

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

FORM 8-K

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

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): January 1, 2009

TEXAS INSTRUMENTS INCORPORATED

(Exact name of registrant as specified in charter)

DELAWARE
(State or other jurisdiction of incorporation)

001-03761
(Commission file number)

75-0289970
(I.R.S. employer identification no.)

12500 TI BOULEVARD
P.O. BOX 660199
DALLAS, TEXAS 75266-0199
(Address of principal executive offices)

Registrant's telephone number, including area code: (972) 995-3773

Check the appropriate box below if the Form 8-K 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))
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ITEM 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers

Effective January 1, 2009, the Registrant's Board of Directors adopted two compensation plans, the TI Deferred Compensation Plan and the TI Employees Non-Qualified Pension Plan II, to address the requirements of Section 409A of the Internal Revenue Code and the regulations adopted thereunder, as well as administrative requirements. A brief description of the terms and conditions of each of the new plans is below, and both are filed as exhibits hereto.

TI Deferred Compensation Plan:

The TI Deferred Compensation Plan ("DCP") permits any U.S. employee of the Registrant whose base salary exceeds a level determined by either the Registrant's Compensation Committee or management (\$135,000 per year in 2008), to defer the receipt of a portion of his or her salary, bonus and profit sharing. The Registrant's existing deferred compensation plan was merged into the DCP. Deferred compensation account balances are unsecured and all amounts remain part of the company's operating assets. The balances of the deferred compensation accounts track the performance of investment alternatives selected by the participant. The Registrant does not guarantee any minimum return on the amounts deferred. Deferred amounts, including any earnings on the deferred amounts, are generally distributed on a date selected by the participant or on the participant's death or entry of a qualified domestic relations order. Because it is impossible to determine which, if any, of the Registrant's executive officers will participate in the DCP, what investment alternatives such executive officers would select and the performance of the investment alternatives, it is impossible to determine what amounts would be payable under the DCP to the executive officers.

TI Employees Non-Qualified Pension Plan II:

The TI Employees Non-Qualified Pension Plan II (the "Non-qualified Plan") provides supplemental pension benefits to employees who (a) participate in the Registrant's qualified defined benefit pension plan but earn a benefit that exceeds the Internal Revenue Service's (IRS) limit on annual pension benefits payable (\$185,000 in 2008) or on qualified plan compensation (\$230,000 in 2008), or (b) elected to participate in the TI Deferred Compensation Plan (the "DCP") and as a result had certain compensation excluded from consideration under the qualified pension plan. The benefit under the Non-qualified Plan is the amount by which the qualified pension plan benefit accrued after 2004 (absent the applicable IRS limits or exclusion of DCP elective deferrals) exceeds such benefit (with the applicable IRS limits and exclusion of DCP elective deferrals). Amounts earned under the Non-qualified Plan are distributed upon separation from service to the Registrant, or upon the participant's death or entry of a qualified domestic relations order. Presently, it is impossible to determine what amounts will be payable under the Non-qualified Plan to the executive officers of the Registrant because of the uncertainty of the executive officers' future compensation or DCP deferral elections.

ITEM 9.01. Exhibits

<u>Designation of Exhibit in this Report</u>	<u>Description of Exhibit</u>
10(a)	TI Deferred Compensation Plan Effective January 1, 2009 (furnished pursuant to Item 5.02)
10(b)	TI Employees Non-Qualified Pension Plan II Effective January 1, 2009 (furnished pursuant to Item 5.02)

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.

TEXAS INSTRUMENTS INCORPORATED

Date: January 6, 2009

By: /s/ Joseph F. Hubach
Joseph F. Hubach
Senior Vice President, Secretary and
General Counsel

TI DEFERRED COMPENSATION PLAN

(Effective January 1, 2009)

TI DEFERRED COMPENSATION PLAN

Texas Instruments Incorporated, a Delaware corporation with its principal offices in Dallas, Texas (hereinafter referred to as “TI” or “the Company”), froze the TI Deferred Compensation Plan (the “Frozen DCP”), effective as of December 31, 2004, to new participants, to new elective deferrals and to benefits under the Frozen DCP to the extent benefits under that plan were earned and vested as of that date. Effective as of January 1, 2005, TI established a new deferred compensation plan (the “New Plan”) in order (i) to provide a select group of management or highly compensated employees described in Section 201(2) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) with the opportunity to defer payment of certain compensation and benefits earned from and after January 1, 2005 to a later date, (ii) to provide for the payment of benefits under the Frozen DCP which were not earned and vested as of January 1, 2005, and (iii) to restore certain benefits earned and/or vested on or after January 1, 2005, which cannot be provided under the TI Contribution and 401(k) Savings Plan or the TI 401(k) Savings Plan as a result of that deferral of compensation or by reason of the application of Section 401(a)(17) and/or Section 415 of the Internal Revenue Code of 1986, as amended (the “Code”), all in accordance with the interim guidance promulgated under Section 409A of the Code. The benefits provided under the New Plan are unfunded with the result that the participants in the Plan are general unsecured creditors of TI. TI hereby amends and restates the New Plan, effective as of January 1, 2009 (the “A&R Plan” or the “Plan”), in the form provided herein in order, among other things, to establish the name of the A&R Plan as the “TI Deferred Compensation Plan” and to comply with the Final Treasury Regulations of Section 409A of the Code.

Prior to January 1, 2009, the deferral of amounts and restoration of benefits pursuant to the New Plan was governed by the applicable interim guidance under Section 409A of the Code in effect prior to January 1, 2009, and the deferral of compensation earned from and after January 1, 2009 and the restoration of benefits from and after January 1, 2009, as well as all amounts in a Participant’s Accounts on or after January 1, 2009, shall be governed by the terms and conditions of this A&R Plan.

Effective as of November 1, 2008, the Frozen DCP was merged into the New Plan in order to permit the election provisions described in this A&R Plan which took effect as of November 1, 2008 to apply to all of the amounts under the Frozen DCP, except for the Frozen Non-Qualified Pension Plan Deferrals, and as a result of that merger and material modification of the Frozen DCP, it became subject to the requirements of Section 409A of the Code as of November 1, 2008, for all of the amounts in the Frozen DCP other than the Frozen Non-Qualified Pension Plan Deferrals. The amounts in the accounts of the participants in the Frozen DCP (except for the Frozen Non-Qualified Pension Plan Deferrals) were governed by the terms and conditions of the New Plan until January 1, 2009 (except for the election provisions set forth herein which took effect as of November 1, 2008), and from and after January 1, 2009, shall be governed by the terms and conditions of this A&R Plan. The terms of the Frozen DCP as in effect prior to November 1, 2008 shall remain applicable to and shall govern the Frozen Non-Qualified Pension Plan Deferrals. In addition, any amounts in pay status as of November 1, 2008, whether originally payable from the Frozen DCP or the New Plan, shall continue to be payable pursuant to the terms of the Frozen DCP as in effect prior to November 1, 2008 or the New Plan, as the case may be.

Article I
DEFINITIONS

Whenever used in this Plan, the following words and phrases shall have the meanings set forth below, unless a different meaning is plainly required by the context. Unless otherwise indicated by the context, any masculine terminology when used in the Plan shall also include the feminine gender, and the definition of any term in the singular shall also include the plural.

Sec. 1-1. Account. “Account” or “Accounts” means, as the context requires, the Deferred Compensation Account and/or the Benefit Restoration Account of a Participant.

Sec. 1-2. Administration Committee. “Administration Committee” means the person or persons from time to time acting under the provisions of Article V hereof.

Sec. 1-3. Beneficiary. “Beneficiary” means the person or persons, entity or entities, trust or trusts, or the Participant’s estate, including one or more organizations described in each of Sections 170(c), 2055(a), and 2522(a) of the Code (or any substitute provisions), named by a Participant who is not married as his Beneficiary or contingent Beneficiary. “Beneficiary” means, in the case of a married Participant, the spouse (as defined in the Defense of Marriage Act) of the Participant at the time of his death, provided that a married Participant shall be entitled to designate one or more of the types of Beneficiaries or contingent Beneficiaries that an unmarried Participant may select, other than the Participant’s spouse, to receive any amount payable under the Plan in the event of his death and from time to time to change such designation. Such married Participant’s alternate designation of a non-spousal Beneficiary shall not be effective, however, unless:

- (i) the spouse of the Participant consents in writing to such designation and the spouse’s consent acknowledges the effect of such designation and is witnessed by a Plan representative or a notary public; or
- (ii) the Participant establishes to the satisfaction of the Administration Committee that such spouse’s consent may not be obtained because the spouse cannot be located.

Any consent by a spouse (or the establishment that consent of a spouse may not be obtained) shall be effective only with respect to that spouse. Such spouse may revoke his consent by filing prior to the applicable Scheduled Distribution Date of the Participant a revocation in such form and manner as the Administration Committee shall specify. The Administration Committee may rely on the representations by the Participant as to whether the Participant has no spouse or the spouse cannot be located and shall have no liability for such reliance. All Beneficiary designations and changes of Beneficiary designations shall be made in accordance with such rules and regulations, as the Administration Committee shall prescribe.

A person who is an alternate payee under a qualified domestic relations order may be considered a Beneficiary for purposes of this Plan.

Sec. 1-4. Benefit Restoration Account. “Benefit Restoration Account” means the bookkeeping account of a Participant maintained by TI which reflects amounts attributable to the benefit restoration account in the New Plan and the benefit restoration account in the Frozen DCP and contributions and earnings posted pursuant to Sections 3-3 and 3-4 hereof.

Sec. 1-5. Board of Directors. “Board of Directors” means the Board of Directors of TI or of any Subsidiary which has adopted this Plan.

Sec. 1-6. Cash Profit Sharing Compensation. “Cash Profit Sharing Compensation” means the cash profit sharing bonus payable for a Plan Year under the TI Employees Cash Profit Sharing Plan, as amended from time to time, and any successor to that program.

Sec. 1-7. Code. “Code” means the Internal Revenue Code of 1986, as amended.

Sec. 1-8. Compensation. “Compensation” means: (a) a Designated Employee’s Regular Compensation; (b) a Designated Employee’s Year-End Performance Bonus; and (c) any amounts paid to the Designated Employee as Cash Profit Sharing Compensation. In addition, “Compensation” as provided in Sections 2-4 and 3-3(iii) for purposes of determining any “Matched Savings Contribution” shall have the same meaning as in the TI 401(k) Savings Plan.

Sec. 1-9. Compensation Committee. “Compensation Committee” means the Compensation Committee of the Board of Directors of TI.

Sec. 1-10. Deferred Compensation Account. “Deferred Compensation Account” means the bookkeeping account of a Participant maintained by TI, which reflects the following:

- (i) amounts in the portion of the Account attributable to the deferred compensation account in the Frozen DCP, other than amounts attributable to Frozen Non-Qualified Pension Plan Deferrals;
- (ii) amounts in the portion of the Account attributable to the deferred compensation account in the Frozen DCP composed of the Frozen Non-Qualified Pension Plan Deferrals;
- (iii) amounts in the portion of the Account attributable to the deferred compensation account in the New Plan (including amounts attributable to deferrals of benefits from the TI Employees Non-Qualified Pension Plan II pursuant to the deferral election provided for the 2005 Plan Year which either (a) were credited to the Account prior to January 1, 2009, or (b) are payable from the TI Employees Non-Qualified Pension Plan II as of December 31, 2008 but may not actually be credited to the Account until after January 1, 2009); and
- (iv) contributions and earnings posted pursuant to Section 3-2 hereof.

Sec. 1-11. Deferred Compensation Agreement. “Deferred Compensation Agreement” means an agreement pursuant to which a Designated Employee elects to defer part of his Compensation and which specifies:

- (i) that the Designated Employee agrees to participate in this Plan in accordance with its provisions; and
- (ii) that the Deferred Compensation Agreement shall be subject to this Plan in all respects.

Sec. 1-12. Designated Employee. “Designated Employee” means an employee of TI or a Subsidiary who is eligible to participate in a Deferred Compensation Account pursuant to Section 2-1 of this Plan and to defer Compensation during a Plan Year.

Sec. 1-13. Election Period. “Election Period” means the annual election period during which Participants who are Designated Employees may enter into new Deferred Compensation Agreements in accordance with Article III and make such other elections as provided for in this Plan. Such annual election period shall be the period prior to the beginning of a Plan Year as specified by the Administration Committee and communicated to the Designated Employees.

Sec. 1-14. Eligible Employee. “Eligible Employee” means an Employee other than an Employee who is defined as a “Tucson Participant” in Appendix E of the TI Employees Pension Plan.

Sec. 1-15. Employee. “Employee” means any employee of TI or its Subsidiaries, whether full or part-time.

Sec. 1-16. Employer. “Employer” means Texas Instruments Incorporated and any other corporation and any other member of the controlled group of corporations (as defined in Section 414(b) of the Code) which includes TI and which adopts the TI 401(k) Savings Plan or the TI Contribution and 401(k) Savings Plan, unless the controlled group member’s adopting resolutions specifically provide that while adopting the TI 401(k) Savings Plan or the TI Contribution and 401(k) Savings Plan, it is not adopting this Plan. In any event, among the Employers, TI shall have sole power to amend or terminate this Plan.

Sec. 1-17. ERISA. “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

Sec. 1-18. Frozen Non-Qualified Pension Plan Deferrals. “Frozen Non-Qualified Pension Plan Deferrals” means amounts from the TI Employees Non-Qualified Pension Plan which was frozen as of December 31, 2004, attributable to deferrals of benefits which either (a) were credited prior to January 1, 2009 to the portion of a Participant’s Deferred Compensation Account composed of the deferred compensation account in the Frozen DCP, or (b) are payable from said frozen Employees Non-Qualified Pension Plan as of December 31, 2008 to the portion of a Participant’s Deferred Compensation Account composed of the deferred compensation account in the Frozen DCP, but which may not actually be credited to the Deferred Compensation Account until after January 1, 2009, plus earnings thereon.

Sec. 1-19. Participant. “Participant” means both an Active Participant and an Inactive Participant, as such terms are defined in this Section 1-19.

(i) “Active Participant” shall include:

- (a) an Employee who executes a Deferred Compensation Agreement for the current Plan Year in accordance with Article III hereof and who is not an “Inactive Participant” as defined in (ii) below; and
- (b) an Eligible Employee who is credited with an amount to his Benefit Restoration Account.

(ii) “Inactive Participant” shall include:

- (a) with respect to the Deferred Compensation Account, a Designated Employee who has a Deferred Compensation Account balance but who did not execute a Deferred Compensation Agreement for the current Plan Year in accordance with Article III hereof;

- (b) an Employee who has a Deferred Compensation Account balance, but who is no longer a Designated Employee;
- (c) an Eligible Employee who has a Benefit Restoration Account balance, but who is not currently being credited with amounts to that account; and
- (d) a former Employee who has a Deferred Compensation Account balance and/or a Benefit Restoration Account balance and who has experienced a “separation from service” as defined in Section 1.409A-1(h) of the Final Treasury Regulations under Section 409A of the Code, or any successor provision thereto, including any former Employees who were participants in the Frozen DCP and/or the New Plan.

Sec. 1-20. Plan Year. “Plan Year” means a calendar year.

Sec. 1-21. Regular Compensation. “Regular Compensation” means a Designated Employee’s regular base salary (including straight time, holiday pay, timebank, jury duty, disability pay, workers compensation and military pay) relating to services performed for the Employer during any calendar year, but excluding commissions, bonuses, and any other incentive compensation.

Sec. 1-22. Scheduled Distribution Date. “Scheduled Distribution Date” means the month and year designated by the Participant pursuant to Section 3-6.

Sec. 1-23. Subsidiary. “Subsidiary” means any entity whose assets and net income are included in the consolidated financial statements of TI and its Subsidiaries audited by TI’s independent auditors and reported to shareholders in the published annual report to shareholders.

Sec. 1-24. Year-End Performance Bonus. “Year-End Performance Bonus” means a cash incentive award payable for a Plan Year under the Texas Instruments’ Executive Officer Performance Plan and performance bonuses payable under any Employer’s annual performance bonus plan, as amended from time to time, and any successor to such plan or program. Merit, retention, sales, completion, individual, team, signing, and other similar bonuses are not eligible for deferral as a “Year-End Performance Bonus.”

ARTICLE II
ELIGIBILITY AND PARTICIPATION

Sec. 2-1. Eligibility.

- (i) Annual eligibility to participate in a Deferred Compensation Account shall be limited to Employees on the U.S. payroll who are selected by, and at the sole discretion of, the Compensation Committee, the TI Senior Vice President responsible for Human Resources or such other individual designated by the Compensation Committee who represent a select group of management or highly-compensated employees of TI or its Subsidiaries, consistent with the Plan’s status under ERISA as a plan for a select group of management or highly compensated employees. An Employee selected to participate as provided in this paragraph will be eligible to participate in a Deferred Compensation Account in accordance with the provisions of Section 2-2 below as a Designated Employee.
- (ii) Eligible Employees shall be eligible to participate in a Benefit Restoration Account in accordance with the provisions of Section 2-3 or Section 2-4 below, provided the

Compensation Committee, the TI Senior Vice President responsible for Human Resources or such other individual designated by the Compensation Committee has determined, in its or such individual's sole discretion, that those Employees represent a select group of management or highly-compensated employees of TI or its Subsidiaries, consistent with the Plan's status under ERISA as a plan for a select group of management or highly compensated employees. The participation of a Participant who has an amount credited to his Benefit Restoration Account pursuant to Section 2-3 or Section 2-4 shall be automatic. The participation of a Designated Employee in a Deferred Compensation Account is elective, as described below.

Sec. 2-2. Participation in a Deferred Compensation Account. A Designated Employee shall become a Participant in a Deferred Compensation Account by completing a Deferred Compensation Agreement in the manner and form (including without limitation, telephonic and electronic transmission, utilization of voice response systems and computer entry, to the extent such form is permissible under Section 409A of the Code) specified by the Administration Committee, and electing to defer Compensation as provided in Section 3-2 below.

Sec. 2-3. Participation in a Benefit Restoration Account for Participants in the TI Contribution and 401(k) Savings Plan.

- (i) An Eligible Employee will become a Participant in this Plan, and a Benefit Restoration Account in the name of the Participant will be credited with contributions not credited to such Participant's "Contribution Account" under the TI Contribution and 401(k) Savings Plan for that Plan Year as of the date the limitations under Section 401(a)(17) of the Code and/or Section 415 of the Code are first applicable, so that allocations under the TI Contribution and 401(k) Savings Plan allocable to such account of such Participant are restricted.
- (ii) An Eligible Employee will become a Participant in this Plan, and a Benefit Restoration Account in the name of such Participant will be credited with "Employer 401(m) Contributions" not credited to the Participant's "401(k) Account" under the TI Contribution and 401(k) Savings Plan for that Plan Year as of the date the limitations under Section 401(a)(17) and/or Section 415 of the Code first restrict contributions or allocations under the TI Contribution and 401(k) Savings Plan; provided that the Participant has made an election under the TI Contribution and 401(k) Savings Plan to defer the maximum amount of compensation permitted under Section 402(g) of the Code.
- (iii) A Designated Employee who otherwise is an Eligible Employee will become a Participant in this Plan and a Benefit Restoration Account in the name of the Participant will be credited with contributions not credited to the Participant's "Contribution Account," and with "Employer 401(m) Contributions" not credited to the Participant's "401(k) Account" under the TI Contribution and 401(k) Savings Plan for that Plan Year because the Participant deferred Regular Compensation or deferred Year-End Performance Bonus under this Plan, as of the earliest date the deferred Regular Compensation or deferred Year-End Performance Bonus is credited to the Participant's Deferred Compensation Account pursuant to Section 3-2 below; provided that no "Employer 401(m) Contributions" restoration shall be made unless the Participant has made an election under the TI Contribution and 401(k) Savings Plan to defer the maximum amount of compensation permitted under Section 402(g) of the Code.

Sec. 2-4. Participation in a Benefit Restoration Account for Participants in the TI 401(k) Savings Plan. A Designated Employee who otherwise is an Eligible Employee will become a Participant in this Plan, and a Benefit Restoration Account in the name of such Participant will be credited with “Employer Matched Savings Contributions” not credited to the Participant’s “401(k) Account” under the TI 401(k) Savings Plan for that Plan Year solely because the Participant deferred Regular Compensation or deferred Year-End Performance Bonus under this Plan, as of the earliest date the Regular Compensation or Year-End Performance Bonus is credited to the Participant’s Deferred Compensation Account pursuant to Section 3-2 below; provided that the Participant has made an election under the TI 401(k) Savings Plan to defer the maximum amount of compensation permitted under Section 402(g) of the Code, and provided further that such contribution, when added to any “Matched Savings Contribution” actually made pursuant to the TI 401(k) Savings Plan, does not exceed 2% of such Participant’s Compensation during the Plan Year as limited by Section 401(a)(17) of the Code.

Article III
PARTICIPANT ACCOUNT

Sec. 3-1. Participant Account. TI shall maintain for each Participant an unfunded bookkeeping Deferred Compensation Account and/or Benefit Restoration Account to which shall be credited or debited all contributions and any earnings and losses that would have been incurred thereon if the Accounts had been invested as directed by the Participant or as otherwise so provided pursuant to this Article III. A Participant shall at all times have a fully vested and non-forfeitable right to the amounts credited to his Deferred Compensation Account under this Plan, subject to the distribution provisions and other requirements of this Plan. To the extent the Participant is vested in corresponding benefits under the TI 401(k) Savings Plan or the TI Contribution and 401(k) Savings Plan, the Participant shall be vested in the amounts credited to his Benefit Restoration Account, subject to the distribution provisions and other requirements of this Plan.

Sec. 3-2. Elections by Participants for Deferred Compensation Accounts.

- (i) Each Designated Employee may elect to participate in a Deferred Compensation Account by completing a Deferred Compensation Agreement during the Election Period.
- (ii) A Designated Employee who elects to participate in a Deferred Compensation Account may, during the applicable Election Period, elect to defer into a Deferred Compensation Account no more than 90% of the Designated Employee’s Year-End Performance Bonus that is earned in the upcoming Plan Year and paid in the following Plan Year. A Participant’s election to defer his Year-End Performance Bonus is irrevocable and shall become effective as of the first day of the Plan Year immediately following such Election Period.
- (iii) A Designated Employee who elects to participate in a Deferred Compensation Account may, during the applicable Election Period, elect to defer into the Deferred Compensation Account no more than 90% of the Designated Employee’s Cash Profit Sharing Compensation that is earned in the upcoming Plan Year and paid in the following Plan Year. A Participant’s election to defer Cash Profit Sharing Compensation is irrevocable and shall become effective as of the first day of the Plan Year immediately following such Election Period.

- (iv) A Designated Employee who elects to participate in a Deferred Compensation Account may, during the applicable Election Period, elect to defer into the Deferred Compensation Account no more than 25% of the Designated Employee's Regular Compensation (exclusive of his Year-End Performance Bonus and Cash Profit Sharing Compensation) to be earned in the upcoming Plan Year. A Participant's election to defer Regular Compensation is irrevocable, and shall become effective for Compensation earned from and after the first day of the Plan Year immediately following such Election Period.

The Employer of a Participant shall credit to the Participant's Deferred Compensation Account the amount of Compensation the Participant has elected to defer. Such amounts shall be credited as of the date the Compensation so deferred would otherwise have been paid to the Participant in the absence of the Participant's deferral election.

Sec. 3-3. *Benefit Restoration Accounts.* The Employer of a Participant who is an Eligible Employee shall credit to the Benefit Restoration Account of such Participant all of the following that apply:

- (i) the amount of contributions not credited to such Participant's "Contribution Account" under the TI Contribution and 401(k) Savings Plan for that Plan Year due to the limitations under Section 401(a)(17) of the Code and/or Section 415 of the Code or because the Participant deferred compensation pursuant to Section 3-2 above;
- (ii) the amount of any "Employer 401(m) Contributions" which would have been made but which were not made and credited to the "401(k) Account" under the TI Contribution and 401(k) Savings Plan because of the application of Section 401(a)(17) and/or Section 415 of the Code or because the Participant deferred compensation pursuant to Section 3-2 above; provided that the Participant has made an election under the TI Contribution and 401(k) Savings Plan to defer the maximum amount of compensation permitted under Section 402(g) of the Code; and/or
- (iii) the amount of any "Matched Savings Contribution" under the TI 401(k) Savings Plan which would have been credited but which was not credited under the TI 401(k) Savings Plan solely because the Designated Employee deferred compensation pursuant to Section 3-2 above, provided that the Participant has made an election under the TI 401(k) Savings Plan to defer the maximum amount of compensation permitted under Section 402(g) of the Code, and provided further that such contribution, when added to any "Matched Savings Contribution" actually made pursuant to the TI 401(k) Savings Plan, does not exceed 2% of such Designated Employee's Compensation during the Plan Year as limited by Section 401(a)(17) of the Code.

Sec. 3-4. *Investment Performance of Contributions.* As soon as the Administration Committee determines that it is administratively feasible, a Participant may direct the Administration Committee to value amounts deferred or credited for that Plan Year to each of (1) the portion of the Deferred Compensation Account attributable to deferrals provided for in Sections 3-2(ii) and (iii), if applicable, (2) the portion of the Deferred Compensation Account attributable to deferrals provided for in Section 3-2(iv), if applicable, and (3) the Benefit Restoration Account for such Participant pursuant to Section 3-3, if applicable, so as to reflect the performance of any of the participant investment funds authorized under the TI Contribution and 401(k) Savings Plan. In the case of elections of amounts deferred pursuant to Section 3-2 for any Plan Year and amounts credited for any Plan Year to a Benefit Restoration Account of a Participant, the participant investment funds available under this Plan shall exclude the TI

Stock Fund and the Self Directed Brokerage Account as defined in said TI Contribution and 401(k) Savings Plan. In the case of the portion of the Deferred Compensation Accounts and the Benefit Restoration Accounts attributable to the New Plan, the TI Stock Fund and the Self Directed Brokerage Account shall be excluded, and in the case of the portion of the Deferred Compensation Accounts and the Benefit Restoration Accounts attributable to the Frozen DCP, the Self Directed Brokerage Account shall be excluded. Subject to the provisions of this Section 3-4, separate directions may be made with respect to amounts already credited to a Participant's Accounts and, in the case of the Deferred Compensation Account, with respect to amounts to be credited in the future.

If a Participant has not made investment performance directions for that Plan Year for an amount credited to any of the portions of that Participant's Deferred Compensation Account or his Benefit Restoration Account for that Plan Year pursuant to the foregoing provisions of this Section 3-4, then such amount shall reflect the performance of the Lifestyle 2010 Fund or such other low risk investment fund as selected by the Retirement Investment Committee provided for in the TI Contribution and 401(k) Savings Plan.

Notwithstanding the foregoing provisions of this Section 3-4, with respect to the portion of the Deferred Compensation Accounts and the Benefit Restoration Accounts attributable to the Frozen DCP and the portion in those Accounts attributable to the New Plan, investment in the TI Stock Fund shall be subject to the following limitations:

- (i) no Participant shall be permitted to direct that any additional amounts in the portion of his Accounts attributable to the Frozen DCP or the New Plan reflect the performance of the TI Stock Fund;
- (ii) dividends on TI Stock shall be reinvested in the TI Stock Fund; and
- (iii) from and after January 1, 2010, Participants who have amounts in their Accounts attributable to the Frozen DCP or the New Plan shall no longer be permitted to direct that any of such amounts reflect the performance of the TI Stock Fund, and the TI Stock Fund shall be removed as an investment performance fund alternative which is available under this Plan with respect to the portion of their Accounts attributable to the Frozen DCP or the New Plan. Prior to January 1, 2010, the Administration Committee shall establish procedures for redirecting amounts which have been directed to reflect the performance of the TI Stock Fund into one of the other investment performance fund alternatives available under the Plan.

Participant investment performance directions for a Plan Year may be made not more often than once each day. Each such direction which conforms to the terms and conditions specified by the Administration Committee shall be effective as soon as practicable after it is made and shall continue in effect until revoked or modified by a new direction.

Sec. 3-5. Withdrawal of Contributions. A Participant may not withdraw funds credited to the Participant's Deferred Compensation Account and Benefit Restoration Account unless the Participant has an Unforeseeable Emergency. An "Unforeseeable Emergency" is a severe financial hardship to the Participant resulting from (a) an illness or accident of the Participant, or the Participant's spouse, Beneficiary, or dependent (as defined in Section 152 of the Code, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code), (b) loss of the Participant's property due to casualty, or (c) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control, all as determined by the Administration Committee based on the relevant facts and circumstances and as

provided for in Treas. Reg. §1.409A-3(i)(3) or any successor provision. Examples of potential Unforeseeable Emergencies include the following:

- (i) the need to rebuild a home following damage to a home not otherwise covered by insurance;
- (ii) the imminent foreclosure of or eviction from the Participant's primary residence;
- (iii) the need to pay for medical expenses, including nonrefundable deductibles, as well as for the costs of prescription drug medication; and
- (iv) the need to pay for funeral expenses of a spouse, a Beneficiary, or a dependent (as defined in Section 152 of the Code, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code).

Whether a Participant is faced with an Unforeseeable Emergency under the Plan is to be determined based on the relevant facts and circumstances of each case, but in any case, a withdrawal on account of an Unforeseeable Emergency may not be made to the extent that such emergency is or may be relieved (a) through reimbursement or compensation from insurance or otherwise, (b) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not cause severe financial hardship, or (c) by cessation of deferrals under the Plan.

Withdrawal because of an Unforeseeable Emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include amounts necessary to pay any federal, state, local, or foreign income taxes or penalties reasonably anticipated to result from the distribution), as determined by the Administration Committee, in its sole discretion. The Participant must apply in writing for a payment upon an "Unforeseeable Emergency," using the form prescribed by the Administration Committee. The Administration Committee retains the sole and absolute discretion to grant or deny a payment upon an Unforeseeable Emergency. Payment of any amount withdrawn under this Section 3-5 shall be made as soon as administratively possible but in no event more than ninety (90) days following the determination of an Unforeseeable Emergency by the Administration Committee. A Participant's deferrals shall not cease following a payment upon an Unforeseeable Emergency.

Sec. 3-6. Scheduled Distribution Dates and Forms for Payment. Subject to Sections 3-7, 3-8 and 3-11:

- (i) (a) except as otherwise provided in this Section 3-6, each Election Period each Designated Employee shall elect separate Scheduled Distribution Dates for distribution of the amounts, if any, credited during the Plan Year to which the Election Period relates, for each of (1) the portion of the Deferred Compensation Account attributable to deferrals provided for in Sections 3-2(ii) and (iii), and (2) the portion of the Deferred Compensation Account attributable to deferrals provided for in Section 3-2(iv), and the Benefit Restoration Account for such Designated Employee pursuant to Section 3-3, along with the earnings on such amounts; provided, however, that any Scheduled Distribution Date designated by such Designated Employee shall be no earlier than two (2) years following the end of the Plan Year to which such designation relates;
- (b) effective as of the Election Period beginning on or after November 1, 2008 and ending on or prior to December 31, 2008, for any Participant who had amounts

credited to one or both of his Accounts in the New Plan for the 2005 through 2008 Plan Years, such Participant had the right to elect, during such Election Period a single Scheduled Distribution Date (which shall be no earlier than July, 2010) for all such amounts, if any, credited during those Plan Years prior to 2009 to the Deferred Compensation Account and the Benefit Restoration Account for such Participant, along with the earnings on such amounts. The election described in this paragraph (b) was intended to comply, where applicable, with the transition relief provided, with respect to Section 409A of the Code by (1) Notice 2005-1, Q&A 19(c) issued by the Internal Revenue Service (“IRS”) and the U.S. Department of the Treasury, (2) the IRS Proposed Regulations under Section 409A of the Code published on October 4, 2005, (3) Notice 2006-79 issued by the IRS and the U.S. Department of the Treasury, (4) the IRS Final Regulations under Section 409A of the Code effective April 17, 2007, and (5) Notice 2007-86 issued by the IRS and the U.S. Department of the Treasury (collectively, the “409A Transition Relief”) and shall be interpreted in all respects to be consistent with and in compliance with the 409A Transition Relief;

- (c) effective as of the Election Period beginning on or after November 1, 2008 and ending on or prior to December 31, 2008 for any Participant who had amounts credited to one or both of his Accounts in the New Plan on November 1, 2008 which are attributable to amounts from the merged Frozen DCP, such Participant was entitled to elect during such Election Period a single Scheduled Distribution Date (which shall be no earlier than July, 2010) for all such amounts, if any, attributable to the Frozen DCP as of November 1, 2008 and credited to the Deferred Compensation Account and the Benefit Restoration Account for such Participant, along with the earnings on such amounts. The election described in this paragraph (c) was intended to comply, where applicable, with the 409A Transition Relief and shall be interpreted in all respects to be consistent with and in compliance with the 409A Transition Relief. Such election shall not apply to the Frozen Non-Qualified Pension Plan Deferrals;
- (d) the elections provided for in this Section 3-6(i) shall be made in such manner (including without limitation, telephonic and electronic transmission, utilization of voice response systems and computer entry, to the extent such form is permissible under Section 409A of the Code) as specified by the Administration Committee, subject to Section 3-6(ii) and (iii) below. Any such election shall remain in effect until a subsequent distribution election, if any, becomes effective;
- (e) the Scheduled Distribution Date from and after January 1, 2009 for any amount credited during a Plan Year to the Benefit Restoration Account of a Participant who is not a Designated Employee for that Plan Year is the January of the 3rd Plan Year following the Plan Year in which such amount is credited to such Account;
- (f) notwithstanding the foregoing provisions of this Section 3-6(i), in no event shall the Scheduled Distribution Date designated by any Participant be later than the month in which such Participant attains age seventy-five (75).

- (ii) At the time of the elections provided for in Section 3-6(i), a Participant shall elect to receive distribution of the amounts credited to his Accounts for the applicable Scheduled Distribution Date in one of the following forms:
 - (a) a lump sum payable during the Participant's Scheduled Distribution Date;
 - (b) annual installments to be paid over five (5) consecutive years, with the first installment being paid during the Participant's Scheduled Distribution Date, and the subsequent installments being paid during the next four (4) anniversaries of such Scheduled Distribution Date; or
 - (c) annual installments to be paid over ten (10) consecutive years, with the first installment being paid during the Participant's Scheduled Distribution Date, and the subsequent installments being paid during the next nine (9) anniversaries of such Scheduled Distribution Date.
- (iii) If a Participant fails or refuses to make an election of either the date or form of payment for any Plan Year pursuant to Sections 3-6(i)(a) and/or (ii), the amounts credited to such Participant's Accounts for such Plan Year shall be paid in a lump sum, in the case of a failure to elect a form of payment, and in January of the third (3rd) Plan Year following such Plan Year, in the case of a failure to elect a date of payment. If a Participant fails or refuses to make an election of either the date or form of payment pursuant to Sections 3-6(i)(b) and/or (i) (c) and 3-6(ii), the amounts credited to such Participant's Accounts attributable to the Frozen DCP or the New Plan for the 2005 through 2008 Plan Years shall be paid (a) in the case of any Participant not described in clause (b) or (c) below, in a lump sum in January, 2012, (b) in the case of any Participant whose election under the Frozen DCP or the New Plan, as the case may be, (the "Previous Election") provided for a lump sum payment upon attainment of age 60 or 65 in 2009, in a lump sum on the date in 2009 when such Participant attains age 60 or 65, and (c) in the case of any Participant in the Frozen DCP whose scheduled date of distribution, determined as of November 1, 2008, was to occur in 2009, on such scheduled date in 2009 in the form of payment set forth in such Participant's Previous Election.
- (iv) Any amount credited during a Plan Year to the Benefit Restoration Account of a Participant who is not a Designated Employee for that Plan Year shall be distributed in a lump sum.
- (v) Any Scheduled Distribution Date and/or form of distribution from Accounts, whether previously elected or otherwise specified, may be revoked and a new election substituted therefore at any time as permitted by the Administration Committee. A Participant may change the Scheduled Distribution Date and/or form of distribution from the Scheduled Distribution Date and/or form first elected or specified to another Scheduled Distribution Date and/or form provided for in Section 3-6(i) and (ii) by submitting an appropriate election form to the Administration Committee in accordance with the following criteria:
 - (a) the new election shall not take effect until at least twelve (12) months after the date on which the new election is made;
 - (b) the new election must include a Scheduled Distribution Date which is at least five (5) years after the Scheduled Distribution Date (as determined in accordance with

the Final Regulations under Section 409A of the Code) that otherwise would have been applicable;

- (c) the election must be made at least twelve (12) months prior to the Scheduled Distribution Date that otherwise would have been applicable. For purposes of applying the provisions of this Section 3-6(v), a Participant's election to change the Scheduled Distribution Date and/or form of distribution shall not be considered to be made until the date on which the election becomes irrevocable. Such election shall become irrevocable when it is received by the Administration Committee; and
 - (d) the elections provided for in this Section 3-6(v) shall be made in such manner (including without limitation, telephonic and electronic transmission, utilization of voice response systems and computer entry, to the extent such form is permissible under Section 409A of the Code) as specified by the Administration Committee. Subject to the requirements of this Section 3-6(v), the election form most recently accepted by the Administration Committee that has become effective shall govern the Scheduled Distribution Date and/or form of distribution of the amounts credited to the Participants' Accounts.
- (vi) Notwithstanding the foregoing provisions of this Section 3-6 and Section 3-7, none of the election provisions set forth herein shall apply to the Frozen Non-Qualified Pension Plan Deferrals, which shall be paid in accordance with the distribution option selected by the Participant under or otherwise provided by, and shall be governed by the terms of the Frozen DCP as in effect prior to November 1, 2008.

Sec. 3-7. Distribution of Participant Accounts.

- (i) TI shall maintain each Participant's bookkeeping Deferred Compensation Account and/or Benefit Restoration Account until distributed as provided in Sections 3-6(ii) and (iii), subject to Section 6-1(ii).
- (ii) Notwithstanding the foregoing, and except as otherwise provided in this paragraph, in the event of the death of a Participant prior to the receipt of the full amount to be distributed, the then balance credited to the Participant's Accounts will, subject to Section 3-8, be distributed as soon as practicable following the month in which the death occurred, but in no event later than ninety (90) days following the date of death. Such distribution shall be made to the Beneficiary or Beneficiaries designated by the Participant, or if there is no Beneficiary designation under this Plan, to the Participant's beneficiary or beneficiaries under the TI 401(k) Savings Plan or TI Contribution and 401(k) Savings Plan, as applicable. If no beneficiary was designated under either of those plans, distribution will be made to the Participant's estate. In the case of amounts in a Participant's Deferred Compensation Account composed of Frozen Non-Qualified Pension Plan Deferrals, in the event of the death of the Participant prior to the receipt of those amounts in full, the balance of those amounts shall be paid pursuant to the provisions of the Frozen DCP as in effect prior to November 1, 2008.
- (iii) Accounts shall be adjusted to reflect all distributions.
- (iv) Distributions and withdrawals under this Article III shall be made by check or electronic fund transfer and may be made through a paying agent or recordkeeper selected by the

Administration Committee. Benefits payable under this Plan may not be rolled over or transferred to an individual retirement account or to any other employee benefit plan.

Sec. 3-8. Limitation on Time of Distribution. If TI reasonably anticipates that any amount to be paid to a Participant on any Scheduled Payment Date will not be deductible due to the application of Section 162(m) of the Code, such payment of such amount may be delayed until January of the Plan Year in which TI reasonably anticipates the deduction of such amount will not be prohibited by said Section 162(m). The delay provided for in this Section 3-8 shall not apply unless all scheduled payments to which the Participant would be entitled which could be delayed in accordance with the provisions of this Section 3-8 also are delayed.

Sec. 3-9. Taxes. TI makes no guarantees and assumes no obligation or responsibility with respect to a Participant's or payee's federal, state, or local income, estate, inheritance or gift tax obligations, if any, under this Plan or any Deferred Compensation Agreement. Any taxes required to be withheld from payments hereunder shall be deducted and withheld by the Company, benefit provider or funding agent appointed under the Plan.

Sec. 3-10. Assignment. Except as provided in Section 3-11 below, no Participant or Beneficiary of a Participant shall have any right to assign, pledge, hypothecate, anticipate or in any way create a lien on any amounts payable hereunder. No amounts payable hereunder shall be subject to assignment or transfer or otherwise be alienable, either by voluntary or involuntary act, or by operation of law, or subject to attachment, execution, garnishment, sequestration or other seizure under any legal, equitable or other process.

Sec. 3-11. Alternate Payee Claims. Any claim against any benefits hereunder for child support, spousal maintenance, property settlement or alimony (an "Alternate Payee Claim") shall be treated in the same manner as would a claim for corresponding benefits under the TI Contribution and 401(k) Savings Plan or the TI 401(k) Savings Plan, and shall be subject to all claims provisions and restrictions of those plans; provided, however, that the distribution of benefits hereunder in satisfaction of an Alternate Payee Claim shall be made in a lump-sum payment as soon as practicable after the determination of the validity of the claim. No order issued pursuant to an Alternative Payee Claim may require payment in any other form than a full lump sum distribution equal to the present value (as determined by the Administration Committee) of the Alternate Payee Claim. The provisions of Section 3-6 governing changes in the time and form of payment of benefits under this Plan do not apply to elections by individuals other than the Participant, with respect to payments to a person other than the Participant, to the extent such elections are reflected in or made in accordance with the terms of a "domestic relations order" (as defined in Section 414(p)(1)(B) of the Code).

Sec. 3-12. Incompetent. If the Administration Committee determines in its sole discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of that person's property, the Administration Committee may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Administration Committee may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit.

Article IV

FUNDING

Sec. 4-1. Funding. Benefits under this Plan shall be funded solely by the Employers. Benefits payable under this Plan shall be paid from the general assets of the Employers and this Plan shall constitute the Employers' unfunded and unsecured promise to pay such benefits. Notwithstanding the foregoing, TI may create reserves, funds, and provide for amounts to be held in trust on behalf of the Employers under such trust agreements or custodial arrangements as the Company, in its absolute and sole discretion, deems appropriate.

Sec. 4-2. Creditor Status. A Participant and his Beneficiary or Beneficiaries shall be general unsecured creditors of the Employers with respect to the payment of any benefit under this Plan.

ARTICLE V

ADMINISTRATION OF THE PLAN

Sec. 5-1. Administration. The Plan shall be administered by the Administration Committee and its designees. The duties of the Administration Committee and its designees include (but not by way of limitation) (a) the defense of lawsuits and conduct of litigation in the name of the Plan (subject to the approval of the General Counsel of TI), (b) the full power and discretion to interpret and construe this Plan where it concerns (i) questions of eligibility or status, and (ii) subject to the opportunity for review of denied claims pursuant to Section 5-5 below, the rights of Participants and others hereunder, and (c) the power in general to decide any dispute arising under this Plan. In all such cases, the determination of the Administration Committee and its designees shall be final, conclusive and binding with respect to Participants and Beneficiaries.

Sec. 5-2. Number and Selection. The Administration Committee shall consist of one or more members who shall be appointed by the Chief Executive Officer of TI or his designee.

Sec. 5-3. Action by Administration Committee. All actions of the Administration Committee shall be by a majority of the persons so appointed, except as otherwise provided below. Such actions may be taken at a meeting of the Administration Committee or without a meeting by a resolution or memorandum signed by all the persons then appointed as members of the Administration Committee. No member of the Administration Committee shall be entitled to vote or decide upon any matter pertaining to himself individually but such matter shall be determined by the remaining members or by a majority of the remaining members of the Administration Committee, if any.

The Administration Committee may delegate some or all of its powers and responsibilities to any other person or entity, who may or may not be a named fiduciary, and may permit further delegation of its powers. The Administration Committee may appoint agents, retain legal counsel and other services, and perform such acts as may be necessary for the proper administration of the Plan.

Sec. 5-4. Accounts of Participants. The Administration Committee shall maintain records of all Accounts of Participants and such other records and data as may be necessary and appropriate for the proper administration of the Plan and to determine the amounts distributable to Participants and Beneficiaries. The Administration Committee in its discretion shall determine whether, and to what extent, Participant Accounts will be charged with the expenses of administration of the Plan. Expenses charged against Participant Accounts shall be charged as adjustments under Section 3-4 and Section 3-7, as applicable. Expenses of the Plan not charged to Participant Accounts shall be paid by TI.

Sec. 5-5. Rules and Regulations. The Administration Committee may adopt and promulgate such rules and regulations as it may deem appropriate for the administration of the Plan. The Administration Committee shall adopt and promulgate written rules governing claims procedures reasonably calculated to:

- (i) provide adequate written notice to any Participant or other person whose claim under the Plan has been denied, setting forth the specific reasons for such denial; and
- (ii) afford a reasonable opportunity to such Participant or other person for a full and fair review by the Administration Committee of the decision denying the claim.

The determination of the Administration Committee upon such review shall be final and conclusive.

Sec. 5-6. Reliance on Documents. The Administration Committee shall be entitled to rely upon, and shall have no liability in relying upon, any representation made to it by TI or any officer of TI, or upon any paper or document believed by it to be genuine and to have been signed or sent by the proper person.

Sec. 5-7. Non-Liability. No member of the Board of Directors, Compensation Committee or Administration Committee, or any officer or employee of TI shall be liable for any act done or omitted by him with respect to the Plan except for his own willful misconduct.

Sec. 5-8. Resignation or Removal. Any Administration Committee member may resign by giving written notice to the Chief Executive Officer of TI and may be removed by the Chief Executive Officer of TI by written notice given to the affected member of the Administration Committee. Upon the death, resignation, removal or inability of any Administration Committee member to act as such, the Chief Executive Officer of TI may appoint a successor.

Sec. 5-9. Information: Overpayment or Underpayment of Benefits. In implementing the terms of this Plan, the Administration Committee may, without the consent or notice to any person, release to, or obtain from any entity or other organization or person information with respect to any persons which the Administration Committee deems to be necessary for such purpose. Any Participant or Beneficiary claiming benefits under this Plan shall furnish to the Administration Committee such information as may be necessary to determine eligibility for and amount of benefit, as a condition of claim to and receipt of such benefit.

The Administration Committee may adopt, in its sole discretion, whatever rules, procedures and accounting practices it determines to be appropriate in providing for the collection of any overpayment or the distribution of any underpayment of benefits. If an overpayment is made to a Participant or Beneficiary for whatever reason, the Administration Committee, in its sole discretion, may withhold payment of any further benefits under the Plan until the overpayment has been collected or may require repayment of benefits paid under this Plan without regard to further benefits to which the Participant or Beneficiary may be entitled. If an underpayment to a Participant or Beneficiary occurs for whatever reason, the Administration Committee, in its sole discretion, may correct the underpayment.

Sec. 5-10. Notice. Any notice required or permitted to be given to the Administration Committee under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, to the address below:

Texas Instruments
Attn: Deferred Compensation Plan
Administration Committee
7839 Churchill Way, MS 3905
Dallas, Texas 75251-1901

Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

ARTICLE VI
GENERAL PROVISIONS

Sec. 6-1. Amendment, Termination.

- (i) The Compensation Committee may change, amend, modify, alter, or terminate the Plan at any time and in any manner, prospectively or retroactively (or may delegate such authority), except that no such amendment, modification, or alteration shall divest any Participant of any deferral made prior to the amendment. In addition, no such amendment shall modify the Plan in any way that would violate Section 409A of the Code. The Company intends to continue this Plan indefinitely, but nevertheless assumes no contractual obligation to continue this Plan or makes any promise to pay benefits other than as provided under this Plan.

- (ii) The Board of Directors reserves to its Compensation Committee the right to discontinue deferrals under a Deferred Compensation Agreement at any time. Following a termination of the Plan, the Participants' Accounts shall continue to be credited with amounts attributable to a deferral election that was in effect prior to the Plan termination to the extent deemed necessary to comply with Section 409A of the Code and related Treasury Regulations, and additional amounts earned prior to Plan termination shall continue to be credited or debited to such Participants' Accounts pursuant to Section 3-3. The investment funds available to Participants following the termination of the Plan shall be comparable in number and type to those investment funds available to Participants under the TI Contribution and 401(k) Savings Plan, excluding the TI Stock Fund and the Self Directed Brokerage Account. In addition, following a Plan termination, Participant Accounts shall remain in the Plan and shall not be distributed until such amounts become eligible for distribution in accordance with the other applicable provisions of the Plan. Notwithstanding the preceding sentence, to the extent permitted by Treas. Reg. §1.409A-3(j)(4)(ix), the Employer may provide that upon termination of the Plan, all Account balances of the Participants shall be distributed, subject to and in accordance with any rules established by such Employer deemed necessary to comply with the applicable requirements and limitations of Treas. Reg. §1.409A-3(j)(4)(ix).

Sec. 6-2. Plan Not an Employment Contract. The Plan is not an employment contract. It does not give to any person the right to be continued in employment, and all Participants remain subject to change of compensation, transfer, change of job, discipline, layoff, discharge or any other change of employment status. Nothing contained in this Plan shall prevent a Participant or the Beneficiary from receiving, in addition to any payments provided for under this Plan, any payments provided for under any

other plan or benefit program of the Company, or which would otherwise be payable or distributable to him or his surviving spouse or beneficiary. Nothing in this Plan shall be construed as preventing TI or any of its Subsidiaries from establishing any other or different plans providing for current or deferred compensation for employees.

Sec. 6-3. Rights of Persons Making Claims. No Employee, Designated Employee or Participant, or any person or entity claiming through an Employee, Designated Employee or Participant, shall have any rights whatsoever other than the rights and benefits specifically granted under this Plan.

Sec. 6-4. Status of Benefits in this Plan. No benefits accrued under, credited to Accounts under, or paid under this Plan shall constitute “earnings” or “compensation” for purposes of any other benefit plan sponsored by the Employers.

Sec. 6-5. Governing Law. This Plan shall be governed by the laws of the State of Texas, except to the extent preempted by ERISA and shall be governed by and subject to the Defense of Marriage Act (Public Law 104-199).

Sec. 6-6. Construction. This Plan is not intended to constitute a “qualified plan” subject to the limitations of Section 401(a) of the Code, nor shall it constitute a “funded plan”, for purposes of such requirements. It is intended that this Plan shall be exempt from the participation and vesting requirements of Part 2 of Title I of ERISA, the funding requirements of Part 3 of Title I of ERISA, and the fiduciary requirements of Part 4 of Title I of ERISA by reason of the exclusions afforded plans which are unfunded and maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees. If any provision of this Plan is determined to be for any reason invalid or unenforceable, the remaining provisions of this Plan shall continue in full force and effect. This Plan shall be construed in accordance with the laws of the State of Texas, except to the extent otherwise required by applicable federal law, and shall be construed in accordance with Section 409A of the Code and the applicable guidance thereunder. Heading and subheadings are for the purpose of reference only and are not to be considered in the construction of this Plan. Where this Plan supplements benefits under the TI 401(k) Savings Plan or the TI Contribution and 401(k) Savings Plan, this Plan is functionally and operationally related to such plans, and is to be interpreted in a manner consistent with the TI 401(k) Savings Plan and the TI Contribution and 401(k) Savings Plan to provide the benefits contemplated hereunder in a comprehensive manner.

TI EMPLOYEES NON-QUALIFIED PENSION PLAN II
(EFFECTIVE JANUARY 1, 2009)

TI EMPLOYEES NON-QUALIFIED PENSION PLAN II

TEXAS INSTRUMENTS INCORPORATED, a Delaware corporation with its principal offices in Dallas, Texas (hereinafter referred to as "TI" or "the Company"), froze the TI Employees Supplemental Pension Plan (the "Frozen Plan"), effective as of December 31, 2004, to the extent benefits under that plan were earned and vested as of that date, and continued said plan in accordance with its terms, to provide for the payment of the benefits which were earned, vested and frozen as of December 31, 2004. Subsequently, TI changed the name of the Frozen Plan to the TI Employees Non-Qualified Pension Plan.

Effective as of January 1, 2005, TI established a new non-qualified pension plan (the "New Plan") in order to provide (i) for the payment of the frozen earned benefits under the Frozen Plan which were not vested as of January 1, 2005, and (ii) to provide a select group of management or highly compensated employees described in Section 201(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with the opportunity to restore certain benefits which cannot be provided under the TI Employees Pension Plan from and after January 1, 2005 as a result of (a) deferral of compensation under a new deferred compensation plan established effective as of January 1, 2005 (known from and after January 1, 2009 as the "TI Deferred Compensation Plan"), or (b) the application of Section 401(a)(17) and/or Section 415 of the Internal Revenue Code of 1986, as amended (the "Code"). TI maintained the New Plan in accordance with the interim guidance promulgated under Section 409A of the Code. In addition, for periods prior to January 1, 2009 the benefits payable under the New Plan may be deferred pursuant to the terms and provisions of the new deferred compensation plan established effective as of January 1, 2005. The benefits provided under the New Plan are unfunded with the result that the participants in the Plan are general unsecured creditors of TI.

TI hereby amends and restates the New Plan, effective as of January 1, 2009 (the "Plan"), in the form provided herein in order to remove the option of deferring payment of the benefits under this Plan, to remove the entitlement to benefits upon a Change in Control, as defined in the New Plan, to comply with the Final Treasury Regulations under Section 409A of the Code and to name the New Plan the "TI Non-Qualified Pension Plan II." With respect to benefits or contributions lost under the TI Employees Pension Plan by reason of the operation of Section 415 of the Code, this Plan is intended to constitute an "excess benefit plan", as defined in Section 3 of ERISA, that is exempt from the provisions of ERISA by reason of Section 4(b)(5) of ERISA.

Except as otherwise provided herein, the earning of benefits and payment of those benefits under the New Plan shall be governed by the applicable interim guidance under Section 409A of the Code in effect prior to January 1, 2009, and the earning of benefits and payment of those benefits from and after January 1, 2009 shall be governed by the terms and conditions of this Plan.

ARTICLE I
DEFINITIONS

Whenever used in this Plan, the following words and phrases shall have the meanings set forth below, unless a different meaning is plainly required by the context. Unless otherwise indicated by the context, any masculine terminology when used in the Plan shall also include the feminine gender, and the definition of any term in the singular shall also include the plural.

Sec. 1-1. Administration Committee. "Administration Committee" means the person or persons from time to time acting under the provisions of Article V hereof.

Sec. 1-2. Beneficiary. "Beneficiary" means the person or persons, entity or entities, trust or trusts, or the Participant's estate, including one or more organizations described in each of Sections 170(c), 2055(a), and 2522(a) of the Code (or any substitute provisions), named by a Participant who is not married as his Beneficiary or contingent Beneficiary under the TI Employees Pension Plan. "Beneficiary" means, in the case of a married Participant, the spouse (as defined in the Defense of Marriage Act) of the Participant at the time of his death, unless the Participant has designated another joint annuitant, contingent annuitant, Beneficiary, or contingent Beneficiary under the TI Employees Pension Plan, in which case such persons or person, entity or entities, trust or trusts, or the Participant's estate shall be the Beneficiary(ies) under this Plan.

A person who is an alternate payee under a qualified domestic relations order may be considered a Beneficiary for purposes of this Plan.

Sec. 1-3. Board of Directors. "Board of Directors" means the Board of Directors of TI or of any Subsidiary which has adopted this Plan.

Sec. 1-4. Code. "Code" means the Internal Revenue Code of 1986, as amended.

Sec. 1-5. Compensation Committee. "Compensation Committee" means the Compensation Committee of the Board of Directors of TI.

Sec. 1-6. Employee. "Employee" means any employee of TI or its Subsidiaries, whether full or part-time, other than an employee who is defined as a "Tucson Participant" in Appendix E of the TI Employees Pension Plan.

Sec. 1-7. Employer. "Employer" means Texas Instruments Incorporated.

Sec. 1-8. ERISA. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

Sec. 1-9. Participant. "Participant" means an individual entitled to a supplemental pension pursuant to the provisions of Article III.

Sec. 1-10. Plan Year. "Plan Year" means a calendar year.

Sec. 1-11. Present Value. "Present Value" means, at any time, the actuarial lump sum value determined at such time of the applicable benefit, based on the actuarial assumptions used to determine single sum payments as set forth in Section 1.2(b)(2)(B), or any successor provision, of the TI Employees Pension Plan.

Sec. 1-12. Separation from Service. "Separation from Service" means a termination of services provided by a Participant to an Employer and any other member of the controlled group of corporations (as defined in Section 414(b) of the Code) which includes TI (hereinafter for purposes of this Section 1-12, TI and such other controlled group members being referred to as "ERISA Affiliates"), whether voluntarily or involuntarily, other than by reason of death, as determined by the Administration Committee in accordance with Treas. Reg. §1.409A-1(h). In determining whether a Participant has experienced a Separation from Service, the following provisions shall apply:

- (i) For a Participant who provides services to an Employer as an Employee, a Separation from Service shall occur when such Participant has experienced a termination of employment with the Employer or an ERISA Affiliate. A Participant shall be considered to have experienced a termination of employment when the facts and circumstances indicate that the Participant and the Employer reasonably anticipate that either (a) no further services will be performed for the Employer or an ERISA Affiliate after a certain date, or (b) that the level of bona fide services the Participant will perform for the Employer or an ERISA Affiliate after such date (whether as an Employee or as an independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed by such Participant (whether as an Employee or an independent contractor) over the immediately preceding thirty-six (36) month period (or the full period of services to the Employer if the Participant has been providing services to the Employer less than thirty-six (36) months).
- (ii) If a Participant is on military leave, sick leave, or other bona fide leave of absence, the employment relationship between the Participant and the Employer shall be treated as continuing intact, provided that the period of such leave does not exceed six (6) months; or if longer, so long as the Participant retains a right to reemployment with the Employer or an ERISA Affiliate under an applicable statute or by contract. If the period of a military leave, sick leave, or other bona fide leave of absence exceeds six (6) months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship shall be considered to be terminated for purposes of the Plan as of the first business day immediately following the end of such six (6) month period. If a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months, where such impairment causes the Participant to be unable to perform the duties of his position of employment or any substantially similar position of employment, a twenty-nine (29) month period of absence shall be substituted for such six (6) month period. In applying the provisions of this paragraph, a leave of absence shall be considered a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for an Employer or an ERISA Affiliate.

Sec. 1-13. Specified Employee. "Specified Employee" means any Participant who is determined to be a "key employee" (as defined under Section 416(i) of the Code without regard to paragraph (5) thereof) for the applicable period, as determined annually by the Administration Committee in accordance with Treas. Reg. §1.409A-1(i). In determining whether a Participant is a Specified Employee, the following provisions shall apply:

- (i) Identification of the individuals who fall within the definition of "key employee" under Code Section 416(i) without regard to paragraph (5) thereof shall be based upon the twelve (12) month period ending on each December 31st (referred to below as the "identification date"). In applying the applicable provisions of Code Section 416(i) to

identify such individuals, “compensation” shall be determined in accordance with Treas. Reg. §1.415(c)-2(a) without regard to (a) any safe harbor provided in Treas. Reg. §1.415(c)-2(d), (b) any of the special timing rules provided in Treas. Reg. §1.415(c)-2(e), and (c) any of the special rules provided in Treas. Reg. §1.415(c)-2(g); and

- (ii) Each Participant who is a “key employee” in accordance with part (i) of this Section shall be treated as a Specified Employee for purposes of this Plan if such Participant experiences a Separation from Service during the twelve (12) month period that begins on the April 1st following the applicable identification date.

Sec. 1-14. Subsidiary. “Subsidiary” means any entity whose assets and net income are included in the consolidated financial statements of TI and its Subsidiaries audited by TI’s independent auditors and reported to shareholders in the published annual report to shareholders.

ARTICLE II
ELIGIBILITY AND PARTICIPATION

Sec. 2-1. Eligibility and Participation. Any Employee who was a Participant in the TI Employees Pension Plan on December 31, 1997 shall be eligible for participation in this Plan, and shall automatically become a Participant in the event that, pursuant to the terms of Article III, any amount would be payable to the Participant under this Plan. In the event that a Participant shall experience a Separation from Service prior to becoming vested in any benefit under the TI Employees Pension Plan, the Participant shall forfeit any benefits accrued under this Plan. Conversely, in the event the Participant shall separate from employment with a vested interest in benefits under the TI Employees Pension Plan, the Participant shall have a vested interest in the corresponding benefits under this Plan. A vested Participant shall continue to participate in this Plan until such Participant has received payment of all benefits credited to or accrued by the Participant hereunder.

ARTICLE III
SUPPLEMENTAL BENEFITS

Sec. 3-1. Supplemental Benefits.

- (i) The benefit payable under this Plan to a Participant shall be the difference between the Present Value of the benefit actually payable under the TI Employees Pension Plan at the time of computation (based on the form of benefit for which the computation is made) and the Present Value of the benefit that would be payable under the TI Employees Pension Plan at such time of computation (in the same form as provided above) if:
 - (a) The TI Employees Pension Plan contained no limit on the Compensation that may be considered under Section 401(a)(17) of the Code (for purposes of the calculation and accrual of benefits under the TI Employees Pension Plan);
 - (b) “Compensation” for each plan year under the TI Employees Pension Plan included amounts electively deferred, if any, by a Participant under the TI Deferred Compensation Plan from earnings that would have constituted Compensation for such plan year under the TI Employees Pension Plan, had such amounts not been electively deferred and/or, if applicable, had Section 401(a)(17) of the Code not precluded the consideration of such earnings as Compensation (in the absence of such deferral);

- (c) The TI Employees Pension Plan contained no limit pursuant to Section 415 of the Code upon the maximum amount of pension that may be paid by the TI Employees Pension Plan (such as the limits in effect on January 1, 2008, under Section 12.1 of the TI Employees Pension Plan); and
 - (d) The TI Employees Pension Plan calculated “Average Credited Earnings” and “Benefit Service,” as defined in the TI Employees Pension Plan, from the Participant’s date of hire by the Employer.
- (ii) Notwithstanding the foregoing provisions of this Section 3-1, a Participant, at the time of a Separation from Service, may be placed on leave of absence. If such Participant becomes eligible for early retirement benefits from the TI Employees Pension Plan during such leave of absence, then the benefits to which such Participant is entitled under this Plan shall be calculated (a) taking into account the additional service credit such Participant is entitled to receive under the TI Employees Pension Plan as a result of the leave of absence and the early retirement subsidy to which such Participant is entitled, if any, under the TI Employees Pension Plan, and (b) actuarially reduced (based on the interest and mortality rates under Section 417(e) of the Code) from the Participant’s Earliest Payment Start Date as defined under the TI Employees Pension Plan to the date the benefits are actually paid under this Plan.
- (iii) To the extent a Participant is also a participant in the Frozen Plan, the benefit payable under this Plan shall be offset by the benefit payable under the Frozen Plan, as follows:
- (a) If the Participant, at the time of payment under this Plan, is not on a leave of absence, the offset shall be based on the Present Value of the benefits determined pursuant to the foregoing provisions of this Section 3-1, other than Section 3-1(ii), which are attributable to the vested benefits accrued under the TI Employees Pension Plan as of December 31, 2004 and otherwise payable under the Frozen Plan, as if payment of those vested benefits was being made from the Frozen Plan on the date the payment under this Plan is being made.
 - (b) If the Participant, at the time of payment under this Plan, is on a leave of absence, the offset shall be based on the actuarially reduced (applying the interest and mortality rates under Section 417(e) of the Code) Present Value of the benefits determined pursuant to the foregoing provisions of this Section 3-1, taking into account Section 3-1(ii), which are attributable to the vested benefits accrued under the TI Employees Pension Plan as of December 31, 2004 and otherwise payable under the Frozen Plan, as if payment of those vested benefits was being made from the Frozen Plan on the date the payment under this Plan is being made.

Sec. 3-2. *Payment of Supplemental Benefit.* Subject to Section 3-3, the benefit determined pursuant to Section 3-1 shall be paid in a lump sum to the person entitled thereto as soon as administratively practicable following the date on which the Participant’s Separation from Service or death occurs, but in no event later than ninety (90) days following such Separation from Service or death, except in the case of a Specified Employee. If a Participant is a Specified Employee on the date on which a Separation from Service occurs, no payment shall be made before the first day after the end of the six (6)-month period immediately following the date on which the Participant experiences a Separation from Service. If a Participant is rehired after a Separation from Service but before payment occurs, that Participant

shall receive the payment he is entitled to as a result of the initial Separation from Service at the time such payment would otherwise be made, without regard to his subsequent rehire.

Sec. 3-3. Restrictions. Except upon a Participant's Separation from Service followed by the rehire of said Participant before payment of the benefit pursuant to Section 3-2 is made, no benefits accrued under this Plan may be distributed to a Participant until after the date of a Participant's Separation from Service or death. No loans may be made to any Participant with respect to benefits accrued under this Plan. Benefits payable under this Plan may not be rolled over or transferred to an individual retirement account or to any other employee benefit plan. Benefits provided under this Plan shall not constitute earnings or compensation for purposes of determining contributions or benefits under any other employee benefit plan of the Employers.

Sec. 3-4. Limitation on Time of Distribution. If TI reasonably anticipates that any amount to be paid to a Participant will not to be deductible due to the application of Section 162(m) of the Code, such payment of such amount may be delayed until January of the Plan Year in which TI reasonably anticipates the deduction of such amount will not be prohibited by said Section 162(m). The delay provided for in this Section 3-4 shall not apply unless all payments to which the Participant would be entitled which could be delayed in accordance with the provisions of this Section 3-4 also are delayed.

Sec. 3-5. Taxes. TI makes no guarantees and assumes no obligation or responsibility with respect to a Participant's or payee's federal, state, or local income, estate, inheritance or gift tax obligations, if any, under this Plan. Any taxes required to be withheld from payments hereunder shall be deducted and withheld by the Company, benefit provider or funding agent appointed under the Plan.

Sec. 3-6. Assignment. Except as provided in Section 3-6 below, no Participant or Beneficiary of a Participant shall have any right to assign, pledge, hypothecate, anticipate or in any way create a lien on any amounts payable hereunder. No amounts payable hereunder shall be subject to assignment or transfer or otherwise be alienable, either by voluntary or involuntary act, or by operation of law, or subject to attachment, execution, garnishment, sequestration or other seizure under any legal, equitable or other process.

Sec. 3-7. Alternate Payee Claims. Any claim against any benefits hereunder for child support, spousal maintenance, property settlement, or alimony (an "Alternate Payee Claim") shall be treated in the same manner as would a claim for corresponding benefits under the TI Employees Pension Plan and shall be subject to all claims provisions and restrictions of the TI Employees Pension Plan.

Sec. 3-8. Incompetent. If the Administration Committee determines in its sole discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent, or to a person incapable of handling the disposition of that person's property, the Administration Committee may direct payment of such benefit to the guardian, legal representative, or person having the care and custody of such minor, incompetent, or incapable person. The Administration Committee may require proof of minority, incompetence, incapacity, or guardianship as it may deem appropriate prior to distribution of the benefit.

ARTICLE IV **FUNDING**

Sec. 4-1. Funding. Benefits under this Plan shall be funded solely by the Employers. Benefits payable under this Plan shall be paid from the general assets of the Employers, and this Plan shall constitute the Employers' unfunded and unsecured promise to pay such benefits. Notwithstanding the foregoing, TI may create reserves, funds, and provide for amounts to be held in trust on behalf of the

Employers under such trust agreements or custodial arrangements as the Company in its absolute and sole discretion deems appropriate.

Sec. 4-2. Creditor Status. A Participant and his Beneficiary or Beneficiaries shall be general unsecured creditors of the Employers with respect to the payment of any benefit under this Plan.

ARTICLE V
ADMINISTRATION OF THE PLAN

Sec. 5-1. Administration. The Plan shall be administered by the Administration Committee and its designees. The duties of the Administration Committee and its designees include (but not by way of limitation) (i) the defense of lawsuits and conduct of litigation in the name of the Plan (subject to the approval of the General Counsel of TI), (ii) the full power and discretion to interpret and construe this Plan where it concerns (a) questions of eligibility or status, (b) subject to the opportunity for review of denied claims pursuant to Section 5-5 below, the rights of Participants and others hereunder, and (c) the power in general to decide any dispute arising under this Plan. In all such cases the determination of the Administration Committee and its designees shall be final, conclusive and binding with respect to Participants and Beneficiaries.

Sec. 5-2. Number and Selection. The Administration Committee shall consist of one or more members who shall be appointed by the Chief Executive Officer of TI or his designee.

Sec. 5-3. Action by Administration Committee. All actions of the Administration Committee shall be by a majority of the persons so appointed, except as otherwise provided below. Such actions may be taken at a meeting of the Administration Committee or without a meeting by a resolution or memorandum signed by all the persons then appointed as members of the Administration Committee. No member of the Administration Committee shall be entitled to vote or decide upon any matter pertaining to himself individually but such matter shall be determined by the remaining members or by a majority of the remaining members of the Administration Committee, if any.

The Administration Committee may delegate some or all of its powers and responsibilities to any other person or entity, who may or may not be a named fiduciary, and may permit further delegation of its powers. The Administration Committee may appoint agents, retain legal counsel and other services, and perform such acts as may be necessary for the proper administration of the Plan.

Sec. 5-4. Recordkeeping. The Administration Committee shall maintain records and data as may be necessary and appropriate for the proper administration of the Plan and to determine the amounts distributable to Participants and Beneficiaries.

Sec. 5-5. Rules and Regulations. The Administration Committee may adopt and promulgate such rules and regulations as it may deem appropriate for the administration of the Plan and to determine the amounts distributable to Participants and Beneficiaries. The Administration Committee shall adopt and promulgate written rules governing claims procedures reasonably calculated to:

- (i) Provide adequate written notice to any Participant or other person whose claim under the Plan has been denied, setting forth the specific reasons for such denial; and
- (ii) Afford a reasonable opportunity to such Participant or other person for a full and fair review by the Administration Committee of the decision denying the claim.

The determination of the Administration Committee upon such review shall be final and conclusive.

Sec. 5-6. Reliance on Documents. The Administration Committee shall be entitled to rely upon, and shall have no liability in relying upon, any representation made to it by TI or any officer of TI, or upon any paper or document believed by it to be genuine and to have been signed or sent by the proper person.

Sec. 5-7. Non-Liability. No member of the Board of Directors, Compensation Committee or Administration Committee or any officer or employee of TI shall be liable for any act done or omitted by him with respect to the Plan except for his own willful misconduct.

Sec. 5-8. Resignation or Removal. Any Administration Committee member may resign by giving written notice to the Chief Executive Officer of TI and may be removed by the Chief Executive Officer of TI by written notice given to the affected member of the Administration Committee. Upon the death, resignation, removal or inability of any Administration Committee member to act as such, the Chief Executive Officer of TI may appoint a successor.

Sec. 5-9. Information; Overpayment or Underpayment of Benefits. In implementing the terms of this Plan, the Administration Committee may, without the consent or notice to any person, release to or obtain from any entity or other organization or person information with respect to any persons which the Administration Committee deems to be necessary for such purpose. Any Participant or Beneficiary claiming benefits under this Plan shall furnish to the Administration Committee such information as may be necessary to determine eligibility for and amount of benefit, as a condition of claim to and receipt of such benefit.

The Administration Committee may adopt, in its sole discretion, whatever rules, procedures and accounting practices it determines to be appropriate in providing for the collection of any overpayment of benefits. If an overpayment is made to a Participant or Beneficiary for whatever reason, the Administration Committee, in its sole discretion, may withhold payment of any further benefits under the Plan until the overpayment has been collected or may require repayment of benefits paid under this Plan without regard to further benefits to which the Participant or Beneficiary may be entitled. If an underpayment to a Participant or Beneficiary occurs for whatever reason, the Administration Committee, in its sole discretion, may correct the underpayment.

Sec. 5.10. Notice. Any notice required or permitted to be given to the Administration Committee under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, to the address below:

Texas Instruments
Attn: Non-Qualified Pension Plan II
Administration Committee
7839 Churchill Way, MS 3905
Dallas, Texas 75251-1901

Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

ARTICLE VI
GENERAL PROVISIONS

Sec. 6-1. Amendment, Termination. The Compensation Committee may change, amend, modify, alter, or terminate the Plan at any time and in any manner, prospectively or retroactively (or may delegate such authority), except that no such amendment, modification, alteration or termination shall be exercised retroactively to reduce or eliminate the benefit accrued by a Participant to the date of amendment, modification or termination. In addition, no such amendment shall modify the Plan in any way that would violate Section 409A of the Code. The Company intends to continue this Plan indefinitely, but nevertheless assumes no contractual obligation to continue this Plan and makes no promise to pay benefits other than as provided in this Plan determined at the time of any Plan discontinuance. In the event this Plan is terminated, a Participant's benefits under the Plan shall remain in the Plan and shall not be distributed until such benefits become eligible for distribution in accordance with the other applicable provisions of this Plan. Notwithstanding the preceding sentence, to the extent permitted by Treas. Reg. §1.409A-3(j)(4)(ix), the Employer may provide that upon termination of the Plan, all benefits for a Participant shall be distributed, subject to and in accordance with any rules established by such Employer deemed necessary to comply with the applicable requirements and limitations of Treas. Reg. §1.409A-3(j)(4)(ix).

Sec. 6-2. Plan Not an Employment Contract. The Plan is not an employment contract. It does not give to any person the right to be continued in employment, and all Participants remain subject to change of compensation, transfer, change of job, discipline, layoff, discharge or any other change of employment status. Nothing contained in this Plan shall prevent a Participant or Beneficiary from receiving, in addition to any payments provided for under this Plan, any payments provided for under any other plan or benefit program of the Company, or which would otherwise be payable or distributable to him or his surviving spouse or Beneficiary. Nothing in this Plan shall be construed as preventing TI or any of its Subsidiaries from establishing any other or different plans providing for current or deferred supplemental compensation for employees.

Sec. 6-3. Rights of Persons Making Claims. No Employee, or Participant, or any person or entity claiming through an Employee or Participant, shall have any rights whatsoever other than the rights and benefits specifically granted under this Plan.

Sec. 6-4. Status of Benefits in this Plan. No benefits accrued or paid under this Plan shall constitute "earnings" or "compensation" for purposes of any other benefit plan sponsored by the Employers.

Sec. 6-5. Governing Law. This Plan shall be governed by the laws of the State of Texas, except to the extent preempted by ERISA and shall be governed by and subject to the Defense of Marriage Act (Public Law 104-199).

Sec. 6-6. Construction. This Plan is not intended to constitute a "qualified plan" subject to the limitations of Section 401(a) of the Code, nor shall it constitute a "funded plan", for purposes of such requirements. It is intended that this Plan shall be exempt from the participation and vesting requirements of Part 2 of Title I of ERISA, the funding requirements of Part 3 of Title I of ERISA and the fiduciary requirements of Part 4 of Title I of ERISA by reason of the exclusions afforded plans which are unfunded and maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees. If any provision of this Plan is determined to be for any reason invalid or unenforceable, the remaining provisions of this plan shall continue in full force and effect. This Plan shall be governed and construed in accordance with the laws of the State of Texas, except to the extent otherwise required by applicable federal law, and shall be construed in accordance with Section 409A of the Code and the applicable guidance thereunder. Heading and subheadings are for

the purpose of reference only and are not to be considered in the construction of this Plan. This Plan is functionally and operationally related to the TI Employees Pension Plan, and is to be interpreted in a manner consistent with the TI Employees Pension Plan to provide the benefits contemplated hereunder in a comprehensive manner.

