phoning or e-mailing at

. You may contact the FTC by

Sincerely,

[name and title]