



General Terms and Conditions of Sale and Delivery of Vishay Europe Sales GmbH

General Provisions

1. The following general terms and conditions shall govern all deliveries, services and prior offers made by Vishay Europe Sales GmbH [hereinafter "Supplier"] to any merchants (Unternehmer), public entities or special funds established under public law (Sondervermögen). Any general terms and conditions of Customer shall be inapplicable, whether or not expressly rejected by Supplier.
2. Offers of Supplier are subject to change without notice. The scope of Supplier's delivery obligations shall be governed by the written order confirmation. Orders shall be deemed accepted only upon dispatch of the written order confirmation or shipment of the goods.
3. Performance specifications, information contained in brochures and other written materials on which the agreement is based, as well as agreed measurements and weights, shall not be deemed warranted qualities (Beschaffenheits- und Haltbarkeitsgarantien), but shall be for information purposes only. Supplier assumes no warranties unless a written warranty certificate is issued to Customer specifically for such purpose.
4. All goods and services shall be subject to the applicable rules relating to safety of the Verband Deutscher Elektrotechniker (Association of German Electrical Engineers) unless compliance with the same safety standards will be achieved by alternative means.
5. Supplier reserves all rights, including, but not limited to, copyrights, to all cost estimates, drawings and other documents furnished to Customer. Customer shall provide such documents to third parties only with the prior consent of Supplier. All drawings and other documents related to offers shall immediately be returned to Supplier upon request if such offers are not accepted. The foregoing shall apply, mutatis mutandis, to any documents furnished by Customer to Supplier. Such documents may, however, be made available to any third parties to whom Supplier has permissibly subcontracted the delivery of services or goods.

Prices

All prices quoted by Supplier shall be for delivery ex works, and shall not include statutory value-added tax, installation or packaging.

Reservation of Title

1. Supplier hereby reserves title to all goods delivered (Secured Goods) until all claims of Supplier against Customer arising from the relevant delivery have been fully satisfied. If the total value of the security furnished to Supplier should exceed the value of all secured claims by more than 20 %, the Supplier shall release a proportional part of such security upon request.
2. For the duration of the reservation of title, Customer may not pledge or assign any Secured Goods for security purposes, and further may resell such goods only in the ordinary course of business and under the condition that the reseller receives payment from the purchaser or reserves title to the goods until all of the purchaser's payment obligations have been fully satisfied.
3. a) Customer hereby assigns to Supplier for security purposes any and all future claims with all ancillary rights including all claims for a balance of account against purchasers arising from the resale of any Secured Goods. The foregoing assignment shall be effective without any further actions or representations by Customer. If any Secured Goods should be resold in conjunction with any other goods, then, if no separate price has been stipulated for the Secured Goods, Customer shall assign to Supplier a prior ranking claim for payment of that part of the total price which corresponds to the price of the Secured Goods as invoiced by Supplier.

b) Provided that Supplier demonstrates a legitimate need, Customer shall provide to Supplier all information and documents necessary for the assertion of the Supplier's rights against the purchaser.

c) Until revoked, Customer shall have the right to collect all assigned claims resulting from a resale of Secured Goods. Supplier may revoke such right for good cause. Supplier further shall have the right, upon reasonable prior notice, to disclose the security assignment to third parties, to realize the assigned claims, and to demand that Customer disclose the security assignment to its customers.

4. a) Customer may process, transform or combine Secured Goods with any other goods. Any processing, transformation or combination of Secured Goods shall be made for and on behalf of Supplier. Customer shall store the resulting products for Supplier with the care and diligence of a reasonable businessman. The resulting products shall be deemed Secured Goods.

b) In the event of sub-section 4. a), Supplier shall acquire a co-ownership interest in the resulting products equal to the relative value of such Secured Goods as of the time of processing, transformation or combination. Supplier and Customer agree that in the event that Customer should acquire exclusive title to the resulting products, Customer shall assign to Supplier a co-ownership interest thereto equal to the relative value of the Secured Goods as of the time of processing, transformation or connection.

c) Customer hereby assigns to Supplier for security purposes all rights and claims accruing to Customer from any resale of Secured Goods. The foregoing assignment shall be effective without requiring any further action by Customer. However, the foregoing assignment shall be limited to the value of the Secured Goods processed, transformed or combined as invoiced by Supplier. In each case, the part of the claim assigned to Supplier hereunder shall be paid first. Sub-section 3 (c) shall apply, mutatis mutandis, to the right to collect assigned claims and the revocation of such right.

d) Sub-section 4.c) shall apply, mutatis mutandis, in the event of connection of any Secured Goods to any personal or real property with respect to the claim to compensation for such connection.

5. Customer shall inform Supplier without undue delay of any execution, attachment or other intervention by third parties with respect to any Secured Goods.
6. In the event of Customer's breach of contract, including, but not limited to, payment default, Supplier shall have the right to repossess the goods, and Customer shall be obligated to return the goods. The repossession of goods or the reliance upon the reservation of title by Supplier shall not be deemed a rescission of the agreement unless expressly stated otherwise by Supplier. Supplier may sell any repossessed Secured Goods upon prior notice and apply the proceeds from such sale to any outstanding claims.

Payment Terms

Invoices of Supplier shall be payable within 30 days of delivery without any deduction, and transferred to Supplier's account at no charge.

Interest according to § 288 (2) of the German Civil Code [BGB; hereinafter "Civil Code"] (8% above the base interest rate of the German Central Bank (Deutsche Bundesbank)) shall accrue on any delayed or deferred payments, unless Customer furnishes proof that Supplier suffered lesser or no damages. Supplier reserves the right to assert additional claims for damages in the event of delayed performance by Customer.

Customer may offset counterclaims against Supplier's claims only if and to the extent that such counterclaims are undisputed or have been established by a final and conclusive court judgment.

Payment orders, cheques or drafts are accepted as payment

(zahlungshalber) only after deduction of any discount charges.

Any rebates or discounts granted to Customer are conditional upon acceptance of all goods as agreed and timely payment.

Period for Delivery of Goods and Services

Compliance with the stipulated delivery date shall be conditional upon timely receipt of all documents, necessary permits and releases, including, but not limited to, any plans or specifications to be furnished by Customer, as well as the performance of all payment obligations and other obligations by Customer. Otherwise the time for delivery shall be subject to a reasonable extension, except where Supplier is responsible for the delay.

The period for delivery shall be deemed to have been met:

in cases where delivery does not include installation, if and when the goods, ready for operation, have been delivered to the carrier or picked up within the agreed period. If delivery is delayed due to the fault of Customer, delivery shall be deemed timely, provided that Supplier gives notice that the goods are ready for shipment within the agreed period.

in cases where delivery includes installation, if and when such installation has been completed within the agreed period.

If Supplier furnishes proof that the delivery of goods or services is delayed as a result of mobilization, war, riot, strike, lockout or other unforeseeable circumstances, the period for delivery shall be subject to a reasonable extension. The same shall apply if a vendor of Supplier fails to deliver goods in due time for any other reasons, despite reasonable efforts by Supplier to obtain delivery. If Supplier fails to comply with the delivery period for any reasons other than those stated in sub-section 3 sentence 1 above, then Customer – provided that Customer can prove that it has suffered damages as a result of the delay – shall be entitled to charge default damages in the amount of 1/2 % for every week such delay continues, not to exceed 5 % of the value of goods or services which are not in operational condition because individual components were not delivered in a timely manner. Customer shall also be entitled to default damages if the circumstances described in sub-section 3 sentence 1 arise only after Supplier has without justification failed to comply with the stipulated delivery period. Any additional claims of Customer for delayed performance exceeding the 5 % limits set forth in sentence 2 are hereby excluded, even if such grace period as may have been granted to Supplier has expired. The foregoing shall not apply if liability attaches by operation of law, e.g., in cases involving willful or grossly negligent conduct, or cases involving death, personal injury or other bodily harm. The foregoing provisions shall not result in a shifting of the burden of proof to Customer. Customer shall have the right to rescind the agreement in accordance with applicable law only if delivery is delayed due to the fault of Supplier.

If shipment or delivery is delayed at Customer's request, then storage costs equal to 0.5 % of the total invoice amount may be charged to Customer for every month or fraction thereof, beginning one month after notice has been given that the goods are ready for shipment. Such storage costs shall not exceed 5 % of the total invoice amount unless Customer furnishes proof of lower costs or Supplier furnishes proof of higher costs.

Risk of Loss

The risk of loss shall pass to Customer in accordance with the following provisions, whether or not freight is paid by Supplier:

In cases where delivery does not include installation, the risk of loss shall pass when the goods have been delivered to carrier or picked up in operational condition. The modalities of shipment shall be left to Supplier's reasonable able discretion. At the request and cost of Customer, goods shipped shall be insured by Supplier against breakage, fire and other damages sustained during transit. The foregoing provision shall also apply if Supplier itself undertakes to transport the goods or assumes the costs thereof.

If the dispatch or delivery of goods, or the start or completion of installation is delayed at the request of Customer or due to Customer's fault, then the risk of loss shall pass to Customer for the period of such delay. However, Supplier shall at Customer's cost procure such insurance coverage for the goods as may be requested by Customer.

Acceptance

Customer shall accept goods delivered notwithstanding any minor defects.

Supplier shall have the right to make partial deliveries insofar as this does not cause an unreasonable disadvantage to Customer in light of the purpose of the contract.

Liability for Defects

Supplier shall be liable for defects (Mangel) as follows:

Customer shall inspect the delivered goods or services in the ordinary course of business and without undue delay after receipt or acceptance, and notify Supplier in writing of any defects without undue delay, however no later than 8 days after receipt or acceptance, specifying the relevant defect in as much detail as possible. Customer's failure to give notice of a defect shall be deemed acceptance of the delivered goods or services, except in the case of hidden defects which cannot be discovered at the time of inspection. If a hidden product defect is discovered after the initial inspection, then Customer shall provide Supplier with written notice thereof without undue delay, however no later than 8 days after discovery. Otherwise, the delivered goods or services shall be deemed to have been accepted notwithstanding such defect. The same shall apply in cases involving wrong or incomplete delivery, provided that the discrepancy between the goods or services delivered and the goods or services ordered is so great as to make it reasonable for Supplier to assume that such discrepancy would not be acceptable to Customer.

Supplier shall at his sole discretion and cost repair or replace any defective parts or render new performance of any defective services which become unusable or whose usability is substantially impaired within 12 months of the date the risk of loss passes to Customer -- regardless of the actual operating time -- provided that the relevant defects, including, but not limited to, any design defects, faulty materials or improper workmanship, were present at the time the risk of loss passed to Customer. Customer shall grant to Supplier a reasonable grace period for the correction of any defects. Supplier may reject such correction of product defects until Customer fulfils its obligations of sub-section 3 hereunder.

Customer shall comply with all contractual obligations, including, but not limited to, the agreed payment obligations. If notice of defect is made, Customer may withhold payment to an extent reasonably proportionate to the noticed product defect. If notice of defect is unjustified, Supplier shall be entitled to recover from Customer any costs and expenses incurred as a result thereof.

If Supplier fails to successfully correct a defect within the specified grace period, then Customer shall have the right to demand cancellation of the contract (Rücktritt) or a reduction of the purchase price (Minderung).

The limitation period for any claims of Customer based upon defects shall be 12 months from the date the risk of loss passes. If the parties fail to reach an agreement within the aforesaid 12-month period, then Supplier and Customer may agree upon an extension thereof.

Supplier assumes no liability for any product defects involving insubstantial discrepancies from the agreed quality, insubstantial impairment of the goods' usability or irreproducible software defects.

Supplier assumes no liability for any damages resulting from improper alterations or repairs carried out by Customer or a third party.

The provisions concerning the limitation periods for defects specified in sub-section 5 above shall be inapplicable if a longer limitation period or a tolling of such limitation period is prescribed by statute, i.e., under § 438 (1) No. 2 (construction supplies), § 479 (statutory warranty claims) or § 634 (a) (1) No. 2 (construction defects) Civil Code.

Any claims of Customer for additional costs or expenses incurred in connection with the correction of defects, in particular for costs relating to transportation, travel, personnel and materials, because the goods are subsequently transported to a location other than Customer's place of business are hereby excluded. The foregoing provision shall not apply if the goods are transported to a location that conforms to the purpose of the goods contemplated by the agreement.

Customer shall have statutory claims against Supplier only to the extent that Supplier has not entered into any agreements with its customers providing for warranty claims in excess of those provided by statute. The scope of Supplier's liability to Customer under the statutory warranty provisions shall be governed by sub-section 9 hereof.

Except as specified herein, Customer shall have no claims against Supplier or Supplier's agents for any defects, including, but not limited to, claims for indirect or consequential damages. The foregoing provisions shall not apply if and to the extent that liability attaches by operation of law, i.e., in cases involving wrongful death, personal injury or other bodily harm, or damages to private property under the German Product Liability Act [Produkthaftungsgesetz; hereinafter the "Product Liability Act"], or willful or grossly negligent conduct, or the breach

of material contractual obligations. However, any claims for the breach of material contractual obligations by Supplier shall be limited to reasonably foreseeable damages, and any claims for consequential damages shall be excluded, except in cases involving willful or grossly negligent conduct, or wrongful death, personal injury or other bodily harm.

Sub-sections 1 to 11 above shall apply, mutatis mutandis, to any claims of Customer for the repair or replacement of goods or for damages, to the extent that such claims arise from advice rendered to Customer by Supplier within the scope of the agreement or from the breach of any ancillary contractual obligations (§ 241(2) Civil Code).

Intellectual Property Rights

1. Unless otherwise agreed, the goods and services delivered by Supplier must be free of any intellectual property rights of third parties (hereinafter "Proprietary Rights") only in the country where delivery is made. If Customer should be subject to any justified claims for infringement of any Proprietary Rights as a result of Customer's use, in accordance with the terms and conditions stipulated by the parties, of any goods or services delivered by Supplier, then Supplier shall be liable to Customer within the limitation period specified in section VIII sub-section 2, in accordance with the following provisions:

Supplier shall, at its sole discretion and cost, obtain the appropriate license(s), modify the goods or services in such a way that they no longer infringe upon any Proprietary Rights, or replace such goods or services. If neither option is a reasonable alternative for Supplier, then Customer may rescind the agreement or demand a reduction of the purchase price as provided by statute.

Supplier's liability for damages shall be governed by section XI hereof.

Supplier shall be liable in accordance with the foregoing provisions only if Customer immediately notifies Supplier in writing of any relevant third party claims and does not acknowledge any infringement in relation to such third parties, and provided further that all countermeasures and settlement negotiations are reserved for Supplier. If Customer discontinues use of any goods or services to mitigate damages or for other material reasons, then Customer shall inform the third party that such discontinued use in no way implies or otherwise indicates an acknowledgment of infringement.

Customer shall have no claims against Supplier, if and to the extent that Customer is responsible for the infringement of the Proprietary Right giving rise to such claims.

Customer further shall have no claims against Supplier if the infringement of Proprietary Rights is due to any of Customer's technical specifications, or to Customer's use of the goods or services delivered for a purpose not reasonably foreseeable for Supplier, or to Customer's alteration of goods or use of the goods in combination with any third party products.

In the event of infringement of any Proprietary Rights, the provisions of section VIII sub-sections 3, 4 and 11 shall apply, mutatis mutandis, to any claims of Customer under sub-section 1 a) above.

Impossibility, Modification

If either Supplier or Customer should be unable to perform its contractual obligations, the parties' rights and obligations shall be governed by general principles of law, subject to the following: If the impossibility is due to Supplier's fault, then Customer may claim damages. However, any

claims for damages made by Customer against Supplier shall be limited to 10% of the value of those goods or services which, due to the impossibility of performance, cannot be used by Customer for the purposes contemplated by the agreement. Any claims for damages in excess of the aforesaid 10% limit are hereby expressly excluded, unless liability attaches by operation of law, i.e., in cases involving willful or grossly negligent misconduct, wrongful death, personal injury or other bodily harm. Customer's right to rescind the agreement shall remain unaffected thereby.

Additional Claims for Damages, Limitation Period

Customer shall have no claims against Supplier for positive breach of contract (positive Forderungsverletzung), culpa in contrahendo, (Verletzung von Pflichten bei Vertragsverhandlungen), tortious acts or claims of any other kind.

Sub-section 1 shall not apply, if Supplier is subject to liability by operation of law, e.g., in cases involving wrongful death, personal injury or other bodily harm, or damage to private property under the Product Liability Act, or willful or grossly negligent misconduct, or the breach of material contractual obligations. Material contractual obligations shall be such obligations securing the essential contractual legal position of Customer which is granted to Customer with regard to the content and purpose of the contract. The contractual obligations are considered material whenever the performance of such obligations facilitate the duly implementation of the contract in the first place and Customer also typically relies and might rely on the adherence to these obligations. However, any claims for damages resulting from a breach of material contractual obligations by Supplier shall be limited to reasonably foreseeable damages unless Supplier is liable for willful or grossly negligent misconduct, wrongful death, personal injury or other bodily harm. The foregoing clauses do not result in any shift of the burden of proof to the detriment of Customer.

To the extent that Customer has claims for damages it shall be time barred upon expiration of the statute of limitations pursuant to Article VIII, sub-section 5 and 8. The foregoing clause is also applicable to Customer's claim in connection with actions to avoid any damage (e.g. recall campaigns). In case of claims for damages under the Product Liability Act, the statutory statute of limitations shall apply.

Place of Jurisdiction and Applicable Law

Provided that Customer is a merchant, the exclusive place of jurisdiction for all disputes arising from or in connection with the agreement between the parties shall be the location of Supplier's principal place of business in Selb, Germany. Supplier may also file suit in any competent court at the location of Customer's principal place of business.

All agreements between parties shall be governed exclusively by the formal and material laws of the Federal Republic of Germany excluding its provisions on conflict of laws. The provisions of the Convention on Contracts for the International Sale of Goods (CISG) shall be explicitly excluded.

Severability

If any provision of the agreement should be invalid, the validity of the remaining provisions thereof shall remain unaffected thereby, unless continued performance of the agreement would result in undue hardship for one of the parties.

Last revised June 2007