

# ELTEK SEMICONDUCTORS LTD - CONDITIONS OF SALE

Unless otherwise stated in writing, the following conditions shall apply: -

## 1 Quotations and Acceptance

- (a) Quotations are valid for thirty (30) days and represent no obligation until the Seller accepts the Buyer's order in writing.
- (b) The Buyer's order must be identified with an order number and must contain sufficient information to enable the Seller to proceed.
- (c) In the event of inconsistency between the Seller's and the Buyer's conditions the Seller's shall prevail. No variation of the Seller's conditions shall be binding upon the Seller unless and until the variation has been accepted in writing by a duly authorised person on behalf of the Seller.

## 2 Price and Delivery

- (a) Prices do not include V.A.T.
- (b) Delivery quoted will be ex-works.
- (c) Delivery dates are stated in good faith and whilst every effort will be made to meet such dates, the Seller will not accept responsibility or liability for any consequence arising from delay in delivery howsoever occasioned.
- (d) The Seller reserves the right to deliver in more than one consignment and to invoice each consignment separately.

## 3 Title and Risk

- (a) The goods are at the risk of the Buyer upon delivery by the Seller to a carrier.
- (b) The property in the goods shall only pass when full payment shall have been made for the goods.
- (c) Until property in the goods shall have passed to the Buyer, the Buyer shall as the Seller's gratuitous bailee keep the goods so that they are identifiable as the Seller's property and shall at all times keep the same fully insured.
- (d) In the event that the goods are resold prior to payment thereof, the Buyer will hold the proceeds of sale on trust for the Seller pending such payment.
- (e) The Seller shall have the right to enter the premises of the Buyer at any time for the purpose of reclaiming possession of any goods title to which shall not have passed to the Buyer.

## 4 Payment

- (a) Payment shall be due twenty-eight (28) days from date of invoice.
- (b) The Seller reserves the right to withdraw credit terms whether or not there has been a default and payment may be required as a pre-condition to delivery, failing which the Seller may cancel the contract and/or suspend deliveries pending payment.
- (c) No cash or other discount will be allowed unless specified.

## 5 Cancellation or Change of Order

- (a) If this order is cancelled or shipping dates postponed or amended in any way by the Buyer, the Buyer will reimburse the Seller for the costs of all material, all other costs and a reasonable profit for time and work involved on that portion of the order that is not completed or ready for shipment upon receipt of cancellation or postponement notice.

## 6 Warranty

- (a) The Seller warrants that the goods are free from defect in material, workmanship and design, and conform to applicable specifications furnished or approved by the Seller in effect at the time of shipment.
- (b) In the case of goods not manufactured by the Seller, its liability shall in no circumstances extend beyond the liability to the Seller of the manufacturer of such goods.
- (c) Notice of a breach of warranty must be received within three (3) months of the date of shipment of the goods claimed to be defective and in the absence of such notice, the Seller will incur no liability as to such goods under this warranty.
- (d) The Seller's liability under this warranty shall be limited to replacing any defective goods sold to the Buyer and upon receipt of such defective goods from the Buyer postage pre-paid, the Seller will replace the goods in the event that examination by the Seller of such goods shall disclose the Seller's satisfaction that such defect did not arise as a result of misuse, neglect, improper installation, repair, alteration or accident.
- (e) In no event shall the Seller be liable for collateral or consequential damages.
- (f) The Buyer agrees that there is no Warranty of Merchantability and that there are no other warranties, express or implied, which extend beyond the description on the face of this agreement other than as specified in paragraph 6(a) above.
- (g) Nothing in paragraphs 6(a) to (f) above shall be construed as excluding or restricting the liability of the Seller for death or personal injury resulting from the negligence of the Seller.

## 7 Inspection and Claims

- (a) The Buyer shall inspect the goods promptly upon delivery and shall notify the Seller in writing giving particulars of any damage, defect or shortage within ten (10) days of delivery.
- (b) Any goods returned shall be delivered to the Seller's premises at the Buyer's expense and if found not to be defective (or the defect is found to be attributable to the Buyer's design or materials) will be returned to the Buyer at its expense and subject to a handling charge of fifteen percent (15%) of the invoice price together with V.A.T. thereon if applicable.

## 8 Quantity Variations

- (a) Every endeavour will be made to deliver the correct quantity ordered. However, quotations are conditional upon a margin of ten percent (10%) being allowed for over and under delivery, the same to be charged or deducted unless otherwise agreed.

## 9 Patent Rights

- (a) The sale of the goods and the publication of any information or technical data relating thereto does not imply freedom from patent, registered design or other industrial property rights in respect of any particular application of the goods.
- (b) It is a condition of manufacture of goods to the Buyer's design or specification, express or implied, that the Buyer shall indemnify the Seller against all claims and expenses arising therefrom in respect of infringement of any patent or registered design.

## 10 Errors

- (a) This contract shall be subject to correction in respect of typographical and clerical errors.

## 11 Set-Off and Counterclaim

- (a) The Buyer shall not be entitled to withhold payment of any sums after they become due by reason of any right of set-off or counterclaim which the Buyer may have or allege to have.

## 12 Law

- (a) All contracts entered into by the Seller on these conditions shall be governed and interpreted in accordance with English law.