

TERMS AND CONDITIONS OF SALE

Status September 2011

1. Applicability

- 1.1 The Purchaser acknowledges the sole applicability of our Terms and Conditions of Sale for the present and future legal relationships with the Purchaser, without further reference or confirmation.
- 1.2 We do not recognize conditions of the Purchaser differing from or contradicting our Terms and Conditions of Sale. Agreements made previously and earlier versions of our Terms and Conditions of Sale are superseded by these Terms and Conditions of Sale.

2. Conclusion of the contract

- 2.1 Our offers are subject to confirmation and are non-binding. The order, on the other hand, contains a binding offer. A Purchaser is bound to this offer. We reserve the right to accept this offer within a period of two weeks, either by confirmation of order or by consignment of the ordered goods, although in the event of acceptance via consignment the date of shipment will be the criterion for having adhered to the deadline. In the event of this deadline being exceeded, the order will then still materialize if the Purchaser does not immediately object to the confirmation of order or the consignment of goods.
- 2.2 The Purchaser shall accept any standard commercial or reasonable deviations in quality, amount, weight or otherwise, unless we have expressly confirmed a binding specification to be a contractual basis in an individual case.
- 2.3 Object of the contract is solely the sold product including the properties and features as well as the intended use according to the manufacturer's technical data sheets. Other or more extensive properties and/or features or any additional intended use shall only be considered as having been agreed if we have expressly confirmed such agreement in writing.

3. Delivery time/Self-delivery proviso/Partial deliveries/Default on the part of the Vendor

- 3.1 Any delivery times specified in the confirmation of order are subject to confirmation, unless additionally specified as "fixed."

- 3.2 Circumstances resulting from force majeure beyond our control, in particular strikes, lockouts and natural disasters, which impede adherence to the delivery times confirmed as "fixed," shall authorize us to appropriately extend the delivery times agreed by the confirmation of such dates or, optionally, to cancel the order.
- 3.3 Should we, despite having concluded a congruent coverage transaction, not be promptly or correctly supplied with the ordered goods, through no fault of our own, we shall also be authorized to extend an agreed "fixed" delivery time appropriately or to cancel the order. In the event of framework contracts or successive delivery contracts we shall also be entitled to this right for partial deliveries, without the claim for performance for the remaining order, excluding the partial delivery concerned, being affected.
- 3.4 Should we still be in default of a delivery confirmed as "fixed" despite having taken the previously cited provisions into consideration, the Purchaser, after having unsuccessfully set an appropriate deadline for performance or subsequent performance, shall be entitled to withdraw from the contract for this delivery or partial delivery and – under the provisions of item 7.3h – to demand compensation for damages if the goods are not ready for dispatch by the time the deadline expires.
- 3.5 We shall at any rate be entitled to make partial deliveries. We are entitled to engage subcontractors to fulfill our contractual obligations.
- 3.6 The applicable date of delivery is the date on which the goods leave our plant or warehouse (delivery "**ex works**"), and if this date cannot be determined, the date on which they are made available to the purchaser.

4. Prices

- 4.1 The listed prices are understood to be in EURO strictly net, and apply to deliveries from our principle place of business or the principle place of business of the supplier commissioned by us for direct delivery, unless otherwise agreed in writing.
- 4.2 The costs of shipping (irrespective of the delivery value) shall be borne by the Purchaser.
- 4.3. Packaging will be invoiced separately. In the event of non-ordered partial deliveries we shall invoice only the amount that would have been incurred in the case of a standard delivery.

- 4.4 Should more than four weeks elapse between our confirmation of order and the agreed delivery date, we shall be authorized to invoice for any price increases of our supplier occurring during this period. Should the purchase price be agreed in a currency of a non-euro country, the Purchaser shall bear the risk of any deterioration in the exchange rate ratio of the agreed currency to the euro. This shall also apply if it is evident to the Purchaser that our Supplier is delivering on the basis of a non-euro country currency.
- 4.5 Should shipment of the goods be delayed beyond the agreed delivery date at the Purchaser's request, the Purchaser shall undertake to bear the costs of storage.

5, Payments, solvency, offsetting, right to refuse performance and right of lien

- 5.1 The Purchaser shall render payments without deduction within 30 days of the invoice date. The deciding factor for the promptness of the payment shall be the date of crediting to our account.
- 5.2 Checks will only be accepted as payment for the purpose of fulfillment. We shall be entitled to invoice any costs of collection separately.
- 5.3 The Purchaser shall undertake to pay us interest in the amount of 8% above that of the base-lending rate in the event the due date is exceeded.
- 5.4 If there is justified doubt regarding the solvency or creditworthiness of the Purchaser, and the Purchaser is not willing to render advance payment despite being requested, or to provide a suitable security for the performance to which the Purchaser is obligated, we are entitled to withdraw from the agreement if we have not yet performed. We are also entitled to a right to withhold performance. The above provisions in the present paragraph also apply accordingly to the case where justified doubt regarding the solvency or credit-worthiness of the Purchaser only arises during the term of the contract.
- 5.5. The Purchaser is only entitled to offset or to assert a right of lien based on claims from the same delivery or with other claims that are acknowledged in writing or legally established. The commercial right of lien according to § 369 of the German Commercial Code is excluded.

6. Transfer of risk

We must meet the contractual obligations at the location of our place of business (delivery "**ex works**"). Insofar as the Purchaser requests the goods to be

delivered to another location, he shall bear the risk and (irrespective of the delivery value) also the costs of the consignment and transport of the goods. At the Purchaser's request and expense we will insure the goods against the risk of damage and loss in transit.

7. Liability and warranty

7.1 The Purchaser is aware that as a wholesaler we do not have any technical production and testing means and therefore cannot test electronic components. The Purchaser must test the goods immediately after receipt – especially for visible damage, defects, weight and dimensions, quantity, identity, type of goods and completeness. The Purchaser is obligated to test electronic components for quality immediately. Deviations from agreed quality as well as obvious defects of the supplied goods must be protested by the Purchaser without delay upon receipt of the delivery. Claims regarding non-obvious defects must be likewise be asserted to us by the Purchaser immediately upon becoming aware of them. If the Purchaser neglects to protest within an exclusion period of 7 days, the delivered goods are considered accepted even with the defect.

7.2 If the Purchaser undertakes a modification of the delivered goods, warranty claims can only be asserted if it is proven that a defect is not attributable to the Purchaser's activity.

7.3 If the movable goods delivered by us are faulty and if the purchase is not a consumable, then there is a claim for supplementary fulfillment, reduction of price, withdrawal from the contract and compensation for damages only according to the following provisions:

- a. The limitation period for claims and rights due to defects of the delivered goods – for any legal reason whatsoever – is one year. This does not apply in cases of § 438 I No.1, § 438 I No.2, § 479 or § 634a I No.2, of the German Civil Code, however. The claims mentioned in the sentence above are subject in these cases to a limitation period of three years; the statutory limitation period of 2 years continues to apply to § 479 German Civil Code. The provisions of law regarding interruption, suspension and restart of the limitation period are unaffected.
- b. The limitation periods according to (a) also apply to all claims for damages against us in connection with the defect – irrespective of the legal basis of the claim. If claims for compensation of damages not connected with the defect are asserted against us, the limitation period of paragraph (a.) clause 1 applies to them.
- c. The limitation periods according to (a) and (b) do not generally apply in cases of wrongful intent, gross negligence or malicious concealment of a defect. The

limitation periods for claims of damages likewise do not apply in cases of harm to life, limb, health or liberty, to claims arising from the German Product Liability Act or in case of violation of cardinal contractual obligations.

- d. The limitation period for all claims begins with the delivery.
- e. If the Purchaser accepts a defective object although the defect is known, the Purchaser is entitled to rights for supplementary fulfillment, withdrawal from the contract, reduction of the price and compensation for damages only if these rights relating to the defect are reserved in writing at the time of acceptance.
- f. If the object does not have the agreed properties or in case another defect of quality under § 434 I S. 2 German Civil Code / § 633 II S. 2 German Civil Code exists and is protested in timely fashion, we will undertake, at our discretion, to rectify the defect or deliver a defect-free object (supplementary performance).
- g. If we have twice attempted to rectify the defect or have attempted once to deliver a defect-free object and the existing defect could not be rectified in that manner, the Purchaser may reduce the purchase price in place of rectification of the defect or delivery of a defect-free object, or may withdraw from the contract after setting an appropriate deadline.
- h. If the performance due from us is not rendered or is deficiently rendered, the Purchaser may demand compensation for damages only:
 - h1. for damages arising from harm to life, limb or health that are based on an intentional or negligent violation of an obligation on our part or on the part of our legal representatives or agents;
 - h2. for other damages based on an intentional or grossly negligent violation of obligations on our part or on the part of our legal representatives, senior management or agents, or on an intentional or grossly negligent violation of obligations essential to the contract (cardinal obligations) on our part or on the part of our legal representatives, senior management or agents; cardinal obligations are those obligations which must be fulfilled in order for the contract to exist at all and which the other contractual party can ordinarily expect to be fulfilled;
 - h3. for damages that fall within the scope of protection of a warranty (assurance) or of a guarantee of condition or durability granted by us.

In case of the negligent violation of a cardinal contractual obligation, the liability is limited to the net delivery value of the faulty products, and maximally to the typically expected damage. Damage arising from harm to life, limb or health is an exception to this. Mandatory regulations from the German Product Liability Act are not affected by the above provisions.

Any more extensive liability – for consequential damages from defects in particular – is excluded.

- i. No change of the burden of proof to the detriment of the Purchaser is connected with the provisions above.

7.4 If third parties are engaged or included in preparing or settling the debtor relationship between the parties, the warranty and liability restrictions specified above also apply to the benefit of the third parties.

7.5 In the event of proven unjustified complaints, the Purchaser shall be obligated to bear any costs we have incurred for the reviewing of the complaints.

8. Promotion by the Purchaser/Violation of Protective Rights

8.1 The Purchaser of merchandise shall undertake to advertise the contractual products only in an appropriate form. The Purchaser is aware that incorrect property-related promotion can lead to warranty claims. He shall undertake to indemnify us from the consequences of such advertising and to compensate us for any damages we incur due to the infringement of this undertaking.

8.2 The Purchaser undertakes to hold us harmless from infringement of patent, license and other protective rights committed by him or his customers. The same applies to violations of delivery restrictions.

9. Reservation of Ownership

9.1 The delivered goods remain our property until full payment of the agreed price for the entire order, or until the checks or bank drafts remitted for them have been cashed or redeemed. If there are other unpaid accounts receivable from the Purchaser at the time of delivery in addition to the amount owed to us from the order, we retain ownership of the goods delivered by us until all above-specified receivables have been paid (extended reservation). The extended reservation applies to the balance if the receivables are in a current account.

9.2 If the Purchaser treats or processes the delivered goods, then the treatment or processing is done on our behalf in the sense that we obtain ownership of the new object in a proportion that corresponds to the purchase value of the delivered object in relation to the total sales value of the new object at the time of processing. In case of processing with other goods not belonging to us on the part of the Purchaser, we are entitled to co-ownership of the new object

produced in the ratio of the purchase value of our reserved goods used for the produced object to the sales value of the new object at the time of processing.

- 9.3 If the goods delivered under reservation of ownership are inseparably connected, mixed or combined with other goods, we obtain co-ownership of the entire amount to the extent of the proportional value of our delivery, §§ 947, 948 German Commercial Code. If the Purchaser obtains sole ownership from the connection, mixture or combination, he herewith assigns co-ownership to us in the ratio of the purchase price of the reserved goods to the sales value of the newly produced goods at the time of connection, mixture or combination. We accept this assignment. In this case, the Purchaser shall store the goods of which we are co-owners without charge.
- 9.4 The reservation of ownership is extended to all accounts receivable of the Purchaser obtained from the resale of the delivered goods or the sale of the produced goods. The receivables are assigned to us to the extent of the unpaid invoice amount. The Purchaser shall assign these future receivables as security at the time they arise. We accept this assignment. The Purchaser is entitled to dispose of the reserved goods or the produced goods only on the condition that its receivables for sales or compensation for work performed are assigned to us in accordance with the provisions above. The Purchaser is not entitled to other dispositions.
- 9.5 The Purchaser shall not be authorized to pledge the delivered goods or transfer ownership as security. The Purchaser must immediately notify us in case of pledges, as well as seizures or other dispositions by third parties.
- 9.6 Our protection rights do not prevent the Purchaser from disposing of the reserve goods or claims assigned to us as security within normal business operations. A normal business operation no longer exists if the Purchaser is more than one month in arrears on payment obligations to us after the onset of default, if the Purchaser's drafts are not honored, payment is ceased or insolvency proceedings are initiated. In this case, the Purchaser is obligated at our request to disclose the assignments to its customers, cease collecting the obligations and allow us to collect. At our request, the Purchaser is a further obligated to disclose the addresses of its third-party purchasers to us on first request.
- 9.7 If normal business operations no longer exist, we are entitled to take back the reserve goods at the Purchaser's expense. To the extent legally permissible, such a return, the assertion of the reservation of ownership and the placement of a lien on the object of delivery do not constitute a withdrawal from the contract.
- 9.8 At the request of the Purchaser we are obligated to release the securities due to us under the provisions above at our discretion, insofar as the realizable value of the securities to which we are entitled exceeds the obligations to be secured by

more than 10% It is presumed that the prerequisites of the preceding sentence are satisfied if the estimated value of goods assigned for security and assigned receivables reaches or exceeds 150% of the value of the secured claims.

9.9 In case of a violation of the Purchaser's obligations, in particular in case of default in payment, we are entitled to demand the surrender of the delivered goods and/or to withdraw from the contract, even without setting a deadline; the Purchaser is obligated to surrender. The request for surrender of the delivered goods does not constitute a declaration of withdrawal by us, unless this is stated in writing.

9.10 If we withdraw from the agreement, the Purchaser is obligated to assign claims for surrender against third parties to us. Furthermore, in such case the Purchaser shall grant us the right to enter the premises to which the conditional commodity has been delivered and agree to allow us to reclaim the conditional commodity.

10. Sales Commitment

For the procurement of products governed by a sales commitment, the special terms and conditions of the relevant supplier also apply in addition to these terms and conditions of business.

11. Applicable law and place of jurisdiction

11.1 The law of the Federal Republic of Germany shall apply exclusively. Applicability of the Uniform Law on the International Sale of Goods and the UN Convention on International Sale of Goods is excluded.

11.2 The place of jurisdiction for all disputes arising between the parties from the contractual relationship is Tuebingen, insofar as the Purchaser is a merchant, a legal entity under public law or a special fund under public law, or the Purchaser does not have a general place of jurisdiction in the Federal Republic of Germany or moves its place of jurisdiction abroad.

11.3 Should the purchase contract between ourselves and the Purchaser be concluded and executed within the scope of the EC internal community and should the Purchaser not submit his VAT registration number otherwise, said Purchaser shall then be obligated to pay VAT according to the statutory provisions of the Federal Republic of Germany at all times in addition to the agreed purchase price.

12. Final provisions

- 12.1 In the event that a provision in these terms and conditions of business should prove to be ineffective or unenforceable, this shall not affect the effectiveness of the remaining regulations. In such case and according to contractual parties' wishes a provision shall then apply, which most closely resembles the originally agreed provision as regards effectiveness and enforceability. The same shall apply in the event that any gaps in the provisions occur.
- 12.2 The Purchaser is aware that data from the business transaction – including personal data – will be stored and processed within the scope of business necessity and may have to be transmitted to third parties. The Purchaser consents to this data acquisition and processing.

Matronic GmbH & Co. Electronic-Vertriebs KG