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

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**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of The Securities Exchange Act of 1934**

**December 3, 2018**  
Date of Report (Date of earliest event reported)

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**CYPRESS SEMICONDUCTOR CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**1-10079**  
(Commission File Number)

**94-2885898**  
(I.R.S. Employer Identification No.)

**198 Champion Court**  
**San Jose, California 95134**  
(Address of principal executive offices and zip code)

**(408) 943-2600**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth 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.

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## Item 5.02 Compensatory Arrangements of Certain Officers.

On December 3, 2018, Cypress Semiconductor Corporation (the "Company"), entered into an amended and restated change of control severance agreement with the following named executive officers of the Company: Thad Trent, EVP, Finance and Administration and Chief Financial Officer; Sam Geha, EVP, Memory Products; Sudhir Gopalswamy, EVP, Microcontroller & Connectivity; and Pamela Tondreau, EVP, Chief Legal and Human Resources Officer (each, an "Amended and Restated Change of Control Severance Agreement"). The form of Amended and Restated Change of Control Severance Agreement is attached hereto as Exhibit 10.1.

The Amended and Restated Change of Control Severance Agreement makes the following material changes to the terms of each officer's existing change of control severance agreement (the form of which appeared as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed August 9, 2016):

- The period within which the executive may be eligible to receive severance upon an involuntary termination, other than for cause, death, or disability, or upon a voluntary resignation for good reason (each, a "Qualifying Termination") was revised to be the period commencing three months before a change of control and ending twenty-four months following such change of control (the "Change of Control Period"). Previously the Change of Control Period ended twelve months following a change of control.
  - Upon a Qualifying Termination within the Change of Control Period, (a) the executive shall be entitled to receive the following severance benefits and payments: (i) a lump-sum severance payment (less applicable withholdings) equal to eighteen (18) months of the executive's annual base salary plus eighteen (18) months of the executive's annual target bonus, and (ii) an additional lump-sum payment (less applicable withholdings) equal to the product of (x) eighteen (18) multiplied by (y) the monthly premium that would be required for the first month of the executive's COBRA premium, calculated on the assumption that the premium includes coverage for the executive and the executive's spouse and/or dependents; (b) performance-vesting equity compensation awards will vest assuming attainment of the underlying performance targets at 100% (or at the greater of actual performance levels or 100% of target levels if such Qualifying Termination occurs following the completion of the relevant performance period but before the relevant vesting date), unless the terms of such performance-vesting awards provide for different severance acceleration terms; and (c) the term of the non-disparagement and non-solicitation restrictive covenants for each executive will be eighteen (18) months immediately following the date of termination of employment. Previously the references to eighteen (18) in this paragraph were references to fourteen (14) and acceleration of performance-vesting awards was at the target level.
  - For Mr. Trent and Ms. Tondreau only, the definition of "Good Reason" was amended to address potential reductions in their duties and responsibilities following a change of control.
  - Outside of the Change of Control Period, upon an involuntary termination, other than for cause, death, or disability, (a) the executive shall be entitled to receive the following severance benefits and payments: (i) a lump-sum severance payment (less applicable withholdings) equal to nine (9) months of the executive's annual base salary, and (ii) an additional lump-sum payment (less applicable withholdings) equal to the product of (x) nine (9) multiplied by (y) the monthly premium that would be required for the first month of the executive's COBRA premium, calculated on the same assumptions as above; and (b) the term of the non-disparagement and non-solicitation restrictive covenants for each executive will be nine (9) months immediately following the date of termination of employment. Previously the agreement did not address terminations outside the Change of Control Period.
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Also on December 3, 2018, the Company entered into an Amended and Restated Employment Agreement with the Company's President and Chief Executive Officer, Hassane El-Khoury (the "Amended and Restated Employment Agreement"), attached hereto as Exhibit 10.2. The Amended and Restated Employment Agreement amends Mr. El-Khoury's prior employment agreement (which appeared as Exhibit 10.41 to the Company's Annual Report on Form 10-K, filed March 1, 2017) and offer letter (which appeared as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed August 12, 2016) to make the following material changes:

- If Mr. El-Khoury's employment is terminated involuntarily by the Company, other than for "Cause," death, or disability, or by Mr. El-Khoury pursuant to a "Voluntary Termination for Good Reason" (as such terms are defined in the Amended and Restated Employment Agreement), performance-vesting equity compensation awards granted after the effective date of the Amended and Restated Employment Agreement will vest assuming attainment of the underlying performance targets at the 100% target level (or at the greater of actual performance levels or 100% of target levels if such termination occurs following the completion of the relevant performance period but before the relevant vesting date), unless the terms of such performance-vesting awards provide for different severance acceleration terms.
- A "best pay" provision addressing "golden parachute" excise tax provisions under Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), was added to the agreement pursuant to which any severance payment or other benefit payable to Mr. El-Khoury that constitutes a "parachute payment" within the meaning of Section 280G of the Code, shall be either: (i) delivered in full, or (ii) delivered as to such lesser extent that would result in no portion of such payment being subject to excise tax under Section 4999 of the Code. Mr. El-Khoury's employment agreement does not provide for any tax gross-up or other reimbursement payment in respect of "golden parachute" excise tax payments.

The descriptions above are qualified in their entirety by reference to the full texts of the form of Amended and Restated Change of Control Severance Agreement and the Amended and Restated Employment Agreement, which are filed as exhibits to this Current Report and are incorporated herein by reference.

#### **Item 9.01 Exhibits.**

<b>Exhibit</b>	<b>Description</b>
10.1	<a href="#"><u>Form of Amended and Restated Change of Control Severance Agreement</u></a>
10.2	<a href="#"><u>Amended and Restated Employment Agreement between the Company and Hassane El-Khoury</u></a>

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## 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 hereunto duly authorized.

### CYPRESS SEMICONDUCTOR CORPORATION

Date: December 3, 2018

By: /s/ Pamela Tondreau

Name: Pamela Tondreau

Title: Executive Vice President, Chief Legal and Human Resources Officer, and  
Corporate Secretary

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## EXHIBIT INDEX

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**CYPRESS SEMICONDUCTOR CORPORATION**  
**AMENDED AND RESTATED**  
**CHANGE OF CONTROL SEVERANCE AGREEMENT**

This Amended and Restated Change of Control Severance Agreement (the “Agreement”) is made and entered into by and between \_\_\_\_\_ (the “Employee”) and Cypress Semiconductor Corporation, a Delaware corporation (the “Company”), as of \_\_\_\_\_, 2018 (the “Effective Date”).

**RECITALS**

1. It is expected that the Company from time to time will consider the possibility of an acquisition by another company or other change of control transaction. The Board of Directors of the Company (the “Board”) recognizes that such consideration may be a distraction to the Employee and may cause the Employee to consider alternative employment opportunities. The Board has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication and objectivity of the Employee, notwithstanding the possibility, threat or occurrence of a “Change of Control” (as defined herein) of the Company.

2. The Board believes that it is in the best interests of the Company and its stockholders to provide the Employee with an incentive to continue his or her employment and to motivate the Employee to maximize the value of the Company upon a Change of Control for the benefit of its stockholders.

3. The Board believes that it is imperative to provide the Employee with certain severance benefits upon the Employee’s termination of employment in connection with a Change of Control. This Agreement is intended to provide the Employee with enhanced financial security and incentive and encouragement to remain with the Company notwithstanding the possibility of a Change of Control.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. **Term of Agreement.** This Agreement will have an initial term of two (2) years commencing on the Effective Date (the “Initial Term”). Commencing on the two (2) year anniversary of the Effective Date and on each one (1) year anniversary thereafter, this Agreement will renew automatically for additional, one (1) year terms (each, an “Additional Term”) unless either party provides the other party with written notice of nonrenewal at least four (4) months prior to the date of automatic renewal. Notwithstanding the foregoing, if a Change of Control occurs (i) during the Initial Term or (b) during an Additional Term, the term of this Agreement will extend automatically through the date that is twenty-four (24) months following the date of the Change of Control. If Executive becomes entitled to the benefits under Section 4 of this Agreement, then the Agreement will not terminate until all of the obligations of the parties hereto with respect to this Agreement have been satisfied.

2. **At-Will Employment.** The Company and the Employee acknowledge that the Employee’s employment is and shall continue to be at-will, as defined under applicable law, except as may otherwise be specifically provided under the terms of any written formal employment agreement or offer letter agreement between the Company and the Employee (an “Employment Agreement”). If the Employee’s employment terminates for any reason, including (without limitation) any termination outside of the Change of Control Period, the Employee shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement or under his or her Employment Agreement.

3. Termination of Employment. In the event Employee's employment with the Company terminates for any reason, Employee will be entitled to any: (a) unpaid base salary accrued up to the effective date of termination, (b) unpaid, but earned and accrued annual incentive for any completed fiscal year as of his or her termination of employment, (c) pay for accrued but unused vacation, (d) benefits or compensation as provided under the terms of any employee benefit and compensation agreements or plans applicable to Employee, (e) unreimbursed business expenses required to be reimbursed to Employee, and (f) rights to indemnification Employee may have under the Company's Articles of Incorporation, Bylaws, or separate indemnification agreement, as applicable. In addition, if the termination is by the Company other than for Cause, death or Disability (as defined herein), or Employee terminates his or her employment with the Company (or any parent or subsidiary of the Company) for Good Reason, Employee may be entitled to the amounts and benefits specified in Section 4.

4. Severance Benefits.

(a) Involuntary Termination Other than for Cause outside of the Change of Control Period. If, outside of the Change of Control Period, the Company (or any parent or subsidiary of the Company) terminates the Employee's employment for other than Cause, death or Disability, then the Employee shall receive from the Company the severance payments and benefits described in this Section 4(a), subject to the Employee signing and not revoking a standard release of claims with the Company in a form reasonably acceptable to the Company (but which form does not impose post-employment obligations on the Employee other than those contained in this Agreement) (the "Release") within the period required by the Release and in no event later than sixty (60) days following the Employee's termination of employment, inclusive of any revocation period set forth in the Release (collectively, the "Release Deadline Date"), provided that the Release shall not be required in the event of Employee's death.

(i) Severance Payment. The Employee shall be entitled to receive a lump-sum severance payment (less applicable withholdings) equal to nine (9) months of the Employee's annual base salary (as in effect immediately prior to the Employee's termination).

(ii) Additional Cash Payment. The Employee shall be entitled to receive an additional lump-sum severance payment (less applicable withholdings) equal to the result of (A) times (B). For this purpose, "A" will equal nine (9), and "B" will equal the amount of the monthly premium that would be required for the first month of coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended and all applicable regulations (referred to collectively as "COBRA"), with the premium calculated on the assumption that the Employee in fact elects coverage for himself or herself, and any eligible spouse and/or dependents of the Employee that were enrolled in the applicable Company health plan immediately prior to the date of termination. However, the Employee will be eligible for this taxable payment without regard to whether he or she actually elects COBRA continuation coverage.

(b) Involuntary Termination Other than for Cause or Voluntary Termination for Good Reason within the Change of Control Period. If, within the Change of Control Period, (i) the Employee terminates his or her employment with the Company (or any parent or subsidiary of the Company) for Good Reason or (ii) the Company (or any parent or subsidiary of the Company) terminates the Employee's employment for other than Cause, death or Disability, then the Employee shall receive from the Company the severance payments and benefits described in this Section 4(b), subject to the Employee signing and not revoking the Release within the period required by the Release and in no event later than the Release Deadline Date, provided that the Release shall not be required in the event of Employee's death. If the Release does not become effective by the Release Deadline Date, the Employee will forfeit any rights to severance payments and benefits in Section 4(b) and under this Agreement. No severance will be paid or provided until the Release becomes effective. The Company must provide the form of Release to the Employee in a reasonable period of time following

termination of employment so that the Employee has a reasonable opportunity to have the Release become effective before the Release Deadline Date.

(i) Severance Payment. The Employee shall be entitled to receive a lump-sum severance payment (less applicable withholdings) equal to eighteen (18) months of the Employee's annual base salary (as in effect immediately prior to (A) the Change of Control, or (B) the Employee's termination, whichever is greater) plus eighteen (18) months of the Employee's annual target bonus for the fiscal year in which the Change of Control or the Employee's termination occurs, whichever is greater.

(ii) Acceleration of Vesting of Equity-Based Compensation Awards. One-hundred percent (100%) of the then-unvested portion of all of Employee's then-outstanding equity-based compensation awards shall become vested, at the 100% target level in the case of equity-based compensation awards the vesting of which is conditioned on the attainment of performance targets (and not solely on the continued service of Employee) (such awards, "Performance Vesting Awards"); provided, however, that, if the terms of any Performance Vesting Award include a different severance acceleration formula that applies in the circumstances of the employment termination, then such formula will control the vesting of such award; and provided further, however, that in the absence of such a formula if the employment termination occurs after the completion of a performance period but prior to the scheduled vesting date for such period (such as a termination in January or February of a typical year) then the Employee shall vest at the 100% target level or at the amount actually earned based on performance for the completed period, whichever is greater. Notwithstanding the foregoing, to the extent required to avoid imposition of any additional tax or income recognition under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), equity-based compensation awards shall be paid or settled at the same time or times that the awards otherwise would have been paid or settled in the absence of this Section 4(b)(ii).

(iii) Additional Cash Payment. The Employee shall be entitled to receive an additional lump-sum severance payment (less applicable withholdings) equal to the result of (A) times (B). For this purpose, "A" will equal eighteen (18), and "B" will equal the amount of the monthly premium that would be required for the first month of coverage under COBRA, with the premium calculated on the assumption that the Employee in fact elects coverage for himself or herself, and any eligible spouse and/or dependents of the Employee that were enrolled in the applicable Company health plan immediately prior to the Change of Control. However, the Employee will be eligible for this taxable payment without regard to whether he or she actually elects COBRA continuation coverage.

(c) Release/Timing of Severance Payments. If the Release required under Section 4(a) or Section 4(b) does not become effective by the Release Deadline Date, the Employee will forfeit any rights to severance payments and benefits in Section 4(a) or Section 4(b), as applicable, and under this Agreement. No severance will be paid or provided under this Agreement until such Release becomes effective. The Company must provide the form of Release to the Employee in a reasonable period of time following termination of employment so that the Employee has a reasonable opportunity to have the Release become effective before the Release Deadline Date. If the Release required by Section 4(a) or Section 4(b), as applicable, becomes effective by the Release Deadline Date, severance payments and benefits under this Agreement will be paid in a lump sum payment (less any applicable withholdings) on the first business day after the Release Deadline Date, but in no event later than March 15th of the calendar year immediately following the calendar year of the Employee's termination of employment, except as required by Section 4(f). If the Employee should die before all amounts have been paid, such unpaid amounts shall be paid in a lump sum payment (less any applicable withholding taxes) to the Employee's designated beneficiary, if living, or otherwise to the personal representative of the Employee's estate, as described in Section 4(f) below.

(d) Voluntary Resignation other than for Good Reason; Voluntary Resignation for Good Reason outside of Change of Control Period; Termination for Cause, Death or Disability. If the Employee's employment with the Company terminates (i) voluntarily by the Employee other than for Good Reason at any time, (ii) voluntarily by the Employee for Good Reason outside of the Change of Control Period, (iii) for Cause by the Company or (iv) due to Employee's death or Disability, then the Employee shall not be entitled to receive severance or other benefits except for those (if any) as may then be established under the Company's then existing severance and benefits plans and practices or pursuant to other written agreements with the Company, including, without limitation, any Employment Agreement.

(e) Exclusive Remedy. In the event of a termination of Employee's employment, the provisions of this Section 4 are intended to be and are exclusive and in lieu of any other rights or remedies to which the Employee or the Company may otherwise be entitled, whether at law, tort or contract, in equity, or under this Agreement. The Employee shall be entitled to no benefits, compensation or other payments or rights upon termination of employment other than those benefits expressly set forth in this Section 4.

(f) Section 409A.

(i) Six-Month Delay. Notwithstanding anything to the contrary in this Agreement, no Deferred Compensation Separation Benefits (as defined below) payable under this Agreement will be considered due or payable until the Employee has incurred a "separation from service" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended and the final regulations and any guidance promulgated thereunder (together, "Section 409A"). In addition, if the Employee is a "specified employee" within the meaning of Section 409A at the time of the Employee's separation from service (other than due to death), then the severance benefits payable to the Employee under this Agreement, if any, and any other severance payments or separation benefits that may be considered deferred compensation under Section 409A (together, the "Deferred Compensation Separation Benefits") otherwise due to the Employee on or within the six (6) month period following the Employee's separation from service will accrue during such six (6) month period and will become payable in a lump sum payment (less any applicable withholding taxes) on the date six (6) months and one (1) day following the date of the Employee's separation from service. All subsequent payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. In no event will the Employee have discretion to determine the taxable year of payment of any Deferred Compensation Separation Benefits. Notwithstanding anything herein to the contrary, if the Employee dies following his or her separation from service but prior to the six (6) month anniversary of his or her date of separation, then any payments delayed in accordance with this paragraph will be payable in a lump sum (less any applicable withholding taxes) to the Employee's estate as soon as administratively practicable after the date of the Employee's death and all other Deferred Compensation Separation Benefits will be payable in accordance with the payment schedule applicable to each payment or benefit.

(ii) Amendments to this Agreement to Comply with Section 409A. This provision is intended to comply with the requirements of Section 409A so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted to so comply. Each payment and benefit payable under this Agreement is intended to constitute a separate payment under Section 1.409A-2(b)(2) of the Treasury Regulations. The Company and the Employee agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions, which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to the Employee under Section 409A. Notwithstanding anything to the contrary in this Agreement, in no event will the Company reimburse Employee for any taxes imposed or other costs incurred as a result of Section 409A.

(g) Non-disparagement & Non-solicitation. Employee agrees to the following covenants, to the extent permitted by applicable law, in the event Employee receives severance payments and benefits under Section 4 of this Agreement. Employee further acknowledges and agrees that the Company is relying on Employee's compliance with this Section 4(g) as an essential term of this Agreement. The Company's rights pursuant to this Section 4(g) are in addition to any remedies it may have for breach of contract or otherwise; further, the remaining terms of this Agreement, as well as the Release contemplated by Section 4(a) or Section 4(b), as applicable, will remain in full force and effect.

(i) Non-disparagement. For a period of nine (9) months immediately following the date of termination of employment that occurs outside of the Change of Control Period or eighteen (18) months immediately following the date of termination of Employee's employment that occurs within the Change of Control Period, as applicable, Employee will refrain, in Employee's capacity as a former executive officer, from any disparaging statements about the Company and its officers, directors and affiliates, including, without limitation, the business, products, intellectual property, financial standing, future, or employment/compensation/benefit practices of the Company; provided, however, that (a) nothing shall restrict Employee's ability to make any statements of any nature as a stockholder or a director of the Company, (b) none of these restrictions shall apply to statements made in connection with legal proceedings, and (c) the foregoing requirements under this Section 4(g) will not apply to any statements that Employee makes in addressing any statements made by the Company, its officers and/or its directors regarding Employee or Employee's performance as an employee of the Company so long as Employee's statements are, in the good faith judgment of Employee, truthful; and

(ii) Non-solicitation. For a period of nine (9) months immediately following the date of termination of employment that occurs outside of the Change of Control Period or eighteen (18) months immediately following the date of termination of Employee's employment that occurs within the Change of Control Period, as applicable, Employee will not, either directly or indirectly, solicit, induce, recruit or encourage any of the Company's employees to leave their employment, or hire or take away such employees, or attempt to solicit, induce, recruit, encourage, hire or take away employees of the Company, either for Employee's own purposes, or for any other person or entity.

5. Limitation on Payments. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Employee (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Section 5, would be subject to the excise tax imposed by Section 4999 of the Code, then the Employee's severance benefits under Section 4(a) or Section 4(b) or other benefits shall be either:

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by the Employee on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits and other benefits may be taxable under Section 4999 of the Code.

In the event of a reduction in accordance with Section 5(ii), the reduction will occur, with respect to such severance and other benefits considered "parachute payments" within the meaning of Section 280G of the Code, in the following order: (i) reduction of cash payments in reverse chronological order (that is, the cash payment owed on the latest date following the occurrence of the event triggering the excise tax will be the first cash payment to be reduced; (ii) cancellation of awards granted "contingent on a change in ownership or control" (within the meaning of Section 280G of the Code), (iii) cancellation of accelerated vesting of

equity-based compensation awards in the reverse order of date of grant of the awards (that is, the vesting of the most recently granted awards will be cancelled first); and (iv) reduction of employee benefits in reverse chronological order (that is, the benefit owed on the latest date following the occurrence of the event triggering the excise tax will be the first benefit to be reduced. If two or more equity-based compensation awards are granted on the same date, each award will be reduced on a prorated basis. In no event shall the Employee have any discretion with respect to the ordering of payment reductions.

Unless the Company and the Employee otherwise agree in writing, any determination required under this Section 5 shall be made in writing by a nationally recognized accounting or valuation firm selected by the Company (the "Accountants"), whose determination shall be conclusive and binding upon the Employee and the Company for all purposes. For purposes of making the calculations required by this Section 5, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Employee shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 5. The Company shall bear all costs for payment of the Accountants services in connection with any calculations contemplated by this Section 5.

6. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) Cause. "Cause" shall mean (i) any act of personal dishonesty taken by the Employee in connection with his or her responsibilities as an employee and intended to result in substantial personal enrichment of the Employee, (ii) Employee being convicted of, or pleading no contest to, a felony or misdemeanor that the Company reasonably believes has had or will have a material detrimental effect on the Company's reputation or business, (iii) a willful act by the Employee which constitutes illegal or gross misconduct and which is injurious to the Company, or (iv) Employee's intentional unauthorized or wrongful use or disclosure of proprietary or confidential information of the Company (or any other party to whom Employee owes an obligation of nonuse or nondisclosure as a result of Employee's employment relationship with the Company), including but not limited to trade secrets and customer lists; or (v) Employee's willful and continued failure to substantially perform the duties and responsibilities of his or her position (other than due to physical or mental illness) after there has been delivered to the Employee a written demand for performance from the Company that describes the basis for the Company's belief that the Employee has not substantially performed his or her duties and the Employee has not corrected such failure within thirty (30) days of such written demand.

(b) Change of Control. "Change of Control" means the occurrence of any of the following:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) ("Person") becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then outstanding voting securities; provided, however, that for purposes of this subsection, (1) the acquisition of additional stock by any Person, who is considered to own more than fifty percent (50%) of the total voting power of the stock of the Company will not be considered a Change of Control; and (2) if the stockholders of the Company immediately before such change in ownership continue to retain immediately after the change in ownership, in substantially the same proportions as their ownership of shares of the Company's voting stock immediately prior to the change in ownership, direct or indirect beneficial ownership of more than fifty percent (50%) of the total voting power of the stock of the Company, such event shall not be considered a Change of Control under this subsection. For this purpose, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company,

as the case may be, either directly or through one or more subsidiary corporations or other business entities; or

(ii) Any action or event occurring within a twelve (12) month period, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of the date hereof, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company); or

(iii) A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than fifty-percent (50%) of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions; provided, however, that for purposes of this subsection (iii), the following will not constitute a change in the ownership of a substantial portion of the Company's assets: (A) a transfer to an entity that is controlled by the Company's stockholders immediately after the transfer, or (B) a transfer of assets by the Company to: (1) a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock, (2) an entity, fifty-percent (50%) or more of the total value or voting power of which is owned, directly or indirectly, by the Company, (3) a Person, that owns, directly or indirectly, fifty-percent (50%) or more of the total value or voting power of all the outstanding stock of the Company, or (4) an entity, at least fifty-percent (50%) of the total value or voting power of which is owned, directly or indirectly, by a Person described in this subsection (iii)(B)(3). For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

(c) Change of Control Period. "Change of Control Period" shall mean the period (i) commencing three (3) months before the occurrence of a Change of Control, and (ii) ending twenty-four (24) months after the Change of Control.

(d) Disability. "Disability" shall mean that the Employee has been unable to perform his or her Company duties as the result of his or her incapacity due to physical or mental illness, and such inability, at least twenty-six (26) weeks after its commencement, is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Employee or the Employee's legal representative (such determination as to acceptability not to be unreasonably withheld). Termination resulting from Disability may only be effected after at least thirty (30) days' written notice by the Company of its intention to terminate the Employee's employment. In the event that the Employee resumes the performance of substantially all of his or her duties hereunder before the termination of his or her employment becomes effective, the notice of intent to terminate shall automatically be deemed to have been revoked.

(e) Good Reason. “Good Reason” means Employee’s resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without Employee’s express written consent: (i) a material reduction by the Company of Employee’s base salary in effect immediately prior to such reduction (other than a one-time reduction that is equal to or less than fifteen percent (15%) of Employee’s base salary that also applies to substantially all of the similarly situated employees of the Company); (ii) **[for the Chief Financial Officer and Chief Legal Officer: a material reduction of Employee’s duties or responsibilities relative to Employee’s duties or responsibilities in effect immediately prior to such reduction] [for other executives: a material reduction of Employee’s duties or responsibilities relative to Employee’s duties or responsibilities in effect immediately prior to such reduction; provided that “Good Reason” shall not exist under this Section 6(e)(ii) if following a Change of Control the Employee is employed by the Company with substantially the same responsibilities with respect to the Company’s business that he or she had immediately prior to the Change of Control regardless of whether his or her title is revised to reflect his or her placement within the overall corporate hierarchy or whether, following such Change of Control, he or she provides services to a subsidiary, affiliate, business unit or otherwise of the Company or its ultimate parent entity]; or (iii) Employee’s relocation at the Company’s direction to a facility or location more than thirty-five (35) miles from Employee’s then present location of providing services. Employee’s resignation will not be deemed to be for Good Reason unless Employee has first provided the Company with written notice of the acts or omissions constituting the grounds for “Good Reason” within one hundred twenty (120) days of the initial existence of the grounds for “Good Reason” and a reasonable cure period of not less than thirty (30) days following the date the Company receives such notice, and such condition has not been cured during such period.**

7. Successors.

(a) The 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 an agreement pursuant to a purchase, merger, consolidation, liquidation or otherwise as described in this Section 7(a) or which becomes bound by the terms of this Agreement by operation of law.

(b) The Employee’s Successors. The terms of this Agreement and all rights of the Employee hereunder shall inure to the benefit of, and be enforceable by, the Employee’s personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

8. Notice.

(a) General. All notices and other communications required or permitted hereunder shall be in writing, shall be effective when given, and shall in any event be deemed to be given upon receipt or, if earlier, (i) five (5) days after deposit with the U.S. Postal Service or other applicable postal service, if delivered by first class mail, postage prepaid, (ii) upon delivery, if delivered by hand, (iii) one (1) business day after the business day of deposit with Federal Express or similar overnight courier, freight prepaid or (iv) one (1) business day after the business day of facsimile transmission, if delivered by facsimile transmission with copy by first class mail, postage prepaid, and shall be addressed (A) if to Employee, at his or her last known residential address and (B) if to the Company, at the address of its principal corporate offices (attention: Secretary), or in any such case at such other address as a party may designate by ten (10) days’ advance written notice to the other party pursuant to the provisions above.

(b) Notice of Termination. Any termination by the Company for Cause or by the Employee for Good Reason or as a result of any voluntary resignation shall be communicated by a notice of termination to the other party hereto given in accordance with this Section 8(b) of this Agreement. Such notice shall indicate the

specific termination provision in this Agreement relied upon, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and shall specify the termination date (which shall be not more than thirty (30) days after the giving of such notice). The failure by the Employee to include in the notice any fact or circumstance which contributes to a showing of Good Reason shall not waive any right of the Employee hereunder or preclude the Employee from asserting such fact or circumstance in enforcing his or her rights hereunder.

9. Miscellaneous Provisions.

(a) No Duty to Mitigate. The Employee shall not be required to mitigate the amount of any payment contemplated by this Agreement, nor shall any such payment be reduced by any earnings that the Employee may receive from any other source.

(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 the Employee and by an authorized officer of the Company (other than the Employee). 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) Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

(d) Entire Agreement. This Agreement, together with any equity-based compensation award agreement, constitutes the entire agreement of the parties hereto and supersedes in their entirety all prior representations, understandings, undertakings or agreements (whether oral or written and whether expressed or implied) of the parties with respect to the subject matter hereof. With respect to equity-based compensation awards granted on or after the date hereof, the acceleration of vesting provided herein will apply to such awards except to the extent otherwise explicitly provided in the applicable equity-based compensation award agreement.

(e) Choice of Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California. The Superior Court of Santa Clara County and/or the United States District Court for the Northern District of California shall have exclusive jurisdiction and venue over all controversies in connection with this Agreement.

(f) 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.

(g) Withholding. All payments made pursuant to this Agreement will be subject to withholding of applicable income and employment taxes.

(h) 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.

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

COMPANY

CYPRESS SEMICONDUCTOR CORPORATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

EMPLOYEE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

AMENDED AND RESTATED

EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement is entered into by and between Cypress Semiconductor Corporation (“Cypress” or “the Company”), and Hassane El-Khoury (“Executive”), effective as of December 3, 2018 (the “Effective Date”). In consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. EMPLOYMENT.

1.1 Position. Subject to the terms and conditions set forth herein, the Company agrees to employ Executive as its President and Chief Executive Officer.

1.2 Duties. Executive shall diligently, and to the best of his ability, perform all such duties normally incident to the position of President and Chief Executive Officer, as well as other duties and responsibilities that may be assigned by the Board of Directors of the Company. Executive will use his best efforts to promote the interests of the Company. As a Cypress employee, Executive is required to follow all of Cypress’ policies, including but not limited to Cypress’ Code of Business Conduct and Ethics.

1.3 Time to be Devoted to Employment. Executive shall devote his full time and energy to the business of the Company. Executive hereby represents that he is not a party to any agreement which would be an impediment to entering into this Amended and Restated Employment Agreement and that he is permitted to enter into this Amended and Restated Employment Agreement and perform the obligations hereunder.

1.4 At-Will Employment. Executive’s employment with Cypress will be at-will. This means that Executive or Cypress can end Executive’s employment at any time, with or without cause or advance notice. No one other than the Executive Vice President of Human Resources (after authorization from the Board or an authorized Committee of the Board) has the authority to change this arrangement or make any agreement to the contrary. Any such agreement must be in writing, must be signed by the Executive Vice President of Human Resources, and must express clear intent to alter the at-will nature of Executive’s employment relationship.

1.5 Original Employment Agreement and Offer Letter Superseded. This Amended and Restated Employment Agreement completely replaces and supersedes the (a) Employment Agreement dated as of November 30, 2016 between Executive and the Company (the “Original Employment Agreement”) and (b) the offer letter dated August 10, 2016 (the “Offer Letter”) between Executive and the Company. Therefore, Executive will no longer be entitled to any payments or benefits under the Original Employment Agreement and the Offer Letter.

2. COMPENSATION AND BENEFITS.

2.1 Annual Salary. In consideration of and as compensation for the services agreed to be performed by Executive hereunder, the Company agrees to pay Executive an annual base salary of no less than \$700,000, payable in accordance with the Company’s regular payroll

schedule (“Base Salary”), less applicable withholdings and deductions. The Base Salary will be subject to increase, but not decrease, at the sole discretion of the Board of Directors of the Company.

2.2 Incentive Program. Executive will be a participant in the Cypress Incentive Program (“CIP”). Executive’s target incentive effective June 2018 will be 140 percent of Executive’s Base Salary. Executive’s actual incentive payment, if any, will be based on both Company and individual performance. Payment of any incentive will be at the sole discretion of the Board of Directors of the Company.

2.3 Stock. As the President and CEO of Cypress, Executive will be eligible for annual grants under the Cypress LTI Grant Program, as may be determined by the Board in its discretion. The LTI Grant Program has historically included grants of both time-based and performance-based RSUs that vest over a multi-year time period. Any equity compensation awards made to Executive will be subject to the terms and conditions of the written award agreement that will be provided to Executive for each grant, as such terms and conditions are determined by the Board or an authorized Committee of the Board in its discretion.

2.4 Participation in Benefit Plans. During the Executive’s employment, Executive shall be entitled to participate in the Company’s health insurance, life insurance and disability insurance plans to the extent permitted by law, that may from time to time be available to other executive officers of the Company. The Company reserves the right to amend, modify or terminate any employee benefits at any time for any reason.

2.5 Reimbursement of Expenses. The Company shall reimburse Executive for all reasonable business expenses incurred by Executive on behalf of the Company during Executive’s employment, provided that: (i) such reasonable expenses are ordinary and necessary business expenses incurred on behalf of the Company, other than automobile mileage, and (ii) Executive provides the Company with itemized accounts, receipts and other documentation for such reasonable expenses as are required by the Company, and (iii) Executive otherwise satisfies the requirements of the Company expense reimbursement policy as it may be in effect from time to time.

### 3. TERMINATION OF EMPLOYMENT.

3.1 Method of Termination. Executive’s employment shall terminate upon the first of the following to occur:

(i) Executive’s death;

(ii) Date that written notice is deemed given or made by the Company to Executive that as a result of any physical or mental injury or disability, he is unable to perform the essential functions of his job, with or without reasonable accommodation. Such notice may be issued when the Company has reasonably determined that Executive has become unable to perform substantially his services and duties hereunder with or without reasonable accommodation because of any physical or mental injury or disability, and that it is reasonably likely that he will not be able to resume substantially performing his services and duties on substantially the terms and conditions as set forth in this Amended and Restated Employment Agreement;

(iii) Date that written notice is deemed given or made by the Company to Executive of termination for "Cause" provided that such written notice shall specify in reasonable detail the basis for such termination. For purposes of this Amended and Restated Employment Agreement, "Cause" shall mean any one of the following: (a) Executive's theft, dishonesty or falsification of any employment or Company records that is not trivial in nature; (b) malicious or reckless disclosure of the Company's confidential or proprietary information; (c) commission of any immoral or illegal act or any gross or willful misconduct, where a majority of the disinterested members of the Board reasonably determines that such act or misconduct has (1) seriously undermined the ability of the Board or the Company's management to entrust Executive with important matters or otherwise work effectively with Executive, (2) contributed to the Company's loss of significant revenues or business opportunities, or (3) significantly and detrimentally effected the business or reputation of the Company or any of its subsidiaries; and/or (d) the willful failure or refusal by Executive to follow the reasonable and lawful directives of the Board, provided such failure or refusal continues after Executive's receipt of reasonable notice in writing of such failure or refusal and an opportunity of not less than fifteen (15) days to correct the problem. For purposes of this Amended and Restated Employment Agreement, no act or failure to act shall be deemed willful unless done, or failed to be done, intentionally and in bad faith;

(iv) Date of Executive's "Voluntary Resignation for Good Reason" which means a resignation within ninety (90) days of one or more of the following events which occurs without Executive's consent and which remains uncured thirty (30) days after Executive's delivery to the Company of written notice thereof (a) a material reduction in Executive's duties, authority and responsibilities; (b) a material reduction by the Company in Executive's base salary or target annual cash incentive bonus, in either case as in effect immediately prior to such reduction; (c) the Company's material breach of any of its obligations under this Amended and Restated Employment Agreement or any offer letter or employment agreement between the Company and Executive, and (d) relocation without Executive's written consent, to a facility or location fifty (50) miles from the Company's current headquarters in San Jose, California;

(v) Date of Executive's resignation or voluntary departure without Good Reason; or

(vi) Date that written notice is deemed given or made by the Company to Executive of Executive's termination without "Cause."

Nothing herein alters Executive and the Company's separate right to terminate the employment relationship at any time, for any reason, with or without cause.

3.2 Effect of Termination Without Cause or Voluntary Resignation With Good Reason. If Executive's employment is terminated involuntarily by the Company other than for Cause (and not due to Executive's death or disability), or by Executive pursuant to a Voluntary Termination for Good Reason, and in both cases only if Executive executes and does not revoke a general release of claims (which release is satisfactory to the Company in the Company's sole discretion) against the Company and its affiliates within 60 days after the date of Executive's termination of employment (so that the release becomes irrevocable no later than the 60th day after Executive's termination), then the Company shall provide Executive with the benefits set forth below:

(i) Cash Award. A lump sum payment in an amount equal to the sum of: (x) Executive's monthly base salary immediately prior to such employment termination multiplied by twenty-four (24) months (without regard to any reduction in base salary that may have served as the basis for Voluntary Termination for Good Reason); and (y) Executive's target annual CIP bonus amount for twenty-four (24) months, in addition to any other earned but unpaid compensation due through the date of such termination (without regard to any reduction in target annual cash bonus opportunity that may have served as the basis for Voluntary Termination for Good Reason).

Notwithstanding the above, Executive shall not be paid any pro-rated bonus or incentive which has not otherwise been earned and paid on the date of termination of employment, but instead shall only get two years of bonus as described in (y) above. This lump sum payment is to be paid on the sixty-first (61st) day after the effective date of the employment termination.

(ii) Acceleration of Vesting of Equity Awards; Exercise Period.

(a) Awards Granted *Prior* to the Effective Date. Executive's then-outstanding equity-based compensation awards that were granted prior to the Effective Date of this Amended and Restated Employment Agreement shall become vested to the extent provided by Section 3.2(ii) of the Original Employment Agreement.

(b) Awards Granted *After* the Effective Date. One-hundred percent (100%) of the then-unvested portion of all of Executive's then-outstanding equity-based compensation awards that were granted after the Effective Date of this Amended and Restated Employment Agreement shall become vested, at the 100% target level in the case of equity-based compensation awards the vesting of which is conditioned on the attainment of performance targets (and not solely on the continued service of Executive) (such awards, "Performance Vesting Awards"); provided, however, that, if the terms of any such Performance Vesting Award include a different severance acceleration formula that applies in the circumstances of the employment termination, then such formula will control the vesting of such award; and provided further, however, that in the absence of such a formula if the employment termination occurs after the completion of a performance period but prior to the scheduled vesting date for such period (such as a termination in January or February of a typical year) then such Performance Vesting Award shall vest at the 100% target level or at the amount actually earned based on performance for the completed period, whichever is greater.

(c) Exercise Period. Notwithstanding any provision in this Amended and Restated Employment Agreement or the award agreement to the contrary, if Executive's termination of employment entitles Executive to vesting under this Section 3.2(ii), then any vested options (including, but not limited to, options accelerated pursuant to this Section 3.2(ii)), shall be exercisable for up to twelve (12) months following such termination (or until the original expiration date of such options or the cancellation of the options pursuant to the terms of the Company equity compensation plan pursuant to which they were granted, if earlier).

(d) 409A. To the extent required to avoid imposition of any additional tax or income recognition under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), equity-based compensation awards shall be paid or settled at

the same time or times that the awards otherwise would have been paid or settled in the absence of this Section 3.2(ii).

(iii) **Benefits Continuation.** For twenty-four (24) months following the effective date of the employment termination, the Company shall pay directly, on Executive's behalf, or reimburse Executive in twenty-four (24) monthly installments, at the Company's option, for premium costs incurred by Executive and Executive's dependents for continued health, dental, vision, and EAP coverage under the applicable plans maintained by the Company for a coverage period of twenty-four (24) months following the effective date of the employment termination.

For the avoidance of doubt and notwithstanding any contrary provision of this Employment Agreement, Executive will not be entitled to any of the payments and benefits described in 3.2(i) through 3.2(iii) above unless the above-described release of claims becomes effective and irrevocable no later than the 60th day after Executive's termination of employment.

3.3 **Effect of Termination for Cause or Resignation without Good Reason.** If Executive's employment is terminated for Cause, or Executive resigns his employment other than for Good Reason, then Executive will be paid his base salary through the date of his termination, and will not be eligible to receive any severance, accelerated stock vesting, benefit continuation, or other compensation.

3.4 **Resignation as an Officer and Director.** In the event Executive's employment with the Company terminates for any reason, Executive will be deemed to immediately resign all positions (including, but not limited to, as an officer and/or director) of the Company and all affiliates. Executive agrees to execute all documents reasonably requested by the Company in order to effect such resignation(s).

#### 4. **CONFIDENTIAL INFORMATION.**

4.1 Executive understands that the Company and its affiliates possess Proprietary Information (as defined below) which is important to its business and that this Amended and Restated Employment Agreement creates a relationship of confidence and trust between Executive and the Company and its affiliates with regard to Proprietary Information. Nothing in this Section 4 shall be deemed modified or terminated in the event of the termination or expiration of this Amended and Restated Employment Agreement.

4.2 For purposes of this Amended and Restated Employment Agreement, "Proprietary Information" is information that was or will be developed, created, or discovered by or on behalf of the Company and its affiliates and predecessors, or is developed, created, learned, or discovered by Executive while performing services under this Amended and Restated Employment Agreement, or which became or will become known by, or was or is conveyed to the Company and its affiliates which has commercial value in the Company's and its affiliates' business. "Proprietary Information" includes, but is not limited to, trade secrets, ideas, techniques, business, finances, strategy, product, or franchise development plans, customer information, franchisee information and any other information concerning the Company's and its affiliates' actual or anticipated business, development, personnel information, or which is received in confidence by or for the Company and its affiliates from any other person. "Proprietary Information" also includes all information of which the unauthorized disclosure could be detrimental to the interests of the Company, whether or not

such information is identified as Proprietary Information. Notwithstanding the foregoing, Proprietary Information shall not include any such information which Executive can establish (i) was publicly known or made generally available prior to the time of disclosure by the Company to Executive; (ii) becomes publicly known or made generally available after disclosure by the Company to Executive through no wrongful action or omission by Executive; or (iii) is in Executive's rightful possession, without confidentiality obligations, at the time of disclosure by the Company as shown by Executive's then-contemporaneous written records; provided that any combination of individual items of information shall not be deemed to be within any of the foregoing exceptions merely because one or more of the individual items are within such exception, unless the combination as a whole is within such exception. Executive understands that nothing in this Agreement is intended to limit employees' rights to discuss the terms, wages, and working conditions of their employment, as protected by applicable law.

4.3 At all times, both during the term of this Amended and Restated Employment Agreement and after its termination, Executive will keep in the strictest confidence and trust, and will take all reasonable precautions to prevent any unauthorized use or disclosure of Company Proprietary Information. Executive will not (i) use Company Proprietary Information for any purpose whatsoever other than for the benefit of the Company in the course of Executive's employment, or (ii) disclose Proprietary Information to any third party without the prior written authorization of the Board. Executive agrees that Executive obtains no title to any Proprietary Information, and that as between Company and Executive, the Company retains all Proprietary Information as the sole property of the Company. Executive understands that Executive's unauthorized use or disclosure of Proprietary Information during Executive's employment may lead to disciplinary action, up to and including, immediate termination and legal action by the Company. Executive understands that Executive's obligations under this Section 4 shall continue after termination of Executive's employment and also that nothing in this Amended and Restated Employment Agreement prevents Executive from engaging in Protected Activity, as described below.

4.4 Executive understands that the Company and its affiliates possess or will possess "Company Documents" which are important to its business. For purposes of this Amended and Restated Employment Agreement, "Company Documents" are documents or other media that contain or embody Proprietary Information or any other information concerning the business, operations or plans of the Company and its affiliates, whether such documents have been prepared by Executive or by others. "Company Documents" include, but are not limited to, blueprints, drawings, photographs, charts, graphs, notebooks, customer lists, computer disks, personnel files, tapes or printouts and other printed, typewritten or handwritten documents. All Company Documents are and shall remain the sole property of the Company. Executive agrees not to remove any Company Documents from the business premises of the Company or deliver any Company Documents to any person or entity outside the Company, except as required to do in connection with performance of the services under this Amended and Restated Employment Agreement. Executive further agrees that, immediately upon the Company's request and in any event upon completion of Executive's services, Executive shall deliver to the Company all Company Documents, apparatus, equipment and other physical property or any reproduction of such property.

4.5 Executive understands that nothing in this Amended and Restated Employment Agreement shall in any way limit or prohibit Executive from engaging in any Protected

Activity. For purposes of this Amended and Restated Employment Agreement, "Protected Activity" means filing a charge or complaint with, or otherwise communicating or cooperating with or participating in any investigation or proceeding that may be conducted by any federal, state or local government agency or commission, including the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, and the National Labor Relations Board ("Government Agencies"). Executive understands that in connection with such Protected Activity, Executive is permitted to disclose documents or other information as permitted by law, and without giving notice to, or receiving authorization from, the Company. Notwithstanding, in making any such disclosures or communications, Executive agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any information that may constitute Proprietary Information to any parties other than the Government Agencies. Executive further understands that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications. In addition, Executive hereby acknowledges that the Company has provided Executive with notice in compliance with the Defend Trade Secrets Act of 2016 regarding immunity from liability for limited disclosures of trade secrets. The full text of the notice is attached in Exhibit A.

4.6 Executive agrees he is bound by the Company's standard Patent and Confidentiality Agreement that he previously signed.

5. RESTRICTIVE COVENANTS.

During Executive's employment:

5.1 Executive shall devote substantially all of his time and energy to the performance of Executive's duties described herein, except during periods of illness or vacation.

5.2 Executive shall not directly or indirectly provide services to or through any person, firm or other entity other than the Company, unless otherwise authorized by the Company in writing.

5.3 Notwithstanding the foregoing, Executive shall have the right to perform such incidental services as are necessary in connection with (i) his private passive investments, but only if Executive is not obligated or required to (and shall not in fact) devote any managerial efforts which interfere with the services required to be performed by him hereunder, (ii) his charitable or community activities or (iii) participation in trade or professional organizations, but only if such incidental services do not significantly interfere with the performance of Executive's services hereunder. For the avoidance of doubt, during the Employment Term, Executive shall not directly or indirectly own, manage, operate, join, control or participate in the ownership, management, operation or control of, or be employed by or connected in any manner with, any enterprise which is engaged in any business competitive with that which the Company is at the time conducting or proposing to conduct; provided, however, that such restriction shall not apply to any passive investment representing an interest of less than two percent (2%) of an outstanding class of publicly traded securities of any corporation or other enterprise which is not, at the time of such investment, engaged in a business geographically competitive with the Company's business.

5.4 During the term of this Amended and Restated Employment Agreement, and for one year thereafter, Executive will not directly or indirectly encourage or solicit any employee of

the Company or any affiliate to leave their employment at the Company or any affiliate for any reason.

6. MISCELLANEOUS.

6.1 Withholdings; Internal Revenue Code Section 409A. Notwithstanding any contrary provision of this Amended and Restated Employment Agreement, all payments and other compensation under this Amended and Restated Employment Agreement, including but not limited to any severance payments and benefits, will be subject to applicable tax and other withholdings. The payments and benefits in this Amended and Restated Employment Agreement are intended to be exempt from or comply with the requirements of Section 409A of the Code so that none of the payments or benefits will be subject to the additional tax imposed under Section 409A. To the extent practicable, any ambiguities in this Amended and Restated Employment Agreement will be interpreted to be so exempt or otherwise comply with Section 409A. Notwithstanding any contrary provision of this Amended and Restated Employment Agreement, if and to the extent necessary to avoid subjecting Executive to an additional tax under Section 409A, payment of all or a portion of the severance payments and benefits under this Amended and Restated Employment Agreement and any other separation-related deferred compensation (within the meaning of Section 409A) payable in the first 6 months after Executive's termination of employment will be delayed until the date that is 6 months and 1 day following Executive's separation date (other than in the event that Executive's termination is due to Executive's death or as otherwise permitted under Section 409A), and all subsequent payments and benefits, if any, will be payable in accordance with the payment schedule applicable to them. Each severance payment and benefit is intended to constitute a separate payment for purposes of the Section 409A-related Treasury Regulations. References to Executive's termination from employment will be deemed to refer to Executive's "separation from service" as defined in Section 409A. Notwithstanding any contrary provision of this Amended and Restated Employment Agreement, in no event will the Company reimburse Executive for any taxes that may be imposed on Executive as a result of Section 409A and/or any other tax rule or regulation. Executive and the Company agree to work together in good faith to consider amendments to this Amended and Restated Employment Agreement and to take such reasonable actions that are necessary, appropriate or desirable to help avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A. For purposes of this Amended and Restated Employment Agreement, "Section 409A" means Section 409A of the Code, any final regulations and guidance under that statute, and any applicable state law equivalent, as each may be amended or promulgated from time to time.

6.2 Limitation on Payments. In the event that the severance and other benefits provided for in this Amended and Restated Employment Agreement or otherwise payable to Executive (a) constitute "parachute payments" within the meaning of Section 280G of the Code and (b) but for this Section 6.2, would be subject to the excise tax imposed by Section 4999 of the Code, then Executive's severance benefits under Section 3 or other benefits shall be either:

- (i) delivered in full, or
- (ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits and other benefits may be taxable under Section 4999 of the Code.

In the event of a reduction in accordance with Section 6.2(ii), the reduction will occur, with respect to such severance and other benefits considered “parachute payments” within the meaning of Section 280G of the Code, in the following order: (i) reduction of cash payments in reverse chronological order (that is, the cash payment owed on the latest date following the occurrence of the event triggering the excise tax will be the first cash payment to be reduced; (ii) cancellation of awards granted “contingent on a change in ownership or control” (within the meaning of Section 280G of the Code), (iii) cancellation of accelerated vesting of equity-based compensation awards in the reverse order of date of grant of the awards (that is, the vesting of the most recently granted awards will be cancelled first); and (iv) reduction of employee benefits in reverse chronological order (that is, the benefit owed on the latest date following the occurrence of the event triggering the excise tax will be the first benefit to be reduced. If two or more equity-based compensation awards are granted on the same date, each award will be reduced on a prorated basis. In no event shall Executive have any discretion with respect to the ordering of payment reductions.

Unless the Company and Executive otherwise agree in writing, any determination required under this Section 6.2 shall be made in writing by a nationally recognized accounting or valuation firm selected by the Company (the “Accountants”), whose determination shall be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 6.2, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 6.2. The Company shall bear all costs for payment of the Accountants’ services in connection with any calculations contemplated by this Section 6.2.

6.3 Notices. All notices, demands and requests required by this Amended and Restated Employment Agreement shall be in writing and shall be deemed to have been given or made for all purposes (i) upon personal delivery, (ii) one day after being sent, when sent by professional overnight courier service, (iii) five days after posting when sent by registered or certified mail, or (iv) on the date of transmission when sent by telegraph, telegram, telex, or other form of “hard copy” transmission, to either party hereto at the address set forth below or at such other address as either party may designate by notice pursuant to this Section 6.3.

If to the Company, to:

Pamela Tondreau  
Executive Vice President, Chief Legal and Human Resources Officer  
198 Champion Court  
San Jose, CA 95134

If to Executive, to Executive’s home address on file with the Company.

6.4 Assignment. This Amended and Restated Employment Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and assigns; provided, however, that Executive may not assign, transfer or delegate his rights or obligations hereunder and any attempt to do so shall be void.

6.5 Deductions. All amounts paid to Executive hereunder are subject to all withholdings and deductions required by law, as authorized under this Amended and Restated Employment Agreement, and as authorized from time to time.

6.6 Entire Agreement. This Amended and Restated Employment Agreement contains the entire agreement of the parties with respect to the subject matter hereof. It supersedes all other representations, understandings, undertakings, or agreements (whether written or oral), in their entirety, including (but not limited to) the Offer Letter and the Change of Control Severance Agreement dated May 26, 2016 (which previously was superseded and replaced by the Offer Letter).

6.7 Amendment. This Amended and Restated Employment Agreement may be modified or amended only by a written agreement signed by the Board (or an officer authorized by the Board to act in this matter) and Executive.

6.8 Waivers. No waiver of any term or provision of this Amended and Restated Employment Agreement will be valid unless such waiver is in writing signed by the party against whom enforcement of the waiver is sought. The waiver of any term or provision of this Amended and Restated Employment Agreement shall not apply to any subsequent breach of this Amended and Restated Employment Agreement.

6.9 Counterparts. This Amended and Restated Employment Agreement may be executed in several counterparts, each of which shall be deemed an original, but together they shall constitute one and the same instrument.

6.10 Severability. The provisions of this Amended and Restated Employment Agreement shall be deemed severable, and if any part of any provision is held illegal, void or invalid under applicable law, such provision may be changed to the extent reasonably necessary to make the provision, as so changed, legal, valid and binding. If any provision of this Amended and Restated Employment Agreement is held illegal, void or invalid in its entirety, the remaining provisions of this Amended and Restated Employment Agreement shall not in any way be affected or impaired but shall remain binding in accordance with their terms.

6.11 Governing Law. This employment agreement and the rights and obligations of the Company and Executive hereunder shall be determined under, governed by and construed in accordance with the laws of the State of California.

6.12 Arbitration. Executive understands and agrees that, as a condition of his employment with the Company, any and all disputes that Executive may have with the Company, or any of its employees, officers, directors, agents or assigns, which arise out of Executive's employment or investment or compensation shall be resolved through final and binding arbitration, as specified in this Amended and Restated Employment Agreement. This shall include, without limitation, any controversy, claim or dispute of any kind, including disputes relating to any employment by the Company or the termination thereof, claims for breach of contract or breach of

the covenant of good faith and fair dealing, infliction of emotional distress, defamation and any claims of discrimination, harassment or other claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans With Disabilities Act, the Employee Retirement Income Securities Act, or any other federal, state or local law or regulation now in existence or hereinafter enacted and as amended from time to time concerning in any way the subject of Executive's employment with the Company or its termination. The only claims not covered by this Amended and Restated Employment Agreement are claims for benefits under the unemployment insurance or workers' compensation laws, or other claims that cannot by law be submitted to arbitration. Any disputes and/or claims covered by this Amended and Restated Employment Agreement shall be submitted to final and binding arbitration to be conducted in Santa Clara County, California, in accordance with the rules of Judicial Arbitration and Mediation Services (JAMS), which are available at <http://www.jamsadr.com/rules-employment-arbitration/> and from Human Resources. Executive agrees that the arbitrator shall administer and conduct any arbitration in accordance with California law, including the California Code of Civil Procedure (the "CCP Act") and the California Evidence Code, and that the arbitrator shall apply substantive and procedural California law to any dispute or claim, without reference to rules of conflict-of-law. To the extent that the JAMS rules conflict with California law, California law shall take precedence. Executive understands that Executive may bring a proceeding as a Private Attorney General, as permitted by law. The Federal Arbitration Act governs this agreement and shall continue to apply with full force and effect, notwithstanding the application of procedural rules set forth in the CCP Act and California law. Executive agrees that the arbitrator shall have the power to decide any motions brought by any party to the arbitration, including motions for summary judgment and/or adjudication, and motions to dismiss and demurrers, applying the standards set forth under the CCP Act. Executive agrees that the arbitrator shall issue a written decision on the merits. Executive also agrees that the arbitrator shall have the power to award any remedies available under applicable law, and that the arbitrator shall award attorneys' fees and costs to the prevailing party, where provided by applicable law. Executive agrees that the decree or award rendered by the arbitrator may be entered as a final and binding judgment in any court having jurisdiction thereof. Executive understands that the Company will pay for any administrative or hearing fees charged by the arbitrator or JAMS except that Executive shall pay any filing fees associated with any arbitration that Executive initiates, but only so much of the filing fees as Executive would have instead paid had Executive filed a complaint in a court of law. Executive acknowledges and agrees that Executive is executing this Amended and Restated Employment Agreement voluntarily and without any duress or undue influence by the Company or anyone else. Executive further acknowledges and agrees that Executive has carefully read this Amended and Restated Employment Agreement and that Executive has asked any questions needed for Executive to understand the terms, consequences, and binding effect of this agreement and fully understand it. The arbitration shall be instead of any civil litigation; this means that Executive and the Company are waiving any right to a jury trial, and that the arbitrator's decision shall be final and binding to the fullest extent permitted by law and enforceable by any court having jurisdiction thereof. Finally, Executive agrees that he has been provided an opportunity to seek the advice of an attorney of Executive's choice before signing this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated Employment Agreement as of the date first above written.

CYPRESS SEMICONDUCTOR CORPORATION

By: /s/ Pamela Tondreau

Name: Pamela Tondreau

Title: Chief Legal Officer

EXECUTIVE

/s/ Hassane El-Khoury  
Hassane El-Khoury

## **EXHIBIT A**

### **SECTION 7 OF THE DEFEND TRADE SECRETS ACT OF 2016**

“ . . . An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-(A) is made-(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. . . . An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-(A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.”