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): December 13, 2002

VISHAY INTERTECHNOLOGY, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware	1-7416	38-1686453
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

63 Lincoln Highway, Malvern, Pennsylvania 19355-2120

(Address of principal executive offices)
(Zip Code)

Registrant's telephone number, including area code: (610) 644-1300

N/A

(Former name or former address, if changed since last report)

Item 2. Acquisition or Disposition of Assets.

On December 13, 2002, Vishay Intertechnology, Inc. completed the acquisition of BCcomponents Holdings B.V., a leading manufacturer of passive components with operations in Europe, India and the Far East. The product lines of BCcomponents include linear and non-linear resistors; ceramic, film and aluminum electrolytic capacitors; and switches and trimming potentiometers.

Vishay acquired the outstanding shares of BCcomponents in exchange for ten-year warrants to acquire 7,000,000 shares of Vishay common stock at an exercise price of $20.00 per share and ten-year warrants to acquire 1,823,529 shares of Vishay common stock at an exercise price of $30.30 per share.

In the transaction, outstanding obligations of BCcomponents, including indebtedness and transaction fees and expenses, in the amount of approximately $224 million were paid or assumed. Also, $105 million in principal amount of BCcomponents' mezzanine indebtedness and certain other securities of BCcomponents were exchanged for $105 million principal amount of floating rate unsecured loan notes of Vishay due 2102. The Vishay notes bear interest at LIBOR plus 1.5% through December 31, 2006 and at LIBOR thereafter. The interest note could be further reduced to 50% of LIBOR after December 31, 2010 if the price of Vishay common stock trades above a specified target price, as provided in the notes. The notes are subject to a put and call agreement under which the holders may at any time put the notes to Vishay in exchange for 6,176,471 shares of Vishay common stock in the aggregate, and Vishay may call the notes in exchange for cash or for shares of its common stock after 15 years from the date of issuance. Vishay has granted registration rights for the warrants and the shares of common stock issuable in respect of the warrants and the notes.

Item 5. Other Events.

On December 13, 2002, Vishay entered into an amendment to its revolving bank credit facility in which the aggregate commitment under this facility was reduced from $660 million to $500 million, which amount is subject to increase under certain circumstances, and certain changes were made to other terms of the facility. A copy of the amendment is filed as an exhibit to this report.

Item 7. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The financial statements required by this Item 7(a) will be filed by amendment to this Current Report on Form 8-K.

(b) Pro Forma Financial Information

The pro forma financial information required by this Item 7(b) will be filed by amendment to this Current Report on Form 8-K.

(c) Exhibits.

Exhibit No.	Description
2.1	Share Sale and Purchase Agreement between Phoenix Acquisition Company S.ar.l; Other Investors (as defined); Mezzanine Lenders (as defined); Vishay Intertechnology, Inc.; Vishay Europe Gmbh; and BCcomponents International B.V., dated as of November 10, 2002
2.2	Amendment to the Share Sale and Purchase Agreement between Phoenix

	Acquisition Company S.ar.l; Other Investors (as defined); Mezzanine Lenders (as defined); Vishay Intertechnology, Inc.; Vishay Europe Gmbh; and BCcomponents International B.V., dated as of December 4, 2002
4.1	Warrant Agreement between Vishay Intertechnology, Inc. and American Stock Transfer & Trust Co., dated December 13, 2002
4.2	Note Purchase Agreement between Vishay Intertechnology, Inc. and Subscribers (as defined), dated December 13, 2002
4.3.	Note Instrument by Vishay Intertechnology, Inc., dated as of December 13, 2002
4.4	Securities Investment and Registration Rights Agreement by and among Vishay Intertechnology, Inc. and the Original Holders defined therein, dated as of December 13, 2002
4.5	Put and Call Agreement between Vishay Intertechnology, Inc. and the Initial Holders (as defined), dated as of December 13, 2002.
4.6.	Second Amendment to Amended and Restated Vishay Intertechnology, Inc. Long Term Revolving Credit Agreement and Consent, made as of December 13, 2002, by and among Vishay Intertechnology, Inc. the Permitted Borrowers (as defined), Comerica Bank and the Lenders signatory thereto and Comerica Bank as administrative agent.
99.1	Press Release from Vishay Intertechnology, Inc., dated as of December 16, 2002

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.

VISHAY INTERTECHNOLOGY, INC.

/s/ Avi D. Eden

By: Avi D. Eden
Executive Vice President and General Counsel

Date: December 23, 2002

EXHIBIT INDEX

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99.1	Press Release from Vishay Intertechnology, Inc., dated as of December 16, 2002

Exhibit 2.1

THIS SHARE SALE AND PURCHASE AGREEMENT is made on 10 November 2002

BETWEEN:

(1) PHOENIX ACQUISITION COMPANY S.ar.l (registered at the Luxembourg Trade and Companies Registry under No. 66455) whose registered office is at 398 route d'Esch, L-1471 Luxembourg (Phoenix);

(2) THE PERSONS other than Phoenix whose names and addresses are set out in Part A of Schedule 1 (the Other Investors and each an Other Investor and, together with Phoenix, the Investors);

(3) THE PERSONS whose names and addresses are set out in Part C of Schedule 1 (the Mezzanine Lenders and each a Mezzanine Lender and, together with the Investors, the BCcH Shareholders);

(4) Stichting Administratiekantoor Phoenix whose registered office is at Meerenakkerplein 27-30, 5652 BJ Eindhoven, The Netherlands (the Foundation);

(5) VISHAY INTERTECHNOLOGY, Inc. (the Purchaser);

(6) VISHAY EUROPE GMBH (VEG)

(7) BCCOMPONENTS INTERNATIONAL B.V. (BCc International)

WHEREAS:

(A) BCcomponents Holdings B.V. (the Company) is a private company limited by shares, whose registered office is at Meerenakkerplein 27-30, 5652 BJ Eindhoven, The Netherlands (registered in the Dutch Trade Register No.17094574).

(B) The BCcH Shareholders are the legal and beneficial owners of the Sale Shares and the Foundation is the legal holder of the Foundation Shares. The Mezzanine Lenders are the holders of the Company Warrants and the DIPs. The Sale Shares and the Foundation Shares are all of the issued shares of the Company.

(C) The Purchaser has agreed to purchase all of the Sale Shares, the Foundation Shares, the Company Warrants and the Co-Investor Loan, the BCcH Shareholders have agreed to sell the Sale Shares, the Mezzanine Lenders have agreed to sell the Company Warrants and the Co-Investors have agreed to assign the Co-Investor Loan, in each case on and subject to the terms and subject to the conditions set out in this Agreement.

(D) The Mezzanine Lenders have agreed to assign the Mezzanine Credit Agreement and contribute the DIPS subject to the terms and subject to the conditions set out in this Agreement.

(E) The Foundation has agreed to execute the agreement on and subject to the terms of Schedule 5.

(F) Formal advice has been requested in respect of this Agreement (insofar as it relates to the Netherlands) from the works council representing Group employees in the Netherlands as required by the Dutch Works Council Act, and consultations with employee representatives have commenced in each other jurisdiction where there is a legal requirement to consult prior to the execution of this Agreement.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 In this Agreement, the following expressions shall have the following meanings:

Account means the bank account number with the following details:

Correspondent Bank:	JP Morgan AG, Frankfurt
SWIFT Code:	CHASDEFX
Account Name:	JP Morgan Chase Bank, London
SWIFT Code:	CHASGB2L
Sort Code:	60-92-42
Account Number:	6231400604

For further credit to: Phoenix Acquisition Company
Account Number: 23135503

Adjusted Financial Debt means the sum which results from the calculation:

b - a

a = the aggregate, expressed in euros, of the Capital Expenditure and Restructuring Costs paid by the Group Companies during the period from and including 30 September 2002 to but excluding the Cut-Off Date that are related to the activities in any of paragraphs (a) to (g) of Schedule 4, Part B or otherwise (i) fall within a capital expenditure or restructuring programme which was approved by Supervisory Board of the Company and/or by Phoenix on or before 30 September 2002 or (ii) have been consented to by the Purchaser at any time after 29 September 2002 or (iii) were permitted under the terms of Clause 4 (or would have been permitted under the terms of Clause 4 had Clause 4 been in effect at the relevant time), provided that, for the purpose of calculating the Adjusted Financial Debt, a shall not exceed the sum of 10 million euros plus (if Completion takes place after 31 December 2002) 2.8 million euros for each calendar month in the period from and including 1 January 2003 to but excluding the date of Completion (or the pro rata proportion of 2.8 million euros for any part calendar month, according to the number of days elapsed in that calendar month out of the total number in that month); from

b = the aggregate, expressed in euros and calculated as at 11.59 pm, applicable local time, on the Business Day immediately before the Cut-Off Date, of the amount of the borrowings and financial indebtedness (including, without limitation, by way of acceptance credits, discounting or similar facilities, finance leases, loan stocks, bonds, debentures, notes, debt or inventory

financing or sale and lease back arrangements, overdrafts or any other arrangements the purpose of which is to raise money) owed by each of the Group Companies (as reflected in the books of the relevant Group Company and calculated without double counting) apart from contingent indebtedness or any indebtedness resulting from operating leases, including without limitation any amounts payable under the Senior Credit Agreement (including all accrued interest and all premiums, termination payments, break costs and other amounts, if any, that would be payable upon repayment of the Senior Credit Agreement if it was repaid on the Cut-Off Date) but excluding the Co-Investor Loan and any amounts payable under the Mezzanine Credit Agreement (including all accrued interest and all premiums, termination payments, break costs and other amounts, if any, payable upon repayment of the Mezzanine Credit Agreement) or the DIPs and, for the avoidance of doubt, excluding any amounts due to trade creditors in respect of goods or services supplied to a Group Company and any amounts due to Group Companies.

Any amount in respect of the Shanghai Subsidiary to be included in the above calculation (other than pursuant to the Senior Credit Agreement) shall be reduced by 5%;

Adjusted Financial Debt Statement means the statement of the Adjusted Financial Debt, prepared and agreed or determined in accordance with Schedule 3;

Austrian Shares means the shares in the capital of BCc Austria held by BCc International;

BCc Austria means BCcomponents Austria GmbH, a Group Company, registered with the Company Register at the High Court (Landesgericht) of Klagenfurt, Austria, under no. FN98364d;

BCc Belgium means BCcomponents NV, a Group Company;

BCc Germany means BCcomponents Holding GmbH, a Group Company, registered with the Commercial Register at the Lower Civil Court (Amtsgericht) of Meldorf, Germany, under no. HRB 1510;

BCc Luxembourg means BCcomponents LUX S.ar.L.

Business Day means a day (excluding Saturdays and Sundays) on which banks generally are open in London and New York for the transaction of normal banking business;

Capital Expenditure means any expenditure (including any obligation in respect of the capital element of any finance lease or capital lease) for the acquisition of equipment, fixed assets, real property, intangible assets and other assets of a capital nature which would be treated as capital expenditure in accordance with Dutch GAAP;

Claim means any claim for breach of a Warranty or any other claim which is deemed to be a Claim pursuant to this Agreement;

Co-Investors means Phoenix and Compass Partners European Equity Investors, L.P.

Co-Investor Loan means the (euro)10,000,000 subordinated loan together with all accrued and unpaid interest and other rights thereunder made on or about 4 February 2002 between the Co-Investors and the Company;

Co-Investor Loan Payment means the greater of (i) (euro)1 and (ii) the amount (if any) by which the Threshold Amount exceeds the aggregate of the Adjusted Financial Debt, the amount of the Transaction Fees and the aggregate of the sums payable in accordance with the Sale Bonus Arrangements;

Company Warrants means the Warrants issued by the Company and held by the Mezzanine Lenders as set out in Schedule 1, Part C;

Compass means Compass Partners European Equity Fund (Bermuda) L.P.;

Compass Advisory Fee means (euro)2,500,000 plus VAT payable to Compass Capital Partners Ltd;

Compass Management Fee means (i) (euro)907,560 (plus any value added tax) in respect of advisory fees payable by the Company to Compass and (ii) all expenses (not exceeding (euro)100,000 per month) of Compass through and including the Completion Date reimbursable in accordance with the agreement between Compass, the Company and CPIL, made on 14 January 1999, and the letter from the Company to Compass Capital Partners Limited as general partner of Compass, dated 14 January 1999;

Competition Authority means any relevant government, governmental, national, supranational, competition or antitrust body or other authority, in any jurisdiction, which is responsible for applying Competition Law in such jurisdiction;

Competition Law means any merger control or other competition or antitrust legislation or regulation in any jurisdiction;

Completion Date means 13 December, 2002;

Completion means completion of the sale and purchase of the Sale Shares and, if applicable, of the Foundation Shares in accordance with Clause 6;

Confidentiality Agreement means the agreement dated 1 July 2002 between the Purchaser, Phoenix and the Company;

Consideration Warrants means, subject to Clause 6.13, 8,823,529 warrants of the Purchaser in the agreed form to be issued pursuant to Clause 6.1(a) and then transferred pursuant to Clause 6.7 as consideration for the Sale Shares (other than those to be sold by the Mezzanine Lenders) and for the Foundation Shares;

Costs means all liabilities, losses, damages, costs (including legal costs) and expenses (including taxation), in each case, of any nature whatsoever;

CPIL means Compass Partners International Limited, whose registered office is at 4 Grosvenor Place, London SW1X 7HJ;

Cut-Off Date means 5 December, 2002;

Data Room means the contents of the rooms made available to the Purchaser and its advisers in Frankfurt in relation to the Group Companies;

Depositary Receipts means the A depositary receipts and B depositary receipts conferring beneficial rights to the Foundation Shares;

DIPs means the issued deferred interest preference shares in the capital of BCcomponents Lux S.ar.l.;

Dutch GAAP means the principles, policies, procedures, methods and practices of accounting generally accepted in the Netherlands;

ERISA side letter means the side letter between the Purchaser, Compass and Phoenix Bermuda Fund LP in agreed form;

Estimated Co-Investor Loan Payment has the meaning provided in Clause 6.9(b)(i);

Exchange Act means the United States Securities Exchange Act of 1934, as amended;

Existing Local Facility Limits means the local currency limits on each respective Local Facility set out in Schedule 8;

Foundation Rules means the terms, conditions, rules and procedures in respect of the Foundation, constituting the articles of incorporation of the Foundation, the trust conditions of the Foundation last amended by deed executed on 10 October 2000 and the terms and conditions of each of the Management Equity Plans, in each case as amended or supplemented from time to time;

Foundation Shares means all the common D Shares in the capital of the Company legally owned by the Foundation, details of which are set out in Schedule 1 Part B;

Foundation Share Consideration means those of the Consideration Warrants that are to be transferred in consideration for the sale of the Foundation Shares;

Freshfields means Freshfields Bruckhaus Deringer of 65 Fleet Street, London EC4Y 1HS;

German Federal Cartel Office means the Federal Cartel Office of the Republic of Germany;

German Shares means the shares in the capital of BCc Germany held by BCc International;

Group means the Company and the Subsidiaries;

Group Company means any one of the Company or the Subsidiaries;

HSR Act means the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976;

Letter of Credit Guarantees means the guarantees which are listed on Schedule 6;

LIBOR shall mean the rate at which JP Morgan plc is offering to prime banks in the London Interbank Market deposits in euros for a period of one (1) month at or about 11.00 a.m. on the relevant date for such period;

Local Facilities means those local facilities listed on Schedule 8;

Management Equity Plans means the share based management incentive plans, in each case as set forth in the letters of invitation to participate in such plans containing the terms of such plans, and the Shareholders' Agreement;

Material Adverse Change means, subject to the provisions of Clause 3.1(f), any event, act, omission or accident occurring at any time during the period from the date of this Agreement to but excluding the Cut-Off Date, including without limitation act of God, war, riot, civil commotion, malicious damage, breakdown of plant or machinery, fire, flood or storm, but excluding any strike, lockout or other form of industrial action, as a result of which any of the Group's facilities at Danshui, Heide, Klagenfurt or Roeselare (the Facilities) are destroyed, demolished or otherwise put out of scheduled operation;

Merrill Lynch Fee means the fees payable to Merrill Lynch International by the Company as notified in writing to the Purchaser at any time prior to Completion;

Mezzanine Credit Agreement means the US$105,000,000 Mezzanine Credit Agreement, dated 14 January 1999, between Phoenix as parent, the Company as borrower, certain companies as original guarantors, Chase Equity Associates (now JP Morgan Partners (BHCA), L.P.), Garmark Partners, L.P., Bain Capital V Mezzanine Fund, L.P., BCM Capital Partners, L.P., BCIP Associates II, BCIP Trust Associates II and BCIP Trust Associates II-B as original lenders, and Chase Manhattan International Limited as security agent, as amended or supplemented from time to time;

Note Purchase Agreement means the note purchase agreement in the agreed form;

Notes means the $105,000,000 Floating Rate Unsecured Loan Notes 2102 of the Purchaser which shall be issued by the Purchaser as directed by the Mezzanine Lenders pursuant to Clause 6.5;

Philips means Koninklijke Philips Electronics N.V., whose registered office is at Groenewoudseweg 1 in Eindhoven 5621 BA, together with its affiliates;

Philips Guarantee means the guarantee entered into by Philips in July 1999 in respect of certain of the debt owed by the Shanghai Subsidiary to Citibank N.A., Shanghai branch;

Provisional Adjusted Financial Debt means:

(a) if the Draft Adjusted Financial Debt Statement is delivered to the Purchaser before the Phoenix Pre-Completion Notices (as defined in Clause 5.1), the amount of the Adjusted Financial Debt as stated in that Statement; or

(b) if the Draft Adjusted Financial Debt Statement has not been delivered to the Purchaser before the Pre-Completion Notices are served in accordance with

Clause 5.1, the good faith estimate in euros of the Adjusted Financial Debt delivered to the Purchaser pursuant to Clause 5.1(b);

Purchaser's Group means the Purchaser and any of the Purchaser's subsidiaries;

Purchaser Warranties means the warranties given by the Purchaser and by VEG in Clause 10;

Put and Call Agreement means the put and call agreement between the Purchaser and those persons nominated by the Mezzanine Lenders in the agreed form to be entered into pursuant to Clause 6.5(d);

PwC means PricewaterhouseCoopers;

Registration Rights Agreement means the registration rights agreement in the agreed form;

Releases means the forms of release in agreed form;

Restructuring Costs means costs related to a transaction or event that is unusual in nature or occurs infrequently including those resulting from the exit of an activity, the consolidation, cessation and/or relocation of an operation, the abandonment of operations or productive assets, provision for the termination and/or relocation of operations and employees and the settlement of obligations outside the ordinary course of business including any disentanglement costs;

Sale Bonus Arrangements means the discretionary bonus arrangements between Compass and the executives of the Group Companies upon the disposal of the Group amounting to not more than (euro)1,000,000 in addition to the directly related employer social security cost with respect to such arrangements, details of which are contained in Exhibit 1;

Sale Shares means the Shares held by the BCcH Shareholders and set out in Schedule 1, Part A and Part C;

Sale Share Consideration means those of the Consideration Warrants that are to be transferred in consideration for the sale of the Sale Shares (other than the Sale Shares held by the Mezzanine Lenders);

Schedules means the schedules to this Agreement and Schedule shall be construed accordingly;

Senior Credit Agreement means the (euro)214,184,262 credit agreement, dated 14 January 1999, between Phoenix as parent, BCcomponents Holdings (Netherlands) B.V. and BCc International as original borrowers, the Company and certain other companies as original guarantors, Chase Manhattan PLC and CIBC Wood Gundy PLC as arrangers, Chase Manhattan International Limited (the Agent) as agent and security agent and certain other parties thereto, as amended or supplemented from time to time;

Senior Management means the chief executive officer of the Company and all executives of the Company that are listed on Schedule 7, each of whom earn over $100,000 per annum;

Shanghai Subsidiary means BCcomponents (Shanghai) Company Limited;

Shares means issued shares of any class in the capital of the Company;

Shareholder means a legal holder of shares in the Company;

Shareholders' Agreement means the agreement or agreements between the BCcH Shareholders and the Foundation relating to the ownership and control of the Sale Shares and Foundation Shares and the rights and obligations of the BCcH Shareholders and the Foundation inter se;

Subsidiaries means the companies that are direct and indirect subsidiaries of the Company, a complete list of which is set out in Schedule 2 and ownership of which is shown in Exhibit 2;

Third Party Shares means such share or shares in, as the case may be, BCcomponents Taiwan Ltd., BCcomponents Hong Kong Ltd., BCcomponents China Ltd., Valen Ltd., or BCcomponents India Pvt. Ltd. as are not held by the Company or one of its Subsidiaries but are instead held by third parties, whether or not on the basis of trust or nominee agreements;

Threshold Amount means(euro)217.8 million;

Termination Date means the later of:

(i) 31 May 2003; or

(ii) the date which is four (4) weeks after the service of any notice in writing by the Purchaser on Phoenix that it considers there to have been a Material Adverse Change; or

(iii) if applicable, the date on which it is agreed, deemed to be agreed or determined in accordance with Clause 3.1(f)(ii) that the Insurance Cover covers substantially all of the losses;

Transaction Fees means the amount of the legal, accounting and professional fees, costs and expenses incurred by or on behalf of (i) the Company, (ii) the lenders under the Senior Credit Agreement, (iii) the Mezzanine Lenders, (iv) Phoenix, (v) Phoenix Bermuda L.P. (vi) Compass or (vii) any of the other BCcH Shareholders and payable or reimbursable by the Company or any other Group Company in connection with the transactions contemplated by this Agreement (together in each case with the amount of any value added tax payable thereon by the Company or any other Group Company), including without limitation the Compass Management Fee, the Compass Advisory Fee, the Winchester Fee and the Merrill Lynch Fee, provided that the aggregate amount of such fees and value added tax (if any) payable thereon by the Company or any other Group Company shall not exceed (euro)17 million and provided also that, for purposes of the calculation of the Aggregate Estimates in Clause 5.1, for purposes of Clause 6.9 and for purposes of the definition of Co-Investor Loan Payment, any fees or costs and expenses incurred in connection with the implementation of the steps provided for in Clauses 6.3 and 6.4 and any value added tax payable by the Company thereon shall not be treated as Transaction Fees;

US Newco means the corporation to be incorporated in the United States as a direct, wholly-owned subsidiary of the Purchaser as contemplated by Clause 4 ;

Vendor Warranties means the warranties given by any or all of the BCcH Shareholders in Clause 9;

Warrant Agreement means the agreement in respect of the Consideration Warrants in the agreed form;

Warranty means a Vendor Warranty or a Purchaser Warranty, as the case may be; and

Winchester Fee means (euro)2,500,000 payable to Winchester Capital Technology Partners L.L.C.

1.2 In this Agreement, unless the context otherwise requires:

(a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(b) the headings are inserted for convenience only and shall not affect the construction of this Agreement;

(c) any reference to an enactment is a reference to it as from time to time amended, consolidated or re-enacted (with or without modification) on or prior to the date hereof and includes all instruments or orders made under such enactment on or prior to the date hereof;

(d) any reference to a document in the agreed form is to the form of the relevant document agreed between the Purchaser and the BCcH Shareholders and for the purpose of identification initialled by the Purchaser and Phoenix or on their behalf (in each case with such amendments as may be agreed by or on behalf of the parties);

(e) the terms subsidiary and holding company shall each be construed in accordance with sections 736 and 736A of the Companies Act 1985 (as amended);

(f) the term group undertaking shall be construed in accordance with the Companies Act 1985; and

(g) references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any other legal concept shall, in respect of any jurisdiction other than England, be deemed to include the legal concept which most nearly approximates in that jurisdiction to the English legal term.

1.3 The Schedules form part of and shall be construed as one with this Agreement.

1.4 The Exhibits do not form part of this Agreement.

2. SALE AND PURCHASE

Sale of the Sale Shares held by the Investors

2.1 In each case upon the terms and subject to the conditions set forth in this Agreement:

(a) each of the Investors hereby agrees to sell or procure the sale of the Sale Shares shown against its name in Schedule 1 to US Newco in consideration of the transfer by US Newco of the Sale Share Consideration; and

(b) the Co-Investors agree to assign all of their right, title and interest in the Co-Investor Loan to US Newco in consideration of the Co-Investor Loan Payment.

2.2(a) Each of the Investors shall sell the Sale Shares respectively held by it and each of the Co-Investors shall assign all its right, title and interest in the Co-Investor Loan, in each case free from any option, warrant, right of conversion, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights and together with all rights attached to them at Completion or subsequently becoming attached to them.

(b) Each of the Investors hereby waives and undertakes not to exercise any rights which that Investor may have to restrict the transfer of Sale Shares in accordance with the terms of this Agreement (whether under the Shareholders' Agreement or otherwise, including waiving and undertaking not to exercise any rights which that BCcH Shareholder may have pursuant to any pledge over any Sale Shares or Depositary Receipts and undertaking to execute such documents as are necessary to give effect to such waiver/undertaking) and hereby confirms that it has procured the waiver of any pre-emption rights or restrictions on transfer which that BCcH Shareholder has granted to any other party.

Sale of the Foundation Shares

2.3 Upon the terms and subject to the conditions set forth in this Agreement and subject to Clause 2.4 and Schedule 5, the Foundation hereby agrees with the Purchaser to sell or procure the sale of the Foundation Shares to US Newco in consideration of the transfer by US Newco of the Foundation Share Consideration.

2.4 The provisions of Schedule 5 shall apply in relation to the following:

(a) the conditions upon which the Foundation's obligations become effective under the terms of the Agreement;

(b) the implementation of the procedures necessary to authorise the Foundation to sell and transfer the Foundation Shares;

(c) the undertakings among the parties to this Agreement regarding the Foundation; and

(d) the escrow arrangements if the Foundation Shares are not delivered to the Purchaser at Completion.

2.5 Subject to Schedule 5, the Foundation Shares shall be sold free from any option, warrant, right of conversion, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights and together with all rights attached to them at Completion or on such other date as the sale of the Foundation Shares is completed or subsequently becoming attached to them.

2.6 Subject to Schedule 5, the Foundation hereby waives and undertakes not to exercise any rights which it may have to restrict the transfer of the Sale Shares or the Foundation Shares in accordance with the terms of the Agreement (whether under the Shareholders Agreement or otherwise, including waiving and undertaking not to exercise any rights which the Foundation may have pursuant to any pledge over any Foundation Shares or Depository Receipts and undertaking to execute such documents as are necessary to give effect to such waiver/undertaking).

Assignment of Mezzanine Credit Agreement, transfer of the DIPS and sale of the Company Warrants and those of the Sale Shares held by the Mezzanine Lenders

2.7 In each case upon the terms and subject to the conditions set forth in this Agreement:

(a) each of the Mezzanine Lenders hereby agrees to sell or procure the sale of the Sale Shares shown against its name in Schedule 1 and the Company Warrants shown against its name in Schedule 1 to US Newco and assign all of its respective right, title and interest in the Mezzanine Credit Agreement to US Newco in consideration for the issue by the Purchaser of the Notes and the execution and delivery by the Purchaser of the Note Purchase Agreement and the Put and Call Agreement; and

(b) Each of the Mezzanine Lenders agrees to transfer the DIPs shown against its name in Schedule 1 to the Company by way of capital contribution.

2.8 (a) Each of the Mezzanine Lenders shall sell such Sale Shares and Company Warrants and transfer such DIPs and shall assign such right, title and interest in the Mezzanine Credit Agreement free from any option, warrant, right of conversion, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights and together with all rights attached to them at Completion or subsequently becoming attached to them.

(b) Each of the Mezzanine Lenders hereby waives and undertakes not to exercise any rights which that Mezzanine Lender may have to restrict the transfer of Sale Shares, the Company Warrants or the DIPs in accordance with the terms of this Agreement (whether under the Shareholders' Agreement or otherwise, including waiving and undertaking not to exercise any rights which that Mezzanine Lender may have pursuant to any pledge over any Sale Shares, Company Warrants, DIPs or Depositary Receipts and undertaking to execute such documents as are necessary to give effect to such waiver/undertaking). Each of the Mezzanine Lenders hereby confirms that it has procured the waiver of any such pre-emption rights or restrictions on transfer which that Mezzanine Lender has granted to any other party.

Issue of the Consideration Warrants and the Notes

2.9 In each case upon the terms and subject to the conditions set forth in this Agreement:

(a) the Purchaser hereby agrees to procure the purchase of the Sale Shares and the Foundation Shares by US Newco and the acceptance by US Newco of the assignment of the Co-Investor Loan and to purchase the Company Warrants;

(b) the Purchaser shall issue the Notes to or as directed by Phoenix or by the Mezzanine Lenders pursuant to Clause 6.5(b) free from any option, warrant, right of conversion, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights and together with all rights attached to them at Completion or subsequently becoming attached to them;

(c) the Purchaser hereby agrees to execute and deliver the Put and Call Agreement;

(d) the Purchaser hereby agrees to deliver or cause the delivery of the Consideration Warrants to those of the parties to this Agreement as are nominated by Phoenix in such proportions as Phoenix may direct, in each case free from any option, warrant, right of conversion, charge, lien, equity, encumbrance, rights of pre-emption or any other third party rights and together with all rights attached to them at Completion or subsequently becoming attached to them.

Sale of the German Shares and the Austrian Shares held by BCc International

2.10 Upon the terms and subject to the conditions set forth in this Agreement, BCc International hereby agrees to sell the German Shares to VEG and VEG agrees to purchase the German Shares. The transfer of the shares to VEG shall be effected in accordance with Clause 6.4. BCc International shall not be entitled to the whole or any part of a dividend or distribution made or declared by BCc Germany after Completion.

2.11 Upon the terms and subject to the conditions set forth in this Agreement, BCc International hereby agrees to sell the Austrian Shares to VEG and VEG agrees to purchase the Austrian Shares. The transfer of the Austrian Shares to VEG shall be effected in accordance with Clause 6.4. BCc International shall not be entitled to the whole or any part of a dividend or distribution made or declared by BCc Austria after Completion.

2.12 In consideration for the sale of the German Shares and the Austrian Shares VEG shall pay US$75,000,000 (converted into euros using the Spot Rate (as defined in Schedule 3) on the close of business on 11 December 2002) in cash to BCc International (the Purchase Price Germany/ Austria) in accordance with Clause 6.4(c).

Sale and Transfer of Third Party Shares

2.13 Phoenix shall use its reasonable endeavours to procure that each of the Third Party Shares held by:

(a) Nazario Proietto;

(b) Allan Choy;

(c) Frank Chan;

(d) D. F. Lin;

(e) C. S. Yang;

(f) Peter Lin;

(g) Ramchandra Gajanan Deshpande,

are transferred at Completion to the Purchaser or such person as is nominated in writing by the Purchaser.

3. CONDITIONS TO COMPLETION

3.1 The obligation of each of the Purchaser and VEG on the one hand and the BCcH Shareholders and the Foundation on the other hand to proceed with Completion shall be conditional upon the following conditions having been fulfilled or waived:

(a) confirmation in writing, in terms satisfactory to Phoenix and (subject to Clause 3.7) the Purchaser, from each of:

(i) the German Federal Cartel Office, in so far as the proposed transaction must be notified in accordance with section 39 of the Act against Restraints on Competition, that the conditions for a prohibition in Section 36 paragraph 1 of the Act against Restraints on Competition are not fulfilled, or that the concentration has been cleared pursuant to Section 40 paragraph 2, first sentence and Section 40 paragraph 3, if applicable or, if no such confirmation is received, either:

(A) the one month time limit from submission of a complete notification as laid down in Section 40 paragraph 1 of the Act against Restraints on Competition having expired without the parties having been notified by the Federal Cartel Office that it has entered into the examination of the proposed concentration; or

(B) the four months time limit, or an extended time limit, from submission of a complete notification as laid down in Section 40 paragraph 2 of the Act against Restraints on Competition, having expired without the Federal Cartel Office having issued an order prohibiting the transaction;

(ii) the French Minister of Economy, Finance and Industry, insofar as the proposed transaction must be notified pursuant to articles L. 430-1 to L. 430-3 of the French Commercial Code, as modified by the Act known as NRE of 15 May 2001 (the NRE Act), that he does not oppose the transaction or, if no such confirmation is received, either:

(A) the time limits laid down in Article L. 430-5 I. or II., as applicable, of the French Commercial Code, as modified by the

NRE Act, having expired without the parties having been notified by the Minister of the Economy, Finance and Industry of its decision to request the Competition Council's opinion; or

(B) the time limits laid down in Article L. 430-7 I. or II., as applicable, of the French Commercial Code, as modified by the NRE Act, having expired without the parties having been notified by the Minister of the Economy, Finance and Industry of its decision to prohibit the transaction;

(iii) the Appellate Court of Vienna as Cartel Court, insofar as the proposed transaction must be notified in accordance with Section 42a of the Austrian Cartel Act (KartG), that:

(A) pursuant to section 42b paragraph 1 KartG, no review proceedings have been initiated or an initiated proceeding has been terminated and the Cartel Court issues a confirmation thereof; or

(B) pursuant to section 42b paragraph 2 no. 3 or section 42b paragraph 3 KartG, the merger is not prohibited and this decision has become final and binding; or

(C) pursuant to section 42b paragraph 5 KartG, the review period has expired;

(iv) all waiting periods, if any, including any extensions under the HSR Act and regulations made under the HSR Act, having expired or been terminated; and

(v) in the event that one or more EU Member State makes a request (a Relevant Request) to the European Commission pursuant to Article 22(3) of Council Regulation (EEC) number 4064/89 as amended (the Regulation): (i) the European Commission having issued a decision pursuant to Article 6(1)(b) of the Regulation in respect of all parts of the proposed transaction which were the subject of a Relevant Request; (ii) all parts of the proposed transaction which were the subject of a Relevant Request having been deemed compatible with the common market pursuant to Articles 10(6) of the Regulation; or (iii) the European Commission having issued a decision pursuant to Article 6(1)(c) of the Regulation to initiate proceedings in respect of all parts of the proposed transaction which were the subject of a Relevant Request and subsequently having issued a decision, under Article 8(2) of the Regulation declaring all parts of the proposed transaction which were the subject of a Relevant Request compatible with the common market;

(b) no order or judgment of any court or governmental, statutory or regulatory body having been issued or made prior to Completion which has the effect of making unlawful or otherwise prohibiting the completion of the transactions contemplated hereunder and which continues to be outstanding;

(c) the Purchaser and VEG, on the one hand and the BCcH Shareholders and the Foundation, on the other hand, having complied in all material respects with their obligations under this Agreement prior to Completion (provided that, if any party to this Agreement fails to comply with its obligations under this Agreement prior to Completion in any material respect but the breach concerned is capable of remedy, then it shall be deemed to have complied in all material respects with its obligations under this Agreement for the purpose of this paragraph (c) if it has remedied the breach within 15 days of its occurrence);

(d) no Group Company having taken any action or refrained from taking any action, in each case at any time during the period from and including 30 September 2002 to but excluding the Cut-Off Date, which, had the provisions of Clause 4.1 and Schedule 4 comprised obligations of each Group Company during that period, would have constituted a breach by that Group Company of those provisions resulting in a loss of US$20 million or more for the Group and of which the Purchaser has served written notice on Phoenix in accordance with this Agreement before the Cut-Off Date;

(e) as of the Cut-Off Date, the Company not having been dissolved (ontbonden) granted a (preliminary) suspension of payments ((voorlopige) surseance van betaling verleend) or declared bankrupt (failliet verklaard), and no proceeding having been commenced for its dissolution (ontbinding), liquidation (vereffening), suspension of payments (surseance van betaling) or bankruptcy (faillissement) which in any case is continuing; and

(f) no Material Adverse Change shall have occurred and be continuing immediately before the Cut-Off Date of which the Purchaser has served written notice on Phoenix in accordance with this Agreement before the Cut-Off Date. However, such Material Adverse Change shall be deemed not to have occurred in case of the following:

    (i) the relevant Facility has returned to scheduled operation;

    (ii) substantially the whole of (A) the cost of the assets relating to the Facilities and (B) the loss of earnings resulting from the business disruption resulting from such Material Adverse Change (together the Losses) are covered by insurance of which any one or more Group Companies have the benefit (the Insurance Cover). In determining whether the Insurance Cover covers such Losses, the parties hereby agree to the following:

        (A) Phoenix shall deliver to the Purchaser as soon as practicable after the occurrence of a Material Adverse Change and in any event not later than ten (10) days after such event, copies of all policies, claims and other related insurance documentation relating to Insurance Cover and the relevant Facilities (the Insurance Information).

        (B) The Purchaser shall have a period of five (5) days after the date of delivery to it of such Insurance Information, to review such Insurance Information and to present to Phoenix in writing any

objections that Insurance Cover will not cover the Insured Losses.

(C) If no such written objections as are referred to in Clause (B) above are properly presented to Phoenix by the end of the period stated above, then the Purchaser shall be deemed to have agreed that Insurance Cover documented in the Insurance Information will cover the Losses and that there is no Material Adverse Change.

(D) If any such written objections as are referred to above are properly presented to Phoenix by the end of the proposed period the specific matters in dispute shall be referred for determination to Marsh Claims Consultancy Services, part of Marsh UK Ltd (the Insurance Loss Adjustor) not later than ten (10) days after the end of such period. If such Insurance Loss Adjustor shall for any reason be unable or unwilling to act then another independent firm shall be appointed to act in its place by the agreement of Phoenix and the Purchaser and, in default of such agreement, at the request of Phoenix and the Purchaser by the President of the Corporation of Professional Loss Assessors for the time being. The Insurance Loss Adjustor shall be instructed to notify the Purchaser and Phoenix of its determination regarding the Insurance Cover and the Losses within fifteen (15) days of such referral.

(E) In making its determination, the Insurance Loss Adjustor shall act as expert and not as arbitrator and the determination by the Insurance Loss Adjustor shall, in the absence of manifest error, be final and binding on the parties and shall be deemed to have been accepted and approved by the parties. The fees and the costs of the Insurance Loss Adjustor shall be shared as to fifty per cent. (50%) by Phoenix and as to fifty per cent. (50%) by the Purchaser.

3.2 Without prejudice to Clause 3.3, the conditions set out in Clause 3.1(a) and (b) may only be waived jointly in writing by the Purchaser and Phoenix (on behalf of the BCcH Shareholders and the Foundation). The condition set out in Clause 3.1(c) may be waived only with respect to the Purchaser's and VEG's obligations by Phoenix (on behalf of the BCcH Shareholders and the Foundation), and with respect to the BCcH Shareholders' and the Foundation's obligations by the Purchaser (on behalf of the Purchaser and VEG) at any time by notice in writing to the other parties to this Agreement. The conditions in Clauses 3.1(d), (e) and (f) may only be waived in writing by the Purchaser.

3.3 Both the Purchaser and VEG, on the one hand, and the BCcH Shareholders on the other hand, shall use their reasonable endeavours to procure the fulfilment of the conditions set out in Clauses 3.1(b), (c), (d), (e) and (f), apart from those conditions the fulfilment of which is entirely outside its respective control, as soon as practicable after the date of this Agreement.

3.4 In order to ensure that the conditions set out in Clause 3.1(a) are fulfilled, the BCcH Shareholders shall at all times cooperate with the Purchaser in providing to the Competition Authority or other persons concerned such information as may reasonably be necessary to ensure that any request for information from the relevant Competition Authority or other persons is fulfilled promptly and in any event in accordance with any relevant time limit, and that, where practicable, it shall provide copies of any proposed communication with the Competition Authority or other persons in relation to the transactions contemplated by this Agreement to the Purchaser and take due consideration of any comments that the Purchaser may have in relation to such proposed communication, prior to making the proposed communication, provided that the BCcH Shareholders shall not be required to provide the Purchaser with any confidential information or business secrets relating to the Group.

3.5 The Purchaser shall use its commercially reasonable endeavours to procure the fulfilment of the conditions set out in Clause 3.1(a) as soon as practicable after the date of this Agreement. In particular, the Purchaser shall take all steps necessary or desirable (including making filings and notifications), as soon as reasonably practicable, to procure the fulfilment of the condition set out in Clause 3.1(a). In particular, the Purchaser and VEG shall, where practicable, promptly notify Phoenix, sufficiently in advance (for the purposes referred to below in this sub-clause 3.5) of any notification, submission, response or other communication (in each case whether in writing or otherwise) (excluding communications of an administrative nature) which they propose to make or submit to any Competition Authority or other persons and at the same time provide Phoenix with copies thereof and any supporting documentation or information reasonably requested by Phoenix, provided that the Purchaser shall not be required to provide Phoenix with any confidential information or business secrets. The Purchaser undertakes to take due consideration of any comments which Phoenix may have in relation to any such notification, submission, communication or response to a request for further information prior to making the relevant notification, submission, communication or response (as the case may be). The Purchaser further agrees to keep Phoenix fully informed as to the progress of any notification made to any of the Competition Authorities or other persons referred to in Clause 3.1(a) and, where reasonably requested by Phoenix, the Purchaser shall permit Phoenix or its advisers to attend all meetings with the Competition Authority or other persons concerned (unless prohibited by the other person or authority concerned) and, where appropriate, to make oral submissions at such meetings.

3.6 The Purchaser undertakes to each of the BCcH Shareholders and the Foundation that it will not (and that it will procure that no member of the Purchaser's Group will) make any filings with any Competition Authority or other persons other than those filings to which Phoenix, on behalf of the BCcH Shareholders and the Foundation, agrees in writing or failing such agreement which the Purchaser has been advised in writing by Hasche Sigle is necessary to make in order to procure the fulfilment of the conditions set out in Clause 3.1. Before making such filing, the Purchaser agrees to notify Phoenix in writing of its intention to do so and to give Phoenix, on behalf of the BCcH Shareholders and the Foundation, a reasonable opportunity to challenge such opinion.

3.7 Without prejudice to the generality of the Purchaser's obligations under the other provisions of this Clause 3, the Purchaser shall (or shall procure that the relevant member(s) of the Purchaser's Group shall), where required to do so in order to

procure the satisfaction of any of the conditions listed in Clause 3.1(a) comply with, and agrees to provide suitable undertakings to meet, all requirements of any Competition Authority or other persons from which any consent, approval or action is required or desirable in order to complete the sale and purchase of the Sale Shares and the Foundation Shares and the other transactions contemplated by this Agreement, including without limitation agreeing to hold separate or dispose of any part of the business of the Group, provided that this sub-clause 3.7 shall not require the Purchaser to take any action or give any undertaking in order to procure the satisfaction of the condition listed in Clause 3.1(a) which the Purchaser, in its reasonable discretion, determines would not be commercially reasonable for it to be required to take or give.

3.8 Without prejudice to the generality of the BCcH Shareholders' obligations under the other provisions of this Clause 3, the BCcH Shareholders shall:

(a) co-operate in good faith in order to achieve compliance with the requirements of any Competition Authority or other persons;

(b) not object to any undertakings given by the Purchaser with respect to the Company in connection with obtaining consent, approval or action of any relevant Competition Authority or other persons; and

(c) co-operate with and assist the Purchaser in any notification or filing procedure(s) by providing in good faith any necessary information and documents.

3.9 If any of the conditions set out in Clause 3.1 has not been fulfilled or waived pursuant to Clause 3.2 by 5:00pm (London time) on the Termination Date, then:

(a) none of the BCcH Shareholders, the Foundation, the Purchaser or VEG shall be bound to proceed with Completion; and

(b) this Agreement shall automatically terminate.

and in all other respects, no party shall have any Claim hereunder of any nature whatsoever against the other party save in respect of their accrued rights and/or liabilities arising from any prior breach of this Agreement.

3.10 If any fact which makes any of the conditions set out Clause 3.1 incapable of being satisfied in accordance with the provisions of this Clause 3 (taking account of the Purchaser's, VEG's and the BCcH Shareholders' obligations under Clause 3.3) comes to the knowledge of the Purchaser or of Phoenix at any time prior to Completion then each such party shall notify the other of that fact and (unless the party is responsible for making such condition incapable of being satisfied) each party shall be entitled to terminate this Agreement by written notice to the other party (in the case of Phoenix, such termination being effected for itself and on behalf of the other BCcH Shareholders and the Foundation) and the provisions set forth in Clause 3.9 shall apply to such termination.

3.11 The Purchaser and VEG acknowledges that the BCcH Shareholders and the Foundation may be irreparably injured by a breach by the Purchaser or VEG of their obligations under the terms of Clause 3 and that the BCcH Shareholders and the

Foundation shall be entitled to claim equitable relief, including injunctive relief and specific performance, in the event of any threatened or actual breach of such terms. Such remedies shall not be deemed to be the exclusive remedies for a breach of such terms by the Purchaser or VEG, but shall be in addition to all other remedies available at law or equity.

4. PRE-COMPLETION UNDERTAKINGS

4.1 Save with the prior written consent of the Purchaser, such consent (save with respect to paragraphs (a), (c), (d), (k) and (j) of Part A of Schedule 4, in respect of which the Purchaser may withhold its consent in its absolute discretion) not to be unreasonably withheld and which consent shall be deemed to be given if not refused within five (5) Business Days from the date of request therefore, and save with respect to the exceptions listed in Part B of Schedule 4, Phoenix shall procure (so far as it is within its power to do so) that between the date of this Agreement and Completion, each Group Company shall take such actions or refrain from taking such actions as are required pursuant to Part A of Schedule 4 of this Agreement unless expressly permitted or required to take them under the terms of this Agreement.

4.2 For the purposes of Clause 4.1, the Purchaser shall at the date of this Agreement nominate an individual who shall be responsible for giving or refusing consent if requested by Phoenix. Consent received from such person shall be sufficient consent for the purposes of Clause 4.1.

4.3 Neither the Purchaser nor VEG shall liquidate, dissolve, wind up its affairs or merge with any corporation or sell or convey all or substantially all of its assets, nor shall the Purchaser enter into any similar transaction in which the Purchaser is not a continuing public company with reporting obligations under the Exchange Act.

4.4 The Purchaser shall procure that, prior to Completion, US Newco is incorporated as a direct subsidiary of the Purchaser and that US Newco shall not carry on any business or have any assets or liabilities of any nature whatsoever before Completion, except for those transferred to or assumed by it pursuant to any transaction contemplated by this Agreement.

4.5 To the extent not previously obtained prior to the date of this Agreement, as soon as reasonably practicable after the date of this Agreement, the Purchaser shall take all such steps and deliver all such documentation to the Dutch Authority for the Financial Markets or otherwise as are in each case necessary in order for dispensation to be granted pursuant to Section 4 of the Act on the Supervision of Securities Trade 1995 in respect of the Consideration Warrants.

4.6 The Purchaser undertakes and acknowledges that from the date of entry into the Confidentiality Letter until Completion, it has not and shall not (and shall procure that its group undertakings do not):

(a) save to the extent permitted by Clause 4.9, directly or indirectly make or have any contact whatsoever with any Group Company or any officer or employee of any Group Company; or

(b) use Information provided by Phoenix, the Company or any Connected Person (as such terms are defined in the Confidentiality Agreement), persuade or seek

to persuade any customer, supplier or independent contractor of any of the Group Companies to cease to do business or reduce the amount of business which such customer, supplier or independent contractor has customarily done with such Group Company.

4.7 To the extent that it has not supplied copies by the date of this Agreement, Phoenix shall forthwith provide the Purchaser with a copy of the Shareholders Agreement, the Senior Credit Agreement, the Intercreditor Deed dated January 14 1999, the agreement regulating the Co-Investor Loan and the Mezzanine Credit Agreement, copies of its monthly reports to lenders under the Senior Credit Agreement for the periods from June 2002 onwards (excluding all forward-looking information) together with copies of all supplementary or amending agreements entered into pursuant to such agreements, in particular all accession memoranda, if any, and copies of all agreements relating to the obligation of the Company or any Group Company to pay or reimburse the Compass Management Fee and the Transaction Fees. Phoenix shall also, without undue delay after the date of this Agreement, deliver to the Purchaser, copies of the documentation relating to all outstanding pledges, charges, liens and encumbrances granted pursuant to the Senior Credit Agreement or the Mezzanine Credit Agreement, as well as copies of each of the Letter of Credit Guarantees. Phoenix will, in addition, provide copies of any agreements entered into by any Group Company on or after today's date relating to the Shareholders Agreement, the Senior Credit Agreement, the Co-Investor Loan, the Mezzanine Credit Agreement or the payment of the Compass Management Fee or any of the Transaction Fees, as soon as practicable after execution thereof by the relevant Group Company.

4.8 Phoenix undertakes to procure that the Company provides the Purchaser with copies of:

(a) its monthly reports to the lenders under the Senior Credit Agreement as soon as practicable after delivery of such reports as required pursuant to the Senior Credit Agreement;

(b) from October 1, 2002, copies of all requests made for consents or approvals as required under the terms and conditions of the Senior Credit Agreement;

(c) as soon as practicable after the date of this Agreement, reasonable details of the actions that have been taken by any Group Company during the period from and including 30 September 2002 to but excluding the date of this Agreement which, had the provisions of Clause 4 of this Agreement been in effect during that period, would have required the Purchaser's consent; and

(d) as soon as practicable after the date of this Agreement, reasonable details of any items of Capital Expenditure of more than 500,000 euros paid by any Group Company during the period from and including 30 September 2002 to but excluding the date of this Agreement.

4.9 From the date of this Agreement the Purchaser, with reasonable notice to Phoenix (such notice to specify the reason for the visit) and with the prior written consent of Phoenix (such consent not to be unreasonably withheld or delayed) and subject always to the terms of the Confidentiality Agreement, shall be allowed such access as it may reasonably require to the premises (provided that the Purchaser shall

comply with any reasonable restrictions required by Phoenix while visiting such premises) and to Senior Management, provided that no notice to or consent from Phoenix will be required in order for the Purchaser to communicate with the chief executive officer, the chief financial officer and the corporate development director of the Company. For the purposes of this Clause 4.9, Phoenix nominates Ken Hanna as the individual who shall be responsible for giving or refusing consent if requested under the terms of this Clause 4.9. Consent received from Mr Hanna shall be sufficient consent for the purposes of this Clause 4.9.

4.10 If Phoenix acquires actual knowledge at any time between the Cut-Off Date and Completion that any Group Company has taken any action or refrained from taking any action, in each case at any time during the period between the Cut-Off Date and Completion, which, had the provisions of Clause 4.1 and Schedule 4 comprised obligations of each Group Company during that period, would have constituted a breach by that Group Company of those provisions resulting in a loss of US$20 million or more for the Group, it shall notify the Purchaser forthwith;

4.11 If Phoenix acquires actual knowledge at any time prior to Completion that proceedings of the kind referred to in Clause 3.1(e) or any one of the events set out in Clause 3.1(e) has occurred or is about to occur, it shall notify the Purchaser forthwith and, subject to such consents as are required under the terms of the Senior Credit Agreement and the Mezzanine Credit Agreement first having been obtained in writing, shall use its reasonable endeavours to procure that the Company enters into such loan agreements with the Purchaser (or other persons as arranged by the Purchaser) as the Purchaser may reasonably require with a view to providing the Company with the funds required to prevent the dissolution or insolvency events referred to in Clause 3.1(e) from proceeding.

5. PREPARATION FOR COMPLETION

5.1 Phoenix shall not less than three (3) Business Days prior to Completion:

(a) notify the Purchaser of the sums which will be required to be paid under Clauses 6.8, 6.12(c) and 8.2, together with details of the persons to whom those payments are to be made and the relevant payment, currency and bank account details, reasonable detail of the calculation of all the applicable sums and a written confirmation from the Agent referred to in Clause 6.12(d) of the sums outstanding under the Senior Credit Agreement. Phoenix shall also provide the Purchaser with such other additional documentary evidence as the Purchaser may reasonably require in relation to the sums that the Purchaser is being required to fund;

(b) if Phoenix has not already delivered the Draft Adjusted Financial Debt Statement to the Purchaser pursuant to Schedule 3, deliver to the Purchaser Phoenix's good faith estimate in euros of the Adjusted Financial Debt. Phoenix shall also provide such other information and/or other evidence in relation to such amount as the Purchaser may reasonably request; and

(c) notify the Purchaser of the proportion of Consideration Warrants and Notes to be delivered to any party to this Agreement

(all such notices together, the Phoenix Pre-Completion Notices).

If the Provisional Adjusted Financial Debt exceeds the Threshold Amount, then the Purchaser shall be entitled to terminate this Agreement by notice in writing to Phoenix, unless Phoenix delivers to the Purchaser, within two Business Days of deliveries being made pursuant to paragraphs (a), (b) and (c) above, evidence in a form reasonably satisfactory to the Purchaser that the amounts payable under the Clauses 6.12(c) will be reduced by an amount at least equal to the amount by which the Provisional Adjusted Financial Debt exceeded the Threshold Amount (the original Provisional Adjusted Financial Debt as so reduced shall then become the Provisional Adjusted Financial Debt for all purposes). On delivery of notice by the Purchaser in accordance with this Clause 5, this Agreement shall terminate and neither party shall have any Claim hereunder of any nature whatsoever against the other party save in respect of their accrued rights and/or liabilities arising from any prior breach of this Agreement.

5.2 The Purchaser shall, as soon as reasonably practicable after the date of this Agreement, provide drafts of all transfer deeds, assignments, agreements, wire transfer instructions and other documentation that are not in agreed form and are reasonably necessary in order to effect the Completion in accordance with Clause 6.

5.3 The parties to this Agreement shall:

(a) execute an escrow agreement in customary form (the Escrow Agreement) to provide for the steps and document deliveries required for the steps provided for in Clause 6 to take effect in the correct order, automatically, one after the other, after the identified escrow condition has been satisfied; and

(b) execute or procure the execution before Completion of all transfer deeds, assignments, wire transfer instructions and other documentation as may be reasonably necessary (including, without limitation, all documentation listed in Clause 6) in order to effect Completion, in each case on the basis that such documentation is held on and subject to the terms of the Escrow Agreement.

(c) open and maintain all bank accounts as required under the terms of the Escrow Agreement.

5.4 Each Party shall, as soon as practicable after the date of this Agreement, grant a power of attorney in favour of CMS Hasche Sigle and/or such other counsel or notary as are agreed upon by Phoenix and the Purchaser and take such other steps as are reasonably necessary in each case in order for this Agreement to be duly notarised before a notary public in Austria and Switzerland.

5.5 Phoenix shall provide all reasonable assistance to the Purchaser and VEG for the purpose of arranging the release at Completion of all outstanding pledges, charges, liens and encumbrances granted pursuant to the Senior Credit Agreement or the Mezzanine Credit Agreement over any of the Shares.

6. COMPLETION

The following steps (together, the Completion Steps) shall be completed at the offices of Nauta Dutilh, Weena 750, 3014, DA, Rotterdam, The Netherlands or at such other venue as may be agreed in writing between the Purchaser and Phoenix and the

Completion Steps shall occur on the Completion Date, each immediately after the previous one:

6.1 Issue of the Consideration Warrants by the Purchaser to US Newco. The Purchaser shall issue the Consideration Warrants to US Newco as a capital contribution to US Newco, in connection with which:

(a) the Purchaser shall cause the Consideration Warrants in the agreed form to be issued to US Newco;

(b) the Purchaser shall procure that such documentation as is required in respect of the contribution under applicable law is entered into; and

(c) the Purchaser and the agent for the holders of the Warrants shall execute and deliver the Warrant Agreement.

6.2 Transfer of the DIPs by the Mezzanine Lenders to the Company. The Mezzanine Lenders shall transfer the DIPS to the Company as a capital contribution.

(a) The Mezzanine Lenders shall deliver to the Company a deed of transfer and contribution agreement in order to effect the transfer of the DIPs in the register of BCc Luxembourg; and

(b) The Mezzanine Lenders shall and Phoenix shall procure that the Company shall enter into any documentation in relation to the capital contribution as is required under the law of The Netherlands, including an auditor's statement regarding the value of the DIPs and a description of the capital contribution by the board of the Company.

6.3 Transfer of BCc Belgium. Phoenix shall procure that BCc Germany shall transfer the entire issued share capital of BCc Belgium less one share (which is held already by BCc International) to BCc International in satisfaction of the (euro)50,000,000 principal amount of debt plus accrued but unpaid interest owed by BCc Germany to BCc International, in connection with which Phoenix shall procure that BCc Germany and BCc International shall execute and deliver a power of attorney and such agreement as is necessary to register the transfer of the shares in the register of BCc Belgium and discharge the (euro)50,000,000 loan plus interest.

6.4 Transfer of BCc Germany and BCc Austria. BCc International shall transfer the German Shares and the Austrian Shares to VEG, in consideration for which VEG shall pay the Purchase Price Germany/Austria.

(a) BCc International shall duly execute and deliver powers of attorney and closing memoranda in order to (A) enable the transfer of the German Shares and the Austrian Shares to VEG by way of notarial deeds of transfer which will be passed before a civil law notary in Austria and Switzerland on or before the Completion Date (the Relevant Jurisdictions) as indicated by Phoenix and VEG and (B) enable this Agreement to be passed before a civil law notary in the Relevant Jurisdictions on or before the Completion Date as indicated by Phoenix and VEG.

(b) Each Investor, each Mezzanine Lender and the Purchaser shall duly execute and deliver powers of attorney in order to enable this Agreement to be passed

before a civil law notary in the Relevant Jurisdictions on or before the Completion Date;

(c) VEG shall (and the Purchaser shall procure that VEG shall):

(i) pay the Purchase Price Germany/ Austria to BCc International; and

(ii) duly execute and deliver powers of attorney in order to (a) enable the transfer the German Shares and the Austrian Shares to VEG by way of notarial deeds of transfer which will be passed before a civil law notary in the Relevant Jurisdictions on or before the Completion Date and (b) enable this Agreement to be passed before a civil law notary in the Relevant Jurisdictions on or before the Completion Date;

6.5 Transfers by the Mezzanine Lenders, issue of the Notes and execution of the Note Purchase Agreement and the Put and Call Agreement. The Mezzanine Lenders shall assign all of their right, title and interest in the Mezzanine Credit Agreement to US Newco and transfer the Sale Shares and the Company Warrants held by them and set out in Schedule 1 beside their respective names to US Newco and shall execute and deliver the Note Purchase Agreement and the Put and Call Agreement, in consideration for which the Purchaser shall execute and deliver the Note Purchase Agreement and the Put and Call Agreement and issue the Notes to such parties to this Agreement and in such proportions as Phoenix or the Mezzanine Lenders may direct.

(a) Each Mezzanine Lender shall:

(i) deliver a duly executed assignment in a form reasonably acceptable to the Purchaser of their respective right, title and interest in the Mezzanine Credit Agreement;

(ii) deliver a duly executed acknowledgement in a form reasonably acceptable to the Purchaser, that no amounts are outstanding to them under the Mezzanine Credit Agreement and an instruction to the security trustee for the Mezzanine Credit Agreement to release all pledges, charges, liens or encumbrances over the securities and assets of any Group Company held by such security trustee for the benefit of the Mezzanine Lenders;

(iii) in respect of the Sale Shares set out in Schedule 1 beside that Mezzanine Lender's name, duly execute and deliver powers of attorney in order to enable the transfer of the Sale Shares by way of a notarial deed of transfer in agreed form, which will be passed before a civil law notary in the Netherlands on the Completion Date as indicated by Phoenix and the Purchaser; and

(iv) in respect of the Company Warrants set out in Schedule 1 beside that Mezzanine Lender's name, duly execute and deliver an assignment agreement transferring such Company Warrants to US Newco and deliver (or cause to be delivered) to US Newco all of the certificates representing such Company Warrants;

(b) The Purchaser shall issue the Notes to such parties to this Agreement and in such proportions as Phoenix or the Mezzanine Lenders may direct.

(c) The Purchaser shall procure that US Newco shall duly execute and deliver powers of attorney in order to enable the transfer of the Sale Shares referred to in paragraph (a) above by way of a notarial deed of transfer in agreed form, which will be passed before a civil law notary in the Netherlands on the Completion Date as indicated by Phoenix

(d) Each of the Purchaser and the parties to which the Notes are to be issued shall execute and deliver the Note Purchase Agreement and each of the Purchaser and each of the parties to which the Notes are to be issued (and Phoenix Bermuda) shall execute and deliver the Put and Call Agreement.

6.6 Payment of cash to the Company. The Purchaser shall procure that US Newco transfers cash to the Company to the extent necessary to enable the obligations under Clauses 6.8 and 6.12 to be fulfilled as a loan, in connection with which the Purchaser and Phoenix shall procure that US Newco and the Company respectively shall enter into such documentation as is required in respect of the loan under applicable law.

6.7 Transfer of the Sale Shares and transfer of the Consideration Warrants. Each Investor shall transfer the Sale Shares held by them to US Newco, in consideration for which the Purchaser shall procure that US Newco transfers the Consideration Warrants to such BCcH Shareholders and in such proportions as Phoenix may direct, in connection with which:

(a) Phoenix shall procure the delivery to the Purchaser of the original shareholders register of the Company, duly written up to the Business Day immediately preceding the Completion Date;

(b) Each Investor shall:

   (i) in respect of the Sale Shares set out in Schedule 1 beside that Investor's name, duly execute and deliver powers of attorney in order to enable the transfer of such Sale Shares by way of a notarial deed of transfer in agreed form, which will be passed before a civil law notary in the Netherlands on the Completion Date as indicated by Phoenix;

   (ii) deliver a duly executed release in a form reasonably satisfactory to the Purchaser confirming that no amounts are outstanding to it from any Group Company and it has no claims outstanding against any Group Company;

(c) The Purchaser shall:

   (i) procure that US Newco duly executes and delivers powers of attorney in order to enable the transfer of the Sale Shares by way of a notarial deed of transfer in agreed form, which will be passed before a civil law notary in the Netherlands on the Completion Date as indicated by Phoenix; and

   (ii) cause the Consideration Warrants and the applicable Warrant assignment forms to be transferred by US Newco to Phoenix or such

BCcH Shareholders as Phoenix may direct in the proportions directed by Phoenix and applicable Warrant assignment forms to be duly executed and delivered, provided that if the Foundation does not have the authority to transfer any or all of the Foundation Shares to the Purchaser at Completion, then the provisions of Schedule 5 shall apply in respect of the delivery of the Foundation Share Consideration or the relevant portion thereof.

If such Consideration Warrants are transferred to Phoenix and subsequently transferred by Phoenix to Phoenix Bermuda L.P. or to another BCcH Shareholder, such subsequent transfer shall be made without the application of the transfer restrictions provided for in the terms of the Consideration Warrants.

6.8 Payment of the Transaction Fees. The Purchaser shall procure that the Company pays the Transaction Fees to Phoenix as paying agent for the Company and Phoenix shall:

(a) deliver to the Purchaser a written confirmation that Phoenix will receive such payment as the Company's paying agent and apply that sum so received without delay in paying the Transaction Fees to the persons to whom they are payable in accordance with the notice delivered pursuant to Clause 5.1(b) (save that (a) if any person entitled to such payment makes a request for payment pursuant to a banker's draft as opposed to wire transfer of funds, then payment shall be made as soon as reasonably practicable and (b) if the Company is not required to make a payment on the Completion Date, then such payment shall be made on or before the date on which such payment is due); and

(b) procure the delivery to the Purchaser of a duly executed release from CPIL in a form reasonably satisfactory to the Purchaser confirming that no amounts are outstanding to it from any Group Company and it has no claims outstanding against any Group Company.

6.9 Provisional Adjustment Payments and Co-Investor loan assignment.

(a) The Purchaser shall procure that US Newco enters, and Phoenix shall enter into, and shall procure that Compass Partners European Equity Investors LP enters into, assignments in the agreed form in relation to the benefit of the Co-Investor Loan.

(b) The Purchaser and Phoenix agree that, to the extent that the sum of (i) the Provisional Adjusted Financial Debt, (ii) the amount payable in respect of the Sale Bonus Arrangements and (iii) the Transaction Fees:

   (i) is less than the Threshold Amount, the Purchaser shall procure that the difference (the Estimated Co-Investor Loan Payment) shall be paid by US Newco to Phoenix to the Account as provisional consideration for the assignment of the Co-Investor Loan;

   (ii) is greater than the Threshold Amount, Phoenix shall pay to US Newco the amount of the difference (unless the amount of the difference

exceeds the sum which is the aggregate of the Transaction Fees and the amounts payable in respect of the Sale Bonus Arrangements, in which event Phoenix shall only pay that aggregate sum) and US Newco shall pay the sum of one euro to Phoenix to the Account as provisional consideration for the assignment of the Co-Investor Loan.

If an Estimated Co-Investor Loan Payment is made pursuant to paragraph (i) above, then Phoenix shall retain the funds so received and shall not distribute them until such time as the payments provided for under Clause 7 have been made.

6.10 [Intentionally left blank]

6.11 In addition, each of the parties to this Agreement shall procure that the following occurs at Completion:

(a) The BCcH Shareholders shall procure that a general meeting of the Shareholders of the Company is held at which the following business is transacted:

(i) L. John Clark, Franklin J. Rudd and Ken Hanna (and any other director nominated by Phoenix) shall each resign as members of the Company's supervisory board and shall deliver letters of resignation in agreed form and the Company shall discharge each of L. John Clark, Franklin J. Rudd and Ken Hanna from any liability in respect of their capacity as members of the Company's supervisory board;

(ii) such persons as the Purchaser may notify to the BCcH Shareholders at least three (3) Business Days prior to the anticipated date for Completion shall be appointed as directors of the Company;

(iii) the articles of association of the Company shall be amended to increase the authorised share capital of the Company to such amount as the Purchaser shall indicate to Phoenix at least three (3) Business Days prior to the Completion Date, such amendment to come into effect immediately after Completion has taken place in its entirety.

(b) The Investors shall deliver to the Purchaser:

(i) executed letters of resignation in the agreed form from membership of the management boards of the Group Companies of such of the managing directors of the Group Companies as the Purchaser may request in writing no later than five (5) Business Days before the Completion Date; and

(ii) legal opinion in agreed form as to Phoenix;

(c) The Purchaser shall deliver to Phoenix and the Mezzanine Lenders legal opinions in agreed form or otherwise in a form reasonably satisfactory to Phoenix as to the Purchaser, VEG and US Newco.

(d) Each of the Purchaser, the BCcH Shareholders and the Foundation shall enter into the Registration Rights Agreement, the ERISA Side Letter and such other

agreements as are in the agreed form, in each case to the extent they are designated as parties to them.

6.12 Payment of the Senior Debt and the Release of Pledges relating to the Senior Credit Agreement.

(a) The Purchaser shall procure that the Company lends to BCc International (or such other members of the Group as have the obligations to make the relevant payments) such sum or sums (after taking account of the payments made to BCc International pursuant to Clauses 6.4 and 6.6) as will provide such Group Companies with the aggregate cash resources to make the payments required by paragraph (c) below.

(b) The Purchaser shall be entitled to procure that BCc International pays BCc Netherlands a portion of such sums in satisfaction of all or part of the principal amount of an intercompany loan and accrued but unpaid interest owed by BCc International to BCc Netherlands.

(c) The Purchaser shall procure that BCc International and BCc Netherlands (or such other Group Companies as have the obligations to make the relevant payments) shall repay all amounts outstanding under the Senior Credit Agreement, including all accrued interest up to and including the Completion Date and all premiums, termination payments, break costs and other amounts, if any, payable upon such repayment, in each case, in accordance with the terms of the Senior Credit Agreement and as set out in the notice delivered pursuant to Clause 5.1(a) and confirmed in writing by the Agent.

(d) The Investors shall deliver:

   (i) a duly executed acknowledgement in a form reasonably acceptable to the Purchaser from the Agent for the Senior Credit Agreement that no amounts are outstanding under the Senior Credit Agreement and irrevocable instructions from the lenders under the Senior Credit Agreement to release all pledges, charges, liens or encumbrances over the securities and assets of any Group Company held by such security trustee for the benefit of such lenders;

   (ii) a duly executed letter from the Agent for the Senior Credit Agreement to the Purchaser agreeing to release all pledges, charges, liens or encumbrances over the securities and assets of any Group Company held by the security trustee upon payment of all amounts outstanding under the Senior Credit Agreement;

The Purchaser shall either: (a) deliver all guarantees or other security interests executed by the Purchaser in favour of third parties as are necessary to procure the release of the Philips Guarantee or Letter of Credit Guarantees; or, only if the Fronting Bank (as defined in the Senior Credit Agreement) so agrees, (b) put in place letters of credit or other guarantees acceptable to that Fronting Bank as collateral for its prospective liability under the Letter of Credit Guarantees and shall deliver all guarantees or other security interests executed by the Purchaser in favour of third parties as are necessary to procure the release of the Philips Guarantee. The Purchaser shall, if (a) above applies, provide Phoenix and (in the case of the Letter of

Credit Guarantees) the Agent for the Senior Credit Agreement with all necessary documentary evidence of the release of the Philips Guarantee and each Letter of Credit Guarantee immediately following such release and, if (b) above applies, the Purchaser shall provide written confirmation from the Fronting Bank of its agreement to (b) above applying and its satisfaction with such collateral and shall provide Phoenix and the agent under the Senior Credit Agreement with all necessary documentary evidence of the release of the Philips Guarantee immediately following such release;

6.13 If any event shall have occurred from and including 23 October 2002 until the date of Completion which would be an adjustment event under the terms of Section 4 of the Put and Call Agreement and Section 11 of the Warrant Agreement, then the agreed forms of those documents that are entered into at Completion shall be amended by replacing any references to a number of shares, or as applicable, a price per share, in order to take into account those adjustments required under the terms of the Warrant Agreement and the Put and Call Agreement, as the case may be, as if such Warrants or interests in relation to the Put and Call had been outstanding immediately prior to such adjustment event.

6.14 If in any respect material to the Purchaser or Phoenix, as the case may be, the provisions of this Clause 6 are not complied with on the Completion Date, the Purchaser (in the case of any actions required under Clause 6 to be performed by any of the BCcH Shareholders, the Foundation or Phoenix) or Phoenix (in the case of any actions required under this Clause 6 to be performed by the Purchaser, VEG or US Newco) may defer Completion until a date not later than ten (10) days following the Completion Date. If all the provisions of this Clause 6 have not been complied with on such deferred date, Phoenix (if such non-compliance is due to the default of any one or more of the Purchaser, VEG or US Newco) or the Purchaser (if such non-compliance is due to the default of any one or more of the BCcH Shareholders, the Foundation or Phoenix) shall be entitled to terminate this Agreement without prejudice to any rights and liabilities arising from any prior breach of this Agreement.

7. DETERMINATION OF CO-INVESTOR LOAN PAYMENT AND OTHER MATTERS

7.1 The parties shall comply with their obligations under Schedule 3 in relation to the preparation and finalisation of the Adjusted Financial Debt Statement.

7.2 Not later than two (2) Business Days following the date on which the Adjusted Financial Debt Statement prepared in accordance with Schedule 3 has been finalised:

(a) if the Adjusted Financial Debt is less than the Provisional Adjusted Financial Debt, then the Purchaser shall pay to Phoenix the amount of the difference;

(b) if the Adjusted Financial Debt is greater than the Provisional Adjusted Financial Debt, then Phoenix shall pay to the Purchaser the amount of the difference, provided that the maximum sum which Phoenix shall be obliged to pay under this paragraph (b) shall be the amount resulting from the following calculation:

(a + b) - c

where:

a = the amount of the Estimated Co-Investor Loan Payment (if any) made to the Account pursuant to Clause 6.9(b)(i);

b = the amount of the Transaction Fees plus the aggregate of the sums payable in respect of Sale Bonus Arrangements pursuant to Clause 8.2; and

c = the amount of the payment (if any) made by Phoenix pursuant to Clause 6.9(b)(ii).

8. POST COMPLETION UNDERTAKINGS

8.1 The Purchaser undertakes to each of the BCcH Shareholders that from and after Completion it shall procure that each Group Company shall comply with the terms and conditions of employment of each employee of the Group, including those relating to salary, benefits, incentive schemes (other than share based incentive schemes) and severance benefits, including, without limitation, all salary and benefits to be paid to each of the Senior Managers, in each case to the extent disclosed in the Data Room or otherwise disclosed in writing to the Purchaser's German counsel subject to any subsequent amendments to such salary, benefits, incentive schemes or severance benefits which may be negotiated and agreed in accordance with applicable laws between the Purchaser and such employee or Senior Manager, as the case may be, or such other representative body (including, without limitation, any works council) and subject further to any amendments as may be provided under applicable law. Clause 8.1 shall not inhibit the ability of any Group Company to vary the terms of employment of any of their employees in accordance with all applicable contractual and legal requirements.

8.2 The Purchaser undertakes within ten (10) Business Days of Completion to procure that the Company pays to the relevant employees of the Group Companies any amount payable to them in accordance with the Sale Bonus Arrangements.

8.3 From and after Completion, the Purchaser agrees to provide all reasonable assistance to Phoenix, including granting reasonable access to employees of the Group and information held by the Group relating to periods prior to Completion to enable Phoenix to resolve any outstanding issues in connection with its original acquisition of shares in the Company.

8.4 The Purchaser hereby acknowledge that, after Completion, the Purchaser may take any or all of the following steps: (i) contribution by US Newco of all its assets and liabilities to the Company; (ii) filing of elections to change the classification for US tax purposes of each of the Company and its Subsidiaries to be treated as either partnerships or as entities to be disregarded as a separate entity from their owners; (iii) filing of elections under US Internal Revenue Code section 338(g) in respect of the acquisition of the Company and its Subsidiaries; and (iv) liquidation of BCc Luxembourg (together, the Post Completion Steps). Subject to the provisions of Clause 8.5, the Purchaser agrees to indemnify, defend and hold harmless the BCcH Shareholders, the Foundation and the Mezzanine Lenders and (if Phoenix so requires) each Group Company, and any of their respective directors, officers, employees, affiliates, controlling persons, agents and representatives and their successors and assigns (collectively, the Indemnitees) from and against, and shall compensate and reimburse each of the Indemnitees for, all liabilities, demands, claims, actions or causes of action, assessment, losses, damages, fines, penalties, costs and expenses (including, for the avoidance of doubt and without limitation, any liability to make or

suffer an actual payment of Tax (or an amount in respect of Tax) or the loss, use or set-off of any relief from Tax), reasonable attorneys fees and expenses) (collectively, the Damages) incurred by any Indemnitees as a result of, in respect of, by reference to or in consequence of or arising out of any actions taken pursuant to Clauses 6.3 or 6.4 or any of the Post Completion Steps (all such actions and the Post Completion Steps together being referred to as the Relevant Actions) PROVIDED THAT the Purchaser's liability under this Clause 8.4 for any Damages shall be reduced or extinguished to the extent that such Damages would have arisen regardless of whether the Relevant Action had taken place). Tax includes, without limitation, (a) taxes on gross or net income, profits and gains, and (b) all other taxes, levies, duties, imposts, charges and withholdings of any nature, including any excise, property, value added, sales, use, occupation, transfer, franchise and payroll taxes and any national insurance or social security contributions, and any payment whatsoever which the relevant person may be or become bound to make to any person as a result of the discharge by that person of any tax which the relevant person has failed to discharge, together with all penalties, charges and interest relating to any of the foregoing or to any late or incorrect return in respect of any of them, and regardless of whether such taxes, levies, duties, imposts, charges, withholdings, penalties and interest are chargeable directly or primarily against or attributable directly or primarily to the relevant person or any other person and of whether any amount in respect of them is recoverable from any other person.

8.5 The indemnity contained in Clause 8.4 shall not apply to Damages incurred by Indemnitees as a result of, in respect of, by reference to or in consequence of or arising out of the filing of elections referred to in sub-paragraphs (ii) and (iii) of the definition of Post Completion Steps contained in Clause 8.4 provided that:

(a) the Purchaser gives Phoenix not less than 14 days notice of its intention to make such election, identifying the Group Company concerned; and

(b) the Purchaser provides Phoenix with such other information regarding the election that it may reasonably require.

8.6 All sums payable by the Purchaser under Clause 8.4 shall be paid free and clear of all deductions or withholdings unless the deduction or withholding is required by law, in which event the Purchaser shall pay such additional amount as shall be required to ensure that the net amount received by the relevant Indemnitee will equal the full amount which would have been received by it had no such deduction or withholding been required to be made.

8.7 If any tax authority brings into charge to tax any sum paid to any Indemnitee under Clause 8.4 (including in circumstances where any relief is available in respect of such charge to tax), then the Purchaser shall pay such additional amount as shall be required to ensure that the total amount paid, less the tax chargeable on such amount (or that would be so chargeable but for such relief), is equal to the amount that would otherwise be payable under that Clause.

8.8 Clause 8.7 shall apply in respect of any amount deducted or withheld as contemplated by Clause 8.6 as it applies to sums paid to any such Indemnitee, save to the extent that in computing the tax chargeable any Indemnitee is able to obtain a credit for the amount deducted or withheld.

9. VENDOR WARRANTIES

9.1 Capacity and Authority. Each Mezzanine Lender warrants severally to the Purchaser in respect of itself that as of the date of this Agreement:

(a) it has obtained all corporate authorisations required to empower it to enter into and to perform its obligations under this Agreement;

(b) this Agreement constitutes a valid and binding obligation of it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganisation, moratorium and similar laws affecting creditors' rights and remedies generally; and

(c) the execution and delivery of, and the performance by it of its obligations under, this Agreement will neither:

  (i) conflict with, or result in the breach of, any provision of its Memorandum or Articles of Association or other constitutional or empowering agreement (if any); nor

  (ii) violate any statute, rule, regulation, order, judgment or decree of, or undertaking to, any court or governmental body or authority by which it is bound.

9.2 Ownership of Company Warrants and DIPs. Each Mezzanine Lender warrants severally to the Purchaser in respect of itself and the Company Warrants and DIPs it owns that as of the date of this Agreement:

(a) it is the sole legal and beneficial owner of the Company Warrants set out in Schedule 1 identified against that Mezzanine Lender's name; and

(b) it is the sole legal and beneficial owner of the DIPs set out in Schedule 1 identified against that Mezzanine Lender's name; and

in each case, such Mezzanine Lender owns such Company Warrants and DIPs free from all security interests, options, equities, claims or other third party rights (including rights of pre-emption) of any nature whatsoever.

9.3 Capacity and Authority. Each Investor warrants severally to the Purchaser in respect of itself that as of the date of this Agreement:

(a) it has obtained all corporate authorisations required to empower it to enter into and to perform its obligations under this Agreement;

(b) this Agreement constitutes a valid and binding obligation of it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganisation, moratorium and similar laws affecting creditors' rights and remedies generally; and

(c) the execution and delivery of, and the performance by it of its obligations under, this Agreement will neither:

(i) conflict with, or result in the breach of, any provision of its Memorandum or Articles of Association or other constitutional or empowering agreement (if any); nor

(ii) violate any statute, rule, regulation, order, judgment or decree of, or undertaking to, any court or governmental body or authority by which it is bound.

9.4 Ownership of the Sale Shares. Each BCcH Shareholder warrants severally to the Purchaser in respect of itself and the Sale Shares it owns that as of the date of this Agreement it is the sole legal and beneficial owner of the Sale Shares set out in Schedule 1 identified against that BCcH Shareholder's name and such BCcH Shareholder owns such Sale Shares and, with the exception of such pledges, charges, liens and encumbrances held for the benefit of the lenders under the Senior Credit Agreement and the Mezzanine Lenders, such shares are free from all security interests, options, equities, claims or other third party rights (including rights of pre-emption) of any nature whatsoever.

9.5 Each Investor warrants severally to the Purchaser that as of the date of this Agreement:

(a) the information contained in Schedule 2 and Exhibit 2 (in the case of Schedule 2 and Exhibit 2, subject to any disposal of any shareholding in any Group Company that is consented to by the Purchaser) is true, complete and accurate in all material respects; and

(b) the Sale Shares and the Foundation Shares constitute all of the issued Shares in the Company and save for the Company Warrants no person has the right (whether exercisable now or in the future and whether contingent or not) to call for the allotment, issue, sale or transfer of any Shares or unissued shares in the Company or any Group Company under any option or other agreement (including conversion rights and rights of pre-emption) and

(i) with the exception of such pledges, charges, liens and encumbrances held for the benefit of the lenders under the Senior Credit Agreement and the Mezzanine Lenders, there are no claims, charges, liens, equities or encumbrances on the shares of any Group Company other than the Company that would be reasonably likely to have an adverse effect on the ability of the Group Companies to exercise their rights in relation to, or to transfer, any such shares; and

(ii) The Company has no subsidiaries apart from the Subsidiaries. Each of the Company and its Subsidiaries is a corporation duly organised and validly existing under the laws of the jurisdiction of its organisation in all material respects.

9.6 The BCcH Shareholders acknowledge that the Purchaser and VEG have entered into this Agreement in reliance upon the Vendor Warranties.

9.7 If and to the extent that there is a liability in respect of any Claim with respect to the warranties given by the Investors in Clause 9.5 in respect of which any one or more BCcH Shareholders are liable, then each such BCcH Shareholder shall only be

responsible for the sum equal to the Relevant Percentage of such liability. In relation to any given BCcH Shareholder, Relevant Percentage means the percentage of the issued share capital which the shares identified against that BCcH's Shareholder's name in Schedule 1 represent of the entire issued share capital at the date of this Agreement.

9.8 Each BCcH Shareholder, each Mezzanine Lender and the Foundation shall be severally, and neither jointly nor jointly and severally, liable to perform any and all obligations expressed to be assumed by the BCcH Shareholders and/or the Mezzanine Lenders and/or the Foundation in this Agreement and the liability of each of the BCcH Shareholders, each of the Mezzanine Lenders and the Foundation under or in respect of any matter or thing referred to in this Agreement shall be several and neither joint nor joint and several.

Other Warranty Provisions

9.9 Each of the Vendor Warranties shall be construed as a separate warranty and (save as expressly provided to the contrary) shall not be limited or restricted by reference to or inference from the terms of any other warranty or any other term of this Agreement.

9.10 The Vendor Warranties, confirmations and undertakings set out in this Agreement are given on a several basis. A breach thereof by a particular BCcH Shareholder shall not itself amount to a breach of any corresponding Vendor Warranty, confirmation or undertaking given by any other BCcH Shareholder or Mezzanine Lender.

9.11 Each of the Vendor Warranties shall be deemed to include a further warranty, that it shall remain true and accurate at all times up to and including the Cut-Off Date.

9.12 None of the BCcH Shareholders shall have any liability in respect of any breach of Vendor Warranty that is capable of remedy unless the relevant BCcH Shareholder(s) are given written notice of such breach and such breach is not remedied within thirty (30) days after the date on which such notice is so served.

9.13 The Vendor Warranties are subject to any written information contained in the Data Room or otherwise supplied to the Purchaser or any of its advisers during the course of any investigation (whether authorised by any of the parties to this Agreement or not) by or on behalf of the Purchaser into the affairs of the Foundation, the Company or any member of the Group. All such information shall be deemed to be disclosed to the Purchaser. 9.14 The liability of any BCcH Shareholder for any Claim in respect of any fact, matter, event or circumstance shall be reduced or extinguished to the extent that such Claim would not have arisen but for any of the Relevant Actions (as defined in Clause 8.4), or is increased as a result of any of the Relevant Actions to an extent it would not have been increased had such Relevant Action not been taken.

10. PURCHASER WARRANTIES

10.1 The Purchaser and VEG each warrant to each of the BCcH Shareholders, the Foundation and the Mezzanine Lenders that as of the date of this Agreement:

(a) VEG is a company duly incorporated, organised and validly existing and in good standing under the laws of Germany and the Purchaser is a company duly incorporated, organised and validly existing and in good standing under the laws of the State of Delaware;

(b) it has obtained all corporate authorisations required to empower it to enter into and to perform its obligations under this Agreement;

(c) this Agreement constitutes (or, to the extent that, in order to be valid and binding on VEG under the laws of Germany, this Agreement requires to be notarised before notaries public in any one or more jurisdictions, it will constitute for VEG after such notarisations have been duly made) a valid and binding obligation of it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganisation, moratorium and similar laws affecting creditors' rights and remedies generally, and

(d) the execution and delivery of, and the performance by it of its obligations under, this Agreement will neither:

    (i) conflict with, or result in the breach of, any provision of its Certificate of Incorporation, by-laws or other constitutional or empowering agreement (if any); nor

    (ii) violate any statute, rule, regulation, order, judgment or decree of, or undertaking to, any court or governmental body or authority by which it is bound.

(e) The authorised capital stock of the Purchaser consists of 300,000,000 shares of common stock, par value $0.10 per share (the Common Stock), 20,000,000 shares of class B convertible common stock, par value $0.10 per share (the Class B Stock) and 1,000,000 shares of preferred stock, par value $1.00 per share (the Preferred Stock). As of October 31, 2002, (i) 144,280,672 shares of Common Stock were issued and outstanding, (ii) 15,383,476 shares of Class B Stock were issued and outstanding, (iii) no shares of Preferred Stock were issued and outstanding, (iv) 15,383,476 shares of Common Stock were issuable upon conversion of outstanding shares of Class B Stock, (v) 9,717,724 shares of Common Stock were issuable upon conversion of the Purchaser's Liquid Yield Option Notes, (vi) 6,300,000 shares of Common Stock were issuable upon conversion of the 5.75% convertible notes due 2006 of the Purchaser's General Semiconductor, Inc. subsidiary and (vii) 9,133,447 shares of Common Stock were issuable upon exercise of stock options issued under the Purchaser's stock option plans.

(f) Except as disclosed in Clause 10.1(e) above or as contemplated by this Agreement, there is no existing option, warrant, call, right, commitment or other agreement of any character to which the Purchaser is a party requiring, nor are there securities of the Purchaser outstanding which upon conversion or exchange would require, the issuance, sale or transfer of any additional shares of capital stock or other equity securities of the Purchaser, or other securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase shares of capital stock or other equity securities of the Purchaser. Except as disclosed in the Purchaser's Proxy Statement on Schedule 14A filed

with the United States Securities and Exchange Commission on April 22, 2002, or as contemplated in the Agreement, Purchaser is not a party to any voting trust or other voting agreement with respect to or agreement relating to the transfer or disposition of any of the capital stock of the Purchaser.

(g) The Purchaser has the corporate power and authority to sell, transfer, assign and deliver (or provide for the sale, transfer, assignment or delivery of) the Consideration Warrants and to issue the Notes and enter into the Put and Call Agreement.

10.2 Each of the Purchaser Warranties shall be construed as a separate Purchaser Warranty and (save as expressly provided to the contrary) shall not be limited or restricted by reference to or inference from the terms of any other Purchaser Warranty or any other terms of this Agreement.

10.3 Each of the Purchaser Warranties shall be deemed to include a further warranty, that it shall remain true and accurate at all times up to and including Completion.

10.4 The Purchaser and VEG acknowledge that each of the BCcH Shareholders and the Foundation have entered into this Agreement in reliance upon the Purchaser Warranties.

11. ENTIRE AGREEMENT

This Agreement, the Confidentiality Agreement and the side letter entered into on the same date as this Agreement relating to the satisfaction or otherwise of the conditions set out in Clause 3.1 together set out the entire agreement and understanding between the parties in respect of its subject matter. It is agreed that:

(a) no party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other party or any of its Related Persons which is not expressly set out or referred to in this Agreement;

(b) a party may claim in contract for breach of warranty under this Agreement but shall have no claim or remedy in respect of misrepresentation (whether negligent or otherwise, and whether made prior to, and/or in, this Agreement) or untrue statement made by any other party or any of its Related Persons;

(c) this Clause shall not exclude any liability for, or remedy in respect of, fraudulent misrepresentation by a party or any of its Related Persons; and

(d) save as expressly set out in this Agreement, no party or Related Person shall owe any duty of care to any other party or Related Person.

Each party contracts in this Clause on its own behalf and as agent for each of its Related Persons. Each Related Person which contracts through the agency of a party may enforce this Clause direct against each other party and Related Person. Related Person means (a) a party's officers, employees, group undertakings, agents and advisers, (b) officers, employees, agents and advisers of a party's group undertakings; and (c) officers, employees and partners of any such agent or adviser or of any group undertaking of such an agent or adviser. For the avoidance of doubt, for the purpose

of this Clause 11 each Group Company shall be treated as a group undertaking of Phoenix.

For the avoidance of doubt, this Clause 11 applies in respect of the estimate delivered by Phoenix pursuant to Clause 5.1(b).

12. NO THIRD PARTY RIGHTS

Save as set forth in Clause 11, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms (including without limitation those of Clause 7.1).

13. VARIATION

13.1 Subject to Clause 13.2, no variation of this Agreement (or of any of the documents referred to herein) shall be valid unless it is in writing and signed by or on behalf of each of the parties hereto. The parties acknowledge that in respect of variations of a non-material nature, Phoenix may sign such written variation on behalf of all the BCcH Shareholders, the Foundation and the Mezzanine Lenders. The expression "variation" shall include any variation, supplement, deletion or replacement however effected.

13.2 Unless expressly agreed, no variation shall constitute a general waiver of any provisions of this Agreement, nor shall it affect any rights, obligations or liabilities under or pursuant to this Agreement which have already accrued up to the date of variation, and the rights and obligations of the parties under or pursuant to this Agreement shall remain in full force and effect, except and only to the extent that they are so varied.

14. ASSIGNMENT

No party shall be entitled to assign the benefit of any provision of this Agreement without the prior written consent of all the other parties save that the Purchaser may assign the rights under this Agreement to the Purchaser or any subsidiary of the Purchaser. Any assignment in contravention of this Clause shall be void. If the benefit of the whole or any part of this Agreement is assigned by the Purchaser to any subsidiary of the Purchaser in accordance with this Clause 14 then, where any such assignee subsequently ceases to be a subsidiary of the Purchaser, the Purchaser shall procure that before it so ceases it shall assign that benefit to the Purchaser or to another subsidiary of the Purchaser.

15. SUCCESSORS

This Agreement shall be binding on and inure for the benefit of the successors and permitted assigns of the parties.

16. AGREEMENT TO REMAIN IN FORCE

So far as it remains to be performed, this Agreement shall continue in full force and effect notwithstanding Completion.

17. NO RIGHT TO RESCIND

Without prejudice to any rights of termination contained in this Agreement, the sole remedy against any of the BCcH Shareholders, the Foundation and/or Mezzanine Lenders for any breach of this Agreement shall be an action for damages and the Purchaser shall not be entitled to rescind this Agreement. Nothing in this Agreement shall exclude any remedy for fraudulent misrepresentation by any BCcH Shareholder, the Foundation or Mezzanine Lender save that, in the case of fraudulent misrepresentation by any of the foregoing, the Purchaser will not be entitled to rescind this Agreement with respect to any other BCcH Shareholder, the Foundation or Mezzanine Lender.

18. INTEREST

If payment of any sum due under the terms of this Agreement shall be delayed, the payer shall pay interest on such sum, from the date on which such sum is due until the date of payment, at a rate equal to two and a half cent. (2.5%) above LIBOR such interest to accrue on a daily basis with six monthly rests.

19. ANNOUNCEMENTS

19.1 Subject to Clause 19.2, prior to Completion, except as otherwise agreed to by the parties, the parties shall not issue any report, statement or press release or otherwise make any public statements with respect to this Agreement and the transactions contemplated hereby, except as in the reasonable judgment of the party may be required by law or the rules of any stock exchange, in which case the parties will use their commercially reasonable efforts to reach mutual agreement as to the language of any such report, statement or press release. Upon the signing of this Agreement and on Completion, the parties will consult with each other with respect to the issuance of a joint report, statement or press release with respect to this Agreement and the transactions contemplated hereby.

19.2 Each of the BCcH Shareholders and the Foundation may make confidential communications to their respective general and limited partners or other investors or prospective investors.

20. COSTS

20.1 Subject to Clauses 6.8, 8.2, 8.4 and 20.2, and any other Clause of this Agreement entitling one party to recover Costs from another party if particular conditions are not fulfilled, each of the parties shall pay its own Costs incurred in connection with the negotiation, preparation and implementation of this Agreement.

20.2 The Purchaser shall bear all stamp or other documentary or transaction duties and any other transfer taxes arising as a result or in consequence of any of the transfers which take place at Completion or otherwise pursuant to this Agreement or of its implementation.

21. INVALIDITY

If any provision of this Agreement is held to be invalid or unenforceable, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the

remaining provisions of this Agreement, provided that no party's rights under the Agreement, taken as a whole, are materially adversely effected thereby. The parties shall then use all reasonable endeavours to replace the invalid or unenforceable provisions by a valid and enforceable provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

22. COUNTERPARTS

This Agreement may be entered into in any number of counterparts and by the parties to it on separate counterparts, each of which, when executed and delivered, shall be an original, but all the counterparts shall together constitute one and the same instrument.

23. PURCHASER GUARANTEE

23.1 In consideration of the BCcH Shareholders, the Foundation and the Mezzanine Lenders entering into this Agreement, the Purchaser unconditionally and irrevocably guarantees as a continuing obligation the proper and punctual performance by VEG of all its obligations under or pursuant to this Agreement and any other documents of transfer or otherwise or obligations entered or to be entered into according to the terms of this Agreement.

23.2 The Purchaser's liability under this Agreement shall not be discharged or impaired by:

(a) any amendment to or variation of this Agreement, or any waiver of or departure from its terms, or any assignment of it or any part of it, or any document entered into under this Agreement;

(b) any release of, or granting of time or other indulgence to any of the BCcH Shareholders, the Foundation and the Mezzanine Lenders or any third party, or the existence or validity of any other security taken by any of the BCcH Shareholders, the Foundation and the Mezzanine Lenders in relation to this Agreement or any enforcement of or failure to enforce or the release of any such security; or

(c) any winding up, dissolution, reconstruction, arrangement or reorganisation, legal limitation, incapacity or lack of corporate power or authority or other circumstances of, or any change in the constitution or corporate identity or loss of corporate identity by, any of the BCcH Shareholders or the Foundation (or any act taken by any of the BCcH Shareholders, the Foundation or the Mezzanine Lenders in relation to any such event).

24. AUTHORITY

24.1 Each of the BCcH Shareholders and the Foundation hereby appoint Phoenix as their agent for:

(a) the receipt of any Consideration Warrants or any other consideration or amounts deliverable or payable to them under this Agreement by the Purchaser and payment or issue to Phoenix of such consideration or money will be sufficient discharge of the corresponding obligation and the Purchaser shall not be obliged to consider the existence or suitability of any agreement

among the Mezzanine Lenders, the BCcH Shareholders and the Foundation, or any of them;

(b) the delivery to the Purchaser of directions as to the proportion each BCcH Shareholder or the Foundation is to receive of Consideration Warrants and Notes and the Purchaser shall be entitled to rely on any such direction without any enquiry of the BCcH Shareholder.

25. WAIVER

25.1 Any delay by any party in exercising, or failure to exercise, any right or remedy under this Agreement shall not constitute a waiver of the right or remedy or a waiver of any other rights or remedies or preclude its exercise at any subsequent time and no single or partial exercise of any rights or remedy under this Agreement or otherwise shall prevent any further exercise of the right or remedy or the exercise of any other right or remedy.

25.2 The rights and remedies of any party under this Agreement are cumulative and may be exercised as often as such party considers it appropriate and are not exclusive of any rights or remedies provided by law.

26. FURTHER ASSURANCE

26.1 Each of the BCcH Shareholders, the Foundation and the Mezzanine Lenders shall do or procure to be done all such further acts and things, and execute and deliver (or procure the execution and delivery of) all such other documents, as the Purchaser may from time to time reasonably require, whether on or after Completion, for the purpose of giving to the Purchaser the full benefit of all of the provisions of this Agreement.

26.2 The Purchaser shall do or procure to be done all such further acts and things, and execute and deliver (or procure the execution and delivery of) all such other documents, as Phoenix may from time to time reasonably require or request on behalf of the BCcH Shareholders, the Foundation or Mezzanine Lenders, whether on or after Completion, for the purpose of giving to any of the foregoing the full benefit of all of the provisions of this Agreement.

27. NOTICES

27.1 Any notice or other communication to be given under, or in connection with, this Agreement shall be in writing and signed by or on behalf of the party giving it and may be served by leaving it or sending it by fax, prepaid recorded delivery or registered post to the address and for the attention of the relevant party set out in Clause 27.2 (or as otherwise notified from time to time hereunder). Any notice so served by fax or post shall be deemed to have been received:

(a) in the case of fax, twelve (12) hours after the time of transmission;

(b) in the case of prepaid recorded delivery or registered post, forty eight (48) hours from the date of posting in the case of inland delivery and four (4) Business Days in the case of international delivery.

27.2 The addresses and fax numbers of the parties for the purpose of Clause 27.1 are as follows:

Phoenix:	398 route d'Esch, L-1471 Luxembourg
For the attention of:	Marc Feider
Fax:	00352 4444 55222
With a copy to:	Compass Partners International Limited 4 Grosvenor Place London SW1X 7HJ United Kingdom
For the attention of:	Franklin J. Rudd
Fax:	+44 207 761 2020
BCcH	Shareholders: The address, fax number and to the attention of the person set out beside each name in Schedule 1.
Purchaser:	Vishay Intertechnology Inc. 63 Lincoln Highway Malvern Pennsylvania 19355-2120
For the attention of:	A. Eden
Fax:	001 610 8892161

27.3 In proving such service it shall be sufficient to prove that the envelope containing such notice was properly addressed and delivered either to the address shown thereon or into the custody of the postal authorities as a pre-paid recorded delivery or registered post letter, or that the facsimile transmission was made after obtaining in person or by telephone appropriate evidence of the capacity of the addressee to receive the same, as the case may be.

27.4 For the purposes of notices given under or pursuant to Clauses 5.1 and 6.11:

(a) such notices may, in addition to the methods contemplated by Clause 27.1 above, be given by email to the email addresses of the relevant party set out in Clause 27.5 below. Any notice so served by email shall be deemed to have been received upon receipt by the sender of an automated delivery receipt in respect of that email; and

(b) notwithstanding the provisions of Clause 27.1 above, such notices shall, if given by fax, be deemed to have been received at the time of transmission,

except where it is indicated by the equipment used to transmit the fax that transmission has failed;

provided that any such notice shall, if transmitted by fax or email, only be treated as having been served on a given day if served prior to 5pm UK time on that day (and, if served later than that time, shall be deemed served on the next following day).

27.5 The email addresses of the parties for the purposes of Clause 27.4 are as follows:

Phoenix:	daviddiamond@cpil.co.uk
with a copy to:	david.crook@freshfields.com
Vishay:	avieden@aol.com and avieden@vishay.com
With a copy to:	david.kinch@edwincoe.com; and
	adienstag@kramerlevin.com

28. GOVERNING LAW AND JURISDICTION

28.1 This Agreement and the relationship between the parties shall be governed by and construed in accordance with the laws of England.

28.2 Each of the parties agrees that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise in connection with this Agreement.

28.3 Phoenix shall at all times maintain an agent for service of process and any other documents in proceedings in England or any other proceedings in connection with the Agreement. Such agent shall be Freshfields (for the attention of David Winfield and David Crook) and any claim form, judgment or other notice of legal process shall be sufficiently served on Phoenix if delivered to such agent at its address for the time being. Phoenix undertakes not to revoke the authority of the above agent and if, for any reason, the Purchaser requests that Phoenix do so, it shall promptly appoint another such agent with an address in England and advise the Purchaser thereof. If following such a request Phoenix fails to appoint another agent, the Purchaser shall be entitled to appoint one on behalf of Phoenix.

28.4 Each of the BCcH Shareholders shall at all times maintain an agent for service of process and any other documents in proceedings in England or any other proceedings in connection with the Agreement. Such agent shall be Freshfields (for the attention of David Winfield and David Crook) and any claim form, judgment or other notice of legal process shall be sufficiently served on each of the BCcH Shareholders if delivered to such agent at its address for the time being. The BCcH Shareholders undertake not to revoke the authority of the above agent and if, for any reason, the Purchaser requests any of the BCcH Shareholders to do so, it shall promptly appoint another such agent with an address in England and advise the Purchaser thereof. If following such a request the relevant BCcH Shareholder fails to appoint another agent, the Purchaser shall be entitled to appoint one on behalf of that BCcH Shareholder.

28.5 The Purchaser and VEG shall at all times maintain an agent for service of process and any other documents in proceedings in England or any other proceedings in connection with the Agreement. Such agent shall be Edwin Coe, Solicitors, of 2 Stone Buildings, Lincoln's Inn, London WC2A 3TH and any claim form, judgment or other notice of legal process shall be sufficiently served on the Purchaser and/or VEG if delivered to such agent at its address for the time being. The Purchaser and VEG undertake not to revoke the authority of the above agent and if, for any reason, Phoenix requests the Purchaser or VEG to do so, they shall promptly appoint another such agent with an address in England and advise Phoenix thereof. If following such a request the Purchaser or Purchaser fails to appoint another agent, Phoenix shall be entitled to appoint one on behalf of the Purchaser and/or VEG.

AS WITNESS this Agreement has been signed on behalf of the parties the day and year first before written.

Schedule 1

BCcH Shareholders and MEZZANINE LENDERS

Part A
Investors and their holdings of Sale Shares

Name	Address	Sale Shares
Phoenix Acquisition Company S.A.R.L	398 route d'Esch, L-1471: Luxembourg Fax 00352444455222	7,099,703 A Shares
Compass Partners European Equity Fund (Bermuda), L.P.	6 Front Street Hamilton HM11 Bermuda Fax: 0014412996563	1 B Share
Compass Partners European Equity Investors, L.P.	6 Front Street Hamilton HM11 Bermuda Fax: 0014412996563	30,112 A Shares
Compass Partners 1999 Fund, L.P.	6 Front Street Hamilton HM11 Bermuda Fax: 0014412996563	24,311 A Shares
European Private Equity Investors LLC	Wilmington, 1209 Orange Street NEW CASTLE COUNTY Delaware 19801, USA	516,426 A Shares

Part B
Foundation Shares

Stichting Administratiekantoor Phoenix	Meerenakkerplein 27-30 5652 BJ Eindhoven The Netherlands	150,304 D Shares

Part C
Mezzanine Lenders and their holdings of Sale Shares, Company Warrants and DIPs

Name	Address	Sale Shares	DIPS	Company Warrants
Sankaty High Yield Asset Partners L.P.	111 Huntingdon Avenue, Boston, MA 02199, USA	65,853 A shares	1	0.765632% Warrants on A Shares

BCM Capital Partners L.P.	111 Huntington Avenue Boston, MA 02199, USA	44,594 A shares	1	0.518476% Warrants on A shares
BCIP Associates II	111 Huntington Avenue Boston, MA 02199, USA	251 A shares	1	0.002911% Warrants on A shares
BCIP Trust Associates II	111 Huntington Avenue Boston, MA 02199, USA	1,211 A shares	1	0.014090% Warrants on A shares
JP Morgan Partners (BHCA), L.P. formerly named Chase Equity Associates, L.P.	1221, Avenue of the Americas, 39th floor NEW YORK NY 10020-1000 USA	283,321 A shares	1	5.040284% Warrants on A shares
GarMark Partners L.P.	One Landmark Square 6th Floor, Stamford, CT 06901	277,275 A shares	1	2.417785% Warrants on A shares
BCIP Trust Associates II-B	111 Huntington Avenue Boston, MA 02199, USA	21 A shares	1	0.000246% Warrants on A shares
Bain Capital V Mezzanine Fund L.P.	111 Huntington Avenue Boston, MA 02199, USA	61,366 A shares	1	0.713466% Warrants on A shares

Schedule 2

Corporate Details of the Company

1.	Name:	BCcomponents Holdings B.V.
2.	Date of Incorporation:	21 August 1996
3.	Place of Incorporation:	The Netherlands
4.	Class of Company:	Private limited liability company
5.	Registered Number:	Dutch Trade Register No.17094574
6.	Registered Office:	Meerenakkerplein 27-30, 5652 BJ Eindhoven, The Netherlands
7.	Directors:	Supervisory Board: Luther Johnson Clark Kenneth George Hanna Franklin John Rudd Statutory Board: Nazario Proietto James Douglas Belt Marc Frans Johan Sevenans
8.	Authorised Capital:	Euro 150,000-- divided into: 14,842,696 A shares of 0.01Euro each; 1,000 B shares of 0.01Euro each; 6,000 C shares of 0.01Euro each; 150,304 D shares of 0.01Euro each;
9.	Issued Capital:	8,404,444 A shares 1 B share 0 C shares 150,304 D shares
10.	Registered Shareholders:	Phoenix The Investors Foundation
11.	Accounting Reference Date:	31 December
12.	Auditors:	Deloitte and Touche
13.	Tax Residence:	The Netherlands

List of Subsidiaries

Subsidiary	Country	% of issued capital
BCcomponents Holdings (Netherlands) B.V.	Netherlands	100%
BCcomponents B.V.	Netherlands	100%
BCcomponents International B.V.	Netherlands	100%
BCcomponents Austria GmbH	Austria	100%
BCcomponents Lux S.a.r.l	Luxembourg	100%
BCcomponents Holding GmbH	Germany	100%
BCcomponents Beyschlag GmbH	Germany	100%
BCcomponents Vertriebs GmbH	Germany	100%
BC Components, Inc.	USA	100%
Capfoil, LLC	USA	49%
BCcomponents SAS	France	100%
BCcomponents Estate NV	Belgium	100%
BCcomponents NV	Belgium	100%
BCcomponents UK Ltd	United Kingdom	100%
Valen Ltd	Hong Kong	100%
BCcomponents (Shanghai) Company Ltd	China	95%
BC Components South Europe SRL	Italy	100%
BCcomponents India Pvt. Ltd	India	100%
BCcomponents Hong Kong Ltd	Hong Kong	100%
BCcomponents China Ltd	Hong Kong	100%
BCcomponents Singapore Pte. Ltd	Singapore	100%
BCcomponents Trading (Shanghai) Co. Ltd	China	100%
BCcomponents (Taiwan) Ltd	Taiwan	100%

Schedule 3

preparation of Adjusted Financial Debt Statement

Part A

1. INTERPRETATION

1.1 In this Schedule 3, the following expressions shall have the following meanings:

Accounts means the audited consolidated accounts of the Company and the Subsidiaries, prepared in accordance with Dutch GAAP, for the accounting period ended December 31 2001, comprising a balance sheet, profit and loss account, notes and auditors' report;

Adjusted Financial Debt Statement has the meaning given in Part B of this Schedule 3;

Independent Firm means KPMG of The Netherlands or such other Dutch independent firm as is appointed pursuant to Part B of this Schedule;

Phoenix's Accountants means either or both of PwC and Deloitte & Touche, as directed by Phoenix;

Purchaser's Accountants means Ernst & Young;

Review Period has the meaning given Part B in this Schedule 3; and

Spot Rate means the spot rate of exchange (closing mid point) on the relevant date, as quoted in the London edition of the Financial Times first published thereafter or, where no such rate of exchange is published in respect of that date, at the rate quoted by Citibank N.A. as at the close of business in London on that date.

1.2 For the purposes of calculating the Adjusted Financial Debt, any amounts which are to be included in the calculation and which are expressed in a currency other than euros shall be converted into euros using the Spot Rate on the close of business on the Completion Date.

Part B

2. PREPARATION AND FINALISATION OF THE ADJUSTED FINANCIAL DEBT

2.1 Phoenix (on behalf of the BCcH Shareholders and the Foundation) shall deliver to the Purchaser as soon as practicable after the Cut-Off Date and in any event no later than ten (10) Business Days after the Cut-Off Date, a draft Adjusted Financial Debt Statement in relation to the Company in the form set out in Exhibit 3 (the Draft Adjusted Financial Debt Statement).

2.2 The Purchaser shall have until the date which is thirty (30) days after the date of delivery of the Draft Adjusted Financial Debt Statement (the Review Period), in conjunction with the Purchaser's Accountants, to review the Draft Adjusted Financial

Debt Statement and to present to Phoenix in writing any objections (stating in reasonable detail, including specific amounts, the matters in dispute) it may have to the Draft Adjusted Financial Debt Statement and the Adjusted Financial Debt set forth therein. The only grounds upon which the Purchaser shall be entitled to object to any Adjusted Financial Debt Statement or Adjusted Financial Debt are arithmetical errors in the computation of such amounts or that it has not been prepared in accordance with the provisions of Part C of this Schedule. Any such objections must be accompanied by a recalculation of each amount in the Draft Adjusted Financial Debt Statement to which such objections relate.

2.3 For the purposes of enabling Phoenix and Phoenix's Accountants to prepare the Draft Adjusted Financial Debt Statement, the Purchaser shall and shall procure that the Group shall, following Completion, give Phoenix and Phoenix's Accountants reasonable access at all reasonable times (until the Adjusted Financial Debt Statement has been agreed or finally determined) to all employees, books and records, and all computer files relating to the business of the Company and the Group and generally shall provide Phoenix and Phoenix's Accountants with such other information and assistance as Phoenix and Phoenix's Accountants may reasonably request, provided that Phoenix and Phoenix's Accountants shall not be entitled to any such access and information which goes beyond that which is reasonably necessary to determine whether the Draft Adjusted Financial Debt Statement has been prepared in accordance with the provisions of Part C of this Schedule. If the Draft Adjusted Financial Debt Statement is delivered before Completion, for the purposes of enabling the Purchaser and the Purchaser's Accountants to commence the review contemplated by paragraph 2.2 above, Phoenix shall and shall procure that the Group shall, before Completion, give the Purchaser and the Purchaser's Accountants reasonable access at all reasonable times to all employees, books and records, and all computer files relating to the business of the Company and the Group and generally shall provide the Purchaser and the Purchaser's Accountants with such other information and assistance as the Purchaser and the Purchaser's Accountants may reasonably request, provided that the Purchaser and the Purchaser's Accountants shall not be entitled to any such access and information which goes beyond that which is reasonably necessary to determine whether the Draft Adjusted Financial Debt Statement has been prepared in accordance with the provisions of Part C of this Schedule.

2.4 If no such written objections as are referred to in paragraph 2.2 are properly presented to Phoenix by the end of the Review Period, then the Draft Adjusted Financial Debt Statement and the Adjusted Financial Debt set forth therein shall, as between the BCcH Shareholders and the Foundation and the Purchaser, be deemed to have been accepted and approved by the BCcH Shareholders and the Foundation and the Purchaser and the Draft Adjusted Financial Debt Statement shall be final and binding on all of the parties to this Agreement and shall constitute the Adjusted Financial Debt Statement for the purposes of this Agreement.

2.5 If any such written objections as are referred to in paragraph 2.2 are properly presented to Phoenix by the end of the Review Period then Phoenix (on behalf of the BCcH Shareholders and the Foundation) and the Purchaser shall attempt to resolve the objections in good faith negotiations. To facilitate Phoenix's review of any such objections, the Purchaser shall provide Phoenix and Phoenix's Accountants with such information and explanations as Phoenix and Phoenix's Accountants may reasonably require for the purpose of the review. If Phoenix and the Purchaser resolve all matters in dispute in relation to the Draft Adjusted Financial Debt Statement, then such Draft

Adjusted Financial Debt Statement (as adjusted to reflect the matters so resolved) shall, as between the BCcH Shareholders and the Foundation and the Purchaser, be deemed to have been accepted and approved by the BCcH Shareholders and the Foundation and the Purchaser and such Draft Adjusted Financial Debt Statement (as adjusted to reflect the matters so resolved) and the Adjusted Financial Debt set forth therein shall be final and binding on all of the parties to this Agreement and shall constitute the Adjusted Financial Debt Statement and Adjusted Financial Debt respectively for the purposes of this Agreement.

2.6 If there are any such objections which have not been resolved in good faith negotiations within a period of fifteen (15) days after the end of the Review Period, then the specific matters in dispute shall be referred for determination to the Independent Firm not later than ten (10) days after the end of such period. The Independent Firm shall be instructed to notify the Purchaser and Phoenix of its determination within fifteen (15) days of such referral.

2.7 If the Independent Firm shall for any reason be unable or unwilling to act or shall then maintain, or have at any time in the preceding five year period maintained, any material business relationship (whether as auditor or otherwise) with any member of any party's group, another independent firm of chartered accountants shall be appointed to act in its place, by agreement of Phoenix and the Purchaser and, in default of such agreement, at the request of either Phoenix or the Purchaser, by the President of the Institute of Chartered Accountants in England and Wales for the time being.

2.8 In making its determination, the Independent Firm shall act as expert and not as arbitrator and the determination by the Independent Firm and the Draft Adjusted Financial Debt Statement, as adjusted to reflect the Independent Firm's determination, shall, in the absence of manifest error, be final and binding on the parties and shall be deemed to have been accepted and approved by the parties. The fees and the costs of the Independent Firm shall be shared as to fifty per cent. (50%) by the BCcH Shareholders and the Foundation (as between themselves, in proportion to their respective allocations) and as to fifty per cent. (50%) by the Purchaser, unless otherwise directed by the Independent Firm (which shall have the authority to make such direction if it deems it equitable).

2.9 The Purchaser shall and shall procure that the Company and each member of the Group shall, give the Independent Firm reasonable access at all reasonable times to all books and records, and all computer files relating to the business of the Group, in their respective possession or control and generally shall provide the Independent Firm with such other information and assistance as the Independent Firm may reasonably request.

Part C

3. BASIS OF PREPARATION OF THE ADJUSTED FINANCIAL DEBT

3.1 The Adjusted Financial Debt Statement shall:

(a) be based on the books and records of the Group;

(b) include a statement of the Adjusted Financial Debt;

(c) subject to paragraph 3.2 and the consistent application of the defined terms of Adjusted Financial Debt, be prepared on the same basis and in accordance with the same principles, policies, procedures, methods and practices of accounting as were applied for the purposes of the Accounts and on the basis that the application of principles, policies, procedures, methods and practices of accounting will be consistent with such exercise as applied in relation to the Accounts, provided that there shall be no requirement to perpetuate a material error in preparing the Accounts;

(d) subject to sub-paragraphs (b) and (c) and paragraph 3.2, be prepared in accordance with Dutch GAAP.

Sub-paragraphs (c) and (d) of paragraph 3.1 are intended to be applied as a hierarchy, with paragraph (c) being applied first and with paragraph (d) being applied only where ambiguity remains following application of the previous paragraph.

3.2 The Adjusted Financial Debt Statement shall be prepared on the basis that it relates to the Group as a going concern and exclude any effects of the change of control or ownership of it contemplated by this Agreement or any other effect of this Agreement.

Schedule 4

Part A: Precompletion Undertakings

All capitalised terms in this Schedule 4 which are not defined in this Agreement are as defined in the Senior Credit Agreement:

(a) Maintenance of Legal Validity and Legal Status; Conduct of Business. Each Group Company shall do all such things as are reasonably necessary to maintain its existence as a legal person. In addition, each Group Company shall ensure that it has the right and is duly qualified to conduct its business as it is conducted from time to time in all applicable jurisdictions and does all things reasonably necessary to obtain, preserve and keep in full force and effect all material rights including, without limitation, all franchises, contracts, licences, consents and other material rights which are necessary for the conduct of its business;

(b) Claims and Discharges. Except with respect to Capfoil LLC or which in the aggregate equals (euro)500,000, no Group Company shall pay, repurchase, discharge or satisfy any of its claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than payment, discharge or satisfaction in the ordinary course of business and consistent with past practice;

(c) Disposals. No Group Company shall sell, lease, transfer or otherwise dispose of, by one or more transactions or series of transactions (whether related or not), the whole or any part of its revenues or its assets or its business or undertakings other than in the ordinary course of business and consistent with past practice;

(d) Mergers. No Group Company shall merge or consolidate with any other person, enter into any demerger transaction or participate in any other type of corporate reconstruction;

(e) Acquisitions. No Group Company shall:

(i) purchase, subscribe for or otherwise acquire any shares (or other securities or any interest therein) in, or incorporate, any other company or in any other way change the organisational structure of the Group as provided in Exhibit 2 or agree to do any of the foregoing; or

(ii) purchase or otherwise acquire any assets (other than in the ordinary course of business) or acquire any business or interest therein or agree to do so; or

(iii) form, or enter into, any partnership, consortium, joint venture or other like arrangement or agree to do so;

(f) Joint Ventures. No Group Company shall enter into or acquire or subscribe (or agree to enter into or acquire or subscribe) for any shares, stocks, securities or other interest in or transfer of any assets to or lend to or guarantee or give security for the obligations of any joint ventures;

(g) No Changes to the Management Equity Plans, Annual Incentive Plans or Bonus Plans. No Group Company shall

(i) pay or make any accrual or arrangement for payment pursuant to the Management Equity Plan or any annual incentive or bonus plan except to the extent that any Group Company is unconditionally obligated to do so on the date of this Agreement;

(ii) except in the ordinary course of business, adopt or pay, grant, issue, accelerate or accrue salary or other payments or benefits pursuant to any such plan, or any agreement or arrangement relating thereto, except to the extent the Group Company is unconditionally obligated to so on the date of this Agreement; or

(iii) amend in any material respect such plans, or any agreement or arrangement in relation thereto;

(h) No Changes to the Terms and Conditions of Employment of the Senior Managers. No Group Company shall enter into or amend any employment, severance, consulting, termination or other agreement with, or employee benefit plan for, or make any loan or advance to, any of the executive officers of the Group Companies or make any change in its existing borrowing or lending arrangements for or on behalf of any such person pursuant to an employee benefit plan or otherwise;

(i) Limitations on Capital Expenditure. No Group Company shall enter into any contract or commitment (or make a bid or offer which may lead to a contract or commitment) having a value or involving expenditure per item or project in excess of (euro)500,000 or which may result in any material change in the nature or scope of the operations of the Group;

(j) Dividends and Distributions. No Group Company, except for distributions made between Group Companies, shall pay, make or declare any dividend, return on capital, repayment of capital contributions or other distribution (whether in cash or in kind) or make any distribution of assets or other payment whatsoever in respect of share capital whether directly or indirectly;

(k) Share Capital. No Group Company shall issue or redeem or repurchase, purchase, defease or retire any shares or grant any person the right (whether conditional or unconditional) to call for the issue or allotment of any share of any Group Company (including an option or right of pre-emption or conversion) or any other equity investments, howsoever called, or alter any rights attaching to its issued shares (including ordinary and preference shares);

(l) Facility Limits no Group Company shall increase the facility limit in force in respect of any particular Local Facility to a level which is more than 10% above the relevant Existing Local Facility Limit;

(m) Insurance. Each Group Company shall effect and maintain insurances on and in relation to its business and assets with reputable underwriters or insurance companies against such risks and to such extent as is usual for prudent companies carrying on a business such as that carried on by such member of

the Group (including, but not limited to, loss of earnings, business interruption, directors and officers liability cover);

(n) Environmental Matters. Each Group Company shall comply in all material respects with all Environmental Law and obtain and maintain any Environmental Permits and take all reasonable steps in anticipation of known or expected future changes to or obligations under the same, breach of which (or failure to obtain, maintain or take which) could reasonably be expected to have a Material Adverse Effect;

(o) Consents and Approvals. Each Group Company shall comply with all applicable laws, rules, regulations and orders and obtain and maintain all governmental and regulatory consents, licences, authorisations and approvals the failure to comply with which or the failure to obtain and maintain which could be reasonably be expected to have a Material Adverse Effect;

(p) Tax

(i) save to the extent not prohibited by the Senior Credit Agreement, each Group Company shall duly and punctually pay and discharge (a) all taxes, assessments and governmental charges imposed upon it or its assets within the time period allowed therefor; and (b) all lawful claims which, if unpaid, would by law become encumbrances upon its assets which are not Permitted Encumbrances;

(ii) save to the extent not prohibited by the Senior Credit Agreement, no Group Company shall change its place of residence for tax purposes;

(q) Preservation of Assets. Except in such cases which would not have a Material Adverse Effect on such Group Company, each Group Company shall maintain and preserve all of its assets that are necessary in the conduct of its business as conducted at the date hereof in good working order and condition, ordinary wear and tear excepted;

(r) Pensions. Each Group Company shall ensure that all pension schemes are administered and funded in accordance with applicable law;

(s) Intellectual Property. Each Group Company shall do all acts as are reasonably practicable to maintain, protect and safeguard the Intellectual Property necessary for the business of the relevant Group Company and not terminate or discontinue the use of any such Intellectual Property save that licensing arrangements in relation to such Intellectual Property may be entered into between Group Companies provided that (i) such licensing arrangements do not allow any further sub-licensing by the licensee and (ii) such licensing arrangements would not have a material adverse effect on the value of any of the Intellectual Property the subject matter of such licensing arrangements;

(t) Negative Pledge. Except for Permitted Encumbrances, no Group Company shall create or permit to subsist any encumbrance over all or any of its present or future revenues or assets other than a Permitted Encumbrance or create any restriction or prohibition on encumbrances over all or any of its present or future revenues or assets;

(u) Loans and Guarantees. Except as required under the Senior Credit Agreement, no Group Company shall make any loans, grant any credit or other financial accommodation or give any guarantee or indemnity to or for the benefit of any person or otherwise voluntarily assume any liability, whether actual or contingent, in respect of any obligation of any other person except:

(i) trade credit or indemnities or guarantees granted in the ordinary course of trading and upon terms usual for such trade;

(ii) Permitted Transactions; and

(iii) in relation to the Subordinated Guarantee or the Subordinated Loan;

(v) Financial Indebtedness. No Group Company shall incur, create or permit to subsist or have outstanding any Financial Indebtedness or enter into any agreement or arrangement whereby it is entitled to incur, create or permit to subsist any Financial Indebtedness other than, in either case, Permitted Financial Indebtedness;

(w) Amendments. Other than as provided in the Senior Credit Agreement, no Group Company shall amend, vary, novate, supplement or terminate any of the Acquisition Documents, the Mezzanine Credit Agreement, the Subordinated Guarantee, the Subordinated Loan, the DIPs or such Group Company's constitutional documents;

(x) Change of Business. Except as provided under the Senior Credit Agreement, no Group Company shall make any material changes to the general nature of the business of the Group as carried on at the date hereof, or carry on any other business which results in any material change to the nature of such business;

(y) Fees and Commissions. Other than as provided in the Senior Credit Agreement, no Group Company shall pay any fees or commissions to any person other than any fees payable on arm's length terms to third parties who have rendered service or advice to such Group Company required by such Group Company in the proper course of management of the Group's business;

(z) Treasury Transactions. No Group Company shall enter into any Treasury Transaction which is not a Permitted Treasury Transaction;

(aa) Subordinated Debt and Closing Intra-Group Loans. No Group Company shall, unless permitted under the Senior Credit Agreement or the Intercreditor Deed, pay, prepay or repay or defease, exchange, redeem or repurchase any amount under (a) the Mezzanine Credit Agreement, (b) any Intra-Group Loan subordinated under the Intercreditor Deed, (c) the DIPs or (d) the Subordinated Loan; and

(bb) Hedging. No Group Company shall enter into any hedging arrangement except as provided for under the Senior Credit Agreement.

Part B: Exceptions from Clause 4.1

1. Payment to CPIL or Compass or any of their respective affiliates by the Company or any other relevant member of the Group of any sums in respect of any advisory fees or expenses which fall due at any time during the relevant period which shall be no greater than an aggregate cap of (euro)100,000 monthly.

2. The Company incurring or agreeing to incur, or making arrangements for the reimbursement of Transaction Fees.

3. Actions relating to the compliance/repayment and cancellation of the existing Management Equity Plans or the inclusion of additional members of management to such plans, including any Sale Bonus Arrangements.

4. Activities relating to the implementation of the following initiatives:

(a) actions and payments relating to closure of the site in Roermond and continuation of the production movement of Roermond products to the Loni, India site;

(b) actions relating to the Capfoil, LLC settlement;

(c) actions relating to the sale of the assets or shares of BC Components Inc.;

(d) actions and payments relating to the closure of the Roeselare Potmeter site;

(e) the potential disposal of certain excess land in Zwolle;

(f) the proposed disposal of certain assets situated in Taiwan by BCcomponents (Taiwan) Ltd; and

(g) actions or payments related to early retirement schemes in Belgium and Germany.

Schedule 5

THE FOUNDATION

1. CONDITION TO THE FOUNDATION'S OBLIGATIONS BECOMING EFFECTIVE UNDER THE AGREEMENT

Save for paragraph 2.1 below, the provisions of this Agreement shall take effect with respect to the Foundation but only in relation to those Foundation Shares represented by Depositary Receipts that have been transferred to and cancelled by the Foundation and only at the point when they have been so transferred and cancelled, and subject also to the satisfaction of all conditions required to be satisfied under the Foundation Rules and applicable law in order for the provisions of this Agreement so to take effect.

2. FOUNDATION UNDERTAKINGS

2.1 Procedure in relation to Depositary Receipts. Unless all of the holders of Depositary Receipts provide irrevocable powers of attorney in favour of a named officer of the Foundation (or such other person as the Foundation shall nominate) to execute private deeds pursuant to which their Depositary Receipts will be transferred to the Foundation (in which event any and all other actions on the part of the Foundation as described below in this paragraph 2.1 shall not be required), the Foundation hereby agrees to take such steps as it is entitled to take under the terms of the Foundation Rules (including without limitation:

(a) convening a meeting of the holders of the Depositary Receipts, for the purpose of approving the transfer of the Depositary Receipts by the respective holders to the Foundation and the transfer by the Foundation of the Foundation Shares to the Purchaser;

(b) the submission to the holders of the Depositary Receipts of relevant forms of proxy; and

(c) initiating such Court proceedings in The Netherlands as the Board of the Foundation reasonably considers necessary),

to procure that the Depositary Receipts are all transferred to the Foundation, in each case through the execution of a private deed. The Foundation acknowledges and agrees that, to enable the Foundation to transfer the Foundation Shares to the Purchaser at or after Completion:

(i) each such private deed shall stipulate that any rights attached to any Depositary Receipt are cancelled as a result of any such transfer and that, as a result of the transfers of all the Depositary Receipts to the Foundation, the Foundation will hold the Foundation Shares and there will be no outstanding Depositary Receipts;

(ii) each such private deed will also stipulate that the Foundation Share Consideration will be allotted, issued or otherwise transferred by the Purchaser to, and held in the name of, Phoenix, which will then hold

that Foundation Shares Consideration on the basis provided for in paragraph 2.3 below on behalf of all the persons that have transferred Depositary Receipts to the Foundation; and

(iii) the Foundation will transfer the Foundation Shares directly to the Purchaser, instead of transferring them to the holders of the A Shares in the capital of the Company for onward transfer to the Purchaser;

The Foundation further undertakes that in accordance with paragraph 2.2 below it will:

(d) transfer at Completion to the Purchaser Foundation Shares pro rata to the Depository Receipts that have then been transferred to and cancelled by the Foundation, with the number of Foundation Shares so transferred being rounded down to the nearest whole share; and

(e) thereafter upon the transfer to and cancellation by the Foundation of all the remaining Depository Receipts, transfer the remaining Foundation Shares to the Purchaser.

2.2 Delivery and Escrow Arrangements for Foundation Share Consideration. If:

(a) the Foundation has the authority to transfer all the Foundation Shares to the Purchaser at Completion, then the Foundation Share Consideration shall be delivered by the Purchaser to Phoenix in accordance with Clause 6 of this Agreement, at the same time as the Sale Shares are transferred to the Purchaser, and be held by Phoenix on the basis provided for in paragraph 2.3 below; whereas

(b) if the Foundation has the authority to transfer only part of the Foundation Shares to the Purchaser at Completion:

   (i) the Foundation Share Consideration shall be delivered pro rata to the Foundation Shares transferred to the Purchaser in accordance with Clause 6 of this Agreement, at the same time as the Sale Shares are transferred to the Purchaser and shall be held by Phoenix on the basis provided for in paragraph 2.3 below; and

   (ii) the Purchaser shall deposit the remaining Foundation Share Consideration in an escrow account set up jointly by Phoenix and the Purchaser and such Foundation Share Consideration shall not be released until the completion of the transfer of the outstanding Foundation Shares has taken place, at which point Phoenix and the Purchaser shall issue a joint instruction for such Foundation Share Consideration to be released from that escrow account and delivered to Phoenix, from which point onwards Phoenix shall hold the Foundation Share Consideration on the basis provided for in paragraph 2.3 below; and

(c) if the Foundation does not have authority to transfer any of the Foundation Shares to the Purchaser at Completion, then the Purchaser shall deposit the

Foundation Share Consideration in an escrow account set up jointly by Phoenix and the Purchaser and such Foundation Share Consideration shall not be released until the completion of the transfer of the Foundation Shares to the Purchaser has taken place, at which point Phoenix and the Purchaser shall issue a joint instruction for such Foundation Share Consideration to be released from that escrow account and delivered to Phoenix, from which point onwards Phoenix shall hold the Foundation Share Consideration on the basis provided for in the paragraph 2.3 below.

2.3 Powers of Phoenix. The Foundation hereby gives irrevocable authority to Phoenix, as its attorney:

(a) to receive and to hold the Foundation Share Consideration in the name of Phoenix;

(b) to negotiate and agree on behalf of the Foundation the terms on which the Foundation Share Consideration is to be allocated as between the Foundation (for itself and on behalf of the holders of the Depositary Receipts) on the one hand and any one or more other parties to this Agreement on the other hand;

(c) to determine in its sole and absolute discretion whether and when to realise the Foundation Share Consideration, and the terms of such realisation, subject to accounting to the persons other than the Mezzanine Lenders that have transferred Depositary Receipts to the Foundation in accordance with this Schedule 5, either directly or through the Foundation, for the net cash proceeds of such realisation (such cash to be distributed to and amongst those persons on a pro rata basis based upon the percentage and classification of the Depositary Receipts respectively so transferred by those persons);

(d) to execute on behalf of the Foundation any and all deeds, documents or agreements and to take any and all such other actions and to do any and all such things on behalf of the Foundation as may be necessary, desirable or conducive to give effect to the foregoing and to exercise in its absolute discretion any rights pursuant to any such deed, document or agreement,

and everything with the power of substitution and with indemnity for Phoenix for all activities it performs pursuant to the above power of attorney.

The Foundation also acknowledges and agrees that Phoenix and any Transferee (as defined below) shall be entitled to transfer some or all of the Foundation Share Consideration to Phoenix Bermuda L.P. or any group undertaking of, or entity established by, Phoenix, Phoenix Bermuda L.P. or any of the Other Investors other than European Private Equity Investors L.L.C. (any such transferee being a Transferee). The Foundation undertakes to Phoenix that, if such a transfer takes place, then the Foundation shall grant an irrevocable power of attorney to the Transferee concerned in the same terms as this paragraph 2.3 on receipt of notice in writing from Phoenix requiring such grant to be made.

2.4 Delivery of an Opinion on the Delivery of the Foundation Shares. At the Completion of the transfer by the Foundation of the Foundation Shares to the Purchaser, the Purchaser shall receive an opinion as to the Foundation in the agreed form.

3. PURCHASER UNDERTAKINGS WITH RESPECT TO THE FOUNDATION

3.1 The Purchaser hereby agrees that the Foundation Consideration in respect of the Foundation Shares shall be allotted, issued or otherwise transferred by the Purchaser to, and held in the name of, Phoenix on the basis provided for in paragraph 2.3 above.

3.2 The Purchaser hereby agrees that, if for any reason any of the Depositary Receipts are transferred to the Purchaser, the Purchaser shall immediately transfer all such Depositary Receipts to the Foundation for cancellation, shall waive all right, title and interest that the Purchaser may have with respect to such Depositary Receipts and shall execute and deliver all documents to the Foundation necessary to effect such waiver, including, without limitation, a private deed.

4. OTHER PARTIES' UNDERTAKINGS WITH RESPECT TO THE FOUNDATION

4.1 Each party to this Agreement which holds Depositary Receipts at the date of this Agreement hereby agrees with respect to the Depositary Receipts it holds:

(a) to provide before or at Completion an irrevocable power of attorney in favour of a named officer of the Foundation (or such other person as the Foundation shall nominate) to execute private deeds pursuant to which its Depository Receipts will be transferred to the Foundation; and, if applicable

(b) to vote affirmatively for (upon the convening of a meeting of the holders of the Depositary Receipts to consider such proposal), or to provide an appropriate proxy in favour of, the transfer of the Depositary Receipts to the Foundation on the basis described in paragraph 2 and (ii) to transfer to the Foundation all such Depositary Receipts for cancellation, waive all right, title and interest that such Party Shareholder may have with respect to such Depositary Receipts and execute and deliver all documents to the Foundation necessary to effect such waiver, including, without limitation, a private deed.

4.2 Each Mezzanine Lender undertakes to Phoenix that, if any payment is made to it by or on behalf of the Foundation which is attributable or relates to the Foundation Share Consideration and/or that Mezzanine Lender's holding of Depositary Receipts, it will promptly account to Phoenix for the whole of the sum so received in order for Phoenix to distribute it, either directly or through the Foundation, to the other persons who have transferred Depositary Receipts in accordance with this Schedule 5.

Schedule 6

(Letters of Credit Guarantees)

SBLCs outstanding under the Senior Credit Agreement

Currency	Amount	Final Expiry Date	Beneficiary	Fronting Bank
USD	17,000,000	31-Dec-02	Bank of America NT&SA, Taipei	J.P. Morgan Chase Bank, London Branch
USD	7,000,000	31-Dec-02	Bank of America BT&SA, Taipei	J.P. Morgan Chase Bank, London Branch
USD	550,000	18-Jul-03	Bank of America N.A., Singapore	J.P. Morgan Chase Bank, London Branch
USD	330,000	17-Apr-03	Bank of America N.A., Hong Kong	J.P. Morgan Chase Bank, London Branch
USD	8,505,000	13-Jul-03	Citibank, N.A., Shanghai	J.P. Morgan Chase Bank, London Branch
EUR	1,000,000	25-Apr-03	J.P. Morgan Chase Bank, London Branch	J.P. Morgan Chase Bank, London Branch
EUR	1,950,000	28-Feb-03	The Workers Council of BCcomponents BV Roermond Location	J.P. Morgan Bank, London Branch
reduced to	1,500,000	per 01-Nov-02		
reduced to	600,000	per 01-Dec-02		
reduced to	160,000	per 01-Jan-03		

Schedule 7

(Senior Management)

Managers earning over (euro)100,000 per annum whose Contracts of Employment have been disclosed:

Nazario Proietto	Chief Executive Officer
James Belt	Chief Financial Officer
Johan Vandoorn	VP Global Operations
Cees de Wit	VP EMEA
Allan Choy	VP Asia Pacific
Nigel Blakeway	VP Americas
Daan Warners	Chief Human Resources Officer
Marc Libert	VP Capacitors
Peter Belien	VP Resistors
Marc Sevenans	Chief Corporate Development Officer
Rob Pimontel	Director Global Marketing and Sales Services
Wilfred Renders	Site Manager and Controller Belgium
Johan de Baets	HR Manager (Belgium)
Maurizio Passi	Director Financial Analysis and Planning (Group)
Giuseppe Corti	Sales Director Europe South
Lyle Fette	Sales and application Engineer USA
Walter Bonomo	Regional Product Manager USA
Siegfried Stuefter	Site Manager Klagenfurt
Chao Min Leong	Senior Product Manager China
SH Wang	Plant Manager Danshui (China)
George Fan	Plant Manager Shanghai
Marcus Chan	Controller Asia Region
Uwe Mette	Site Manager and Controller Germany (Beyschlag)
Thomas Amrein	Chief IT Officer (Group)
Christine Beck	Treasury Manager (Group)
Eric Chung	Regional Sales Director A/P (China)
Stephen George	Industry marketing Director (Germany)
Joachim Aschenbremer	F&A manager sales (Germany)
Joachim Ahrendt	Area Sales Director (Germany)
Mark Boshart	Director of Operations (America)
John Sauer	Business Development Manager (America)
Danny Knight	Information Technology Manager (America)
David Campbell	Distribution Manager (America)
Robert Gourdeau	VP Sales North America
Wayne Knott	CFO North America

SCHEDULE 8

EXISTING LOCAL FACILITY LIMITS

Facility	Currency	Amount
Treasury Overdraft	EUR	1,000,000
Austria Overdraft	EUR	1,453,456.68
Belgium Uncommitted	EUR	1,253,066.22
China ST Cash	USD	10,800,000
China ST Cash	RMB	6,000,000
Hong Kong ST Tax-loan	HKD	778,000
Hong Kong ST Multi-purpose	USD	300,000
India Term Loan	INR	78,000,000
India Term Loan	INR	80,000,000
India ST Cash	INR	90,000,000
India ST Cash	INR	70,000,000
India L/Cs	INR	10,000,000
India Bank Guarantees	INR	5,000,000
India L/Cs	INR	30,000,000
India Bank Guarantees	INR	10,000,000
Singapore ST Multi-purpose	USD	500,000
Taiwan ST Multi -purpose	TWD	795,724,003.89

SIGNED)
for and on behalf of)
PHOENIX ACQUISITION COMPANY)
S.a.r.l)
)

SIGNED)
for and on behalf of)
COMPASS PARTNERS EUROPEAN)
EQUITY FUND (BERMUDA) L.P.)
)

SIGNED)
for and on behalf of)
COMPASS PARTNERS EUROPEAN)
EQUITY INVESTORS L.P)

SIGNED)
for and on behalf of)
COMPASS PARTNERS 1999 FUND L.P.)
)

SIGNED)
for and on behalf of)
EUROPEAN PRIVATE EQUITY)
INVESTORS LLC)

SIGNED)
for and on behalf of)
SANKATY HIGH YIELD ASSET)
PARTNERS L.P.)

SIGNED)
for and on behalf of)
BCM CAPITAL PARTNERS L.P.)
)

SIGNED)
for and on behalf of)
BCIP ASSOCIATES II)
)

SIGNED)
for and on behalf of)
BCIP TRUST ASSOCIATES II)
)

SIGNED)
for and on behalf of)
JP MORGAN PARTNERS (BHCA), L.P.)
)

SIGNED)
for and on behalf of)
GARMARK PARTNERS L.P.)
)

SIGNED)
for and on behalf of)
BCIP TRUST ASSOCIATES II-B)
)

SIGNED)
for and on behalf of)
BAIN CAPITAL V MEZZANINE)
FUND L.P.)

SIGNED)
for and on behalf of)
Stichting Administratiekantoor)
Phoenix)
)

SIGNED)
for and on behalf of)
VISHAY INTERTECHNOLOGY INC.)
)

SIGNED)
for and on behalf of)
VISHAY EUROPE GMBH)

SIGNED)
for and on behalf of)
BCCOMPONENTS INTERNATIONAL)
B.V.)

EXHIBIT 1

SALE BONUS ARRANGEMENTS

- A discretionary payment authorised by Phoenix Acquisition Company S.ar.l provided that the executive has performed in a professional manner throughout the sale process

- In particular, this discretionary award is dependent on:

  - Maintaining confidentiality

  - Maintaining morale/performance of the Group

  - Timely response to information requests

  - Generally, "supporting the transaction" (for the benefit of the buyer and the seller)

  - Running the business "in the normal course" during the sale and any regulatory process

- The award for the CEO will be based on the recommendation of Phoenix Acquisition Company S.a.r.l

- The award for nominated executives will be based on the recommendation of Naz Proietto and Ken Hanna

- The award will total (euro)1million in aggregate plus applicable directly related employer social security cost and will be paid subject to tax in the ordinary course.

Name	Sale Bonus (excluding directly related employer social security cost)
Naz Proietto, CEO	(euro)250,000
Peter Belien, VP Resistors	50,000
Jim Belt, CFO	150,000
Nigel Blakeway, VP Americas	70,000
Allan Choy, VP Asia Pacific	70,000
Cees de Wit, VP EMEA	70,000
Marc Libert, VP Capacitors	70,000
Rob Pimontel, Corporate Marketing	25,000
Marc Sevenans, VP Corporate Development	70,000
Johan Vandoorn, VP Operations	70,000
Daan Warners, VP Human Resources	30,000
Maurizio Passi, Financial Planning Manager	50,000
Christine Beck, Treasurer	25,000

EXHIBIT 2

GROUP STRUCTURE CHART

[OMITTED]

EXHIBIT 3

Form of Draft Adjusted Financial Debt Statement

Threshold Amount	[ ]	A
Adjusted Financial Debt:		
Senior Term A	[ ]	
Senior Term B	[ ]	
Senior Term C	[ ]	
Senior Revolving Advances	[ ]	
Treasury Overdraft	[ ]	
Austrian Overdraft	[ ]	
Belgian Uncommitted	[ ]	
India Local Debt	[ ]	
Taiwan Local Debt	[ ]	
China Local Debt	[ ]	
Singapore Local Debt	[ ]	
Hong Kong Local Debt	[ ]	
Senior and Local Debt Accrued Interest	[ ]	
Breakage Costs	[ ]	
Capital Expenditure	([ ])	
Restructuring Costs	([ ])	
Adjusted Financial Debt:	[ ]	B
Transaction Fees:		
Compass Advisory Fee		
Merrill Lynch Fee		
Winchester Fee		
Compass Management Fee		
Sale Bonus Arrangement		
Other Advisers		
Total Transaction Fees	[ ]	C
Sale Bonus Arrangements	[ ]	D
Co-Investor Loan Payment	A - B - C - D	

10 November 2002

PHOENIX ACQUISITION COMPANY S.a.r.l

THE OTHER INVESTORS

THE FOUNDATION

THE MEZZANINE LENDERS

VISHAY INTERTECHNOLOGY, INC.

VISHAY EUROPE GMBH

AND

BCCOMPONENTS INTERNATIONAL B.V.

==

SHARE SALE AND PURCHASE AGREEMENT
relating to the sale and purchase of
the issued share capital of
BCcomponents Holdings B.V.
(as amended by an amendment agreement dated 4
December 2002)

==

FRESHFIELDS BRUCKHAUS DERINGER

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THIS AMENDMENT AGREEMENT is made on 4 December 2002

BETWEEN:

(1) PHOENIX ACQUISITION COMPANY S.ar.l (registered at the Luxembourg Trade and Companies Registry under No. 66455) whose registered office is at 398 route d'Esch, L-1471 Luxembourg (Phoenix);

(2) THE PERSONS other than Phoenix whose names and addresses are set out in Part A of Schedule 1 of the SPA (as defined below) (the Other Investors and each an Other Investor and, together with Phoenix, the Investors);

(3) THE PERSONS whose names and addresses are set out in Part C of Schedule 1 of the SPA (the Mezzanine Lenders and each a Mezzanine Lender and, together with the Investors, the BCcH Shareholders);

(4) Stichting Administratiekantoor Phoenix whose registered office is at Meerenakkerplein 27-30, 5652 BJ Eindhoven, The Netherlands (the Foundation);

(5) VISHAY INTERTECHNOLOGY, Inc. (the Purchaser);

(6) VISHAY EUROPE GMBH (VEG);

(7) BCCOMPONENTS INTERNATIONAL B.V. (BCc International),

(together, the Parties)

WHEREAS:

(A) On 10 November 2002, the Parties entered into a share sale and purchase agreement under which (i) the Purchaser agreed to purchase all of the Sale Shares, the Foundation Shares, the Company Warrants and the Co-Investor Loan, the BCcH Shareholders agreed to sell the Sale Shares, the Mezzanine Lenders agreed to sell the Company Warrants and the Co-Investors agreed to assign the Co-Investor Loan, (ii) the Mezzanine Lenders agreed to assign the Mezzanine Credit Agreement and contribute the DIPs and (iii) the Foundation undertake certain obligations on and subject to the terms of Schedule 5 of the SPA (the Transaction), in each case on and subject to the terms and subject to the conditions set out in the agreement (the SPA).

(B) The Parties wish to amend the SPA in the manner described in this Amendment Agreement.

IT IS AGREED as follows:

INTERPRETATION

1.1 Terms and expressions defined in the SPA have the same meaning when used in this Amendment Agreement.

1.2 The headings in this Amendment Agreement shall not affect its interpretation.

1.3 The Schedule to this Agreement forms part of this Amendment Agreement.

AMENDMENT OF THE SPA

2.1 The Parties hereby agree that, subject to clause 2.2 below, the SPA shall be, and shall be deemed to be, amended with effect on and from the date of this Amendment Agreement (the Effective Date) as set out in the Schedule hereto.

2.2 The SPA, as amended by this Amendment Agreement, shall remain in full force and effect and, save where the context otherwise requires, any reference in the SPA to "Agreement" shall be read and construed as a reference to the SPA as amended by this Amendment Agreement. Any schedule or exhibit attached to the SPA shall remain valid and documents relating to the Transaction which were in agreed form at the date of the SPA shall continue to be treated as being in agreed form.

NOTICE

3.1 The Purchaser and VEG each hereby acknowledge and agree that the notices served by Phoenix on the Purchaser pursuant to, on the one hand, Clause 5.1(a)

and (b) of the SPA, and, on the other hand, Clause 5.1(c) of the SPA, respectively transmitted by fax by Phoenix to the Purchaser on 28 and 29 November 2002 (together, the Phoenix Pre-Completion Notices), were both validly served on 29 November 2002, in accordance with the terms of the SPA in the form in which it subsisted on that date.

3.2 Each of the Parties acknowledges and agrees that the Phoenix Pre-Completion Notice served pursuant to Clause 5.1(a) and (b) of the SPA is hereby revoked and shall be treated as being of no further force and effect, but that the execution of this Amendment Agreement is without prejudice to the Phoenix Pre-Completion Notice served pursuant to Clause 5.1(c) of the SPA and such notice continues to be in full force and effect and has not been revoked.

WARRANTIES

4.1 Each BCcH Shareholder warrants severally to the Purchaser in respect of itself that as of the date of this Amendment Agreement:

(a) it has obtained all corporate authorisations required to empower it to enter into and to perform its obligations under this Amendment Agreement;

(b) this Amendment Agreement constitutes a valid and binding obligation of it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganisation, moratorium and similar laws affecting creditors' rights and remedies generally; and

(c) the execution and delivery of, and the performance by it of its obligations under, this Amendment Agreement will neither:

  (i) conflict with, or result in the breach of, any provision of its Memorandum or Articles of Association or other constitutional or empowering agreement (if any); nor

  (ii) violate any statute, rule, regulation, order, judgment or decree of, or undertaking to, any court or governmental body or authority by which it is bound.

and the provisions of sub-clauses 9.6 to 9.14 inclusive (other than sub-clause 9.11) of the SPA shall apply in respect of the above warranties, mutatis mutandis.

4.2 The Purchaser and VEG each warrant to each of the BCcH Shareholders and the Foundation that as of the date of this Amendment Agreement:

(a) it has obtained all corporate authorisations required to empower it to enter into and to perform its obligations under this Amendment Agreement;

(b) this Amendment Agreement constitutes (or, to the extent that, in order to be valid and binding on VEG under the laws of Germany, this Amendment Agreement requires to be notarised before notaries public in any one or more jurisdictions, it will constitute for VEG after such notarisations have been duly made) a valid and binding obligation of it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganisation, moratorium and similar laws affecting creditors' rights and remedies generally; and

(c) the execution and delivery of, and the performance by it of its obligations under, this Amendment Agreement will neither:

  (i) conflict with, or result in the breach of, any provision of its Certificate of Incorporation, by-laws or other constitutional or empowering agreement (if any); nor

  (ii) violate any statute, rule, regulation, order, judgment or decree of, or undertaking to, any court or governmental body or authority by which it is bound.

and the provisions of sub-clauses 10.2 and 10.4 of the SPA shall apply in respect of the above warranties, mutatis mutandis.

GENERAL

5.1 The provisions of Clauses 11-17, 19-23 and 25-28 (in each case inclusive) of the SPA shall apply in respect of this Amendment Agreement, mutatis mutandis.

5.2 The Parties to this Amendment Agreement hereby agree that, if any or all of them are party to any other agreement entered into prior to the date of this Amendment Agreement which refers to any sub-clauses in Clause 6 of the SPA, such agreements shall, with effect from the amendments provided for in this Amendment Agreement, be deemed to refer to to the applicable provisions as renumbered in the amended SPA which is attached hereto as a Schedule.

IN WITNESS whereof this Amendment Agreement has been signed by and on behalf of the Parties on the day and year first before written.

SIGNED)
for and on behalf of)
PHOENIX ACQUISITION COMPANY)
S.a.r.l)

SIGNED)
for and on behalf of)
COMPASS PARTNERS EUROPEAN)
EQUITY FUND (BERMUDA) L.P.)

SIGNED)
for and on behalf of)
COMPASS PARTNERS EUROPEAN)
EQUITY INVESTORS L.P)

SIGNED)
for and on behalf of)
COMPASS PARTNERS 1999 FUND L.P.)

SIGNED)
for and on behalf of)
EUROPEAN PRIVATE EQUITY)
INVESTORS LLC)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
SANKATY HIGH YIELD ASSET)
PARTNERS L.P.)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCM CAPITAL PARTNERS L.P.)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCIP ASSOCIATES II)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCIP TRUST ASSOCIATES II)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCIP TRUST ASSOCIATES II-B)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BAIN CAPITAL V MEZZANINE)
FUND L.P.)

SIGNED)
for and on behalf of)
GARMARK PARTNERS L.P.)

SIGNED)
for and on behalf of)
JP MORGAN PARTNERS (BHCA), L.P.)

By: JPMP Master Fund Manager, L.P.,
its general partner

By: JPMP Capital Corp.,
its general partner

By: ____________________________
Name:
Title:

SIGNED	)
for and on behalf of	)
Stichting	)
Administratiekantoor	)
Phoenix	)

SIGNED	)
for and on behalf of	)
VISHAY INTERTECHNOLOGY INC.	)

SIGNED	)
for and on behalf of	)
VISHAY EUROPE GMBH	)

SIGNED	)
for and on behalf of	)
BCCOMPONENTS INTERNATIONAL	)
B.V.	)

Schedule

Amended Form of the SPA

4 December 2002

PHOENIX ACQUISITION COMPANY S.a.r.l

THE OTHER INVESTORS

THE FOUNDATION

THE MEZZANINE LENDERS

VISHAY INTERTECHNOLOGY, INC.

VISHAY EUROPE GMBH

AND

BCCOMPONENTS INTERNATIONAL B.V.

==

AMENDMENT AGREEMENT
to amend the Share Sale and Purchase Agreement
relating to the sale and purchase of the
issued share capital of BCcomponents Holdings
B.V.
dated 10 November 2002

==

FRESHFIELDS BRUCKHAUS DERINGER

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WARRANT AGREEMENT

WARRANT AGREEMENT (this "Agreement") dated as of December 13, 2002 between Vishay Intertechnology, Inc., a Delaware corporation (the "Company"), and American Stock Transfer & Trust Co., a New York corporation, as warrant agent (the "Warrant Agent").

WHEREAS, the Company and certain of the Initial Holders have entered into that certain Share Sale and Purchase Agreement, of even date herewith (the "Purchase Agreement"), by and among the parties thereto, pursuant to which, among other things, the Company has agreed to issue to the Holders (i) Warrants to purchase up to an aggregate of 7,000,000 shares of the Company's common stock, par value $0.10 per share, as evidenced by warrant certificates in the form attached hereto as Exhibit A (the "Class A Warrants") at the Class A Exercise Price and (ii) Warrants to purchase up to an additional 1,823,529 shares of the Company's common stock, par value $0.10 per share, as evidenced by warrant certificates in the form attached hereto as Exhibit B (the "Class B Warrants") at the Class B Exercise Price.

WHEREAS, the Company desires the Warrant Agent to act on behalf of the Company, and the Warrant Agent is willing to so act, in connection with the issuance, exercise, exchange and replacement of the certificates representing the Warrants (as defined herein) (the "Warrant Certificates") and other matters provided herein.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the parties hereto agree as follows:

SECTION 1. Definitions. As used in this Agreement, the following terms, when capitalized, shall have the meanings assigned below:

"Affiliate" means, with respect to any Person, any entity which controls such Person, any entity which such Person controls, or any entity which is under common control with such Person.

"Business Day" means any day other than a Saturday, Sunday or legal holiday on which the commercial banks in the City of New York, Borough of Manhattan, are required or permitted by law to remain closed.

"Class A Warrants" has the meaning specified in the preamble.

"Class A Exercise Price" means US$20.00, as such price may be modified from time to time in accordance with the provisions herein.

"Class B Warrants" has the meaning specified in the preamble.

"Class B Exercise Price" means US$30.30, as such price may be modified from time to time in accordance with the provisions herein.

"Common Stock" means the common stock, par value $0.10 per share, of the Company and any other security exchanged or substituted for such common stock or into which such common stock is converted in any recapitalization, reorganization, merger,

consolidation, share exchange or other business combination transaction, including any reclassification consisting of a change in par value or a change from par value to no par value or vice versa.

"Daily Market Price" for any trading day means the volume-weighted average of the per share selling prices on the New York Stock Exchange or other principal United States securities exchange or inter-dealer quotation system on which the relevant security is then listed or quoted or, if there are no reported sales of the relevant equity security on such trading day, the average of the high bid and low ask price for the relevant equity security on the last trading day on which such sale was reported or, if there are no high bid and low ask prices, the Daily Market Price shall be the per share fair market value of the relevant equity security as determined by an investment banking firm of national reputation and standing selected by the Company and reasonably acceptable to a Majority of the Warrant Holders (in which case, only a single determination of value need be made by an investment banking firm, notwithstanding any provision in the Agreement requiring an average over more than one (1) trading day).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Exercise Notice" has the meaning specified in Section 5.

"Exercise Price" means the Class A Exercise Price (with respect to the Class A Warrants) or the Class B Exercise Price (with respect to the Class B Warrants).

"Expiration Date" means 5:00 P.M. New York City time, December 13, 2012.

"Holder" means the Initial Holders and their successors and permitted assigns who become holders of Warrants in a manner permitted under this Agreement, in each case until the relevant person ceases to be a Holder of Warrants in accordance with the provisions hereof.

"Initial Holder" means the persons to whom or for whose benefit Warrants are issued under the terms of the Purchase Agreement and who are listed on Schedule I hereto, in each case until the relevant person ceases to be a Holder of Warrants in accordance with the provisions hereof. For the avoidance of doubt, the definition of Initial Holder shall include Phoenix Bermuda, an Affiliate of Phoenix.

"Issue Date" means the date of this Agreement, which is the date as of which the Warrants are first being issued.

"Majority of the Warrant Holders" means, at any relevant time, the Holders of Warrants that are exercisable for more than 50% of the Warrant Shares for which all outstanding Warrants are exercisable at such time.

"Person" means any individual, corporation, partnership, limited liability company, trust, foundation, joint venture, association, joint stock company, unincorporated organization, government agency, estate or other entity of any nature.

"Phoenix" means Phoenix Acquisition Company S.ar.l., a company organized under the laws of Luxembourg and an Initial Holder.

"Phoenix Bermuda" means Phoenix Bermuda, LP, a Bermuda limited partnership and an Affiliate of Phoenix.

"Purchase Agreement" has the meaning specified in the Preamble.

"Regulation S" means Regulation S under the Securities Act, including any successor rule or regulation.

"Rule 144" means Rule 144 under the Securities Act, including any successor rule or regulation.

"Rule 144A" means Rule 144A under the Securities Act, including any successor rule or regulation.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Transfer" means any disposition of any Warrants or of any interest therein, which would constitute a "sale" within the meaning of the Securities Act.

"Transfer Agent" has the meaning specified in Section 10.

"Transfer Document" has the meaning specified in Section 4.

"Warrants" means Class A Warrants or Class B Warrants, subject to adjustment as specified in this Agreement.

"Warrant Agent" has the meaning specified in the preamble.

"Warrant Certificates" has the meaning specified in the preamble.

"Warrant Register" has the meaning specified in Section 3.

"Warrant Shares" means shares of Common Stock issuable or issued upon exercise of the Warrants, which shall be subject to adjustment as specified in this Agreement.

Where the reference "hereof," "hereby" or "herein" appears in this Agreement, such reference shall be deemed to be a reference to this Agreement as a whole. Whenever the

words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." Words denoting the singular include the plural, and vice versa, and references to it or its or words denoting any gender shall include all genders.

SECTION 2. Warrant Certificates.

(a) Initial Issuance. Promptly following the execution of this Agreement, the Company shall deliver to the Warrant Agent a list of the names of the Initial Holders and the number and class of Warrants to which each Initial Holder is entitled, totaling, in the aggregate, Warrants to issue 8,823,529 shares of Common Stock. The Company shall deliver to the Warrant Agent, along with this Agreement, a sufficient number of duly executed Warrant Certificates. The Warrant Agent is hereby authorized by the Company to promptly issue and deliver (i) the Class A Warrants, as evidenced by warrant certificates in the form attached hereto as Exhibit A, to purchase the number of shares of Common Stock of the Company as set forth in the Purchase Agreement and (ii) the Class B Warrants, as evidenced by warrant certificates in the form attached hereto as Exhibit B, to purchase the number of shares of Common Stock of the Company as set forth in the Purchase Agreement. The Warrant Certificates requested by the Company shall be completed and countersigned by the Warrant Agent and promptly delivered to the Company to be mailed or delivered to the Holders pursuant to the terms hereof.

(b) Forms of Warrant Certificates. Each Warrant Certificate to be delivered pursuant to the Purchase Agreement, and any additional Warrant Certificate that may be issued upon partial exercise, replacement or transfer of any Warrant, shall be in registered form only and shall be substantially in the form set forth in Exhibit A hereto (if such Warrant is a Class A Warrant) or Exhibit B (if such Warrant is a Class B Warrant) (including the form of election and the form of assignment). A single Warrant Certificate may evidence the issuance to a holder thereof of more than one Warrant; provided, however, that Class A Warrants and Class B Warrants may not be evidenced together by the same certificate. Warrants may be divided or combined with other Warrants owned by the same Holder upon presentation at the office of the Warrant Agent, together with a written notice specifying the denominations in which new Warrants are to be issued, signed by the Holder thereof or its agent or attorney. As to any such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined.

(c) Execution of Warrant Certificates. Warrant Certificates shall be signed on behalf of the Company by the Chairman or Vice Chairman of the Board or its President or a Vice President and by its Secretary or an Assistant Secretary under its corporate seal, and countersigned by an authorized officer of the Warrant Agent. Each such signature upon the Warrant Certificates may be in the form of a facsimile signature of the present or any future Chairman or Vice Chairman of the Board, President, Vice President, Secretary or Assistant Secretary and may be imprinted or otherwise reproduced on the Warrant Certificates, and for that purpose the Company may adopt and use the facsimile signature of any person who shall have been Chairman or Vice Chairman of the Board, President, Vice President, Secretary or Assistant Secretary, notwithstanding the fact that at the time the Warrant Certificates shall be delivered or disposed of he shall have ceased to hold such office. The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Warrant Certificates.

In case any officer of the Company who shall have signed any of the Warrant Certificates shall cease to be such officer before the Warrant Certificates so signed shall have been disposed of by the Company, such Warrant Certificates nevertheless may be delivered or disposed of as though such person had not ceased to be such officer of the Company; and any Warrant Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Warrant Certificate, shall be a proper officer of the Company to sign such Warrant Certificate, although at the date of the execution of this Warrant Agreement any such person was not such an officer.

(d) Rights Conferred. Each Class A Warrant shall evidence the right to purchase one share of Common Stock at the Class A Exercise Price of $20.00 (subject to adjustment as described herein). Each Class B Warrant shall evidence the right to purchase one share of Common Stock at the Class B Exercise Price of $30.30 (subject to adjustment as described herein). Following the Expiration Date, any Warrant not previously exercised shall be null and void.

SECTION 3. Warrant Register. The Warrant Agent shall number and register the Warrant Certificates in a register (the "Warrant Register") as they are issued. The Company may deem and treat such registered Holders of the Warrant Certificates as the absolute owners thereof (notwithstanding any notation of ownership or other writing thereon made by anyone), for all purposes, and shall not be affected by any notice to the contrary.

SECTION 4. Transfers.

(a) Restrictions on Transfer. Each Holder agrees that any proposed Transfer of any Warrant may be effected only (1)(w) inside the United States (I) to a person who the seller reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, (II) in accordance with Rule 144 or (III) pursuant to another exemption from the registration requirements of the Securities Act, (x) to the Company, (y) outside the United States (I) to a non-U.S. person (within the meaning of Regulation S) in a transaction meeting the requirements of Regulation S or (II) pursuant to another exemption from the registration requirements of the Securities Act or (z) pursuant to an effective registration statement and (2) in each case, in accordance with the applicable securities laws of any state of the United States or any other applicable jurisdiction. Each Holder agrees to notify any purchaser of the resale restrictions set forth above.

(b) Requirements Prior to Transfer. Prior to any Transfer or proposed Transfer of any restricted Warrants, the Holder thereof shall deliver written notice, a form of which is attached hereto, to the Company and the Warrant Agent of such holder's intention to effect such transfer. If the Transfer or proposed Transfer is pursuant to clause (1)(w) or (1)(y) of the first sentence of the preceding paragraph, then upon receipt of such notice, the Company may request any or all of the following (each, a "Transfer Document") in a form reasonably acceptable to the Company:

(i) an agreement by such transferee to the impression of the restrictive investment legend set forth below on the Warrant;

(ii) an agreement by such transferee, in form and substance reasonably satisfactory to the Company, to be bound by the provisions of this Section 4 relating to the transfer of such Warrant; and

(iii) an opinion of counsel with expertise in securities law matters reasonably satisfactory to the Company that such Transfer complies with applicable securities laws.

If the Company requests any Transfer Document(s), it shall do so as promptly as practicable following receipt of the Holder's notice of intention to Transfer. The Company shall thereafter cause the Transfer to be recorded and a certificate or other evidence of ownership in the name of the transferee to be delivered as soon as practicable after it has received Transfer Documents complying with the terms of this Section 4(b).

(c) Legend. The Holders agree that each Warrant Certificate shall bear a legend to the following effect:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED, OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM SUCH REGISTRATION.

The foregoing legend shall be in addition to any other legend required by law.

(d) Termination of Restrictions. The restrictions referenced in Section 4(a), 4(b), and 4(c) of this Agreement, including the legend, shall cease and terminate as to any particular Warrants or Warrant Certificates when (x) such Warrants or Warrant Shares have been transferred in a transaction pursuant to Rule 144 or a registration statement or (y) in the reasonable opinion of counsel for the Company, such restriction is no longer required in order to assure compliance with the Securities Act and applicable state securities laws. Whenever such restrictions shall cease and terminate as to any Warrants, the Holder of such Warrants shall be entitled to receive from the Company, without expense (other than applicable transfer taxes, if any, if such unlegended shares are being delivered and transferred to any person other than the registered Holder thereof), new certificates for a like number of Warrants not bearing the relevant legend(s) set forth in Section 4(c).

(e) Registration of Warrants. The Warrant Agent shall from time to time register the Transfer of any outstanding Warrant Certificates in the Warrant Register upon surrender thereof accompanied by a written instrument or instruments of transfer in the form set forth herein, duly executed by the registered Holder or Holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney. Upon any such registration of

Transfer, the Warrant Agent shall issue a new Warrant Certificate to the transferee(s), and the surrendered Warrant Certificate shall be canceled and disposed of by the Warrant Agent. If less than all of the Warrants represented by a Warrant Certificate are Transferred, the Warrant Agent shall issue to the Holder a Warrant Certificate representing the remaining Warrants.

(f) Transfer from Phoenix to Phoenix Bermuda. Upon notice by Phoenix to the Company that it intends to Transfer all or part of the Warrants that it holds to Phoenix Bermuda, which the parties anticipate will take place within a reasonably short period of time after the date of this Agreement, the Company shall cause, as soon as practicable after it has received such notice, such Transfer to be recorded and a certificate or other evidence of ownership in the name of Phoenix Bermuda to be delivered to Phoenix Bermuda (or such other entity as Phoenix Bermuda may direct). Such Transfer shall not be required to comply with the terms of Section 4(b) above.

SECTION 5. Exercise of Warrants.

(a) Exercise. A Warrant may be exercised upon surrender to the Warrant Agent (at its office designated for such purpose, the initial address of such office being listed in Section 15 hereof) of the Warrant Certificate or Certificates evidencing the Warrants to be exercised with the form of election to purchase attached hereto (the "Exercise Notice") duly filled in and signed, together with any documentation or opinion reasonably required by the Company or the Warrant Agent specified in Section 5(b) below, and (except as provided in Section 5(e)) upon payment to the Company of the applicable Exercise Price for the number of Warrant Shares in respect of which such Warrants are then exercised. Payment of such aggregate Exercise Price shall be made by wire transfer to an account of the Company or by certified or official bank check to the order of the Company. All Warrant Certificates surrendered upon exercise of Warrants shall be canceled and disposed of by the Warrant Agent. Each Warrant initially shall be exercisable for one share of Common Stock, subject to adjustment as provided herein.

(b) Certain Conditions of Exercise. Unless the issuance of Warrant Shares upon exercise of the Warrants shall have been registered under the Securities Act, the Warrants may only be exercised pursuant to an exemption from registration under the Securities Act (which in the case of non-U.S. persons may be pursuant to Regulation S). As a condition of any proposed exercise of the Warrants in these circumstances, if requested by the Company, the Holder shall deliver to the Company (i) an agreement by the Holder (or any transferee of the Holder if the Warrant Shares are to be issued in a name other than the name in which the Warrant Certificate is registered), in form and substance reasonably satisfactory to the Company, to the effect that the Warrant Shares may not be transferred except pursuant to an exemption from registration under the Securities Act and (ii) an opinion of counsel with expertise in securities law matters reasonably satisfactory to the Company that such exercise complies with applicable securities laws. In addition, the Holders agree that each certificate representing the Warrant Shares shall bear a legend to the effect recited in Section 4(c). If the Warrant Shares are issued without registration, they shall be subject to the same restrictions and have the same rights with respect to termination of restrictions as provided with respect to the Warrants under Section 4.

(c) Exercise in Whole or in Part. The Warrants represented by a Warrant Certificate shall be exercisable, at the election of the Holder thereof, either in full or from time to time in part and, in the event that a Warrant Certificate is exercised in respect of fewer than all of the Warrants represented thereby at any time prior to the date of expiration of the Warrants, a new Warrant Certificate evidencing the remaining Warrant or Warrants will be issued and delivered by the Warrant Agent pursuant to the provisions of this Section and of Section 2 hereof.

(d) Issuance of Warrant Shares. Subject to the provisions of this Agreement (including, but not limited to Section 5(e)), upon such surrender of the Warrant Certificates and receipt of the Exercise Price, the Company shall issue and cause to be delivered to or upon the written order of the Holder and, subject to Section 5(b) above, in such name or names as the Warrant Holder may designate, a certificate or certificates or other evidences of ownership for the aggregate number of fully paid and nonassessable Warrant Shares issuable upon the exercise of such Warrants together with payment of the applicable Exercise Price. The stock certificate or certificates representing such Warrant Shares shall be delivered in such denominations as may be specified in the Exercise Notice received by the Company and shall be registered in the name of such holder or in such other name or names as shall have been designated in the Exercise Notice. Such certificate or certificates shall be deemed to have been issued and any person so designated to be named therein shall be deemed to have become a Holder of record of such Warrant Shares as of the date of the surrender of such Warrant Certificates and payment of the Exercise Price.

(e) Exercise in Connection with Certain Transfers. If a Holder or Holders shall sell Warrant Shares in an underwritten offering, the Company shall cooperate with the Holders and the underwriters for such offering so that the Warrants may be exercised and the Warrant Shares delivered to the underwriters for sale in the offering and, upon consummation of the offering, the underwriters shall deliver the Exercise Price for the Warrants to the Company out of the proceeds of the offering. If an Initial Holder (or any of its Affiliates) shall arrange to sell Warrant Shares in a block trade, upon reasonable notice to the Company, the Company shall cooperate with the Holder (or such Affiliate) and the broker in the trade so that the Warrants may be exercised and the Warrant Shares delivered to the broker and, upon consummation of the trade, the broker shall deliver the Exercise Price for the Warrants to the Company. "Block trade" for this purpose means the disposition at a single time in a single transaction by one or more Initial Holders (or such Affiliates) of not less than 1,000,000 Warrant Shares (or the equivalent thereof) in the aggregate to one or more institutional investors or purchasers procured by a broker on behalf of such Initial Holders (or such Affiliates). Such number of Warrant Shares shall be subject to adjustment as provided for pursuant to Section 11. "Institutional investor" means any insurance company, pension fund, mutual fund, investment company, commercial bank or investment bank, or any portfolio managed by any of the foregoing. The rights of an Initial Holder under this paragraph shall not be assignable to any transferee of the Warrants other than to its Affiliates.

SECTION 6. Specific Limitations on the Rights of Warrant Holders. Prior to the exercise of the Warrants, except as may be specifically provided for herein and, without prejudice to Section 11(b)(ii) hereof, (i) no Holder of a Warrant Certificate, as such, shall be entitled to any of the rights of a holder of Common Stock, including, without limitation, the right to vote at or receive any notice of any meetings of stockholders; (ii) the consent of any such

Holder shall not be required with respect to any action or proceeding of the Company; (iii) no such Holder, by reason of the ownership or possession of a Warrant or the Warrant Certificate representing the same, shall have any right to receive any cash dividends, stock dividends, allotments or rights or other distributions paid, allotted or distributed or distributable to the stockholders of the Company prior to, or for which the relevant record date preceded, the date of the exercise of such Warrant; and (iv) no such Holder shall have any right not expressly conferred by the Warrant or Warrant Certificate held by such Holder.

SECTION 7. Exercise Period; Expiration.

(a) Exercise Period. Each Warrant shall be exercisable at any time during the period from and after (i) in the case of any Holder other than an Initial Holder or an Affiliate of an Initial Holder, the Issue Date and (ii) in the case of an Initial Holder or an Affiliate of an Initial Holder, the first anniversary of the Issue Date, in each case, until its respective Expiration Date.

(b) Expiration. Any Warrant not exercised prior to its respective Expiration Date shall become void, and all rights thereunder and all rights in respect thereof under this Agreement shall cease as of such time.

SECTION 8. Payment of Taxes. The Company will pay all documentary stamp taxes attributable to the initial issuance of Warrant Shares upon the exercise of Warrants; provided, however, that the Company shall not be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issue of any Warrant Certificates or any certificates for Warrant Shares in a name other than that of the registered Holder of a Warrant Certificate surrendered for registration of transfer or upon the exercise of a Warrant, and the Company shall not be required to issue or deliver such Warrant Certificates unless and until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the reasonable satisfaction of the Company that such tax has been paid.

SECTION 9. Mutilated or Missing Warrant Certificates. In case any of the Warrant Certificates shall be mutilated, lost, stolen or destroyed, the Warrant Agent shall issue, in exchange and substitution for and upon cancellation of the mutilated Warrant Certificate, or in lieu of and substitution for the Warrant Certificate lost, stolen or destroyed, a new Warrant Certificate of like tenor and representing an equivalent number of Warrants, and may in its discretion require evidence reasonably satisfactory to it of such loss, theft or destruction of such Warrant Certificate and indemnity reasonably satisfactory to it. Applicants for such substitute Warrant Certificates shall also comply with such other reasonable regulations and pay such other reasonable charges as the Company may require.

SECTION 10. Covenants of the Company.

(a) Reservation of Warrant Shares. The Company will at all times reserve and keep available, out of the aggregate of its authorized but unissued shares of Common Stock or its authorized and issued shares of Common Stock held in its treasury, for the purpose of enabling it to satisfy any obligation to issue Warrant Shares upon exercise of Warrants, the

maximum number of shares of Common Stock which may then be deliverable upon the exercise of all outstanding Warrants. The Company or, if appointed, the transfer agent for the Common Stock (the "Transfer Agent") and every subsequent transfer agent for any shares of the Company's capital stock issuable upon the exercise of any of the Warrants shall be authorized and directed at all times to reserve such number of authorized shares as shall be required for such purpose. The Company shall keep a copy of this Agreement on file with the Transfer Agent and with every subsequent transfer agent for any shares of the Company's capital stock issuable upon the exercise of the Warrants. The Company will furnish such Transfer Agent a copy of all notices of adjustments and certificates related thereto, transmitted to each Holder.

(b) Due Issuance. Warrant Shares, when issued pursuant to the terms and conditions hereof, shall be duly and validly issued and fully-paid and non-assessable, and free from all liens, encumbrances and other charges thereon.

(c) Authorizations. Before taking any action which would result in an adjustment in the number of shares of Common Stock, the Company shall obtain all authorizations or exemptions thereof, or consents thereto, as may be required by law, except where failure to do so would not result in a material adverse effect on the rights of the Holders or the Company.

(d) Listing. The Company will list or cause to have quoted such Common Stock issuable upon exchange of the Warrants on each securities exchange or such other market on which the Common Stock is then listed or quoted.

SECTION 11. Adjustment of Number of Warrant Shares and Exercise Price. The number of Warrant Shares issuable upon the exercise of each Warrant and its Exercise Price are subject to adjustment from time to time upon the occurrence of the events enumerated in this Section 11.

(a) Declaration of Stock Dividend, Splits, Reverse Splits or Reclassification or Reorganization; Other Distributions

(i) In case the Company shall declare any dividend or other distribution upon its outstanding shares of Common Stock payable in Common Stock or shall subdivide its outstanding shares of Common Stock into a greater number of shares, then the number of shares of Common Stock which may thereafter be purchased upon the exercise of any Warrant shall be increased in proportion to the increase in the number of shares of Common Stock outstanding through such dividend, other distribution, or subdivision and the Exercise Price per share shall be decreased in such proportion such that the amount payable to the Company upon the exercise of a Warrant shall be the same after such adjustment as before such adjustment. In case the Company shall at any time combine the outstanding shares of its Common Stock into a smaller number of shares, the number of shares of Common Stock which may thereafter be purchased upon the exercise of any Warrant shall be decreased in proportion to the decrease in the number of shares of Common Stock outstanding through such combination and the Exercise Price per share shall be increased in such proportion such that the amount payable to the Company upon the exercise of a Warrant shall be the same after such adjustment as before such

adjustment. The Company shall cause a notice to be mailed to each Holder at least ten (10) Business Days prior to the applicable record date for the activity covered by this Section 11(a)(i). The Company's failure to give the notice required by this Section 11(a)(i) or any defect therein shall not affect the validity of the activity covered by this Section 11(a)(i). Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(ii) In case the Company shall at any time (including in connection with any merger, consolidation or sale of all or substantially all the assets of the Company in which Section 11(d) hereof is not applicable) (i) issue any evidence of indebtedness, shares of its stock or any other securities to all holders of shares of Common Stock by reclassification of its shares of Common Stock, (ii) distribute any rights, options or warrants to purchase or subscribe for any evidence of indebtedness, shares of its stock (other than distributions for which adjustment may be made pursuant to Section 11(b) or Section 11(e)) or any other securities to all holders of shares of Common Stock, (iii) distribute cash (other than regular quarterly or semi-annual cash dividends) or other property to all holders of shares of Common Stock, or (iv) issue by means of a capital reorganization other securities of the Company in lieu of the Common Stock or in addition to the Common Stock, then the Warrant shall be adjusted so that the Warrant shall be exercisable into the kind and number of shares or other securities of the Company or the successor entity or cash or other property as that the Holder would have owned or have been entitled to receive after the happening of the event described above, had such Warrant been exercised immediately prior to the happening of such event or any record date with respect thereto. The Company shall cause a notice to be mailed to each Holder at least ten (10) Business Days prior to the applicable record date for the activity covered by this Section 11(a)(ii). The Company's failure to give the notice required by this Section 11(a)(ii) or any defect therein shall not affect the validity of the activity covered by this Section 11(a)(ii). Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(iii) An adjustment made pursuant to this Section 11(a) shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event.

(b) Adjustment for Rights Issuance.

(i) (A) In case the Company shall at any time distribute any rights, options or warrants to all holders of Common Stock entitling them, for a period expiring sixty (60) days or less after the date of determination of the stockholders entitled to receive such rights (the "Record Date") (or any longer period resulting from the extension of the exercise period which is announced following the time that the rights, options or warrants are first issued) for such distribution, to purchase or subscribe for shares of Common Stock at a price per share less than ninety percent (90%) of the Daily Market Price of the Common Stock on the Record Date, then the number of shares issuable upon exercise of each Warrant immediately prior thereto shall be adjusted in accordance with the formula:

$$N = No \times (O + A) / (O + (C/M))$$

where:

N = the adjusted number of Warrant Shares issuable upon exercise of such Warrant.

No = the number of Warrant Shares issuable upon exercise of such Warrant prior to such adjustment.

O = the number of shares outstanding immediately prior to the issuance of such rights, options or warrants as referred to in this Section 11(b)(i)(A).

A = the maximum number of shares issuable pursuant to such rights, options or warrants as referred to in this Section 11(b)(i)(A).

C = the aggregate consideration receivable by the Company for the issuance of Common Stock upon exercise of such rights, options or warrants as referred to in this Section 11(b)(i)(A).

M = the average of the Daily Market Prices of the Common Stock for the ten (10) consecutive trading days immediately preceding the Record Date.

Provided that, in no adjustment shall N be less than No.

(B) If any adjustment is made to increase the number of shares issuable upon exercise of any Warrant pursuant to this Section 11(b), the Exercise Price per share of such Warrant shall be correspondingly decreased, such that the amount payable to the Company upon the exercise of a Warrant shall be the same after such adjustment as before such adjustment. The adjustment shall become effective immediately after the Record Date for the determination of shareholders entitled to receive the rights, warrants or options to which this Section 11(b) applies. If less than all of such rights, warrants or options have been exercised when such rights, warrants or options expire, then the number of shares issuable upon the exercise of each Warrant and corresponding adjustment to the Exercise Price of each such Warrant shall promptly be readjusted to the number of shares issuable upon the exercise of each Warrant and the Exercise Price that would then be in effect had the adjustment upon the issuance of such rights, warrants or options been made on the basis of the actual number of shares of Common Stock issued upon the exercise of such rights, warrants or options.

(ii) In case the Company shall at any time distribute any rights, options or warrants to all holders of Common Stock entitling them, for a period expiring more than sixty (60) days after the Record Date therefor (excluding any rights, options or warrants originally issued with an exercise period of sixty (60) days or less, which, by virtue of one or more extensions, expire more than sixty (60) days after the Record Date therefor), to purchase or subscribe for shares of Common Stock at a price per share less than ninety percent (90%) of the Daily Market Price of the Common Stock as of such Record Date, then the Company shall similarly distribute such rights, options or warrants to the

Holders on such Record Date (without any exercise of Warrants by Holders) as if such Holders had exercised their Warrants immediately prior to the Record Date.

(c) Liquidation, Dissolution or Winding Up. Notwithstanding any other provisions hereof, in the event of the liquidation, dissolution, or winding up of the affairs of the Company (other than in connection with a consolidation, merger or sale or conveyance of all or substantially all of its assets or a Change or Spin-Off), the right to exercise this Warrant shall terminate and expire at the close of business on the last full business day before the earliest date fixed for the payment of any distributable amount on the Common Stock. The Company shall cause a notice to be mailed to each Holder at least ten (10) Business Days prior to the applicable record date for such payment stating the date on which such liquidation, dissolution or winding up is expected to become effective, and the date on which it is expected that holders of record of shares of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property or assets (including cash) deliverable upon such liquidation, dissolution or winding up, and that each Holder may exercise outstanding Warrants during such ten (10) Business Day period and, thereby, receive consideration in the liquidation on the same basis as other previously outstanding shares of the same class as the shares acquired upon exercise. The Company's failure to give notice required by this Section 11(c) or any defect therein shall not affect the validity of such liquidation, dissolution or winding up. Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(d) Merger, Consolidation, Etc.

(i) In any event when (A) any person (the "Acquirer") directly or indirectly acquires the Company in a transaction in which the Company is merged with or into or consolidated with another person or (B) the Company sells or conveys all or substantially all of its assets to another person (unless, subsequent to such merger, consolidation or other transaction, the Company is the surviving entity and has reporting obligations under the Exchange Act as a result of having common equity securities outstanding, in which case, this Section shall not apply with respect to such merger, consolidation or other transaction)(such merger, consolidation or other transaction referred to hereinafter as a "Change"), then, upon exercise of each Warrant at any time after the consummation of the Change but prior to the Expiration Date, in lieu of the shares of the Company's Common Stock (or other securities, cash, assets or other property) purchasable upon the exercise of the Warrant prior to such Change, the Holder shall be entitled to receive such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights) which such Holder would have been entitled to receive after the happening of such Change had such Warrant been exercised immediately prior to such Change.

(ii) Notwithstanding the foregoing, but subject to the following sentence, if a Holder of a Warrant so elects by giving written notice thereof to the Company on or before the day immediately preceding the date of the consummation of such Change, the Holder shall not be required to make any payment upon exercise of the Warrant, and shall be entitled to receive from the Company or the Acquirer (in lieu of the adjustment provided for in Section 11(d)(i) above) a cash amount equal to the Black-Scholes Value

of the Warrant (the "Cash-Out Option") upon surrender of the Warrant Certificate representing such Warrant. The right of a Holder to elect the Cash-Out Option shall not be available if

(A) the payment or offering of any Cash-Out Option would

(x) in the reasonable opinion of counsel to the Company, prevent a Change from otherwise being treated as a tax-free reorganization; or

(y) in the reasonable opinion of counsel or accountants to the Company, prevent a Change from being accounted for using a pooling of interests accounting method or other similar accounting method, if any, under US GAAP which would otherwise be available; and

(B) the payment of the Cash-Out Option in the form of securities of the Acquirer, as described below, would not preserve such tax or accounting treatment.

If the payment of the Cash-Out Option in the form of Acquirer securities issued to the Company's stockholders in the Change (the "Acquirer Securities") would preserve the tax or accounting treatment of the Change, the Holders shall have the right to elect the Cash-Out Option, but only in the form of Acquirer Securities. In such case,

(1) the Cash-Out Option will be payable in the Acquirer Securities; and

(2) the number of securities payable to the Holder on exercise of the Cash-Out Option will equal (x) the dollar amount of the Cash-Out Option divided by (y) the per share (or other unit) fair market value of the securities in which the Cash-Out Option is payable.

"Fair market value" for this purpose means the average Daily Market Price of the securities of the Acquirer for the first ten (10) consecutive trading days immediately preceding but not including the date of effectiveness of the Change; provided, however, that if the securities of the Acquirer are not listed or traded on an exchange or interdealer quotation system, then the "fair market value" of such securities shall be determined by an investment banking firm of national reputation and standing selected by the Company and reasonably acceptable to a Majority of the Warrant Holders. If the Holders of the Warrants do not have the right to elect the Cash-Out Option provided in Section 11(d)(ii) herein, the adjustment provided for in Section 11(d)(i) above shall apply.

(iii) Notwithstanding the foregoing, in the case of any such Change where,

(A) the Acquirer is a company with reporting obligations under the Exchange Act with respect to common equity securities (such common equity securities being referred to herein as the "Acquirer Shares"), and

(B) the Acquirer is offering as consideration with respect to the Change a combination of Acquirer Shares and cash or other consideration,

if a Holder of a Warrant so elects by giving written notice thereof to the Company on or before the day immediately preceding the effective date of such Change, then, in lieu of the adjustment to the Warrant provided under Section 11(d)(i), upon the consummation of the Change and surrender of the Certificate representing the Warrant, the Holder shall receive (x) a warrant (an "Acquirer Warrant") exercisable for Acquirer Shares, in an amount and for an exercise price calculated as described below, and (y) a cash amount, calculated as described below (the "Adjusted Cash-Out Option"). The terms of the Acquirer Warrants shall be identical to the terms of the Warrants mutatis mutandis, except that the exercise price and the number of securities issuable upon the exercise of the Acquirer Warrants (subject to adjustment as provided therein) shall be determined as provided below:

the Exercise Price of the Acquirer Warrants shall be calculated as follows:

Ew = (Eo x (Pa/Pt)) where:

Ew = the adjusted Exercise Price of the Acquirer Warrants.

Eo = the Exercise Price of the Warrants immediately prior to such adjustment.

Pt = the average of the Daily Market Prices of the Common Stock for the ten (10) consecutive trading days immediately preceding the effective date of the Change.

Pa = the fair market value per share of the Acquirer Shares. As used in this formula, "fair market value" shall mean the average Daily Market Price of the Acquirer Shares for the ten (10) consecutive trading days immediately preceding the effective date of the Change.

The number of Acquirer Shares issuable upon exercise of an Acquirer Warrant shall be calculated as follows:

N = a x No

where:

N = the number of shares issuable by the Acquirer upon exercise of the Acquirer Warrant.

a = the number of Acquirer Shares delivered in the Change to holders of Common Stock for each share of Common Stock.

No = the number of Warrant Shares issuable upon exercise of the original Warrant in exchange for which the Acquirer Warrant was issued.

If the Holders of Common Stock may elect to receive in the Change Acquirer Shares, cash or other consideration, or a combination of Acquirer Shares and cash or other consideration as selected by the Holders (whether or not subject to proration), then the number of Acquirer Shares delivered in the Change for each share of Common Stock shall be determined, for purposes of the preceding formula and the determination below of the amount of the Adjusted Cash-Out Option, as follows:

$$a = Nas/Nts$$

where

Nas = the aggregate number of Acquirer Shares delivered in the Change to holders of Common Stock. Nts = the total number of shares of Common Stock outstanding immediately prior to the effectiveness of the Change and exchanged for consideration in the Change.

The amount of the Adjusted Cash-Out Option for a Warrant shall be calculated as follows:

$$AC = BSw \times (1-((a \times Pa) / C))$$

where the symbols previously defined in this Section have their previously defined meanings and:

AC = the amount of the Adjusted Cash-Out Option of the Warrant

BSw = the Black-Scholes Value of the Warrant, ignoring the effect of the Change, as determined pursuant to (iv) below.

C = the total fair market value of the consideration delivered in the Change to Holders of Common Stock for each share of Common Stock. For purposes of determining this amount--

(A) the fair market value of the component of the consideration consisting of Acquirer Shares shall equal (x) the average Daily Market Price of the Acquirer Shares for the first ten (10) consecutive trading days immediately preceding the effective date of the Change multiplied by (y) the number of Acquirer Shares delivered in the Change for each share of Common Stock;

(B) the fair market value of any cash component shall be the amount of the cash delivered in the Change for each share of Common Stock; and

(C) the fair market value of any other consideration delivered in the Change for each share of Common Stock shall be as determined by an investment banking firm of national reputation and standing selected by the Company and reasonably acceptable to a Majority of the Warrant Holders.

The right to make the election to receive Acquirer Shares and the Adjusted Cash-Out Option as provided in this Section 11(d)(iii) shall be subject to the same limitations as provided in Section 11(d)(ii)(A) and (B) above regarding the right to elect the Cash-Out Option; provided, however, that if the payment of the Adjusted Cash-Out Option in the form of Acquirer Securities would preserve the tax or accounting treatment of the Change, the election may be exercised with the Adjusted Cash-Out Option being paid in Acquirer Securities as provided in clauses (1) and (2) of Section 11(d)(ii).

(iv) As used herein, "Black-Scholes Value" of the Warrants, shall be determined on the basis of the Black-Scholes methodology by an investment banking firm of national reputation and standing, selected by the Company and reasonably acceptable to a Majority of the Warrant Holders; provided, however, that no Black-Scholes Value of a Warrant shall exceed the Daily Market Price of the Common Stock on the day immediately preceding the Change. For purposes of applying the Black-Scholes methodology, (i) the price per share of the Common Stock shall be deemed to be the average of the Daily Market Prices for the ten (10) full trading days ending ten (10) trading days prior to the first public announcement of the Change, and (ii) the methodology shall be applied as if the relevant Change had not occurred.

(v) The Company shall give written notice of any Change to each Holder, in accordance with Section 15 hereof, at least ten (10) Business Days prior to the effective date of the Change; provided, however, that if either Section 11(d)(ii) or (iii) is applicable, one or more notices shall be given to the Holders sufficiently in advance of the Change to allow for selection of the investment banking firm referred to in the previous paragraph and for notice to the Holders of the Black-Scholes Value at least ten (10) Business Days prior to the effective date of the Change. The Company's failure to give notice required by this Section 11(d) or any defect therein shall not affect the validity of the Change covered by this Section 11(d). However, if the Company fails to give notice, the responsibilities of the Company with respect to this Section 11(d) shall be assumed by the Acquirer and nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(e) Spin-Off.

(i) In case the Company shall at any time pay a dividend or make a distribution to all holders of its Common Stock consisting of the capital stock of any class or series, or similar interests, of or relating to a subsidiary or other business unit of the Company (such transaction, a "Spin-Off"; such capital stock or other interests, the "Spin-

Off Shares"; and such subsidiary or business unit, the "Spin-Off Company"), then each holder of a Warrant outstanding and unexercised on the date of the Spin Off shall become entitled to a spin-off warrant ("Spin-Off Warrants") evidencing a right to purchase a number of shares of capital stock of the Spin-Off Company that the Holder would have received had the Holder exercised such Warrants immediately prior to the record date for the Spin-Off (the "Spin-Off Record Date"); provided, however, that in the event that the distribution of Spin-Off Shares to the Holders would, in the reasonable opinion of counsel to the Company, (y) prevent the tax-free nature of such Spin-Off or (z) require registration with the SEC in circumstances where registration would not otherwise be required, then at the election of the Company, either (y) the Holders shall not receive Spin-Off Warrants pursuant to this Section 11(e)(i) and the Warrants shall instead be adjusted pursuant to the terms of Section 11(e)(ii) or (z) the Holders shall receive Spin-Off Warrants as contemplated above in this Section 11(e)(i). The terms of the Spin-Off Warrants shall be identical to the terms of the Warrants mutatis mutandis, except that the exercise price of a Spin-Off Warrant (subject to adjustment as provided therein) shall be determined by the following formula:

$$Es = Eo \times Ps / (Pp + (r \times Ps))$$

where:

Es = the Exercise Price per Spin-Off Share of the Spin-Off Warrants.

Eo = the Exercise Price per share of Common Stock of the relevant Warrant immediately prior to adjustment for the relevant Spin-Off.

Pp = the average of the Daily Market Prices of the Common Stock for the ten (10) full consecutive trading days following the date on which the Spin-Off is consummated.

r = the number of Spin-Off Shares (which may be one or a fraction less than or greater than one) distributed pursuant to the Spin-Off in respect of each share of Common Stock.

Ps = the fair market value per share of the Spin-Off Shares. As used in this section, "fair market value" shall mean the average Daily Market Price of the Spin-Off Shares for the first ten (10) consecutive trading days following the date on which the Spin-Off is consummated; provided, however, that if such distributed securities do not begin trading within two trading days of the consummation of such Spin-Off or do not trade for at least ten (10) consecutive trading days within twenty (20) days after the Spin-Off, then the "fair market value" of such distributed securities shall be determined by an investment banking firm of national reputation and standing selected by the Company and reasonably acceptable to a Majority of the Warrant Holders on the Spin-Off Record Date.

Following the Spin-Off, the Exercise Price of each Warrant shall be adjusted in accordance with the following formula:

$$En = Eo \times Pp / (Pp + (r \times Ps))$$

where:

En = the adjusted exercise price per share of Common Stock of the Warrants.

(with the other symbols in such formula having the meanings specified in the preceding formula).

(ii) In case the Company shall engage in a Spin-Off, and Section 11(e)(i) shall not be available to the Holders as a result of the proviso in the first paragraph of Section 11(e)(i), then the Holders shall not receive Spin-Off Warrants and instead the number of shares issuable upon the exercise of each Warrant immediately prior thereto shall be adjusted in accordance with the formula:

$$N = No \times (Pp + (Ps \times r))/Pp$$

where:

N = the adjusted number of Warrant Shares issuable upon exercise of such Warrant.

No = the number of Warrant Shares issuable upon exercise of such Warrant prior to such adjustment.

Pp = the average of the Daily Market Prices of the Common Stock for the ten (10) full consecutive trading days following the date on which the Spin-Off is consummated.

Ps = the average Daily Market Price of the Spin-Off Shares for the first ten (10) full consecutive trading days following the date on which the Spin-Off is consummated; provided, however, that if such distributed securities do not begin trading within two trading days of the consummation of such Spin-Off or do not trade for at least ten (10) consecutive trading days within twenty (20) days after the Spin-Off, then this quantity shall mean the "fair market value" per share of the Spin-Off Shares as of the date the Spin-Off is consummated, determined by an investment banking firm of national reputation and standing selected by the Company and acceptable to a Majority of the Warrant Holders on the Spin-Off Record Date.

r = the number of Spin-Off Shares (which may be one or a fraction less than or greater than one) distributed pursuant to the Spin-Off in respect of each share of Common Stock.

If any adjustment is made to increase the number of Warrant Shares issuable upon exercise of any Warrant pursuant to this Section 11(e)(ii), the Exercise Price per share of such Warrant shall be adjusted in accordance with the following formula.

$$En = Eo \times (No/N)$$

Where:

En = the adjusted exercise price per share of Common Stock of the Warrants.

Eo = the Exercise Price per share of Common Stock of the relevant Warrant immediately prior to adjustment for the relevant Spin-Off.

(with the other symbols in such formula having the meanings specified in the preceding formula).

(iii) An adjustment made pursuant to Section 11(e)(ii) shall become effective immediately after the determination of the adjusted number of Warrant Shares issuable upon exercise of the Warrants, retroactive to the date for the Spin-Off.

(iv) The Company shall give written notice of any Spin-Off, in accordance with Section 15 hereof, at least ten (10) Business Days prior to the Record Date therefor. The Company's failure to give notice required by this Section 11(e)(iv) or any defect therein shall not affect the validity of the Spin-Off covered by this Section 11(e). Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(f) Good Faith Determination.

(i) Subject to the following clause (ii), any determination as to whether an adjustment or limitation of exercise is required pursuant to this Section 11 (and the amount of any adjustment) shall be binding upon the Holders and the Company if made in good faith by the board of directors of the Company.

(ii) If a Majority of the Warrant Holders shall object to any determination of the board of directors of the Company within ten (10) Business Days of receipt of notice of such determination, then such determination shall be referred to a national independent accounting firm in the United States (the "Accounting Firm") selected by the Company and reasonably acceptable to a Majority of the Warrant Holders. The determination of the adjustment made by the Accounting Firm shall be strictly in accordance with the terms of this Agreement and shall be binding upon the Holders and the Company. The Accounting Firm shall be instructed to notify the Company and such Majority of the Warrant Holders of its determination regarding the adjustment within fifteen (15) Business Days of such referral.

(iii) Whenever this Agreement provides for the reasonable approval or acceptance of a Majority of the Warrant Holders of any action or determination, such approval or acceptance shall be deemed to be given if a Majority of the Warrant Holders do not reasonably object to such action or determination by written notice to the Company within ten (10) Business Days of the date on which notice thereof is first given

to the Holders. No objection shall be deemed reasonable if the reasons for such objection are not set forth in reasonable detail in the notice of objection given to the Company as aforesaid.

(g) Notice of Adjustment. Whenever the number of shares of Common Stock purchasable upon the exercise of the Warrants or the Exercise Price is adjusted, the Company shall promptly file, in the custody of its Secretary or an Assistant Secretary at its principal office and with the Warrant Agent, an officer's certificate setting forth the number of shares of Common Stock purchasable upon the exercise of the Warrants, the Exercise Price after such adjustment, a statement, in reasonable detail, of the facts requiring such adjustment and the computation by which such adjustment was made. Each such officer's certificate shall be made available during regular business hours for inspection by the Holders at the office of the Warrant Agent.

(h) No Change of Warrant Necessary. Irrespective of any adjustment in the Exercise Price or in the number or kind of shares issuable upon exercise of the Warrants, the Warrant Certificates may continue to express the same price and number and kind of shares as are stated in the Warrant Certificates as initially issued.

(i) Subsequent Adjustments. The adjustment provisions of this Section 11 shall be applied successively and from time to time as the circumstances requiring such adjustments shall occur. If as a result of an adjustment made pursuant to this Section 11 (except as otherwise specifically provided herein) the Holder of any Warrants thereafter surrendered for conversion shall be entitled to receive any securities other than shares of Common Stock, the number and kind of the securities issuable upon exercise of the Warrants and the Exercise Price therefor shall be subject to adjustment, from time to time, in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in this Section 11.

SECTION 12. Fractional Interests. The Company shall not be required to issue fractional shares of Common Stock on the exercise of the Warrants. If any fraction of a share of Common Stock would be issuable upon the exercise of the Warrants (or any specified portion thereof), the Company shall pay an amount in cash equal to the product of (x) such fraction and (y) the Daily Market Price of the Common Stock on the trading day prior to the date the Warrant is exercised.

SECTION 13. Appointment of Warrant Agent. The Company hereby appoints the Warrant Agent as its agent to issue the Warrant Certificates, as set forth herein, subject to resignation or replacement of the Warrant Agent as provided herein. The Warrant Agent agrees to accept such appointment, subject to the terms and conditions as set forth herein and to issue, transfer and exchange the Warrant Certificates pursuant to the terms provided for herein and to notify the Company to issue or cause to be issued the certificates or other evidence of ownership representing the appropriate number of shares of Common Stock (or other consideration) upon exercise of the Warrants.

SECTION 14. Duties of the Warrant Agent. The Warrant Agent acts hereunder as agent and in a ministerial capacity for the Company, and its duties shall be determined solely

by the provisions hereof. The Warrant Agent shall not by issuing and delivering Warrant Certificates, or by any other act hereunder, be deemed to make any representations (i) as to the validity, value or authorization of the Warrant Certificates or the Warrants represented thereby or of any securities or other property delivered upon exercise of any Warrant, or (ii) whether any stock issued upon exercise of any Warrant is fully paid and nonassessable.

Without prejudice to any liability of any other party hereof, the Warrant Agent shall not at any time be under any duty or responsibility to any Holder of Warrant Certificates to make or cause to be made any adjustment of the Warrant Price provided in this Agreement, or to determine whether any fact exists that may require any such adjustment, or with respect to the nature or extent of any such adjustment, when made, or with respect to the method employed in making the same. The Warrant Agent shall not (i) be liable for any recital or statement of facts contained herein or for any action taken, suffered or omitted by it in reliance on any Warrant Certificate or other document or instrument believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties, (ii) be responsible for any failure on the part of the Company to comply with any of its covenants and obligations contained in this Agreement or in any Warrant Certificate, or (iii) be liable for any act or omission in connection with this Agreement except for its own gross negligence or willful misconduct.

Any notice, statement, instruction, request, direction, order or demand of the Company shall be sufficiently evidenced by an instrument signed by the Company's Chairman or Vice Chairman of the Board, President, any Vice President, its Secretary, or Assistant Secretary (unless other evidence in respect thereof is herein specifically prescribed). Without prejudice to any liability of any other party hereof, the Warrant Agent shall not be liable for any action taken, suffered or omitted by it in accordance with such notice, statement, instruction, request, direction, order or demand believed by it to be genuine.

The Company agrees to pay the Warrant Agent reasonable compensation for its services hereunder and to reimburse it for its reasonable expenses hereunder and further agrees to indemnify the Warrant Agent and save it harmless against any and all losses, expenses and liabilities, including judgments, costs and counsel fees, for anything done or omitted by the Warrant Agent in the execution of its duties and powers hereunder except losses, expenses and liabilities arising as a result of the Warrant Agent's gross negligence or willful misconduct.

The Warrant Agent may resign its duties and be discharged from all further duties and liabilities hereunder (except liabilities arising as a result of the Warrant Agent's own gross negligence or willful misconduct), after giving thirty days' prior written notice to the Company. At least fifteen (15) days prior to the date such resignation is to become effective, the Warrant Agent shall cause a copy of such notice of resignation to be mailed to the Holder of each Warrant Certificate at the Company's expense. Upon such resignation, or any inability of the Warrant Agent to act as such hereunder, the Company shall appoint a new warrant agent in writing. The Company shall have complete discretion in the naming of a new warrant agent, who may be an affiliate, subsidiary or department of the Company, or any person used by the Company as transfer agent for the Common Stock. If the Company shall fail to make such appointment within a period of thirty (30) days after it has been notified in writing of such resignation by the resigning Warrant Agent, then the Holder of any Warrant Certificate may apply to any court of competent jurisdiction for the appointment of a new warrant agent.

The Company may, upon notice to the Holders, remove and replace the Warrant Agent if the Warrant Agent is the transfer agent for the Company's Common Stock and the Warrant Agent ceases to be the transfer agent for the Company's Common Stock for any reason.

After acceptance in writing of an appointment by a new warrant agent is received by the Company, such new warrant agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as the Warrant Agent, without any further assurance, conveyance, act or deed. Any former warrant agent hereby agrees to cooperate with and deliver all records and Warrant Certificates to the new warrant agent at the direction of the new agent and the Company.

Any corporation into which the Warrant Agent or any new warrant agent may be converted or merged or any corporation resulting from any consolidation to which the Warrant Agent or any new warrant agent shall be a party or any corporation succeeding to the trust business of the Warrant Agent shall be a successor warrant agent under this Agreement without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed to the Company and to each Holder.

The Warrant Agent shall perform its duties with all due care and attention. If for any period no person is acting as Warrant Agent, then the Company shall discharge the obligations that would otherwise fall to be discharged by the Warrant Agent during such period.

Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company.

SECTION 15. Notices. Any notice or demand authorized by this Agreement to be given or made to or on the Company or the Warrant Agent shall be sufficiently given or made when and if delivered by a recognized international courier service or hand delivery, or by telecopier with copy sent by first class or registered mail, postage prepaid, to the applicable address set forth below (until the Holders are otherwise notified in accordance with this Section by the Company):

If to the Company, then to:

Vishay Intertechnology, Inc.
63 Lincoln Highway
Malvern, PA 19355
Attn.: Chief Financial Officer
Telecopier No.: (610) 889-2161
Confirm No.: (610) 644-1300

If to the Warrant Agent, then to:

American Stock Transfer & Trust Co.,
59 Maiden Lane
New York, NY 10038
Attn.: Exchange Department
Telecopier No. 718-234-5001
Confirm No. 718-921-8200

Any notice pursuant to this Agreement to be given to any Holder of any Warrant Certificate shall be sufficiently given when and if delivered to such Holder at the address appearing on the Warrant Register of the Company (until the Company and the Warrant Agent are otherwise notified in accordance with this Section by such Holder). Any such notice shall be delivered by overnight or hand delivery, by telecopier with copy sent by first class mail, postage prepaid, or by first class or registered mail, postage prepaid.

SECTION 16. Supplements and Amendments. The Company and the Warrant Agent may from time to time amend or supplement this Agreement in good faith without the approval of any Holders only in order to cure any ambiguity or to correct or supplement any provision contained herein which may be defective or inconsistent with any other provision herein. Any other amendment or supplement to this Agreement shall require the written consent of a Majority of the Warrant Holders.

SECTION 17. Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of its successors and assigns hereunder; provided, however, that any assignment by the Company shall not relieve the Company of any of its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the successors and registered assigns of the Initial Holder and all subsequent Holders of Warrants.

SECTION 18. Governing Law. THIS AGREEMENT AND EACH WARRANT CERTIFICATE ISSUED HEREUNDER SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF SAID STATE.

SECTION 19. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to give to any Person other than the Company, the Warrant Agent and the Holders of the Warrants or holders of Warrant Shares any legal or equitable right, remedy or claim under this Agreement; but this Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the Holders of the Warrants and the holders of Warrant Shares.

SECTION 20. Notification of Delisting. Prior to the occurrence of a Delisting Event, the Company will, at least ten (10) Business Days before the occurrence thereof, notify each Holder of such event. Any notice will be in writing and shall specify the date of such Delisting Event. For these purposes "Delisting Event" means the common stock of the Company being delisted from the principal United States national or regional securities exchange or national quotation system on which the shares of common stock are then listed or traded.

SECTION 21. Headings. The descriptive headings of the several sections and subsections of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in any way the meanings or interpretation of this Agreement.

SECTION 22. Counterparts. This Agreement may be executed in counterparts and all such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

[Signature Page Follows.]

[Signature Page of Warrant Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, as of the day and year first above written.

VISHAY INTERTECHNOLOGY, INC.

By: ___________________________________
Name:
Title:

AMERICAN STOCK TRANSFER & TRUST CO.

By: ___________________________________
Name:
Title:

EXHIBIT A

[Form of Class A Warrant Certificate]

[Face]

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED, OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM SUCH REGISTRATION. ***

EXERCISABLE ON OR BEFORE 5:00 P.M. NEW YORK CITY TIME ON__________.

No. ____ _______ Warrants

Class A Warrant Certificate
Vishay Intertechnology, Inc.

This Warrant Certificate certifies that _______________, or registered assigns, is the registered holder (the "Holder") of ___________ Class A Warrants expiring ____________ (the "Warrants" or "Class A Warrants") to purchase Common Stock, $0.10 par value per share (the "Common Stock"), of Vishay Intertechnology, Inc., a Delaware corporation (the "Company"). Each Class A Warrant entitles the Holder upon exercise to receive from the Company, on or before 5:00 p.m. New York City Time on ______________ (the "Expiration Date"), one fully paid and nonassessable share of Common Stock (a "Warrant Share") at the initial exercise price (the "Exercise Price") of $20.00 per share (subject to adjustment as provided herein), payable in lawful money of the United States of America upon surrender of this Warrant Certificate at the office of the Company designated for such purpose, but only subject to the conditions set forth herein and in the Warrant Agreement, as defined below. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Warrant Agreement.

This Warrant Certificate and each Class A Warrant represented hereby are issued pursuant to and are subject in all respects to the terms and conditions set forth in the Warrant Agreement (the "Warrant Agreement"), dated December 13, 2002 by and between the Company and American Stock Transfer & Trust Co. (the "Warrant Agent"), which Warrant Agreement is hereby incorporated by reference in and made a part of this instrument and is hereby referred to

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*** This legend may be removed if the Warrants represented by this certificate have been resold pursuant to an effective registration under the Securities Act.

for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Company and the Holders (the words "Holder" or "Holders" meaning the registered holder or registered holders of the Warrants). A copy of the Warrant Agreement may be obtained by the Holder from the Company at 63 Lincoln Highway, Malvern, Pennsylvania 19355-2120 by a written request from the Holder hereof and may be inspected by the Holder or his agent at the principal office of the Warrant Agent.

This Class A Warrant shall be exercisable at any time during the period from and after (i) in the case of any Holder other than the Initial Holder of this Class A Warrant or an Affiliate of such Initial Holder, the Issue Date and (ii) in the case of the Initial Holder of this Class A Warrant or an Affiliate of such Initial Holder, the first anniversary of the Issue Date until the Expiration Date.

The number of Warrant Shares issuable upon exercise of the Warrants and the Exercise Price are subject to adjustment upon the occurrence of certain events set forth in the Warrant Agreement.

No Warrant may be exercised after 5:00 p.m., New York City time on the Expiration Date, and to the extent not exercised by such time, such Warrants shall become void.

The Holder of Class A Warrants evidenced by this Warrant Certificate may exercise them by surrendering this Warrant Certificate, with the form of election to purchase set forth hereon properly completed and executed, together with payment of the Exercise Price in cash at the office of the Company designated for such purpose. In the event that upon any exercise of Class A Warrants evidenced hereby the number of Class A Warrants exercised shall be less than the total number of Class A Warrants evidenced hereby, there shall be issued to the Holder hereof or his assignee a new Warrant Certificate evidencing the number of Class A Warrants not exercised.

The Warrant Agreement provides that upon the occurrence of certain events the number of Warrant Shares issuable upon exercise of each Warrant set forth on the face hereof and the Exercise Price thereof shall be adjusted. No fractions of a share of Common Stock will be issued upon the exercise of any Class A Warrant, but the Company will pay the cash value thereof determined as provided in the Warrant Agreement.

Warrant Certificates, when surrendered at the office of the Company by the registered Holder thereof in person or by its legal representative or attorney duly authorized in writing, may be exchanged, in the manner and subject to the limitations provided in the Warrant Agreement, but without payment of any service charge, for another Warrant Certificate or Warrant Certificates of like tenor evidencing in the aggregate a like number of Class A Warrants.

Upon due presentation for registration of transfer of this Warrant Certificate at the office of the Company, a new Warrant Certificate or Warrant Certificates of like tenor and evidencing in the aggregate a like number of Class A Warrants shall be issued to the transferee(s) in exchange for this Warrant Certificate, subject to the limitations provided in the Warrant Agreement, without charge except for any tax or other governmental charge imposed in connection therewith.

The Company may deem and treat the registered Holder(s) of this Warrant Certificate as the absolute owner(s) thereof (notwithstanding any notation of ownership or other writing hereon made by anyone), for the purpose of any exercise hereof, of any distribution to the Holder(s) hereof, and for all other purposes, and the Company shall not be affected by any notice to the contrary. Neither the Class A Warrants nor this Warrant Certificate entitles any Holder hereof to any rights of a stockholder of the Company.

IN WITNESS WHEREOF, Vishay Intertechnology, Inc. has caused this Class A Warrant Certificate to be signed by its President and by its Secretary, each by a facsimile of his signature, and has caused a facsimile of its corporate seal to be affixed hereunto or implied hereon.

Dated: _______, 2002

By:_______________________

By:________________________

AMERICAN STOCK TRANSFER & TRUST CO.

By:

Name:
Title:

ASSIGNMENT FORM

If you, the Holder, want to assign this Class A Warrant, fill in the form below:

I or we assign and transfer this Class A Warrant to:

- --

- --

- --

(Print or type name, address and zip code and social security or tax ID number of assignee)

and irrevocably appoint ____ agent to transfer this Class A Warrant on the books of the Company. The agent may substitute another to act for him.

Date:___________________________ Signed: ___________________________________
(Signed exactly as your name appears on the other side of this Warrant)

In connection with any transfer of this Class A Warrant occurring prior to the date of the declaration by the Securities and Exchange Commission of the effectiveness of a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), covering resales of this Class A Warrant (which effectiveness shall not have been suspended or terminated at the date of transfer) at all times when such securities are deemed to be "restricted securities" within the meaning of the Securities Act, the undersigned confirms that it has not utilized any general solicitation or general advertising in connection with the transfer and that this Class A Warrant is being transferred:

[Check One]

(1) [ ] to the Company or a subsidiary thereof; or

(2) [ ] pursuant to and in compliance with Rule 144A under the Securities Act; or

(3) [ ] to an institutional "accredited investor" (as defined in Rule 501(a)(1),(2), (3) or (7) under the Securities Act); or

(4) [ ] outside the United States to a person who is not a "US person," in compliance with Rule 904 of Regulation S under the Securities Act; or

(5) [ ] pursuant to the exemption from registration provided by Rule 144 under the Securities Act; or

(6) [ ] pursuant to another available exemption from the registration requirements of the Securities Act.

Unless one of the boxes is checked, the Company shall not be obligated to register any of the Class A Warrants evidenced by this certificate in the name of any person other than the registered Holder thereof. If box (3), (4), (5) or (6) is checked, the Company may require, upon the terms described in the Warrant Agreement, prior to registering any such transfer of the Warrant Certificate, such legal opinions, certifications and other information as the Company reasonably requests to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Date:______________________________

Signed:_________________________________
(Sign exactly as your name appears on the other side of this Warrant Certificate)

ELECTION TO PURCHASE FORM

If you, the Holder, want to exercise the Class A Warrants represented by this Certificate, fill in the form below.

I or we, the registered owner of the Class A Warrants represented by this Certificate irrevocably exercise ________________________________ Class A Warrants for the purchase of _________________________________ shares or other securities or property

of Common Stock of Vishay Intertechnology, Inc., at the price and on the terms and conditions specified in the Class A Warrants and request that certificates for the shares of Common Stock hereby purchased (and any securities or other property issuable or transferable upon such exercise) be issued in the name of and delivered to:

- --

- --

- --

(Print or type name, address and zip code and social security or tax ID number of owner)

and, if such Class A Warrants shall not constitute all of the Class A Warrants represented by this Certificate, that a new Class A Warrant Certificate of like tenor and date for the balance of the Class A Warrants represented hereby be delivered to the undersigned.

Number of Class A Warrants represented by this Certificate ________
Number of Class A Warrants being exercised ________
Balance ________

Date:____________________________ Signed:________________________________
(Signed exactly as your name appears on this Warrant)

Note: Each certificate represents a certain number of Warrants. Each Warrant is exercisable for one share, subject to adjustment (which may result in exercisability for other securities on property).

EXHIBIT B

[Form of Class B Warrant Certificate]

[Face]

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED, OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM SUCH REGISTRATION. ***

EXERCISABLE ON OR BEFORE 5:00 P.M. NEW YORK CITY TIME ON _________.

No. ____ _______ Class B Warrants

Class B Warrant Certificate
Vishay Intertechnology, Inc.

This Warrant Certificate certifies that _______________, or registered assigns, is the registered holder (the "Holder") of ___________ Class B Warrants expiring ____________ (the "Warrants" or "Class B Warrants") to purchase Common Stock, $0.10 par value per share (the "Common Stock"), of Vishay Intertechnology, Inc., a Delaware corporation (the "Company"). Each Class B Warrant entitles the Holder upon exercise to receive from the Company, on or before 5:00 p.m. New York City Time on ______________ (the "Expiration Date"), one fully paid and nonassessable share of Common Stock (a "Warrant Share") at the initial exercise price (the "Exercise Price") of $30.30 per share (subject to adjustment as provided herein), payable in lawful money of the United States of America upon surrender of this Warrant Certificate at the office of the Company designated for such purpose, but only subject to the conditions set forth herein and in the Warrant Agreement, as defined below. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Warrant Agreement.

This Warrant Certificate and each Class B Warrant represented hereby are issued pursuant to and are subject in all respects to the terms and conditions set forth in the Warrant Agreement (the "Warrant Agreement"), dated 13 December, 2002 by and between the Company and American Stock Transfer & Trust Co. (the "Warrant Agent"), which Warrant Agreement is hereby incorporated by reference in and made a part of this instrument and is hereby referred to

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*** This legend may be removed if the Warrants represented by this certificate have been resold pursuant to an effective registration under the Securities Act.

for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Company and the Holders (the words "Holder" or "Holders" meaning the registered holder or registered holders of the Warrants). A copy of the Warrant Agreement may be obtained by the Holder from the Company at 63 Lincoln Highway, Malvern, Pennsylvania, 19355-2120 by a written request from the Holder hereof and may be inspected by the Holder or his agent at the principal office of the Warrant Agent.

This Class B Warrant shall be exercisable at any time during the period from and after (i) in the case of any Holder other than the Initial Holder of this Class B Warrant or an Affiliate of such Initial Holder, the Issue Date and (ii) in the case of the Initial Holder of this Class B Warrant or an Affiliate of such Initial Holder, the first anniversary of the Issue Date until the Expiration Date.

The number of Warrant Shares issuable upon exercise of the Warrants and the Exercise Price are subject to adjustment upon the occurrence of certain events set forth in the Warrant Agreement.

No Class B Warrant may be exercised after 5:00 p.m., New York City time on the Expiration Date, and to the extent not exercised by such time, such Class B Warrants shall become void.

The Holder of Class B Warrants evidenced by this Warrant Certificate may exercise them by surrendering this Warrant Certificate, with the form of election to purchase set forth hereon properly completed and executed, together with payment of the Exercise Price in cash at the office of the Company designated for such purpose. In the event that upon any exercise of Class B Warrants evidenced hereby the number of Class B Warrants exercised shall be less than the total number of Class B Warrants evidenced hereby, there shall be issued to the Holder hereof or his assignee a new Warrant Certificate evidencing the number of Class B Warrants not exercised.

The Warrant Agreement provides that upon the occurrence of certain events the number of Warrant Shares issuable upon exercise of each Class B Warrant set forth on the face hereof and the Exercise Price thereof shall be adjusted. No fractions of a share of Common Stock will be issued upon the exercise of any Class B Warrant, but the Company will pay the cash value thereof determined as provided in the Warrant Agreement.

Warrant Certificates, when surrendered at the office of the Company by the registered Holder thereof in person or by its legal representative or attorney duly authorized in writing, may be exchanged, in the manner and subject to the limitations provided in the Warrant Agreement, but without payment of any service charge, for another Warrant Certificate or Warrant Certificates of like tenor evidencing in the aggregate a like number of Class B Warrants.

Upon due presentation for registration of transfer of this Warrant Certificate at the office of the Company, a new Warrant Certificate or Warrant Certificates of like tenor and evidencing in the aggregate a like number of Class B Warrants shall be issued to the transferee(s) in exchange for this Warrant Certificate, subject to the limitations provided in the Warrant

Agreement, without charge except for any tax or other governmental charge imposed in connection therewith.

The Company may deem and treat the registered Holder(s) of this Warrant Certificate as the absolute owner(s) thereof (notwithstanding any notation of ownership or other writing hereon made by anyone), for the purpose of any exercise hereof, of any distribution to the Holder(s) hereof, and for all other purposes, and the Company shall not be affected by any notice to the contrary. Neither the Class B Warrants nor this Warrant Certificate entitles any Holder hereof to any rights of a stockholder of the Company.

IN WITNESS WHEREOF, Vishay Intertechnology, Inc. has caused this Class B Warrant Certificate to be signed by its President and by its Secretary, each by a facsimile of his signature, and has caused a facsimile of its corporate seal to be affixed hereunto or implied hereon.

Dated: _______, 2002

By:___________________________

By:___________________________

AMERICAN STOCK TRANSFER & TRUST CO.

By:

Name:

Title:

ASSIGNMENT FORM

If you, the Holder, want to assign this Class B Warrant, fill in the form below:

I or we assign and transfer this Class B Warrant to:

- --

- --

- --

(Print or type name, address and zip code and social security or tax ID number of assignee)

and irrevocably appoint ____ agent to transfer this Class B Warrant on the books of the Company. The agent may substitute another to act for him.

Date:____________________________ Signed:_________________________________
(Signed exactly as your name appears on the other side of this Warrant)

In connection with any transfer of this Class B Warrant occurring prior to the date of the declaration by the Securities and Exchange Commission of the effectiveness of a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), covering resales of this Class B Warrant (which effectiveness shall not have been suspended or terminated at the date of transfer) at all times when such securities are deemed to be "restricted securities" within the meaning of the Securities Act, the undersigned confirms that it has not utilized any general solicitation or general advertising in connection with the transfer and that this Class B Warrant is being transferred:

[Check One]

(1) [ ] to the Company or a subsidiary thereof; or

(2) [ ] pursuant to and in compliance with Rule 144A under the Securities Act; or

(3) [ ] to an institutional "accredited investor" (as defined in Rule 501(a)(1),(2), (3) or (7) under the Securities Act); or

(4) [ ] outside the United States to a person who is not a "US person," in compliance with Rule 904 of Regulation S under the Securities Act; or

(5) [ ] pursuant to the exemption from registration provided by Rule 144 under the Securities Act; or

(6) [ ] pursuant to another available exemption from the registration requirements of the Securities Act.

Unless one of the boxes is checked, the Company shall not be obligated to register any of the Class B Warrants evidenced by this certificate in the name of any person other than the registered Holder thereof. If box (3), (4), (5) or (6) is checked, the Company may require, upon the terms described in the Warrant Agreement, prior to registering any such transfer of the Warrant Certificate, such legal opinions, certifications and other information as the Company reasonably requests to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Date:___________________________ Signed:____________________________________
(Sign exactly as your name appears on the other side of this Warrant Certificate)

ELECTION TO PURCHASE FORM

If you, the Holder, want to exercise the Class B Warrants represented by this Certificate, fill in the form below.

I or we, the registered owner of the Class B Warrants represented by this Certificate irrevocably exercise ________________________________ Class B Warrants for the purchase of _________________________________ shares or other securities or property

of Common Stock of Vishay Intertechnology, Inc., at the price and on the terms and conditions specified in the Class B Warrants and request that certificates for the shares of Common Stock hereby purchased (and any securities or other property issuable or transferable upon such exercise) be issued in the name of and delivered to:

- --

- --

- --

(Print or type name, address and zip code and social security or tax ID number of owner)

and, if such Class B Warrants shall not constitute all of the Class B Warrants represented by this Certificate, that a new Class B Warrant Certificate of like tenor and date for the balance of the Class A Warrantes represented hereby be delivered to the undersigned.

Number of Class B Warrants represented by this Certificate	________
Number of Class B Warrants being exercised	________
Balance	________

Date:_____________________________

Signed:__________________________________
(Signed exactly as your name appears on this Warrant)

Note: Each certificate represents a certain number of Warrants. Each Warrant is exercisable for one share, subject to adjustment (which may result in exercisability for other securities on property).

Exhibit 4.2

NOTE PURCHASE AGREEMENT is made on December 13, 2002.

BETWEEN

(1) VISHAY INTERTECHNOLOGY, Inc. (the Company); and

(2) THE SUBSCRIBERS listed in the Schedule (the Subscribers).

WHEREAS:

(A) The Company has entered into a Loan Note Instrument of even date (the Instrument), constituting up to $105,000,000 unsecured loan notes 2102 (the Loan Notes).

(B) The Subscribers propose to subscribe the Loan Notes.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 The headings in this Agreement are for convenience only and shall not affect the interpretation hereof. All references to provisions of statutes shall be deemed also to refer to the corresponding provision of any statutory modification or re-enactment thereof. Words in this Agreement denoting the singular only shall include the plural and vice versa.

1.2 Capitalised terms defined in the Instrument shall have, unless otherwise defined in this Agreement, the same meanings when used in this Agreement.

2. WARRANTIES OF THE COMPANY

In consideration of the Subscribers subscribing the Loan Notes, the Company hereby represents and warrants as follows:

Organisation, Power and Authority

2.1 The Company is duly incorporated and validly existing under the laws of the jurisdiction of its incorporation. The Company has the corporate power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts, to execute and deliver this Agreement and the Instrument and to issue the Loan Notes and to perform the provisions hereof and thereof.

Compliance with Laws, Other Instruments, etc.

2.2 The execution, delivery and performance by the Company of this Agreement and the Instrument and the issuance of the Loan Notes on the terms and conditions set out in the Instrument and any amendments thereto, (a) have been duly authorised by all necessary corporate action on the part of the Company and (b) do not, and will not, (i) contravene, result in any breach of, or constitute a default under, the constitutional documents of the Company as of the date hereof, any indenture, mortgage, deed, loan,

purchase or credit agreement, lease, corporate charter or by-laws, or any other agreement or instrument to which the Company is bound or by which the Company or any of its properties may be bound or (ii) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or governmental authority applicable to the Company, or (iii) violate any provision of any statute or other rule or regulation of any governmental authority applicable to the Company.

Authorisation, etc.

2.3 All necessary authorisations, consents, licences and approvals required by the Company for and in connection with the performance by the Company of its obligations hereunder and in connection with the execution and performance of the Instrument or the issue of the Loan Notes have been obtained and are in full force and effect. Each of this Agreement, the Instrument and the Loan Notes constitute a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its respective terms (subject to general equitable principles limiting the enforceability of claims and to all applicable insolvency, bankruptcy and other laws of general application relating to creditors' rights or claims and to the laws relating to prescription). The due payment of the principal and interest (including any additional amounts payable

under the terms of the Loan Notes) in respect of the Loan Notes, the due and punctual payment of all amounts payable by the Company in respect of the Loan Notes or under any of the aforementioned agreements to which it is a party will not infringe the terms of any such authorisation, consent or approval or any existing provisions of law.

Events Entitling Noteholders to Redeem

2.4 There exists no condition, event or circumstance that would, or that would with the giving of notice and/or the issue of a certificate or report and/or the lapse of time, entitle a Noteholder to redeem the Loan Notes held by it pursuant to clause 7 of the Instrument.

Governmental Authorisations, etc.

2.5 No consent, approval or authorisation of, or registration, filing or declaration with, any governmental authority is required in connection with the execution, delivery or performance by the Company of this Agreement, the Instrument or the Loan Notes.

Pari Passu Ranking

2.6 The Company's obligations under the Notes will rank at least pari passu, without preference or priority in right of payment, with all other unsecured and unsubordinated payment obligations of the Company.

3. NOTICES

Any notices or other document in connection with this Agreement shall be given or sent to the parties in accordance with Conditions 14, 15 and 16 of the Instrument as though the same were set out herein mutatis mutandis.

4. RIGHTS OF NOTEHOLDERS

4.1 The Company agrees that the benefit of the representations and the warranties contained in this Agreement shall accrue to the benefit of the Noteholders from time to time with the intent that each such Noteholder will be entitled to all rights and remedies in respect thereof.

4.2 For the avoidance of doubt, the Company confirms that the rights of the Noteholders hereunder are divided rights that may be separately enforced by each of them.

5. COUNTERPARTS

This Agreement may be entered into in any number of counterparts and by the parties to it on separate counterparts, each of which, when executed and delivered, shall be an original, but all the counterparts shall together constitute one and the same instrument.

6. GOVERNING LAW AND JURISDICTION

6.1 This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

6.2 Each of the parties agrees that the courts of the State of New York are to have exclusive jurisdiction to settle any disputes that may arise in connection with this Agreement.

SCHEDULE

THE SUBSCRIBERS

Name and Address	Contact details	Nominal Amount of Notes (US$)
Column 1	Column 2	Column 3
Phoenix Acquisition Company S.ar.l 398 route d'Esch L-1471 Luxembourg	Fax: 00352444455222 Attn: Marc Feider	4,038,000
Sankaty High Yield Asset Partners L.P. 111 Huntington Avenue Boston, MA 02199 USA	Fax +1 617 516 2710 Tel:+1 617 516 2724 Attn: Stuart Davies	9,027,000
BCM Capital Partners L.P. 111 Huntington Avenue Boston, MA 02199 USA	As for Sankaty High Yield Asset Partners L.P.	6,113,000
BCIP Associates II 111 Huntington Avenue Boston, MA 02199 USA	As for Sankaty High Yield Asset Partners L.P.	34,000
BCIP Trust Associates II 111 Huntington Avenue Boston, MA 02199 USA	As for Sankaty High Yield Asset Partners L.P.	166,000
JP Morgan Partners (BHCA), L.P. 1221, Avenue of the Americas, 39th floor NEW YORK NY 10020-1000 USA formerly named Chase Equity Associates, L.P.	Tel: +1 212 899 3663 Attn: Richard D. Waters, Jr.	47,508,000
GarMark Partners L.P. One Landmark Square 6th Floor Stamford, CT 06901	Fax: +1 203 325 8522 Tel: +1 203 325 8500	29,700,000
BCIP Trust Associates II-B 111 Huntington Avenue Boston, MA 02199 USA	As for Sankaty High Yield Asset Partners L.P.	3,000
Bain Capital V Mezzanine Fund L.P. 111 Huntington Avenue Boston, MA 02199 USA	As for Sankaty High Yield Asset Partners L.P.	8,411,000
	Total =	105,000,000

IN WITNESS whereof the parties have executed this Agreement on the date specified above.

The Company

SIGNED)
for and on behalf of)
VISHAY INTERTECHNOLOGY, INC.)

The Subscribers

SIGNED)
for and on behalf of)
PHOENIX ACQUISITION)
COMPANY S.AR.L)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
SANKATY HIGH YIELD ASSET)
PARTNERS L.P.)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCM CAPITAL PARTNERS L.P.)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCIP ASSOCIATES II)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCIP TRUST ASSOCIATES II)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BCIP TRUST ASSOCIATES II-B)

SIGNED by SANKATY ADVISORS, LLC)
for and on behalf of)
BAIN CAPITAL V MEZZANINE)
FUND L.P.)

SIGNED)
for and on behalf of)
GARMARK PARTNERS L.P.)

SIGNED)
for and on behalf of)
JP MORGAN PARTNERS (BHCA), L.P.)

By: JPMP Master Fund Manager, L.P.,
its general partner

By: JPMP Capital Corp.,
its general partner

By: ____________________________
Name:
Title:

December 13, 2002

VISHAY INTERTECHNOLOGY, INC.
(the Company)

and

THE SUBSCRIBERS

==

NOTE PURCHASE AGREEMENT

==

FRESHFIELDS BRUCKHAUS DERINGER

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Exhibit 4.3

THIS INSTRUMENT is made on the13th day of December 2002 by VISHAY INTERTECHNOLOGY, INC. a company incorporated in the State of Delaware USA, (the Company).

WHEREAS

(A) The Company has created up to $105,000,000 Floating Rate Unsecured Loan Notes 2102 and has determined to constitute the said Loan Notes as hereinafter provided.

(B) Pursuant to the SPA as defined below, the Company, and certain other persons have entered into a Note Purchase Agreement (the Note Purchase Agreement) of even date, and the Loan Notes are issued with the benefit of certain representations and warranties contained in the Note Purchase Agreement.

NOW THIS INSTRUMENT WITNESSES AND THE COMPANY HEREBY DECLARES as follows:-

1. In this Instrument and in the Schedules hereto the following expressions shall, where the context permits, have the following meanings:

the Conditions means the conditions to be endorsed on the Loan Notes in the form or substantially in the form set out in Schedule 2 hereto as the same may from time to time be modified in accordance with the provisions herein contained;

Directors means the Board of Directors for the time being of the Company or a duly authorised committee of the Board of Directors;

Exchange Act means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time;

Instrument means this instrument and the Schedules hereto as from time to time modified in accordance with the provisions herein contained;

LIBOR means, in relation to any amount owed by the Company hereunder and any interest period:

(a) the percentage rate per annum equal to the offered quotation which appears on the page of the Telerate Screen which displays an average British Bankers Association Interest Settlement Rate for US Dollars for such period at or about 11.00 a.m. (London time) on the first day of the relevant interest period; or

(b) if a rate is not available pursuant to (a) above, the percentage rate per annum which is the arithmetic mean of the rates as supplied to the Company at its request quoted by three banks selected by the Company (one of which shall include, if in existence at the time, Barclays Bank plc) to leading banks in the the London inter-bank market for three month deposits of similar size and currency.

Loan Notes means up to $105,000,000 Floating Rate Unsecured Loan Notes 2102 of the Company to be issued under this Instrument or (as the context may require) the principal amount thereof for the time being issued and outstanding;

Noteholders means the several persons for the time being entered in the Register;

Put and Call Agreement means the put and call agreement relating to the Loan Notes entered into by the Company and other persons in connection with the SPA on or about the date hereof;

Register means the register of Noteholders referred to in clause 8 hereof;

Registration Rights Agreement means the registration rights agreement entered into by the Company and other persons in connection with the SPA on or about the date hereof;

SPA means the share sale and purchase agreement entered into by the Company as purchaser and other persons on or about the date hereof; and

Vishay Group means the Company (including its successors) and its subsidiaries from time to time.

Words denoting the singular number only shall include the plural number and vice

versa. Words denoting persons shall include corporations.

2. The Loan Notes shall be known as the Vishay Intertechnology, Inc. Floating Rate Unsecured Loan Notes 2102 and shall be issued in amounts and multiples of $1000 by the Company to such persons at such times and on such terms as the Directors may determine.

3. The aggregate principal amount of the Loan Notes is limited to $105,000,000. The Loan Notes, as and when issued, and all accrued and unpaid interest thereon, shall (except as regards the first payment of interest) rank pari passu equally and rateably without discrimination or preference as an unsecured debt obligation of the Company.

4. As and when the Loan Notes or any part thereof fall to be redeemed or repaid in accordance with the provisions hereof, the Company will pay to the Noteholders entitled thereto the principal amount of the Loan Notes to be repaid together with accrued interest (subject to any requirement to deduct any income tax therefrom).

5. Until such time as the Loan Notes are redeemed or repaid in accordance with the provisions hereof, the Company will pay to the Noteholders interest (subject to any requirement to deduct any income tax therefrom) on the principal amount of the Loan Notes outstanding at the rates and the times and as otherwise provided in the Conditions.

6. Every Noteholder shall be entitled without charge to one certificate for the Loan Notes held by it. However, joint holders of Loan Notes will be entitled only to one Loan Note certificate (provided that the Company shall not be bound to register

more than four persons as the joint holders of any Loan Note) and such Loan Note will be sent to that one of the joint holders who is first named in the Register. Every Loan Note certificate shall be issued under the common or securities seal of the Company and shall be substantially in the form set out in Schedule 1 hereto and shall have the Conditions endorsed thereon. The Company shall comply with the provisions of the Loan Notes and the Conditions and the Loan Notes shall be held subject to all such provisions which shall be binding on the Company and the Noteholders and all persons claiming through or under them respectively.

7. Each Noteholder shall be entitled to require all or any part (being $1000 nominal amount or any integral multiple thereof) of the Loan Notes held by it to be repaid at par together with accrued interest (subject to any requirement to deduct any income tax therefrom) if:

(a) any principal or interest on any of the Loan Notes held by that Noteholder due to it shall fail to be paid in full within thirty days after receipt of written demand by the Company, addressed to its financial controller (with a copy to Abbe Dienstag of Kramer Levin Naftalis & Frankel) and made by the relevant Noteholder following failure to pay; or

(b) the Company breaches any of its obligations to issue shares or, if applicable, to pay cash under the Put and Call Agreement and such breach, if capable of remedy, is not remedied within ten days after written notification to the Company addressed to its financial controller (with a copy to Abbe Dienstag of Kramer Levin Naftalis & Frankel); or

(c) any indebtedness of any member or members of the Vishay Group having in aggregate a principal amount in excess of US$50,000,000 is not paid on its due date or within any applicable grace period, and such default in payment is not waived or remedied within a period of one month; or

(d) the Company or Vishay Europe GmbH (VEG) pursuant to or under or within the meaning of any Bankruptcy Law:

    (i) commences a voluntary case or proceeding;

    (ii) consents to the entry of an order for relief against it in an involuntary case or proceeding or the commencement of any case against it;

    (iii) consents to the appointment of a Custodian of it or for any substantial part of its property;

    (iv) makes a general assignment for the benefit of its creditors;

    (v) files a petition in bankruptcy or answer or consent seeking reorganization or relief; or

    (vi) consents to the filing of such petition or the appointment of or taking possession by a Custodian; or

(e) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or VEG in an involuntary case or proceeding, or adjudicates the Company or VEG insolvent or bankrupt;

(ii) appoints a Custodian of the Company or VEG for any substantial part of its property; or

(iii) orders the winding up or liquidation of the Company or VEG;

and the order or decree remains unstayed and in effect for 60 days; or

(f) any event analogous to (d) or (e) above occurs in any jurisdiction.

In paragraphs (d) and (e) above:

Bankruptcy Law means Title 11, United States Code, or any similar Federal or state law for the relief of debtors.

Custodian means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

The Company shall notify each of the Noteholders forthwith on the occurrence of any of the events described in sub-clause (a) to (f) of this clause 7.

8. A register of the Noteholders will be kept at 63 Lincoln Highway, Malvern, Pennsylvania 19355-2120 (or at such other place as the Company may from time to time have appointed for the purpose and have notified to the Noteholders) and there shall be entered in the Register:

(a) the names and addresses of the Noteholders;

(b) the telecopier numbers of the Noteholders;

(c) the principal amount of the Loan Notes held by each Noteholder;

(d) the date on which the name of each Noteholder is entered in respect of the Loan Notes standing in its name; and

(e) the serial number of each Loan Note.

9. Any change of name or address on the part of any Noteholder which is notified to the Company at the address set out in clause 8 above shall be entered in the Register.

10. Any Noteholder may at all reasonable times during office hours inspect the Register.

11. The Company hereby covenants with the Noteholders and each of them duly to perform and observe the obligations herein contained and imposed on it to the intent that these presents shall enure for the benefit of all Noteholders, each of whom may sue for the performance or observance of the provisions hereof so far as its holding of Loan Notes is concerned.

12. The Conditions and provisions contained in the Schedules hereto shall have effect in the same manner as if such Conditions and provisions were herein set forth.

13. A memorandum of execution of any instrument supplemental to this Instrument shall be endorsed by the Company on this Instrument.

14. This Instrument and the Loan Notes shall be governed by and construed in accordance with the laws of the State of New York.

15. Each of the parties agrees that the courts of the State of New York are to have exclusive jurisdiction to settle any disputes that may arise in connection with this Agreement.

IN WITNESS WHEREOF this Instrument has been duly executed by the Company the day and year first above written.

SCHEDULE 1

Form of Loan Note

No._____ Amount $_____

VISHAY INTERTECHNOLOGY, INC.

(Incorporated in the State of Delaware)

UP TO $105,000,000 VISHAY INTERTECHNOLOGY, INC. FLOATING RATE UNSECURED LOAN NOTES 2102

THIS IS TO CERTIFY THAT _____ _____ is/are the registered holder(s) of the above principal amount of the Vishay Intertechnology, Inc. Unsecured Loan Notes 2102 (the Loan Notes) constituted by an Instrument entered into by the Company on December 13, 2002 (together with any instruments supplemental thereto) (the Instrument) and issued with the benefit of, and subject to the provisions contained in, the Instrument and the Conditions endorsed hereon. The Loan Notes further take the benefit of certain representations and warranties of the Company contained in the Note Purchase Agreement referred to in the Instrument.

Interest is payable on the Loan Notes quarterly in arrears on the interest payment dates in each year and at a floating rate determined in accordance with the Conditions endorsed hereon.

The Loan Notes are redeemable in accordance with Condition 8 endorsed hereon.

The Loan Notes are transferable on the terms set out in the Conditions endorsed hereon. This Loan Note certificate must be surrendered before any transfer can be registered or any new Loan Note certificate can be issued in exchange.

[The Loan Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended and, accordingly, certain restrictions on ownership and transfer apply to the Loan Notes.1]

Copies of the Instrument constituting the Loan Notes are available for inspection at the registered office of the Company.

The Loan Notes shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS whereof Vishay Intertechnology, Inc. has executed this Loan Note Certificate.

---

1 The provisions of the Registration Rights Agreement of even date made between the Company and the Original Holders (as such term is defined in the Registration Rights Agreement) shall govern whether or not legends in compliance with the United States Securities Act of 1933 appear on the face of the Loan Note certificates.

Issued on [ ] 20[__]

SCHEDULE 2

The Conditions

1. The Loan Notes are issued in amounts and multiples of $1000 and constitute unsecured obligations of the Company.

2. Interest on the Loan Notes will be calculated on the basis of a 360 day year and will be payable (subject to any requirement to deduct any income tax therefrom) by quarterly instalments in arrears on 31 March, 30 June, 30 September and 31 December in each year (or if such day is not a business day in New York and Frankfurt, on the immediately preceding common business day in such cities) (interest payment dates) in respect of the preceding interest period (as defined below) ending on the interest payment date at a rate calculated for each interest period as provided in Condition 3 below, except that the first interest payment on the Loan Notes, which shall be made on 31 December 2002 will be in respect of the period from (and including) the first date of issue of any of the Loan Notes to (but excluding) 31 December 2002. The period from (and including) the first date of issue of any Loan Notes to (but excluding) 31 December 2002 and the period from (and including) 31 December 2002 or any subsequent quarter date (where quarter date means any of 31 March, 30 June, 30 September or 31 December) to (but excluding) the next following quarter date is herein called an interest period.

3. (a) The rate of interest on the Loan Notes for any interest period ending on or prior to 31 December 2006 will be the rate per annum equal to LIBOR for such interest period plus 1.5 per cent. (1.5%).

(b) Subject to Condition 3(c), the rate of interest on the Loan Notes for any interest period commencing on or after 1 January 2007 will be LIBOR for such interest period.

(c) If at any time during the period beginning on the date of issue of the Loan Notes and ending on 31 December 2010, the Common Stock has a Market Value of equal to or more than the Target Price per share for 30 or more consecutive trading days, then the rate of interest on the Loan Notes for all interest periods commencing on or after 1 January 2011 will be the rate per annum equal to fifty per cent. (50%) of LIBOR for such interest period.

In this Condition 3:

Common Stock means the common stock, par value US$0.10, of the Company and any other security exchanged or substituted for such common stock or into which such common stock is converted in any recapitalization, reorganization, merger, consolidation, share exchange or other business combination transaction, including any reclassification consisting of a change in par value or a change from par value to no par value or vice versa;

Majority of the Noteolders means, at any relevant time, the Noteholders of a majority of the principal amount of the Loan Notes that are at any relevant time outstanding;

Market Value for any trading day means the volume-weighted average of the per share selling prices on the New York Stock Exchange or other principal United States securities exchange or inter-dealer quotation system on which the Common Stock is then listed or quoted (or, if there is no sale of the Common Stock reported on such trading day, the average of the low ask and high bid price for the Common Stock reported on the last trading day in which such sale was reported) or, if there are no high bid and low ask prices, the Market Value shall be the per share fair market value of the Common Stock or other security as determined by an investment banking firm of national reputation and standing selected by the Company and reasonably acceptable to the Majority of the Noteholders;

Target Price means $45.00 per share of Common Stock, provided that if any event(s) described in Article IV of the Put and Call Agreement shall occur, then the Target Price shall be subject to adjustment in the manner and to the extent applicable to the Target Price (as defined in the Put and Call Agreement);

trading day means any day on which securities are traded or quoted on the principal securities exchange or interdealer quotation system on which the Common Stock is listed for trading or quotation; and

Securities Act means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

4. If the Company fails to pay any amount payable by it under this Instrument or the Loan Notes, it must immediately on demand by the relevant Noteholder pay interest on the overdue amount from its due date up to the date of actual payment, both before, on and after judgement at the rate per annum equal to the Relevant Rate plus one per cent. (1%). For these purposes the Relevant Rate is the rate for the time being applicable pursuant to Condition 3 above.

5. Each interest payment shall be made (subject to any requirement to deduct any income tax therefrom) to the Noteholder on the register of Noteholders at the close of business on the twenty-eighth day preceding the date for payment of such interest and every such Noteholder shall be deemed, for the purpose of these presents, to be the holder on such interest payment date of the Notes held by it on such preceding date notwithstanding any intermediate transfer or transmission of any such Notes.

6. In circumstances where the Company is required (or would in the absence of any relevant filing be required) to make a deduction or withholding for or on account of any taxes or any other deductions, (and where any Noteholder is entitled to a reduced rate of withholding), the Company shall (to the extent it is entitled or required to do so) co-operate in a timely manner in filing such forms and documents as the Internal Revenue Service and any other taxation authority may require in order to enable the Company to make relevant payments under the Loan Notes without having to make such deduction or withholding, or at the relevant reduced rate of withholding.

7.1 If the Company at any time is subject to a transaction pursuant to which it becomes a subsidiary of any other person, it will thereafter procure that its ultimate parent company from time to time, as soon as practicable after becoming such,

provides the Noteholders with a binding, irrevocable and unconditional guarantee of all of the obligations of the Company in respect of the Notes, the Registration Rights Agreement and the Put and Call Agreement in customary form.

7.2 If the Company ceases to be a reporting company under Section 13(d) or 15 of the Exchange Act (a Reporting Entity), then, for so long as it does not have a holding company that has issued a guarantee to the Noteholders as required by Condition 7.1, it will in respect of each of its financial quarters provide each Noteholder promptly after the same is prepared with such quarterly and annual financial statements as it prepares in the ordinary course in respect of itself and its subsidiaries and as is of the type customarily provided to bank creditors.

7.3 If a guarantee of a holding company is in effect as contemplated by Condition 7.1 above but the relevant guarantor is not a Reporting Entity, then the Company shall be obliged to procure that the relevant guarantor for the time being provides to each Noteholder the information referred to in Condition 7.2 above in respect of itself and its subsidiaries within the timeframe contemplated by that Condition.

8. Each Noteholder shall be entitled to require all or any part (being $1000 nominal amount or any integral multiple thereof) of the Loan Notes held by it to be repaid at par together with accrued interest (subject to any requirement to deduct any income tax therefrom) up to (but excluding the date of repayment) in the circumstances specified in clause 7 of the Instrument. Unless previously repaid, redeemed or purchased and cancelled, the Company will redeem the Loan Notes on 31 December, 2102 at par together with accrued interest (subject to any requirement to deduct income tax therefrom) up to (but excluding) the date of repayment.

9. Any Loan Notes repaid, redeemed or purchased pursuant to Condition 8 shall forthwith be cancelled and the Company shall not be at liberty to reissue the same.

10. Every Noteholder any of whose Loan Notes is due to be repaid or redeemed under these Conditions shall, not later than the due date for such repayment or redemption, deliver up to the Company, at the address specified in clause 8 of the Instrument constituting the Loan Notes, the Loan Notes which are due to be repaid or redeemed in order that the same may be cancelled. Upon such delivery and against a receipt for the principal moneys payable in respect of the Loan Notes to be repaid or redeemed, the Company shall pay to the Noteholder the amount payable to it in respect of such repayment or redemption.

11. Interest shall cease to accrue on any Loan Notes becoming liable to repayment or redemption as from the due date for repayment or redemption of such Loan Notes, unless (upon the Noteholder demanding on or after such date and at the address specified in clause 8 of the Instrument payment of the principal moneys payable in respect thereof and tendering the certificate(s) therefor and a receipt for such moneys duly signed and authenticated in such manner as the Company may reasonably require) payment of such moneys shall not be made by the Company, in which case interest will accrue from the date of such demand until (but excluding) the date of payment by the Company.

12. Amounts in respect of interest on any Loan Notes which remain unclaimed by the Noteholder for a period of five years and amounts due in respect of principal which remain unclaimed for a period of ten years, in each case from the date on which the relevant payment first becomes due, shall revert to the Company and the Noteholder shall cease to be entitled thereto.

13. Any Notes acquired by or on behalf of any member of the Vishay Group shall be automatically cancelled.

14. The provisions of the Instrument constituting the Loan Notes and the rights of the Noteholders are subject to modification, abrogation or compromise in any respect but only in accordance with the provisions of Schedule 4 of the said Instrument and with the consent of the Company.

15. The Loan Notes are in registered form, and are transferable in accordance with the provisions of Schedule 3 of the Instrument.

16. All Loan Notes shall form a single series and shall rank pari passu equally and rateably without discrimination or preference as an unsecured debt obligation of the Company.

17. No application has been or is intended to be made to any stock exchange for the Loan Notes to be listed or dealt in.

18. Any notice or other document (including a Loan Note certificate) to be given to a Noteholder may be given or sent to the Noteholder at its registered address for the giving of notice to it by a method permitted pursuant to Condition 19. In the case of joint registered holders of any Loan Notes, a notice given to the Noteholder whose name stands first in the register in respect of such Loan Notes shall be sufficient notice to all joint holders. Notice may be given to the persons entitled to any Loan Notes in consequence of the bankruptcy of any Noteholder by sending the same by a method permitted pursuant to Condition 19 addressed to them by name or by the title of the representative or trustee of such holder at the address (if any) in the United Kingdom supplied for the purpose by such persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the bankruptcy had not occurred.

19. Any notice required to be given to the Company under the Instrument shall be sent in writing to the address specified in clause 8 of the Instrument and shall be sufficiently given or made when and if delivered by a recognized international courier service or hand delivery, or by telecopier with in each case a copy sent by first class or registered mail, post prepaid.

20. Words and expressions defined in the Instrument shall have the same respective meanings whenever used in these Conditions.

SCHEDULE 3

Provisions as to Registration, Transfer and Other Matters

1. Except as required by law or as ordered by a court of competent jurisdiction, the Company will recognise the registered holder of any Loan Notes as the absolute owner thereof and shall not be bound to take notice or see to the execution of any trust, whether express, implied or constructive, to which any Loan Notes may be subject. The receipt of the registered holder for the time being of any Loan Notes or, in the case of joint registered holders, the receipt of any of them for the interest from time to time accruing due in respect thereof or any other moneys payable in respect thereof shall be a good discharge to the Company, notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest or claim of any other person to or in such Loan Notes, interest or moneys. The Company shall not be bound to enter notice of any trust, whether express, implied or constructive, on the register in respect of any Loan Notes.

2. Every Noteholder will be recognised by the Company as entitled to its Loan Notes free from any equity, set-off or counter-claim on the part of the Company against the original or any intermediate holder of the Loan Notes.

3. The Loan Notes are transferable:

(a) in whole or in part (but in the case of a transfer of part in a minimum principal amount of at least $2,000,000 and such that the transferor's holding of Loan Notes after such transfer would not be less than $2,000,000) (and for these purposes a transfer of less than $2,000,000 shall not be a transfer in whole if it does not relate to all of the Loan Notes held by a transferor and its affiliates);

(b) subject to compliance with the restrictions set out in Schedule 6; and

(c) in whole or in part to any affiliate of a Noteholder provided that, in the case of a transfer in part, the transferor and the transferee have entered into such documentation as the Company may reasonably require to provide that:

   (i) one member of the transferor's group shall act as administrative agent for all Noteholders who are members of such group, with the effect that the Company will only be required to deal with one member of the transferor's group in relation to the Loan Notes; and

   (ii) if the transferee ceases to be an affiliate of the transferor, the Company will be notified and able to require the relevant Loan Notes promptly to be transferred back to the transferor.

For these purposes, an affiliate of any person is (i) any other person that is a holding company or subsidiary of the first, or a subsidiary of any such holding company; (ii) in the case of a transferor that is a fund management company, investment company, or venture capital or private equity company, any fund, limited partnership or similar entity that is advised or managed by that transferor; and (iii) in the case of a transferor

that is a fund, limitedpartnership or similar entity, any other such entity that is under common management with the transferor.

No assignment, transfer, sale or other disposal of any holding of Loan Notes will be registered except in accordance with paragraphs 4 and 5 below save that, if Phoenix transfers all or part of the Loan Notes that are registered in its name to Phoenix Bermuda, the Company shall not have the right to require any legal opinions pursuant to the footnote to paragraph 6 of the form of instrument of transfer set out in Schedule 5 . For these purposes:

Phoenix means Phoenix Acquisition Company S.ar.l., a company organized under the laws of Luxembourg; and

Phoenix Bermuda means Phoenix Bermuda, LP, a Bermuda limited partnership and an affiliate of Phoenix.

4. Every instrument of transfer shall be substantially in the form set out in Schedule 5 and must be signed by the transferor and the transferor shall be deemed to remain the owner of the Loan Notes to be transferred until the name of the transferee is entered in the register in respect thereof and until the transferee shall have executed an assignment substantially in the form set out in Annex I to the Put and Call Agreement.

5. Every instrument of transfer must be left for registration with the Company at the address specified in clause 8 of the Instrument accompanied by the certificate for the Loan Notes to be transferred together with any certificates required and such other evidence as the Directors may require to prove the title of the transferor or its right to transfer the Loan Notes, and, if the instrument of transfer is executed by some other person on its behalf, the authority of that person to do so. The transfer will then (subject to paragraphs 3 and 4 above) be registered and a note of such registration will be entered in the Register and a new certificate for Loan Notes issued accordingly.

6. All instruments of transfer that are registered shall be retained by the Company.

7. No fee shall be charged for the registration of any transfer or other document relating to or affecting the title to any Loan Notes.

8. Any person becoming entitled to Loan Notes in consequence of the bankruptcy of a holder of Loan Notes or of any other event giving rise to the transmission of such Loan Notes by operation of law may, upon producing such evidence that it sustains the character in respect of which it proposes to act under this Condition or of its title as the Company shall think sufficient be registered itself as the holder of such Loan Notes.

9. The interest or other moneys payable in respect of the Loan Notes and the principal amount of the Loan Notes or any part thereof may be paid by electronic transfer to the bank account notified for such purpose by the relevant Noteholder to the Company no less than 14 days prior to the relevant date for payment; or if no such account is so satisfied, by cheque sent through the post at the risk of the holder or

holders to the registered address of the holder or, in the case of joint registered holders, to the registered address of that one of the joint registered holders who is first named on the register in respect of such holding, or to such person and to such address as the registered holder or the joint registered holders may in writing direct. Every such cheque shall be made payable to the order of the person to whom it is sent and payment of the cheque shall be a satisfaction of the moneys represented thereby.

10. If any Loan Note certificate is defaced, lost or destroyed, it may be replaced on such terms (if any) as to evidence and indemnity as the Company may require but so that, in the case of defacement, the defaced Loan Note certificate shall be surrendered before the new Loan Note certificate is issued.

SCHEDULE 4

Amendments, Supplements and Waivers

Except as described below the Company may amend the terms of the Loan Notes with the written consent of Noteholders holding 66?% of the aggregate principal amount of the then outstanding Loan Notes. Noteholders holding a 66?% of the aggregate principal amount of the outstanding Loan Notes may waive compliance by the Company with any provision of the Loan Notes. However, without the consent of each affected Noteholder, an amendment, supplement or waiver may not:

(a) change the maturity of the principal of or any instalment of interest on any Loan Note in a manner adverse to the Noteholders;

(b) reduce the principal amount of any Loan Note;

(c) reduce the rate of or extend the time for payment of interest on any Loan Note;

(d) change the place or currency of payment of principal of or interest on any Loan Note;

(e) modify any provision of the Loan Notes relating to the waiver of past defaults or the right of the Noteholders to institute suit for the enforcement of any payment on or with respect to any Loan Notes or the modification and amendment provisions of the Loan Notes;

(f) reduce the percentage of the principal amount of outstanding Loan Notes necessary for amendment to or waiver of compliance with any provision of the Loan Notes or for waiver of any breach of the terms thereof;

(g) waive a default in the payment of principal of, interest on, or redemption payment with respect to, the Loan Notes;

(h) modify the ranking or priority of any Loan Note in any manner adverse to the Noteholders;

It shall not be necessary for the consent of the Noteholders under this Schedule 4 to approve the particular necessary for the consent of the Noteholders under this Schedule 4 to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Schedule 4 becomes effective, the Company shall notify the Noteholders affected thereby a notice briefly describing the amendment; supplement or waiver. Any failure by the Company to send such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment, supplement or waiver.

SCHEDULE 5

Form of Transfer Certificate

To: Vishay Intertechnology, Inc. (the Company)

TRANSFER CERTIFICATE

This Transfer Certificate relates to the Instrument constituting up to $105,000,000 Vishay Intertechnology, Inc. Floating Rate Loan Notes 2102 dated December 13, 2002 of Vishay Intertechnology, Inc. (the Instrument).

Capitalised terms defined in the Instrument shall have, unless otherwise defined in this Transfer Certificate, the same meanings when used in this Transfer Certificate.

1. [Transferor] (the Transferring Holder) confirms that the principal outstanding amount of Notes that it holds is $[_____] (the Transferring Holder's Notes).

2. The Transferring Holder requests:

(a) [___________] [Transferee] (the Transferee) to accept and procure the transfer to the Transferee of [the Transferring Holder's Notes//[_____] principal amount of the Transferring Holder's Notes, being a principal amount greater than $2,000,000] as further specified in the Appendix (the Transfer Notes) by countersigning and delivering this Transfer Certificate to the Company at its address for the service of notices specified in the Instrument; [and

(b) the Company to issue a certificate in its name in relation to that portion of the Transferring Holder's Notes not comprising the Transfer Notes (the Retained Notes) in accordance with clause 6 of the Instrument. For the avoidance of doubt, the Transferor acknowledges that this Transfer Certificate shall not affect its rights, undertakings, liabilities and obligations in respect of the Retained Notes.]

3. The Transferring Holder makes no representation or warranty and assumes no responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of the Instrument or any document relating thereto and assumes no responsibility for the financial condition of the Company or for the performance and observance by the Company of any of its respective undertakings, liabilities and obligations under the Instrument or any document relating thereto, and any and all such conditions and warranties, whether express or implied by law or otherwise, are hereby excluded.

4. In connection with the transfer of the Transfer Notes, the Transferring Holder confirms that it has not utilised any general solicitation or general advertising in connection with the Transfer Notes or the transfer of the Transfer Notes.

5. Unless, either (i), one of the boxes below is checked by the Transferring Holder or (ii) the Loan Notes are transferred pursuant to an effective registration statement under the Securities Act, the Company shall not be obliged to register any of the Loan Notes evidenced in the name of any person other than the Transferring Holder.

6. By checking the box checked below, the Transferring Holder confirms that the Transfer Notes are being transferred2:

(i) [_____] to the Company or a subsidiary thereof; or

(ii) [_____] pursuant to and in compliance with Rule 144A under the Securities Act; or

(iii) [_____] to an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act); or

(iv) [_____] outside the United States to a "foreign person" in compliance with Rule 904 of Regulation S under the Securities Act; or

(v) [_____] pursuant to the exemption from registration provided by Rule 144 under the Securities Act; or

(vi) [_____] pursuant to another available exemption from the registration requirements of the Securities Act.]

7. The Transferee hereby requests the Company:

(a) to accept this Transfer Certificate as being delivered to it pursuant to, and for the purposes of, paragraph 5 of Schedule 3 to the Instrument in relation to the Transfer Notes; and

(b) to register it in the Register as the Noteholder in respect of the Transfer Notes; and

(c) to issue a certificate in its name in relation to the Transfer Notes in accordance with clause 6 of the Instrument.

8. The Transferee confirms that it has acceded to the Put and Call Agreement in accordance with paragraph 4 of Schedule 3 to the Instrument and encloses herewith:

(i) a copy of the form of assignment prescribed by the Put Call Agreement duly executed by it; and

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2 If box (iii), (iv), (v) or (vi) is checked, the Company may require, prior to registering any such transfer of the Transfer Notes such legal opinions, as the Company reasonably requests to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. For the avoidance of doubt and in accordance with Schedule 3, if Transferor is Pheonix and the Transferee is Phoenix Bermuda, the Company shall have no right to request any such legal opinions in relation to such Transfer.

(ii) the certificate that evidences the Transferring Holder's title to the Transfer Notes.

9. The Transferee warrants that it has received a copy of the Instrument together with such other information as it has required in connection with this transaction and that it has not relied, and will not hereafter rely, on the Transferring Holder to check or enquire on its behalf into the legality, validity, effectiveness, adequacy, accuracy or completeness of any such information and further agrees that it has not relied, and will not rely, on the Transferring Holder to assess or keep under review on its behalf the financial condition, creditworthiness, condition, affairs, status or nature of the Company.

10. The Transferee hereby undertakes with the Transferring Holder and each of the other parties to the Instrument that it will perform in accordance with their terms all those undertakings, liabilities and obligations that by the terms of the Instrument will be assumed by it after delivery of this Transfer Certificate to the Company and satisfaction of the conditions subject to which this Transfer Certificate is expressed to take effect.

11. This Transfer Certificate is not assignable or otherwise negotiable (without prejudice to the provisions of Schedule 3 to the Instrument which shall be applicable to the Transferring Holder in respect of the Retained Notes and to the Transferee in relation to any transfer or assignment of the rights, undertakings, liabilities and obligations assumed by it pursuant hereto).

12. This Transfer Certificate and the rights, undertakings, liabilities and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of New York.

13. Each of the Transferor and the Transferee agrees that the courts of the State of New York are to have exclusive jurisdiction to settle any disputes that may arise in connection with this Agreement.

APPENDIX

[Insert details of Transfer Notes.]

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For and on behalf of the Transferring Holder	For and on behalf of the Transferee

SCHEDULE 6

Restrictions on Transfer of Loan Notes

(a) Each Noteholder agrees that any proposed transfer of any Loan Notes, or any shares of Common Stock issuable upon conversion or exchange thereof, may be effected only (1)(w) inside the United States of America (I) to a person who the seller reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, (II) in accordance with Rule 144 or (III) pursuant to another exemption from the registration requirements of the Securities Act, (x) to the Company, (y) outside the United States of America (A) to a non-U.S. person (within the meaning of Regulation S) in a transaction meeting the requirements of Regulation S or (B) pursuant to another exemption from the registration requirements of the Securities Act or (z) pursuant to an effective registration statement and (2) in each case, in accordance with the application securities laws of any state of the United States of America or any other application jurisdiction. Each Noteholder agrees to notify any purchaser of the resale restrictions set forth above.

(b) Prior to any Transfer or proposed Transfer of any Loan Notes, the Noteholder thereof shall deliver written notice to the Company in the form set out in Schedule 5 of such Noteholder's intention to effect such transfer. If the transfer or proposed transfer is pursuant to clause (1)(w) or (1)(y) of the first sentence of the preceding paragraph, then upon receipt of such notice, the Company may request any or all of the following (each a Transfer Document) in a form reasonably acceptable to the Company:

(i) an agreement by such transferee to the impression of the restrictive investment legend set forth below on the Loan Note certificates, or any shares of Common Stock issuable upon conversion or exchange thereof;

(ii) an agreement by such transferee, in form and substance reasonably satisfactory to the Company, to be bound by the provisions of this Schedule 6 relating to the transfer of such Loan Notes, or any shares of Common Stock issuable upon conversion or exchange thereof; and

(iii) an opinion of counsel with expertise in securities law matters reasonably satisfactory to the Company that such transfer complies with applicable securities laws.

If the Company requests any Transfer Document(s), it shall do so as promptly as practicable following receipt of the Holder's notice of intention to Transfer. The Company shall thereafter cause the Transfer to be recorded and a certificate or other evidence of ownership in the name of the transferee to be delivered as soon as practicable after it has received Transfer Documents complying with the terms of this Schedule.

(c) The Noteholders agree that each certificate issued to evidence Loan Notes, or any shares of Common Stock issuable upon conversion of exchange thereof shall bear a legend to the following effect:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE ACT), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED, OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM SUCH REGISTRATION.

The foregoing legend shall be in addition to any other legend required by law.

(d) The restrictions referenced in this Schedule, including the legend, shall cease and terminate as to any particular Loan Notes, or any shares Common Stock issuable upon conversion or exchange thereof when (x) such Loan Notes, or any shares Common Stock issuable upon conversion or exchange thereof have been transferred in a transaction pursuant to Rule 144 or a registration statement or (y) in the reasonable opinion of counsel for the Company, such restriction is no longer required in order to assure compliance with the Securities Act and applicable state securities laws. Whenever such restrictions shall cease and terminate as to any Notes, the Noteholder shall be entitled to received from the Company, without expense (other than applicable transfer taxes, if any, if such unlegended shares are being delivered and transferred to any person other than the registered Noteholder thereof), new certificates for a like number of Notes not bearing the relevant legend(s) set forth in this Schedule.

The Company

VISHAY INTERTECHNOLOGY, Inc.

acting by

December 13, 2002

VISHAY INTERTECHNOLOGY, INC
(as Issuer)

==

INSTRUMENT
constituting
up to $105,000,000
FLOATING RATE
UNSECURED LOAN NOTES 2102

==

FRESHFIELDS BRUCKHAUS DERINGER

Exhbit 4.4

SECURITIES INVESTMENT AND REGISTRATION RIGHTS AGREEMENT

THIS SECURITIES INVESTMENT AND REGISTRATION RIGHTS AGREEMENT is made and entered into as of December 13, 2002 (the "Issue Date," being the completion date under the Purchase Agreement, defined below), by and among Vishay Intertechnology, Inc., a Delaware corporation (the "Company"), and Phoenix, the BCcH Shareholders, the Mezzanine Lenders, Phoenix Bermuda and the Foundation (each as defined below; the "Original Holders"), pursuant to and in furtherance of the transactions contemplated by the Purchase Agreement.

W I T N E S S E T H

WHEREAS, the Company and the Original Holders have entered into that certain Share Sale and Purchase Agreement, dated November 10, 2002 (as amended from time to time, the "Purchase Agreement"), by and among the parties thereto, pursuant to which, among other things, the Company has agreed to issue to the Original Holders the Consideration Securities (as defined below).

WHEREAS, the Company and the Original Holders wish to enter into certain covenants and agreements in respect of the Consideration Securities in order to provide for certain rights contemplated by the parties in entering into the Purchase Agreement and to comply with the securities laws of the United States in which the Company is domiciled.

WHEREAS, the execution of this Agreement is a condition to the completion of the transactions contemplated by the Purchase Agreement.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration receipt of which is acknowledged, the parties agree as follows:

SECTION 1. Definitions.

(a) As used in this Agreement, the following terms have the meanings assigned in this Section:

"A Warrants" has the meaning set forth in the definition of "Warrants" below.

"Accredited Investor" has the meaning assigned in Regulation D under the Securities Act and set forth on Schedule A hereto.

"Affiliate" has the meaning assigned in paragraph (a)(1) of Rule 144.

"B Warrants" has the meaning set forth in the definition of "Warrants" below.

"BCcH Shareholders" means those persons whose names and addresses are set out in Part A of Schedule 1 to the Purchase Agreement.

"Business Day" means any day, other than a Saturday or Sunday or a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to close.

"Common Stock" means the common stock, par value $0.10 per share, of the Company and any other security exchanged or substituted for such common stock or into which such common stock is converted in any recapitalization, reorganization, merger, consolidation, share exchange or other business combination transaction, including any reclassification consisting of a change in par value or a change from par value to no par value or vice versa.

"Company" has the meaning set forth in the first paragraph of this Agreement.

"Consideration Securities" means the Notes and the Warrants.

"Deferral Event" has the meaning set forth in Section 9(b) hereof.

"Designated Counsel" means Freshfields Bruckhaus Deringer or any other counsel of recognized national standing in the interpretation of the securities laws in the United States selected by the Designated Holders.

"Designated Holders" means, collectively, the Designated Note Holder and the Designated Warrant Holder.

"Designated Note Holder" means a person chosen by a majority of the Holders of the then outstanding Exchange Shares; provided, however, that in the event at any time there is no person acting in the capacity of the Designated Note Holder: (i) all notices or other communications required to be provided herein to the Designated Note Holder shall be provided to Designated Counsel and (ii) any decisions required to be made herein by the Designated Note Holder shall be made by the Holders of a majority of the then outstanding Exchange Shares.

"Designated Warrant Holder" means Phoenix, an Affiliate of Phoenix designated by Phoenix, or, if neither Phoenix nor any of its Affiliates desire any longer to act as the Designated Warrant Holder or Phoenix and its Affiliates no longer own any Warrant Shares, such other person or entity approved by the Holders of a majority of the then outstanding Warrant Shares; provided, however, that in the event at any time there is no person acting in the capacity of the Designated Warrant Holder: (i) all notices or other communications required to be provided herein to the Designated Warrant Holder shall be provided to Designated Counsel and (ii) any decisions required to be made herein by the Designated Warrant Holder shall be made by the Holders of a majority of the then outstanding Warrant Shares.

"Distributor" means any underwriter, dealer, or other person who participates, pursuant to a contractual arrangement, in the distribution of the securities offered or sold in reliance on Regulation S.

"Effectiveness Period" means either the Primary Effectiveness Period or the Resale Effectiveness Period, as the case may be.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Exchange Shares" means the shares of Common Stock issuable upon exchange of the Notes (and the Spin-Off Notes, if applicable) in accordance with the terms and conditions of the Put and Call Agreement. For purposes of this Agreement, references to Holders of Exchange Shares shall include Holders of Notes (and Spin-Off Notes, if applicable) exchangeable for such shares, with the number of Exchange Shares deemed held for these purposes determined on an as exchanged basis.

"Foundation" means Stichting Administratiekantoor Phoenix whose registered office is at Meerenakkerplein 27-30, 5652 BJ Eindhoven, The Netherlands.

"Hold-Back Election" has the meaning set forth in Section 9(a) hereof.

"Holder" means any of the Original Holders and any person who becomes a registered holder of any Registrable Securities in compliance with the terms of this Agreement.

"Indemnifiable Losses" has the meaning set forth in Section 12(a) hereof.

"Initiating Note Holders" has the meaning set forth in Section 4(b) hereof.

"Initiating Warrant Holders" has the meaning set forth in Section 4(a) hereof.

"Issue Date" has the meaning set forth in the first paragraph of this Agreement.

"Material Event" has the meaning set forth in Section 6(f) hereof.

"Mezzanine Lenders" means the persons whose names and addresses are set out in Part C of Schedule 1 to the Purchase Agreement.

"NASD" means the National Association of Securities Dealers, Inc.

"Notes" means US$105,000,000 principal amount of notes due 2102 issued by the Company and delivered to the Mezzanine Lenders under the terms of the Purchase Agreement, and exchangeable for shares of Common Stock pursuant to a Put and Call Agreement, of even date herewith, between the Company and certain of the Original Holders.

"Note Holder" means a holder of the Notes, and for the registration provisions of this Agreement, shall include a holder of Exchange Shares that are Resale Securities.

"Notice and Questionnaire" means a written notice delivered to the Company by a holder of Resale Securities, containing the information called for by the Form of Selling Securityholder Notice and Questionnaire attached hereto as Annex A.

"Notice Holder" means, on any date, any Holder that has delivered a Notice and Questionnaire to the Company on or prior to such date.

"Original Holders" has the meaning set forth in the first paragraph of this Agreement.

"Other Holders" has the meaning set forth in Section 4(i) hereof.

"Phoenix" means Phoenix Acquisition Company S.a.r.l (registered at the Luxembourg Trade and Companies Registry under No. 66455) whose registered office is at 58 rue Charles Martel, L-2134 Luxembourg.

"Phoenix Bermuda" means Phoenix Bermuda, LP, a Bermuda limited partnership and an Affiliate of Phoenix.

"Primary Registration Statement" means a registration statement registering the issuance of the Warrant Shares under the Securities Act.

"Primary Effectiveness Period" means the period ending on the earlier of (x) ten years from the Issue Date and (y) the date on which all of the Warrants have been exercised for Warrant Shares.

"Prospectus" means the prospectus included in any Registration Statement (including, without limitation, a prospectus that discloses information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 415 promulgated under the Securities Act), as amended or supplemented by any amendment or prospectus supplement, including post-effective amendments, and all materials incorporated by reference in such Prospectus.

"Purchase Agreement" has the meaning set forth in the preamble hereto.

"Put and Call Agreement" means that certain Put and Call Agreement between the Company and certain of the Original Holders of even date herewith.

"Registrable Securities" means:

(i) the Warrant Shares to the extent eligible for registration under the Primary Registration Statement;

(ii) the Resale Securities; and

(iii) any securities issued with respect to the securities referred to in (i) and (ii) above (or issuable upon the conversion, exchange or exercise of any warrant, right or other security which is issued) by way of a dividend or other distribution with respect to, or in exchange for or in replacement of, such securities in connection with a recapitalization, merger, consolidation or other reorganization.

For purposes of determining the Holders of a majority of any Registrable Securities at any time outstanding, a Holder of Warrants shall be deemed to hold the underlying Warrant Shares and a Holder of Notes shall be deemed to hold the underlying Exchange Shares.

"Registration Statement" means the Primary Registration Statement, the Resale Registration Statement, and any piggyback registration statement pursuant to Section 5 hereof and includes the Prospectus, all amendments (including post-effective amendments) and supplements, all exhibits, and all materials included or incorporated by reference in such registration statement.

"Regulation S" means Regulation S under the Securities Act, as the same may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

"Requesting Securityholder" has the meaning set forth in Section 5(a) hereunder.

"Resale Effectiveness Period" means the period ending on the earlier to occur of (x) the first date on which there are no longer outstanding any Resale Securities and (y) the tenth anniversary of the Issue Date and, to the extent applicable to permit a Holder to sell pursuant to a Resale Registration Statement, four (4) months after the tenth anniversary of the Issue Date.

"Resale Registration Statement" means a registration statement registering the Resale Securities for resale under the Securities Act.

"Resale Securities" means:

(i) the Exchange Shares;

(ii) the Warrants;

(iii) the Warrant Shares, but only if such Warrant Shares:

(I) (a) for any reason are not eligible for registration under the Primary Registration Statement; or (b) are issued upon exercise of the Warrants by the Original Holders or any of their respective Affiliates and continue to be held by such Holders or their Affiliates; or

(II) are, or are intended to be, issued upon exercise of the Warrants in connection with an Underwritten Offering to facilitate the sale of such Warrant Shares; and

(iv) any securities issued with respect to the securities referred to in (i), (ii) and (iii) above (or issuable upon the conversion, exchange or exercise of any warrant, right or other security which is issued) by way of a dividend or other distribution with respect to, or in exchange for or in replacement of, such securities in connection with a recapitalization, merger, consolidation or other reorganization;

provided, however, that such Resale Securities shall cease to constitute Resale Securities when they are sold either pursuant to a Registration Statement filed under the Securities Act (other than the Primary Registration Statement) or pursuant to Rule 144. For purposes of determining the Holders of a majority of the Resale Securities at any time outstanding, a Holder of Warrants shall be deemed to hold the underlying Warrant Shares and a Holder of Notes shall be deemed to hold the underlying Exchange Shares.

"Restricted Securities" has the meaning assigned to such term in Rule 144.

"Restricted Period" has the meaning set forth in Section 2(c)(iv) hereunder.

"Rule 144" means Rule 144 under the Securities Act, as the same may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

"Rule 415" means Rule 415 under the Securities Act, as the same may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

"SEC" means the Securities and Exchange Commission or its successors.

"Section 4(2)" means Section 4(2) under the Securities Act, as the same may be amended from time to time, or any successor statute.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated by the SEC thereunder.

"Spin-Off" has the meaning set forth in (x) Section 11(e) of the Warrant Agreement (as such Spin-Off relates to the Warrants) and (y) Section 4.01(e) of the Put and Call Agreement (as such Spin-Off relates to the Notes).

"Spin-Off Company" has the meaning set forth in (x) Section 11(e) of the Warrant Agreement (as it relates to the Spin-Off Warrants) and (y) Section 4.01(e) of the Put and Call Agreement (as it relates to the Spin-Off Notes).

"Spin-Off Notes" has the meaning set forth in Section 4.01(e) of the Put and Call Agreement.

"Spin-Off Warrants" has the meaning set forth in Section 11(e) of the Warrant Agreement.

"Transfer" means any disposition of any Consideration Securities or of any interest therein, which would constitute a "sale" within the meaning of the Securities Act. The term "transferee" shall mean any person that acquires any interest in any Consideration Securities in a Transfer.

"Transfer Document" has the meaning set forth in Section 15(b) hereunder.

"Underwritten Offering" means an SEC registered offering in which securities of the Company or a Spin-Off Company, including Resale Securities that are Warrant Shares or

Exchange Shares (or, in the case of Spin-Off Warrants and Spin-Off Notes, the shares issuable upon the exercise or exchange thereof), as the case may be, are sold to an underwriter for reoffering to the public or placed to the public by an underwriter on an agency basis.

"U.S. person" has the meaning assigned in Regulation S and set forth on Schedule B hereto.

"Warrant Agreement" means that certain Warrant Agreement dated as of December 13, 2002 between the Company and the Warrant Agent (as defined therein), pursuant to which the Warrants are issued.

"Warrant Holder" means a holder of A Warrants, B Warrants and/or Warrant Shares.

"Warrants" means:

(i) the warrants to acquire 7,000,000 shares of Common Stock having an exercise price of $20.00 per share (the "A Warrants"); and

(ii) the warrants to acquire 1,823,529 shares of Common Stock having an exercise price of $30.30 per share (the "B Warrants"),

such A Warrants and B Warrants (w) being issued as consideration under the Purchase Agreement, (x) being subject to adjustment in accordance with the Warrant Agreement, (y) having an expiration date on the tenth anniversary of the Issue Date and (z) being immediately exercisable by all Holders other than an Original Holder or an Affiliate of an Original Holder and being exercisable by an Original Holder or any Affiliate of an Original Holder following the first anniversary of the Issue Date.

"Warrant Shares" means the shares of Common Stock issuable upon exercise of the Warrants (and the Spin-Off Warrants, if applicable). For purposes of this Agreement, references to a Holder of Warrant Shares shall include Holders of Warrants (and Spin-Off Warrants, if applicable) exercisable for such shares with the number of Warrant Shares deemed held for these purposes determined on an as exercised basis.

(b) Construction.

(i) The terms defined herein have the respective meanings set forth herein for all purposes, and such meanings are equally applicable to both the singular and plural forms of the terms defined.

(ii) The words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation" whether or not they are in fact followed by such words or words of like impact. "Writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form.

(iii) Any instrument, agreement or other document defined or referred to herein means such instrument, agreement or other document as from time to time amended,

modified or supplemented, including by waiver or consent, in accordance with the provisions hereof or thereof, and includes references to all appendices, exhibits, schedules, supplements, addenda and other attachments thereto and instruments, agreements or other documents incorporated therein.

(iv) Any term defined below by reference to any instrument, agreement or other document has such meaning whether or not such instrument, agreement or other document is in effect. References to a person are, unless the context otherwise requires, also to such person's successors and assigns.

(v) The words "herein", "hereof" and "hereunder" and comparable terms refer, unless the context otherwise requires, to the entire Agreement and not to any particular article, section or other subdivision hereof. References herein to "Article", "Section" or another subdivision or to "Appendix", "Exhibit", "Schedule" or other attachment are, unless the context otherwise requires, to an article, section or subdivision hereof or an appendix, exhibit, schedule or other attachment hereto.

(vi) References to any gender include, unless the context requires otherwise, references to all genders and references to the singular include, unless the context requires otherwise, references to the plural and vice versa. "Shall" and "will" have equal force and effect.

(vii) All references in this Agreement to "$" are to United States dollars.

SECTION 2. Representations and Warranties of the Original Holders.

(a) Each of the Original Holders severally acknowledges and understands that the issuance of the Consideration Securities pursuant to the Purchase Agreement is not being registered by the Company under the Securities Act or the securities laws of any state of the United States and that the issuance of the Consideration Securities is being effected in reliance upon an exemption from registration afforded either under Section 4(2) of the Securities Act for transactions by an issuer not involving a public offering or Regulation S for offers and sales of securities outside the United States. By its execution of this Agreement, each of the Original Holders represents and warrants, severally and not jointly, as indicated on its signature page to this Agreement, either that:

(i) it is, and at all times since the execution of the Purchase Agreement it has been, an Accredited Investor, so that the Company may rely on the exemption of Section 4(2); or

(ii) it is not, and at all times since the execution of the Purchase Agreement it has not been, a U.S. person, so that the Company may rely on the exemption of Regulation S.

Each such Holder severally understands that the Consideration Securities, including the shares of Common Stock issuable upon exchange or exercise thereof, are being offered and sold to such Holder pursuant to the Purchase Agreement in reliance upon the truth and accuracy of the

representations, warranties, agreements, acknowledgments and understandings of such Holder set forth in this Agreement, in order that the Company may determine the applicability and availability of the exemptions from registration of the Consideration Securities on which the Company is relying.

(b) Each Original Holder indicating that it is an Accredited Investor further represents and warrants to the Company as follows:

(i) Such Holder qualifies as an Accredited Investor on the basis set forth on its signature page to this Agreement.

(ii) Such Holder has sufficient knowledge and experience in finance, securities, investments and other business matters to be able to protect such Holder's interests in connection with the transactions contemplated by the Purchase Agreement.

(iii) Such Holder has consulted, to the extent that it has deemed necessary, with its tax, legal, accounting and financial advisors concerning its investment in the Consideration Securities and the shares of Common Stock issuable upon exchange or exercise thereof.

(iv) Such Holder understands the various risks of an investment in the Consideration Securities, and any shares of Common Stock issuable upon exchange or exercise thereof, and can afford to bear such risks for an indefinite period of time, including, without limitation, the risk of losing its entire investment in the Consideration Securities, and any shares of Common Stock issuable upon exchange or exercise thereof.

(v) Such Holder has had access to the Company's publicly filed reports with the SEC, is aware of the risk factors concerning the Company described from time to time in such reports, and has had the opportunity to ask questions about the contents of such reports and is satisfied with the responses to its questions.

(vi) Such Holder has been furnished during the course of the transactions contemplated by the Purchase Agreement with all other public information regarding the Company that such Holder has requested and, assuming such publicly available information complies with U.S. securities laws, all such public information is sufficient for such Holder to evaluate the risks of investing in the Consideration Securities.

(vii) Such Holder has been afforded the opportunity to ask questions of and receive answers concerning the terms and conditions of the issuance of the Consideration Securities, and any shares of Common Stock issuable upon exchange or exercise thereof.

(viii) Such Holder is not relying on any representations and warranties concerning the Company made by any officer, employee or agent of the Company, other than those, if any, contained in the Purchase Agreement.

(ix) Such Holder is acquiring the Consideration Securities, and any shares of Common Stock issuable upon exchange or exercise thereof, for such Holder's own account, for investment and not for distribution or resale to others, except for such transfers to its

partners and investors as would not violate the provisions of the Securities Act, the securities laws of any state of the United States or this Agreement.

(x) Such Holder will not sell or otherwise transfer the Consideration Securities, or any shares of Common Stock issuable upon exchange or exercise thereof, unless either (A) the transfer of such securities is registered under the Securities Act or (B) an exemption from registration of such securities is available.

(xi) Such Holder understands and acknowledges that there currently is no public market for the Consideration Securities and that no such market may ever develop.

(xii) Such Holder understands and acknowledges that the Company is under no obligation to register the Notes for sale under the Securities Act and that only the Registrable Securities are obligated to be registered under this Agreement.

(xiii) Such Holder consents to the placement of a legend on any certificate or other document evidencing the Consideration Securities, and any shares of Common Stock issuable upon exchange or exercise thereof, stating that such securities have not been registered under the Securities Act or applicable state securities laws and setting forth or referring to the restrictions on transferability and sale thereof.

(xiv) Such Holder represents that the address furnished by such Holder on its signature page to this Agreement is such Holder's principal residence if he is an individual or its principal business address if it is a corporation or other entity.

(c) Each Original Holder indicating that it is not a U.S. person further represents and warrants to the Company as follows:

(i) At the time of (a) the offer by the Company and (b) the acceptance of the offer by such Holder, of the Consideration Securities, such Holder was outside the United States.

(ii) No offer to acquire the Consideration Securities or otherwise to participate in the transactions contemplated by the Purchase Agreement was made to such Holder or its representatives inside the United States.

(iii) Such Holder is not purchasing the Consideration Securities, and will not be acquiring any shares of Common Stock issuable upon exchange or exercise thereof, on behalf of, as nominee for or with a view towards distribution to any U.S. person in violation of the registration requirements of the Securities Act.

(iv) Such Holder will make all subsequent offers and sales of the Consideration Securities, and the shares of Common Stock issuable upon exchange or exercise thereof, either (x) outside of the United States in compliance with Regulation S; (y) pursuant to a registration under the Securities Act; or (z) pursuant to an exemption from registration under the Securities Act. Specifically, such Holder will not resell the Consideration Securities, or the shares of Common Stock issuable upon exchange or exercise thereof, to any U.S. person or within the United States prior to the expiration of a period commencing on the Issue Date and ending on the date that is one year thereafter (the "Restricted Period"), except pursuant to registration under the Securities Act or an exemption from registration under the Securities Act.

(v) Such Holder has no present plan or intention to sell the Consideration Securities, or the shares of Common Stock issuable upon exchange or exercise thereof, in the United States or to a U.S. person at any predetermined time, has made no predetermined arrangements to sell the Consideration Securities, or the shares of Common Stock issuable upon exchange or exercise thereof, and is not acting as a Distributor of such securities.

(vi) Neither such Holder, its Affiliates nor any person acting on such Holder's behalf, has entered into, has the intention of entering into, or will enter into any put option, short position or other similar instrument or position in the U.S. with respect to the Consideration Securities, or the shares of Common Stock issuable upon exchange or exercise thereof, at any time after the Issue Date through the Restricted Period except in compliance with the Securities Act.

(vii) The Consideration Securities, and the shares of Common Stock issuable upon exchange or exercise thereof, will contain a legend to the effect that transfer is prohibited except in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act or pursuant to an available exemption from registration, and that hedging transactions involving those securities may not be conducted unless in compliance with the Securities Act.

(viii) Such Holder is not acquiring the Consideration Securities, or the shares of Common Stock issuable upon exchange or exercise thereof, in a transaction (or an element of a series of transactions) that is part of any plan or scheme to evade the registration provisions of the Securities Act.

(d) Each Original Holder further represents and warrants to the Company as follows:

(i) Such Holder understands and acknowledges that the Consideration Securities, and the shares of Common Stock issuable upon exchange or exercise thereof, are subject to restrictions on transferability and that the Company may refuse to transfer the Consideration Securities, and the shares of Common Stock issuable upon exchange or exercise thereof, unless such Holder complies with the provisions in Section 15 of this Agreement related to restrictions on transferability.

(ii) Such holder understands and acknowledges that the Consideration Securities, and the shares of Common Stock issuable upon exchange or exercise thereof, have

not been recommended by any federal or state securities commission or regulatory authority, that the foregoing authorities have not confirmed the accuracy or determined the adequacy of any information concerning the Company that has been supplied to such Holders and that any representation to the contrary is a criminal offense.

(iii) Such Holder acknowledges that the representations, warranties and agreements made by such Holder herein shall survive the execution and delivery of this Agreement, the purchase of the Consideration Securities and the exchange or exercise thereof.

(e) Phoenix Bermuda and Phoenix each hereby represents and warrants that if Phoenix transfers the Consideration Securities to Phoenix Bermuda, which the parties anticipate will take place within a reasonably short period of time following the date hereof, the representations and warranties in this Section 2 will be true and correct as to Phoenix Bermuda on the date hereof and on the date on which Phoenix transfers the Consideration Securities to Phoenix Bermuda.

(f) The Company represents and warrants to each Holder as follows:

(i) The Company is acquiring the Sale Shares (as defined in the Purchase Agreement) for its own account, for investment purposes only and not with a view to distribution (as such term is used in Section 2(11) of the Securities Act). The Company understands that the Sale Shares have not been registered under the Securities Act and cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is available.

(ii) None of the Company, any Affiliate of the Company, or any person acting on its or their behalf has offered or sold or will offer or sell any Consideration Securities by means of any general solicitation or general advertisement within the meaning of Section 502(c) of the Securities Act or by means of any "directed selling efforts" within the meaning of Rule 903 under the Securities Act.

SECTION 3. Registration Generally.

(a) The Company shall prepare and file with the SEC no later than the date that is thirty (30) days after the Issue Date:

(i) a Resale Registration Statement for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act registering the resale from time to time by Holders thereof of all of the Resale Securities (and which shall include no other securities); and

(ii) a Primary Registration Statement for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act registering the issuance by the Company, in a primary registration, from time to time of Warrant Shares upon the exercise of the Warrants, to the Holders thereof.

Each Registration Statement shall be prepared and filed on Form S-3 or another appropriate form permitting registration of the Registrable Securities on a delayed or continuous

basis. The method of distribution by the Holders under the Resale Registration Statement shall include any public or private sale by the Holders or pursuant to an Underwritten Offering (as provided in this Agreement). The Resale Registration Statement shall also permit the sale of the Resale Securities under Rule 144.

(b) The Company shall use its reasonable best efforts:

(i) to cause each Registration Statement to be declared effective under the Securities Act by the date that is one hundred eighty (180) days after the Issue Date;

(ii) to keep the Resale Registration Statement continuously effective under the Securities Act until the expiration of the Resale Effectiveness Period; and

(iii) to keep the Primary Registration Statement continuously effective under the Securities Act until the expiration of the Primary Effectiveness Period,

the foregoing clauses each being subject to the rights of the Company to determine that a Deferral Event has occurred in accordance with Section 9(b) herein.

(c) In the event of a Spin-Off pursuant to which:

(i) a Warrant Holder receives Spin-Off Warrants; and/or

(ii) a Note Holder receives Spin-Off Notes,

the Company agrees to take such action as is reasonably necessary to cause the Spin-Off Company to register the shares of common stock of the Spin-Off Company issuable upon exchange of the Spin-Off Notes and/or upon exercise of the Spin-Off Warrants on a resale registration statement on terms substantially identical to the terms and conditions of this Agreement, including but not limited to the indemnification, piggyback registration and holdback provisions hereof, except that the Spin-Off Company shall be substituted for the Company in such agreement, rights to demand underwritten offerings in respect of the Spin-Off Warrants and the Spin-Off Notes shall be as described in Section 4(c) hereof and holders of such securities shall not be required to make representations similar to those contained in Section 2 hereof.

SECTION 4. Demand Underwritten Offering.

(a) Warrant Shares. Subject to Section 9(a) hereof, upon the written request of one or more Holders of Warrant Shares that are Resale Securities (such Holder or Holders, the "Initiating Warrant Holders") requesting that the Company effect the disposition of such Warrant Shares on the Resale Registration Statement by means of an Underwritten Offering, the Company will cooperate with the Initiating Warrant Holders to facilitate such an Underwritten Offering; provided, however, that the Company shall not be obligated to:

(i) effect more than an aggregate of two (2) demand Underwritten Offerings pursuant to this Section 4(a) or more than one demand Underwritten Offering pursuant to this Section 4(a) in any twelve (12) month period; or

(ii) effect a demand Underwritten Offering pursuant to this Section 4(a) unless:

(A) the Resale Securities for which a demand Underwritten Offering is made pursuant to this Section 4(a) constitute at least three million (3,000,000) shares of Common Stock; and

(B) in the case of an Underwritten Offering in which any Warrants have been or are intended to be exercised in connection with the offering,

(1) the sale price of a share of Common Stock (or, if no sale price for the Common Stock is reported on any trading day, the average of the low ask and high bid prices for the Common Stock on such trading day, or, if there are no low ask and high bid prices, the per share fair market value of the Common Stock as determined by an investment banking firm of national reputation and standing selected by the Company and reasonably acceptable to holders of a majority of the then outstanding Warrant Shares) exceeds the lesser of (i) US$1.00 more than the then applicable exercise price per share of such Warrants and (ii) five percent (5%) more than the then applicable exercise price per share of such Warrants, on the principal securities exchange or interdealer quotation system on which the Common Stock is then listed for trading or quoted, if any, on each of twenty (20) trading days in any thirty (30) trading day period; and

(2) such Initiating Warrant Holders provide the Company with written notice of a demand Underwritten Offering no later than five Business Days (5) days following any thirty (30) day trading period referred to in clause (1).

(b) Exchange Shares. Subject to Section 9(a) hereof, upon the written request of one or more Holders of Exchange Shares that are Resale Securities (such Holder or Holders, the "Initiating Note Holders") requesting that the Company effect the disposition of such Exchange Shares on the Resale Registration Statement by means of an Underwritten Offering, the Company will cooperate with the Initiating Note Holders to facilitate an Underwritten Offering; provided, however, that the Company shall not be obligated to:

(i) effect more than an aggregate of two (2) demand Underwritten Offerings pursuant to this Section 4(b) or more than one demand Underwritten Offering pursuant to this Section 4(b) in any twelve (12) month period; or

(ii) effect a demand Underwritten Offering in accordance with this Section 4(b) unless the Resale Securities for which a demand Underwritten Offering is made pursuant to this Section 4(b) constitute at least three million (3,000,000) shares of Common Stock.

(c) Spin-Off Notes and Spin-Off Warrants. In the event of a Spin-Off as contemplated by Section 3(c) hereof, subject to an appropriate provision substantially equivalent

to Section 9(a) hereof, upon the written request of (x) one or more holders of Spin-Off Warrants (such holder or holders, the "Initiating Spin-Off Warrant Holders") or (y) one or more holders of Spin-Off Notes (such holder or holders, the "Initiating Spin-Off Note Holders"), requesting that the Company effect the disposition of the shares of common stock issuable (I) upon the exercise of such Spin-Off Warrants and/or (II) upon the exchange of such Spin-Off Notes, respectively, on a resale registration statement by means of an Underwritten Offering, the Company shall cause the Spin-Off Company to cooperate with such Initiating Spin-Off Warrant Holders and/or Spin-Off Note Holders, as the case may be, to facilitate such Underwritten Offering; provided, however, that the Spin-Off Company shall not be obligated to:

(i) effect (x) more than an aggregate of four (4) demand Underwritten Offerings pursuant to this Section 4(c), of which the Holders of Spin-Off Warrants and the Holders of the Spin-Off Notes shall each be entitled to two (2) of such demand Underwritten Offerings, or (y) more than one demand Underwritten Offering for the holders of Spin-Off Warrants and one demand Underwritten Offering for the holders of Spin-Off Notes pursuant to this Section 4(c) in any twelve (12) month period; or

(ii) effect a demand Underwritten Offering pursuant to this Section 4(c) unless such demand Underwritten Offering covering the offer and sale of common stock of the Spin-Off Company for the account of such Holders to the public will result in gross proceeds of not less than thirty million US dollars (US$30,000,000), before deducting underwriting commissions.

The mechanics and other aspects of any such underwritten offering shall be as described in paragraphs (d) through (k) below with appropriate adjustments to reflect that the rights and responsibilities of the Company described in such paragraphs shall, in the case of an Underwritten Offering pursuant to this Section 4(c), be rights and responsibilities of the Spin-Off Company and rights and responsibilities of Holders shall be rights and responsibilities of Spin-Off Warrant Holders and Spin-Off Note Holders.

(d) Notices. Each such written request delivered by the Initiating Warrant Holders and/or Initiating Note Holders, as the case may be, shall set forth (i) the proposed timing of such Underwritten Offering, (ii) the number of Resale Securities to be offered and (iii) any other material information concerning such Holders relevant to a proposed Underwritten Offering, including such information reasonably necessary for the preparation of any required supplement to a Prospectus.

(e) Adjustments. The number and kind of shares in Section 4(a)(ii)(A) and Section 4(b)(ii) above and the share prices referred to in Section 4(a)(ii)(B) shall be appropriately adjusted for any stock dividend, stock split, reverse stock split, combination, recapitalization, reclassification, exchange or similar transaction with respect to the shares of Common Stock.

(f) Non-Initiating Holders. Upon receipt of written notice from (i) one or more Initiating Warrant Holders to effectuate an Underwritten Offering pursuant to Section 4(a) or (ii) one or more Initiating Note Holders to effectuate an Underwritten Offering pursuant to Section 4(b), the Company shall promptly give written notice of such request to all other Holders of Warrant Shares and Exchange Shares. Subject to the cutback provisions in Section 4(i) hereof, the Company shall include in such Underwritten Offering all such Warrant Shares and Exchange Shares requested to be included by such of the other Holders who shall make such request by written notice to the Company delivered within ten (10) days of their receipt of the Company's notice. If the Company shall receive a request for inclusion in the Underwritten Offering of the Warrant Shares and Exchange Shares of other Holders, it shall promptly so inform the Initiating Warrant Holders and/or Initiating Note Holders, as the case may case.

(g) Revocation of Demand. The Initiating Warrant Holders and/or Initiating Note Holders, as the case may be, may, at any time prior to the consummation of such Underwritten Offering, revoke such request by providing a written notice to the Company and the underwriters, if any, revoking such request; provided, however, that the Holder or Holders revoking such request for an Underwritten Offering, at their option, may elect to either (i) pay all reasonable expenses of the Company incurred with respect to such revoked request or (ii) have such revoked request deemed a consummated Underwritten Offering for purposes of this Section 4.

(h) Piggyback Rights of the Company. If at any time the Company is required to effect an Underwritten Offering in accordance with this Section 4, the Company shall have the right, but not the obligation, to distribute its securities (whether equity, debt or otherwise) in connection with such Underwritten Offering by advising the Initiating Warrant Holders and/or Initiating Note Holders, as the case may be, in writing within ten (10) days after the date of receipt of a demand notice from such Initiating Warrant Holders and/or Initiating Note Holders, as the case may be (which notice shall set forth the amount and kind of securities to be distributed by the Company pursuant to such Underwritten Offering), and the Company shall be permitted to include in such Underwritten Offering all securities it has so advised will be included therein.

(i) Cutbacks. If the managing underwriter or underwriters of any proposed Underwritten Offering advise the Company in writing that the total amount or kind of securities which the Holders of Warrant Shares, the Holders of Exchange Shares, the Company and any other persons requesting registration of securities pursuant to rights similar to the rights of Holders under Section 5 (such other persons, "Other Holders") intended to be included in such Underwritten Offering is sufficiently large to materially adversely affect the success of such Underwritten Offering, then the amount or kind of securities to be offered for the accounts of the Holders of Warrant Shares, the Holders of Exchange Shares, the Company and the Other Holders shall be reduced to the extent necessary to reduce the total amount or kind of securities to be included in such Underwritten Offering to the amount or kind recommended by such managing underwriter or underwriters as follows:

- first, pro rata from all Other Holders;
- second, from the Company;

- third, pro rata, from all Note Holders requesting registration, in the case of an Underwritten Offering requested by Initiating Warrant Holders, or from all Warrant Holders requesting registration, in the case of an Underwritten Offering requested by Initiating Note Holders; and

- fourth, pro rata, from all Warrant Holders requesting registration, in the case of an Underwritten Offering requested by Initiating Warrant Holders, or from all Note Holders requesting registration, in the case of an Underwritten Offering requested by Initiating Note Holders;

provided, however, that if both Warrant Holders and Note Holders exercise a demand for an Underwritten Offering in any one twelve (12) month period, then in the second such demand Underwritten Offering, the securities that the Company has requested to be included in such Underwritten Offering shall be cut-back pro rata with the Warrant Holders, in the case of an Underwritten Offering requested by Initiating Warrant Holders, and pro rata with the Note Holders, in the case of an Underwritten Offering requested by Initiating Note Holders, but otherwise the order of cut-back shall remain the same.

(j) Calculation of Demand Offerings.

(i) If (x) a demand Underwritten Offering is made at the request of Initiating Warrant Holders, (y) Note Holders participate in the Underwritten Offering and (z) at least three million (3,000,000) Exchange Shares (adjusted as provided in Section 4(e) hereof) are offered and sold in the Underwritten Offering, the Underwritten Offering shall count as one of the demand Underwritten Offerings of the Warrant Holders under Section 4(a) hereof. If (x) a demand Underwritten Offering is made at the request of Initiating Note Holders, (y) Warrant Holders participate in the Underwritten Offering and (z) at least three million (3,000,000) Warrant Shares (adjusted as provided in Section 4(e) hereof) are offered and sold in the Underwritten Offering, the Underwritten Offering shall count as one of the demand Underwritten Offerings of the Note Holders under Section 4(b).

(ii) If, as a result of the implementation of the proviso to Section 4(i) hereof, the Warrant Holders, in the case of an Underwritten Offering requested by Initiating Warrant Holders, or the Note Holders, in the case of an Underwritten Offering requested by Initiating Note Holders, are able to offer and sell less than three million (3,000,000) shares of Common Stock (adjusted as provided in Section 4(e) hereof), the Warrant Holders or the Note Holders, as the case may be, shall be entitled to one demand Underwritten Offering in addition to those to which they are otherwise entitled hereunder.

(iii) If Warrant Holders participate in an Underwritten Offering of the Company pursuant to Section 5 hereof in which at least three million (3,000,000) Warrant Shares (adjusted as provided in Section 4(e) hereof) are offered and sold, the number of demand Underwritten Offerings to which the Warrant Holders are entitled under Section 4(a) hereof shall be reduced by one. If Note Holders participate in an Underwritten Offering of the Company pursuant to Section 5 hereof in which at least three million (3,000,000) Exchange Shares (adjusted as provided in Section 4(e) hereof) are offered and sold, the number of demand

Underwritten Offerings to which the Note Holders are entitled under Section 4(b) hereof shall be reduced by one.

(k) Road Shows. The Company agrees to use its reasonable best efforts to cooperate in a marketing effort in respect of any Underwritten Offering, including participation in a "road show" with appropriate senior management, to assist the Holders in selling the Resale Securities intended to be sold in such offering.

SECTION 5. Piggyback Registration.

(a) If the Company at any time proposes to file a registration statement for an Underwritten Offering with respect to any class of equity securities, whether for its own account or the account of a holder of securities of the Company pursuant to registration rights granted by the Company (a "Requesting Securityholder"), and (i) the Registration Statement relating to such Underwritten Offering was not filed as a registration statement pursuant to Section 3 hereof or (ii) such Underwritten Offering is not effected as a draw down off of a registration statement providing for sale on a continuous or delayed basis pursuant to Rule 415, then the Company shall in each case give written notice of such proposed filing to all Holders of Warrant Shares and Exchange Shares at least fifteen (15) days before the anticipated filing date of any such registration statement by the Company, and such notice shall offer to all Holders the opportunity to have any or all of the Warrant Shares and/or Exchange Shares held by such Holders included in such registration statement.

(b) Each Holder of Warrant Shares and/or Exchange Shares desiring to have such shares registered under this Section 5 shall so advise the Company in writing within ten (10) days after the date of receipt of such notice (which request shall set forth the amount of shares for which registration is requested), and the Company shall include in such Registration Statement all such Warrant Shares and/or Exchange Shares so requested to be included therein. Any Holder shall be entitled to revoke its request for inclusion in the Registration Statement not later than five (5) Business Days prior to the date contemplated by the managing underwriters for the pricing of the related Underwritten Offering.

(c) Notwithstanding the foregoing, if the managing underwriter or underwriters of any such proposed public offering advises the Company in writing that the total amount or kind of securities which the Holders of Warrant Shares and/or Exchange Shares, the Company and any other persons intended to be included in such proposed public offering is sufficiently large to materially adversely affect the success of such proposed public offering, then the amount or kind of securities to be offered in the Underwritten Offering shall be reduced as follows:

- first, pro rata from all the Holders and all Other Holders; and
- second, from the Company and the Requesting Securityholders, if any, as determined in the instrument providing for the rights of the Requesting Securityholders to registration.

SECTION 6. Registration Procedures Generally. In connection with the registration obligations of the Company under Section 3 and any registered offering in which the Holders participate under Section 5 hereof, to the extent applicable, the Company shall:

(a) Before filing an initial Registration Statement with the SEC, furnish to Designated Counsel and the underwriters, if any, at least five (5) Business Days prior to any filing, copies of all such documents proposed to be filed and reflect in each such document when so filed with the SEC such comments as Designated Counsel and the underwriters, if any, may reasonably propose.

(b) Before the filing of any amendment to any Registration Statement, any Prospectus or any supplement to any Prospectus, afford Designated Counsel and the underwriters, if any, such advance notice as shall be reasonable in the circumstances in order to allow Designated Counsel and the underwriters, if any, the opportunity to participate in the preparation thereof and to comment thereon.

(c) Prepare and file with the SEC such amendments and post-effective amendments to any Registration Statement as may be necessary to keep such Registration Statement continuously effective for the applicable effectiveness period specified in Section 3(b); cause the related Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) under the Securities Act; and use reasonable best efforts to comply with the provisions of the Securities Act applicable to it with respect to the disposition of all securities covered by such Registration Statement during the applicable Effectiveness Period in accordance with the intended methods of disposition set forth in such Registration Statement as so amended or such Prospectus as so supplemented.

(d) Use reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement or the lifting of any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction in which they have been qualified for sale, in either case at the earliest possible moment or, if a Deferral Event is in effect, at the earliest possible moment after the Deferral Event.

(e) Comply with all applicable rules and regulations of the SEC and make generally available to the Company's securityholders earning statements (which need not be audited) satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar rule promulgated under the Securities Act) no later than ninety (90) days after the end of the first 12-month period constituting a fiscal year commencing on the first day of the first fiscal quarter of the first fiscal year of the Company commencing after the effective date of a Registration Statement, which statements shall cover said 12-month periods.

(f) Subject to the rights of the Company pursuant to Section 9(b) hereof, upon the occurrence of a Deferral Event or any other event as a result of which the Prospectus, Prospectus supplement, Registration Statement or post-effective amendment to a Registration Statement includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading (such an event, a "Material Event"), as promptly as practicable prepare and file a post-effective amendment to any Registration Statement effective at the time or a supplement to the related Prospectus or any document incorporated therein by reference or file any other required document that would be incorporated by reference into such Registration Statement and Prospectus, so that there is no longer a Deferral Event or occurrence of a Material Event, to the extent applicable, and, in the case of a post-effective amendment to a Registration Statement, use reasonable best efforts to cause such post-effective amendment to be declared effective as promptly as is practicable.

(g) Upon the issuance by the SEC of a stop order suspending the effectiveness of a Registration Statement, take all action reasonable in the circumstances to obtain removal of the suspension as promptly as practicable.

(h) Furnish to Designated Counsel and each managing underwriter, if applicable, copies of notices of effectiveness and other notices and correspondence with the SEC concerning the Registration Statement or Prospectus, as the case may be.

(i) Furnish to Designated Counsel, the Designated Holders and, upon written request, to any Holder, a copy of each Registration Statement and exhibits, and amendments or supplements thereto, as may be filed with the SEC, in conformity with the requirements of the Securities Act, and such other documents that are not confidential as such person may reasonably request in order to facilitate the disposition of Registrable Securities owned by such Holder.

(j) Furnish to the Holders and each managing underwriter, if applicable, copies of stop orders, and, after a withdrawal of a stop order, provide prompt notice to each Holder of such withdrawal.

(k) List the Warrant Shares and the Exchange Shares on each national securities exchange or interdealer quotation system on which the Common Stock is then listed or quoted for trading.

SECTION 7. Resale Registration.

(a) At the time the Resale Registration Statement is declared effective, each Holder that became a Notice Holder on or prior to the date that is five (5) Business Days prior to such time of effectiveness shall be named as a selling securityholder in the Resale Registration Statement and the related Prospectus, in such a manner as to permit such Holder to deliver the Prospectus to purchasers of Resale Securities in accordance with applicable law. None of the Company's securityholders (other than the Holders of Resale Securities) shall have the right to include any of the Company's securities in any such Resale Registration Statement referred to in this Agreement.

(b) If a Holder of Resale Shares that has not become a Notice Holder as provided in Section 7(a) desires at any time to become a selling securityholder under the Resale Registration Statement, such Holder shall deliver to the Company a Notice and Questionnaire, and thereafter the Company shall as promptly as reasonably practicable:

(i) if required by applicable law, file with the SEC a post-effective amendment to the Resale Registration Statement or prepare and/or file a supplement to the related Prospectus or a supplement or amendment to any document incorporated by reference therein or file any other document required by the SEC so that the Holder is named as a selling securityholder in such Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus to purchasers of the Resale Securities in accordance with applicable law and, if the Company shall file a post-effective amendment to a Registration Statement, use reasonable best efforts to cause such post-effective amendment to be declared effective under the Securities Act as promptly as reasonably practicable; and

(ii) notify Designated Counsel and the underwriters, if any, as promptly as reasonably practicable after the effectiveness under the Securities Act of any post-effective amendment filed pursuant to this Section 7(b);

provided, however, that if a Notice and Questionnaire is delivered during a Deferral Event, the Company shall so inform the Holder delivering such Notice and Questionnaire and shall take the actions set forth in clauses (i) and (ii) above upon expiration of the Deferral Event.

SECTION 8. Resale Registration Procedures.

In connection with the registration obligations of the Company under Section 7 hereof, to the extent applicable, the Company shall:

(a) As promptly as practicable, give notice to Designated Counsel, the Designated Holders and any managing underwriter:

(i) when any Prospectus, Prospectus supplement, Registration Statement or post-effective amendment to a Registration Statement has been filed with the SEC and, with respect to a Registration Statement or any post-effective amendment, when the same has been declared effective;

(ii) of any request, following the effectiveness of a Registration Statement by the SEC or any other federal or state governmental authority for amendments or supplements to such Registration Statement or related Prospectus or for additional information;

(iii) of the issuance by the SEC or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose;

(iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Resale Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose;

(v) in the case of an Underwritten Offering, if at any time the representations and warranties of the Company contemplated by Section 8(f)(i) cease to be true and correct as of any time they are required to be true and correct;

(vi) of the occurrence of (but not the nature of or details concerning) (A) a Deferral Event or (B) a Material Event; provided, however, that no notice by the Company shall be required pursuant to this clause (vi) in the event that the Company either (I) promptly files a Prospectus supplement to update the Prospectus or (II) files a Form 8-K or other appropriate Exchange Act report that is incorporated by reference into the Registration Statement, which, in either case, contains the requisite information with respect to such Deferral Event or Material Event, as the case may be, so that the use of the Resale Registration Statement is not required to be suspended; and

(vii) of the determination by the Company that a post-effective amendment to a Registration Statement will be filed with the SEC.

(b) If reasonably requested by the managing underwriter or underwriters, if any, or any Notice Holder, as promptly as reasonably practicable, incorporate in a Prospectus supplement or post-effective amendment to a Registration Statement on which such Notice Holders' Resale Securities are registered, such information as such managing underwriter or underwriters, if any, and/or any Notice Holder (on the basis of an opinion of nationally-recognized counsel experienced in such matters) shall determine to be required to be included therein by applicable law and including, without limitation, information with respect to the aggregate number of shares of Resale Securities being sold to such underwriters, the purchase price being paid therefor by such underwriters and with respect to any other terms of the Underwritten Offering or the Resale Securities to be sold in such offering, if applicable, and make any required filings of such Prospectus supplement or such post-effective amendment; provided, that the Company shall not be required to take any actions under this Section 8(b) that are not, in the reasonable opinion of counsel for the Company, in compliance with applicable law.

(c) The Company will not file any Registration Statement or amendment thereto or any Prospectus or any supplement thereto (including such documents incorporated by reference and proposed to be filed under the initial filing of the Registration Statement) to which the managing underwriters of any Underwritten Offering, if any, or Designated Counsel, shall reasonably object; provided that the Company may file such documents in a form required by law or upon the reasonable advice of its counsel.

(d) As promptly as reasonably practicable, furnish without charge to Designated Counsel and each managing underwriter, if any, and such underwriters' respective counsel, and upon prior written request (which, in the present instance, shall include telephonic requests confirmed via electronic mail) to each Notice Holder, at least one (1) conformed copy of the Registration Statement in which such Notice Holder's Resale Securities are registered, and any amendment thereto, including financial statements, but excluding schedules, all documents incorporated or deemed to be incorporated therein by reference and all exhibits (unless specifically requested in writing).

(e) During the Resale Effectiveness Period, deliver to each Notice Holder in connection with any sale of Resale Securities pursuant to a Registration Statement and each underwriter, if any, without charge, as many copies of the Prospectus or Prospectuses pursuant to which such Notice Holder's Resale Securities are being offered, and any amendment or supplement thereto, as such Notice Holder may reasonably request in writing; and the Company hereby consents (except during such periods that a Deferral Notice is outstanding and has not been revoked) to the use of such Prospectus and each amendment or supplement thereto by each Notice Holder in connection with any offering and sale of the Resale Securities covered by such Prospectus or any amendment or supplement thereto in the manner set forth therein.

(f) In the case of any Underwritten Offering initiated in accordance with Section 4(a) and/or Section 4(b) hereof or in any registered offering in which Holders participate under Section 5 hereof, enter into an underwriting agreement and take all such other actions in connection therewith in order to expedite and facilitate the disposition of such Resale Securities, in each case as are reasonable and customary, and in connection therewith (at each closing under such underwriting or similar agreement):

(i) make such representations and warranties to the Holders of such Resale Securities and the underwriters in form, substance and scope as are customarily made by issuers to underwriters in secondary underwritten offerings;

(ii) obtain opinions of counsel to the Company and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the underwriters and the Designated Holder(s) of such Resale Securities and shall cover the matters customarily covered in opinions requested in secondary underwritten offerings and such other matters as may be reasonably requested by such Holders and underwriters);

(iii) obtain "cold comfort" letters and updates thereof from the independent certified public accountants of the Company addressed, if permitted by applicable accounting standards, to the selling Holder(s) of such Resale Securities (provided that the selling Holder(s) provide such letters of representation to the accountants as are requested by the accountants in order to prepare the "cold comfort" letters and as are acceptable in form and substance to such accountants) and the underwriters, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with secondary underwritten offerings;

(iv) the underwriting agreement shall set forth indemnification provisions reasonable and customary for underwritten offerings similar to the Underwritten Offerings contemplated by this Agreement; and

(v) the Company shall deliver such documents and certificates as may be reasonably requested by the Designated Holder(s) of such Resale Securities and the managing underwriters to evidence compliance with clause (i) above and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company in respect of the relevant offering.

(g) Use reasonable best efforts to register or qualify or cooperate with the Notice Holders, the underwriters, if any, and their respective counsel in connection with the registration or qualification (or exemption from such registration or qualification) of such Resale Securities for offer and sale under the securities or blue sky laws of such jurisdictions within the United States as any Notice Holder or underwriter reasonably requests in writing (which written request, in the case of any Notice Holder, may be included in the Notice and Questionnaire), it being agreed that no such registration or qualification will be made unless so requested; prior to any public offering of the Resale Securities pursuant to a Registration Statement, use reasonable efforts to keep each such registration or qualification (or exemption therefrom) effective during the Resale Effectiveness Period, to the extent applicable, in connection with such Notice Holder's offer and sale of Resale Securities pursuant to such registration or qualification (or exemption therefrom) and do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of such Resale Securities in the manner set forth in the relevant Registration Statement and the related Prospectus; provided, that the Company will not be required to:

(i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where the Company is not otherwise qualified but for this Agreement;

(ii) take any action that would subject the Company to general service of process in suits in any such jurisdiction where it is not then so subject; or

(iii) subject the Company to taxation in any such jurisdiction where it is not then so subject.

(h) Promptly inform each Notice Holder, Designated Counsel and the underwriters, if any, of:

(i) the issuance by the SEC of a stop order suspending the effectiveness of a Registration Statement or the initiation of proceedings with respect to a Registration Statement under Section 8(d) or 8(e) of the Securities Act;

(ii) the occurrence of a Material Event; or

(iii) the occurrence of any Deferral Event (as provided in Section 9(b) hereof):

and give notice to the Notice Holders, Designated Counsel and the underwriters, if any, that the availability of the Resale Registration Statement has been suspended. Each Notice Holder agrees

not to sell any Resale Securities pursuant to such Registration Statement until such Notice Holder is advised in writing by the Company that the Prospectus may be used, and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus. If so directed by the Company, each Notice Holder will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Notice Holder's possession, of the Registration Statement or the related Prospectus current at the time of receipt by such Notice Holder of any such notice. In addition, the Company shall make all reasonable best efforts to resume the use of the Registration Statement and the included Prospectus, and to so notify the Notice Holders, as promptly as practicable after such notice.

(i) If reasonably requested in writing in connection with the disposition of Resale Securities pursuant to the Resale Registration Statement, make reasonably available for inspection during normal business hours by Designated Counsel or other representatives for the Notice Holders designated by the Designated Warrant Holder (or the Designated Note Holder if only Exchange Shares are being sold), any underwriter participating in any disposition of such securities, and any attorney or accountant retained by the underwriters, if any, all relevant financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries, and cause the appropriate executive officers, directors and designated employees of the Company and its subsidiaries to make reasonably available for inspection during normal business hours all relevant information reasonably requested by such representatives for the Notice Holders, underwriter (if any), attorney or accountant, in each case as is customary for similar "due diligence" examinations.

Any such representative of the Notice Holders, including, but not limited to, the Designated Counsel or other attorney (or, if as a matter of policy such Designated Counsel or attorney cannot agree in writing to keep such designated information confidential, the respective Designated Holder on behalf of such Designated Counsel or attorney), underwriter (if any) or accountant shall be required to first agree in writing with the Company that any information that is reasonably designated by the Company as confidential at the time of delivery of such information shall be kept confidential by such persons and shall be used solely for the purposes of exercising rights under this Agreement and such person shall comply with applicable securities laws, unless and to the extent:

(i) disclosure of such information is required by court or administrative order or is necessary to respond to inquiries of regulatory authorities;

(ii) disclosure of such information is required by law (including any disclosure requirements pursuant to federal securities laws in connection with the filing of any Registration Statement or the use of any Prospectus referred to in this Agreement);

(iii) such information becomes generally available to the public other than as a result of a disclosure or failure to safeguard by any such person; or

(iv) such information becomes available to any such person from a source other than the Company and such source is not known by such representative to be bound by a confidentiality agreement.

(j) Cooperate with each Notice Holder and the managing underwriter, if any, to facilitate the timely preparation and delivery of certificates representing Resale Securities sold pursuant to a Registration Statement, and cause such Resale Securities to be in such denominations and registered in such names as such Notice Holder, or in the case of an Underwritten Offering, as such managing underwriters, may request in writing at least two (2) Business Days prior to any sale of such Registrable Securities or, if such Registrable Securities are determined to be eligible for trading under the terms of trading established by The Depository Trust Company ("DTC"), use its reasonable best efforts to do all things necessary, including, without limitation, providing CUSIP numbers for the Registrable Securities and all other letters and documentation required by DTC, in order to make such Registrable Securities eligible to trade within DTC.

(k) Make reasonable efforts to provide such information as any Notice Holder or underwriter, if any, shall require in respect of any filings required to be made with the NASD.

(l) Enter into such customary agreements and take all such other actions necessary or reasonably desirable in connection therewith in order to expedite or facilitate disposition of such Resale Securities.

SECTION 9. Holdback Agreements.

(a) Hold-Back Election. Subject to Section 9(c) below, in the case of the registration of any Underwritten Offering initiated by the Company or any Requesting Securityholder (other than (I) any registration by the Company on Form S-4 or Form S-8 (or any successor or substantially similar form), or of (A) an employee stock option, stock purchase or compensation plan or of securities issued or issuable pursuant to any such plan, or (B) a dividend reinvestment plan or (II) any Underwritten Offering initiated at the request of the Initiating Warrant Holders or Initiating Note Holders), each Holder agrees, if and to the extent requested in writing by the managing underwriter or underwriters administering such offering as promptly as reasonably practicable prior to the commencement of the seven (7) day period referred to below (a "Hold-Back Election"), not to effect any public sale or distribution of securities of the Company except as part of such underwritten registration, during the period beginning seven (7) days prior to the closing date of such underwritten offering and ending on the earlier of (i) ninety (90) days after such closing date and (ii) the date such sale or distribution is permitted by such managing underwriter or underwriters; provided, however, that the volume limitations of the preceding proviso shall not apply to any Holder who, together with its Affiliates and any person with whom it is acting together as contemplated by subparagraph (e)(3)(vi) of Rule 144, holds securities that constitute (on a Common Stock equivalent basis) less than 2% of the Common Stock then outstanding. Notwithstanding the foregoing provisions of this Section 9(a), no Holder shall be obligated to refrain from making any public sale or distribution of securities of the Company in the case of any underwritten secondary offering initiated at the request of any person who has not agreed in writing to expressly recognize and give effect to the Holders' rights under the documentation governing such underwritten secondary offering similar to those under this Section 9(a) (whether or not the related documentation makes specific references to this Section 9(a)) and to be subject to provisions that are at least as favorable to the Holders as the provisions contained in this Section 9(a) are to such holder.

(b) Deferral Event. Subject to Section 9(c) below, the Company shall be entitled, for a period of time not to exceed forty five (45) consecutive days, to postpone the filing of any Registration Statement otherwise required to be prepared and filed by it pursuant to Section 3 and/or to request that the Holders refrain from effecting any public sales or distributions of their Registrable Securities if (each such event referred to in clauses (i), (ii) and (iii) of this Section 9(b) below, a "Deferral Event"):

(i) the board of directors of the Company determines in its reasonable good faith business judgment that such registration and/or such public sales or distributions would have a material adverse effect on the business, assets, condition (financial or otherwise), results of operations or prospects of the Company; or

(ii) the board of directors of the Company determines that the premature disclosure of a material event at such time would have a material adverse effect on the business, assets, condition (financial or otherwise), results of operations or prospects of the Company; or

(iii) the disclosure otherwise relates to a material business transaction which has not been publicly disclosed and the board of directors of the Company determines that any such disclosure would jeopardize the success of such transaction.

The board of directors of the Company shall, as promptly as practicable, give the Holders written notice of any such Deferral Event. In the event of a determination by the board of directors to postpone the filing of a Registration Statement required to be filed under Section 3 hereof, the Company shall be required to file such Registration Statement as soon as reasonably possible after the board of directors of the Company shall determine, in its reasonable business judgment, that the filing of such registration statement and the offering thereunder shall not interfere with the aforesaid material transaction or development, but in any event no later than the end of such 45-day period. In addition, if the board of directors of the Company has requested that the Holders refrain from making public sales or distributions of their Registrable Securities, such board shall, as promptly as practicable following its determination that the Holders may recommence such public sales and distributions, notify such Holders in writing of such determination (but in any event no later than the end of such 45-day period).

(c) Company Hold-Back. In the case of any Underwritten Offering of Resale Securities pursuant to Section 4 hereof, the Company agrees, if and to the extent requested in writing by the managing underwriter or underwriters administering such offering, not to effect any public sale or distribution (other than sales pursuant to the same Registration Statement, as and to the extent permitted under this Agreement, or any registration on Form S-8 or S-4 (or any successor or substantially similar form) of (A) an employee stock option, stock purchase or compensation plan or of securities issued or issuable pursuant to any such plan, (B) securities proposed to be issued in exchange for securities or assets of, or in connection with a merger, combination or consolidation with, another corporation, or (C) a dividend reinvestment plan) of any securities of the Company during the period beginning seven (7) days prior to the closing date of each such Underwritten Offering and ending on the earlier of (i) ninety (90) days after such closing date and (ii) the date such sale or distribution is permitted by such managing underwriter or underwriters. Any agreement entered into after the date of this Agreement pursuant to which the Company issues or agrees to register any privately placed securities similar to the registration of the Resale Securities shall contain a provision under which holders of such securities agree not to effect any public sale or distribution of any such securities during the period described in the next preceding sentence; provided, however, that the volume limitations of this sentence shall not apply to any holder who, together with its Affiliates and any person with whom it is acting together as contemplated by subparagraph (e)(3)(vi) of Rule 144, holds securities that constitute (on a Common Stock equivalent basis) less than 2% of the Common Stock then outstanding; provided further that the limitations shall be no more restrictive to the holders of such privately placed securities than analogous terms of this Agreement with respect to the Holders of Resale Securities.

(d) Certain Limitations.

(i) In no event shall the restrictions under Section 9(a), pursuant to one or more underwritten offerings, remain in effect for more than ninety (90) days in the aggregate in any consecutive twelve (12) month period.

(ii) In no event shall the restrictions under Section 9(b), pursuant to one or more Deferral Events, remain in effect for more than ninety (90) days in the aggregate in any consecutive twelve (12) month period.

(iii) In no event shall the restrictions under Section 9(a) and Section 9(b), pursuant to one or more Hold-Back Elections or Deferral Events, remain in effect for more than one hundred twenty (120) days, in the aggregate, in any consecutive twelve (12) month period.

(iv) In no event shall the restrictions under Section 9(c) pursuant to one or more Underwritten Offerings, remain in effect for more than one hundred eighty (180) days, in the aggregate, in any consecutive twelve (12) month period.

SECTION 10. Holders Obligations.

(a) Each Holder of Resale Securities agrees, by acquisition of the Resale Securities, that such Holder shall not be entitled to sell any of such Resale Securities pursuant to a Resale Registration Statement or to receive a Prospectus relating thereto, unless such Holder has previously delivered to the Company a completed and accurate copy of a Notice and Questionnaire (including the information required to be included in such Notice and Questionnaire) and the information set forth in the next subsection.

(b) Each Notice Holder further agrees promptly to furnish to the Company all information required to be disclosed in order to make the information previously furnished to the Company (including any information provided in a Notice and Questionnaire) not misleading and any other information regarding such Notice Holder and the distribution of such Registrable Securities as may be required to be disclosed in the Registration Statement under applicable law or pursuant to SEC comments, if any.

(c) Each Holder further agrees to notify the Company within ten (10) Business Days of a written request received by such Holder from the Company, of the amount of Registrable Securities sold pursuant to the Registration Statement and, in the absence of a response, the Company may assume that all of the Holder's Registrable Securities were so sold.

SECTION 11. Registration Expenses. The Company shall bear all fees and expenses incurred in connection with the performance by the Company of its obligations under this Agreement whether or not any Registration Statement is declared effective. Such fees and expenses shall include, without limitation:

(i) all registration and filing fees (including, without limitation, fees and expenses (x) with respect to filings required to be made with the NASD and (y) of compliance with federal and state securities or blue sky laws to the extent such filings or compliance are required pursuant to this Agreement (including, without limitation, reasonable fees and disbursements of the counsel specified in clause (iv) below in connection with blue sky qualifications of the Resale Securities under the laws of such jurisdictions as the Designated Warrant Holder (or the Designated Note Holder if only Exchange Shares are being offered and sold) may designate));

(ii) printing expenses;

(iii) duplication expenses relating to copies of any Registration Statement or Prospectus delivered to any Holders hereunder; and

(iv) fees and disbursements of counsel for the Company in connection with the preparation and filing of each Registration Statement.

In addition, the Company shall pay the internal expenses of the Company (including, without limitation, all salaries and expenses of officers and employees performing legal or accounting duties), the expense of any annual audit, the fees and expenses incurred in connection with the listing of the Registrable Securities on the New York Stock Exchange or any securities exchange

on which the same securities of the Company are then listed and the fees and expenses of any person, including special experts, retained by the Company. Notwithstanding anything contained herein to the contrary, Registration Expenses shall not include any underwriting discounts, commissions or fees attributable to the sale of the Registrable Securities.

SECTION 12. Indemnification; Contribution.

(a) Indemnification by the Company. The Company agrees to indemnify and hold harmless each Holder of Resale Securities and each officer and director of, and each other person, if any, who controls, any Holder of Resale Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense whatsoever, including, without limitation, costs of investigating, preparing to defend and defending (collectively, "Indemnifiable Losses"), as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this indemnity shall not apply to Indemnifiable Losses to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by such Holder of Resale Securities (which also acknowledges the indemnity provisions herein), or any person, if any, who controls any such Holder of Resale Securities, expressly for use in a Registration Statement (or any amendment thereto), or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto); provided, further, that this indemnity shall not apply to any Indemnifiable Losses (1) arising from an offer or sale of Resale Securities occurring during the period in which a Holder was notified and instructed by the Company not to sell due to a Deferral Event or Material Event or such other event as would legally require a Holder not to sell (including, but not limited to, the issuance of any stop order or the initiation of any proceedings by the SEC), or (2) if the Holder fails to deliver at or prior to the written confirmation of sale, if legally required to do so, the most recent Prospectus, as amended or supplemented, and such Prospectus, as amended or supplemented, would have corrected such untrue statement or omission or alleged untrue statement or omission of a material fact.

(b) Indemnification by Holders of Resale Securities. In connection with any Registration Statement in which a Holder of Resale Securities is participating, each Holder of Resale Securities agrees, severally and not jointly, to indemnify and hold harmless the Company and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, against any and all Indemnifiable Losses, as incurred by such person, with respect to any untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Holder of Resale Securities (which also acknowledges the indemnity provisions herein),

or any person, if any, who controls any such Holder of Resale Securities, expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) Conduct of Indemnification Proceedings.

(i) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of the indemnity under subsection (a) or (b), as applicable, of this Section 12.

(ii) The indemnifying party, upon written request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential conflicting interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (x) the fees and expenses of more than one separate firm (in addition to any local counsel), whose fees must be reasonable, for Holders of Resale Securities, and all persons, if any, who control the Holders of Resale Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, collectively or (y) the reasonable fees and expenses of more than one separate firm (in addition to any local counsel), for the Company and each person, if any, who controls the Company within the meaning of either such Section, and that all fees and expenses payable under (x) and (y) above shall be reimbursed as they are incurred. In the case of any such separate firm for the Holders of Resale Securities, and control persons of Holders of Resale Securities, such firm shall be designated in writing by the Designated Holders (provided, however, that if the parties involved in the proceeding or proceedings include only Warrant Holders, the Designated Warrant Holder shall designate such firm and, if such parties include only Note Holders, the Designated Note Holder shall designate such firm). In the case of any such separate firm for the Company and control persons of the Company, such firm shall be designated in writing by the Company.

(iii) The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent (which consent shall not be unreasonably withheld), but if settled with such consent or if there is a final non-appealable judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any and all loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified parties (which consent shall not be

unreasonably withheld), settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 12 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Reimbursement. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by this Section 12 effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement; provided, that an indemnifying party shall not be liable for any such settlement effected without its consent if such indemnifying party (1) reimburses such indemnified party in accordance with such request to the extent it considers such request to be reasonable and (2) provides written notice to the indemnified party substantiating the unpaid balance as unreasonable, in each case prior to the date of such settlement.

(e) Contribution.

(i) If the indemnification to which an indemnified party is entitled under this Section 12 is for any reason unavailable to an indemnified party or insufficient, although applicable in accordance with its terms, to hold harmless an indemnified party in respect of any Indemnifiable Losses, then each indemnifying party shall contribute to the aggregate amount of such Indemnifiable Losses incurred by such indemnified party, as incurred, in such proportion as is appropriate to reflect the relative fault of the indemnifying party or parties on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such Indemnifiable Losses, as well as any other relevant equitable considerations.

(ii) The relative fault of the Company, on the one hand, and a Holder of the Resale Securities, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by such Holder of the Resale Securities and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(iii) The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 12(e) were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to above in this Section 12(e). The aggregate amount of Indemnifiable Losses incurred by an indemnified party and referred to above in this Section 12(e) shall be deemed to include any out-

of-pocket legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

(iv) No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(v) For purposes of this Section 12, each officer and director of, and each other person, if any, who controls, any Holder of Resale Securities within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as such Holder, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company.

SECTION 13. Rule 144 Reporting. With a view to making available to the Holder the benefits of certain rules and regulations under the Securities Act and the Exchange Act which may permit the sale of the Registrable Securities to the public without registration, the Company agrees to use its reasonable best efforts to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act or any similar or analogous rule promulgated under the Securities Act;

(b) file with the SEC, in a timely manner, all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) so long as any Holder owns any Registrable Securities, furnish to the Holder forthwith upon request: (i) a written statement by the Company as to its compliance with the reporting requirements of said Rule 144 of the Securities Act and (ii) provide copies of all Exchange Act reports, including copies of the most recent annual or quarterly report of the Company, and such other reports and documents filed by the Company with the SEC as the Holder may reasonably request in availing itself of any rule or regulation under the Securities Act and the Exchange Act, allowing it to sell any such securities without registration.

SECTION 14. Participation in Underwritten Offerings.

(a) If any of the Resale Securities covered are to be sold in an Underwritten Offering under Section 4 hereof, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Designated Warrant Holder, unless such Resale Securities include only Exchange Shares or such Underwritten Offering is being conducted pursuant to Section 4(b) hereof, in which case by the Designated Note Holder; provided in each case that (i) such investment banker or investment bankers and manager or managers are top-tier firms of national recognition within the United States and (ii) the Company has consented to the appointment of such investment banker or investment bankers and manager or managers, which consent, in each case, shall not be unreasonably withheld.

(b) If any of the securities are to be sold in an Underwritten Offering under Section 5 hereof, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Company.

(c) No person may participate in any Underwritten Offering hereunder unless such person (i) agrees to sell such person's Resale Securities on the basis provided in any underwriting arrangements approved by the persons entitled to approve such arrangements, as provided in Section 14(d), and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements. Nothing in this Section 14 shall be construed to create any additional rights regarding the registration of Registrable Securities in any person otherwise than as set forth herein.

(d) The Designated Warrant Holder (or if such Underwritten Offering is being conducted pursuant to Section 4(b) hereof, the Designated Note Holder) shall be entitled to approve all underwriting arrangements under Section 4 hereof with the consent of the Company, which consent shall not be unreasonably withheld. The Company shall be entitled to approve all underwriting arrangements in connection with an Underwritten Offering under Section 5 hereof.

SECTION 15. Restriction on Transfer.

(a) Each Holder (including each Original Holder) agrees that any proposed Transfer of any Consideration Securities, or any shares of Common Stock issuable upon exchange or exercise thereof, may be effected only:

(1) (v) inside the United States:

(I) to a person who the seller reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A;

(II) in accordance with Rule 144; or

(III) pursuant to another exemption from the registration requirements of the Securities Act;

(w) to the Company;

(x) outside the United States (A) to a non-U.S. person (within the meaning of Regulation S) in a transaction meeting the requirements of Regulation S or (B) pursuant to another exemption from the registration requirements of the Securities Act;

(y) in the case of Warrant Shares, if the issuance thereof has been registered under the Primary Registration Statement; or

(z) pursuant to an effective registration statement; and

(2) in each case, in accordance with the applicable securities laws of any state of the United States or any other applicable jurisdiction.

Each Holder agrees to notify any purchaser of the resale restrictions set forth above.

(b) Prior to any Transfer or proposed Transfer of any Consideration Securities, or any shares of Common Stock issuable upon exchange or exercise thereof, the Holder thereof shall deliver written notice (a form of which is attached hereto) to the Company of such Holder's intention to effect such Transfer. If the Transfer or proposed Transfer is pursuant to clause (1)(v) or (1)(x) of the first sentence of the preceding paragraph, then upon receipt of such notice, the Company may request any or all of the following (each, a "Transfer Document") in form and substance reasonably acceptable to the Company:

(i) an agreement by such transferee to the impression of the restrictive investment legend set forth in subsection (c) of this Section 15 below on the Consideration Securities, or any shares of Common Stock issuable upon exchange or exercise thereof;

(ii) an agreement by such transferee to be bound by the provisions of this Section 15 relating to the transfer of such Consideration Securities, or any shares of Common Stock issuable upon exchange or exercise thereof; and

(iii) an opinion of counsel with expertise in securities law matters reasonably satisfactory to the Company that such Transfer complies with applicable U.S. securities laws.

If the Company requests any Transfer Document(s), it shall do so as promptly as practicable following receipt of the Holder's notice of intention to Transfer. The Company shall thereafter cause the Transfer to be recorded and a certificate or other evidence of ownership in the name of the transferee to be delivered. If the Company has requested any Transfer Documents in connection with such transfer, it will take such actions as soon as practicable after it has received Transfer Documents complying with the terms of this Section 15(b).

(c) Each certificate issued to evidence Consideration Securities, or any shares of Common Stock issuable upon exchange or exercise thereof, whose transfer has not been registered by the Company under the Securities Act shall bear a legend to the following effect:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE SOLD,

ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED, OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM SUCH REGISTRATION.

The foregoing legend shall be in addition to any other legend required by law or any contract.

(d) Termination of Restrictions. The restrictions referenced in this Section 15, including the legend, shall cease and terminate as to any particular Consideration Securities, or shares of Common Stock issuable upon exchange or exercise thereof, when (x) such securities have been transferred in a transaction pursuant to Rule 144 or a registration statement or (y) in the opinion of counsel for the Company, such restriction is no longer required in order to assure compliance with the Securities Act and applicable state securities laws. Whenever such restrictions shall cease and terminate as to any Consideration Securities, or shares of Common Stock issuable upon exchange or exercise thereof, the Holder of such securities shall be entitled to receive from the Company, without expense (other than applicable transfer taxes, if any, if such unlegended shares are being delivered and transferred to any person other than the registered Holder thereof), new certificates for a like number of securities not bearing the relevant legend(s) set forth in this Section 15.

SECTION 16. Miscellaneous.

(a) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company has obtained the written consent of each of the Designated Holders. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of (i) Warrant Holders that does not directly or indirectly affect the rights of the Note Holders may be given by the Designated Warrant Holder, (ii) Note Holders that does not directly or indirectly affect the rights of the Warrant Holders may be given by the Designated Note Holder, and (iii), except as otherwise specifically provided herein, Holders of Registrable Securities whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders of Registrable Securities may be given by Holders of at least two-thirds of the Registrable Securities being sold by such Holders pursuant to such Registration Statement; provided, that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the immediately preceding sentence.

Each Holder of Registrable Securities outstanding at the time of any such amendment, modification, supplement, waiver or consent, and any successor or assignee thereof, thereafter shall be bound by any such amendment, modification, supplement, waiver or consent effected pursuant to this Section 16, whether or not any notice, writing or marking indicating such amendment, modification, supplement, waiver or consent appears on the Registrable Securities or is delivered to such Holder. No waiver of any provision of this Agreement shall constitute a waiver of any other provision of this Agreement and no waiver on one occasion shall

constitute a waiver on a further occasion with respect to the same or any other provision of this Agreement.

(b) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, by telecopier, by courier guaranteeing overnight delivery or by first-class mail, return receipt requested, and shall be deemed given (i) when made, if made by hand delivery, (ii) upon confirmation, if made by telecopier, (iii) one (1) Business Day after being deposited with such courier, if made by overnight courier or (iv) on the date indicated on the notice of receipt, if made by first-class mail, to the parties as follows:

(i) if to a Notice Holder, at the most current address given by such Holder to the Company;

(ii) if to the Company, to:

Vishay Intertechnology, Inc.
63 Lincoln Highway
Malvern, PA 19335-2120
Attention: Chief Financial Officer
Telecopier No.: (818) 225-4055

with a copy to:

Kramer Levin Naftalis & Frankel LLP
919 Third Avenue
New York, NY 10019
Attention: Abbe Dienstag, Esq.
Telecopier: (212) 715-8000

(iii) if to the Designated Holders or Designated Counsel, at such addresses as they shall provide in writing to the Company in accordance with this Section 16(b);

and

(iv) if to any Holder(s), to the most current address for such Holder(s) provided to the Company in accordance with the provisions of this Section 16(b) which address (including facsimile number) initially is as set forth next to such Holder's signature on the signature page hereto;

or to such other address as such person may have furnished to the other persons identified in this Section 16(b) in writing in accordance herewith.

(c) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties whether by operation of law, or otherwise; provided, however, that no such assignment shall relieve the Company of any of its obligations hereunder. For the avoidance of doubt, the Company agrees that any successor company shall be required to provide to the Holders substantially equivalent

registration rights as those hereunder to provide for the orderly disposition of any securities then held by them in exchange for or in replacement of the Registrable Securities. No person shall be a permitted assign of any Holder unless such person received a transfer of Consideration Securities, or the shares of Common Stock or other securities issuable upon exchange or exercise thereof, in compliance with the provisions of Section 15 hereof, but if so received, such person shall be a permitted assign; provided, that the rights specifically granted to the Original Holders or their Affiliates under this Agreement (as distinct from rights of the Original Holders or their Affiliates under this Agreement which are common to all Holders), either individually, or in the aggregate, may not be assigned except by operation of law or to an Affiliate of such Original Holder. The Company shall not be required to recognize any person (other than an Original Holder) as a Holder of Consideration Securities, or shares of Common Stock issuable upon exchange or exercise thereof, for purposes of this Agreement unless the transfer of securities to such person has been registered on the books and records of the Company or its subsidiary, as the case may be. However, for the purpose of the preceding sentence, such registration by the Company on its books and records shall not be unreasonably withheld or delayed.

(d) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be original and all of which taken together shall constitute one and the same agreement.

(e) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(f) Governing Law; Jurisdiction. This Agreement shall be governed by, construed, applied and enforced in accordance with the laws of the State of New York, except that no doctrine of choice of law shall be used to apply any law other than that of New York, and no defense, counterclaim or right of set-off given or allowed by the laws of any other state or jurisdiction, or arising out of the enactment, modification or repeal of any law, regulation, ordinance or decree of any foreign jurisdiction, shall be interposed in any action hereon or thereon.

The parties hereto agree that any suit, action or proceeding to enforce any right arising out of this Agreement may be commenced in the Supreme Court of New York situated in New York City or in the United States District Court for the Southern District of New York, and the parties hereto consent to such jurisdiction, agree that venue will be proper in such courts in any such matter, agree that New York is the most convenient forum for litigation in any such suit, action or proceeding, and agree that a summons and complaint commencing a suit, action or proceeding in any such court shall be properly served and shall confer personal jurisdiction upon a person if served by registered or certified mail to the address specified with respect to such person pursuant to Section 16(b), or as otherwise provided by the laws of the State of New York or the United States. The parties hereto agree that a final judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(g) Severability. If any term, provision, covenant or restriction of this Agreement is held to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, and the parties hereto shall use their reasonable best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction, it being intended that all of the rights and privileges of the parties shall be enforceable to the fullest extent permitted by law.

(h) Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein and the registration rights granted by the Company with respect to the Registrable Securities. Except as provided in the Purchase Agreement, there are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein, with respect to the registration rights granted by the Company with respect to the Registrable Securities. This Agreement supersedes all prior agreements and undertakings among the parties solely with respect to such registration rights.

(i) Termination. This Agreement and the obligations of the parties hereunder shall terminate upon the end of the applicable Effectiveness Period, except for any liabilities or obligations under Sections 2, 11 or 12 hereof.

(j) No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns and the other persons specified in Section 12 and Section 16(c) hereof and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

[SIGNATURE PAGES FOLLOW]

COUNTERPART SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

VISHAY INTERTECHNOLOGY, INC.

By: ______________________________
Avi D. Eden
Executive Vice President

COUNTERPART SIGNATURE PAGE

(FOR ISSUANCES PURSUANT TO REGULATION S)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

[ENTITY]

By: ____________________________
Name:
Title:

Offshore Delivery Instructions:

____
PRINT EXACT NAME IN WHICH YOU WANT
THE SECURITIES TO BE REGISTERED

Attn: ____________________________________

Address: ____________________________________

____

____

Phone No. ____________________________________

COUNTERPART SIGNATURE PAGE

(FOR ISSUANCES PURSUANT TO SECTION 4(2))

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

[ENTITY]

By: ______________________________
Name:
Title:

Circle the category under which you are an "accredited investor" pursuant to Schedule A:

1 2 3 4 5 6 7 8

____
PRINT EXACT NAME IN WHICH YOU WANT THE SECURITIES TO BE REGISTERED

Attn: ______________________________________

Address: ______________________________________

____

____

Phone No. ______________________________________

SCHEDULE A

The term "accredited investor" means:

(1) A bank as defined in Section 3(a)(2) of the Securities Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Securities Act; an investment company registered under the Investment Company Act of 1940 (the "Investment Company Act") or a business development company as defined in Section 2(a)(48) of the Investment Company Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of $5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

(2) A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.

(3) An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000.

(4) A director or executive officer of the Company.

(5) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his or her purchase exceeds $1,000,000.

(6) A natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

(7) A trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) (i.e., a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment).

(8) An entity in which all of the equity owners are accredited investors. (If this alternative is checked, the Purchaser must identify each equity owner and provide statements signed by each demonstrating how each is qualified as an accredited investor.)

SCHEDULE B

(1) "U.S. person" (as defined in Regulation S) means:

(i) Any natural person resident in the United States;

(ii) Any partnership or corporation organized or incorporated under the laws of the United States;

(iii) Any estate of which any executor or administrator is a U.S. person;

(iv) Any trust of which any trustee is a U.S. person;

(v) Any agency or branch of a foreign entity located in the United States;

(vi) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

(vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(viii) Any partnership or corporation if: (A) organized or incorporated under the laws of any foreign jurisdiction; and (B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a)) who are not natural persons, estates or trusts.

(2) Notwithstanding paragraph (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a "U.S. person."

(3) Notwithstanding paragraph (1), any estate of which any professional fiduciary acting as executor or administrator is a U.S. person shall not be deemed a U.S. person if:

(i) An executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and

(ii) The estate is governed by foreign law.

(4) Notwithstanding paragraph (1), any trust of which any professional fiduciary acting as trustee is a U.S. person shall not be deemed a U.S. person if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person.

(5) Notwithstanding paragraph (1), an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a U.S. person.

(6) Notwithstanding paragraph (1), any agency or branch of a U.S. person located outside the United States shall not be deemed a "U.S. person" if:

(i) The agency or branch operates for valid business reasons; and

(ii) The agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

(7) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed "U.S. persons."

ANNEX A

FORM OF
SELLING SECURITYHOLDER
NOTICE AND QUESTIONNAIRE

The undersigned beneficial holder of Registrable Securities understands that the Company has filed or intends to file with the SEC a Resale Registration Statement in accordance with the terms of the Securities Investment and Registration Rights Agreement, dated as of __________, 2002 (the "Agreement"). All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Agreement.

Each beneficial owner of Registrable Securities is entitled to the benefits of the Agreement. In order to sell or otherwise dispose of any Registrable Securities pursuant to the Resale Registration Statement, a beneficial owner of Registrable Securities generally will be required to be named as a selling securityholder in the related prospectus, deliver a prospectus to purchasers of Registrable Securities and be bound by those provisions of the Agreement applicable to such beneficial owner (including certain indemnification provisions, as described below). Beneficial owners are encouraged to complete and deliver this Notice and Questionnaire at least five (5) Business Days prior to the effectiveness of the Resale Registration Statement so that such beneficial owners may be named as selling securityholders in the related prospectus at the time of effectiveness. Upon receipt of a completed Notice and Questionnaire from a beneficial owner following the effectiveness of a Resale Registration Statement, the Company will, as promptly as practicable, file such amendments to a Resale Registration Statement or supplements to the related prospectus as are necessary to permit such holder to deliver such prospectus to purchasers of Registrable Securities.

Certain legal consequences arise from being named as a selling securityholder in a Resale Registration Statement and the related prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in a Resale Registration Statement and the related prospectus.

NOTICE

The undersigned beneficial owner (the "Selling Securityholder") of Registrable Securities hereby gives notice to the Company of its intention to sell or otherwise dispose of Registrable Securities beneficially owned by it and listed below pursuant to a Resale Registration Statement. The undersigned, by signing and returning this Notice and Questionnaire, understands that it will be bound by, and agrees to comply with, the terms and conditions of this Notice and Questionnaire and the Agreement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate and complete:

QUESTIONNAIRE

1. General Information

a. State the exact name in which the shares of Common Stock and/or Warrants to be registered for your account for resale (the "Resale Securities") are or will be registered of record and the address of the record holder:

Name: ________________________
Address: ________________________
____
____

If the Resale Securities are or will be held of record by more than one record holder, please furnish similar information for each additional record holder.

b. State the exact name of the beneficial owner[1] of the Resale Securities as it should appear in the Registration Statement:

Name: ____

c. State below your address, telephone number and fax number for purposes of communication:

Address: ________________________________

____

____

Telephone No.: ( ) ______________________

Fax No.: ( ) ___________________________

- ----------------------
1 See Appendix A to this Notice & Questionnaire for definition of "beneficial owner".

2. Beneficial Ownership of Shares

The Registration Statement is required to disclose the number of shares of Common Stock and/or Warrants that will be beneficially owned[2] by you as of the most recent available date, whether or not registered in your name, and the number of shares and/or Warrants to be registered for your account and included in the Registration Statement.

ONLY THE PARTICULAR SHARES OF COMMON STOCK AND/OR WARRANTS LISTED IN YOUR NAME IN THE REGISTRATION STATEMENT MAY BE SOLD OR RESOLD UNDER THE REGISTRATION STATEMENT.

a. Shares of Common Stock to be Registered

Indicate the number of shares of Common Stock beneficially owned by you and to be included in the Registration Statement for your account:

____

b. Warrants to be Registered

Indicate the number of Warrants beneficially owned by you and to be included in the Registration Statement for your account:

____

c. Other shares of Common Stock Beneficially Owned

Please indicate the number of shares of Common Stock beneficially owned by you other than the shares of Common Stock referred to in Item 2(a) above:

____

3. Nature of Beneficial Ownership

a. Are any shares of Common Stock and/or Warrants indicated in response to Item 2 above as beneficially owned by you owned other than for your own economic benefit?

Yes __________ No __________

- ---------------------

2 See Appendix A for definition of "beneficially owned".

If your answer is yes, please explain:

b. Do you have the right to acquire beneficial ownership within 60 days (e.g., by reason of the ownership of options, warrants or other convertible securities to acquire Common Stock or otherwise) of any shares of Common Stock and/or Warrants indicated in response to Item 2 above as beneficially owned by you?

Yes __________ No __________

If your answer is yes, please describe such right to acquire and the number of shares subject to such right:

c. If you are the beneficial owner of more than five percent (5%) of any class of voting securities of the Company, are any of such securities held subject to any voting trust or other similar arrangement?

Yes __________ No __________

If your answer is yes, state the amount held or to be held, the duration of the agreement, the names and addresses of the voting trustees, and describe briefly the voting rights and powers under such agreement:

4. Relationships with the Company

a. Have you held any position or office with the Company or any of its predecessors[3] or affiliates[4] within the past three years?

Yes __________ No __________

If your answer is yes, please describe:

- ----------------------

3 See Appendix A for definition of "predecessor".

4 See Appendix A for definition of "affiliate".

b. Have you or any of your affiliates had any other material[5] relationship, directly or indirectly, with the Company or any of its predecessors or affiliates within the past three years?

Yes __________ No __________

If your answer is yes, please describe:

5. Transactions with the Company

YOU NEED TO ANSWER THE QUESTIONS UNDER THIS ITEM ONLY IF YOU BENEFICIALLY OWN 5% OR MORE OF THE COMMON STOCK OR IF YOU ARE (OR WERE AT ANY TIME AFTER THE END OF THE COMPANY'S MOST RECENT FISCAL YEAR) A DIRECTOR OR EXECUTIVE OFFICER OF THE COMPANY OR AN IMMEDIATE FAMILY[6] MEMBER OF ANY OF THE ABOVE.

a. Has any of the following described persons[7] had, or will any of them have, any direct or indirect material interest (i) in any transaction or series of similar transactions since the end of the most recent fiscal year of the Company to which the Company was a party or (ii) in any currently proposed transaction to which the Company may be or is to be a party? (No information need be given as to any transaction or series of similar transactions if the amount involved in the transaction or series of similar transactions, including all periodic installments in the case of any lease or other agreement providing for periodic payments or installments, does not exceed $60,000.)

(i) You:

Yes __________ No __________

(ii) Any corporation or organization (other than the Company) of which you are or were an officer, director or the beneficial owner, directly or indirectly (either alone or together with other directors or officers of the Company and persons and entities listed under (iii) through (v) below), of an equity interest of five percent or more:

Yes __________ No __________

- ----------------------

5 See Appendix A for definition of "material".

6 See Appendix A for definition of "immediate family".

7 See Appendix A for definition of "person".

(iii) Any partnership or firm of which you are or were a general partner or of which your limited partnership interest (either alone or together with other directors or officers of the Company and persons and entities listed under (ii) above and (iv) below) is ten percent or more:

Yes __________ No __________

(iv) Any trust, custodianship or estate in which you have or had a substantial beneficial interest or as to which you serve or served as trustee, custodian, executor or in a similar fiduciary capacity:

Yes __________ No __________

(v) Any member of your immediate family:

Yes __________ No __________

If your answer to any of the above questions is yes, please describe the transaction(s), the amount of the transaction(s), the interest in the transaction(s) of such person, corporation, organization, partnership, firm, trust, custodianship or estate and indicate the date on which each transaction took place. In addition, if any of the transactions mentioned above involve the sale or purchase of assets by or to the Company, other than in the ordinary course of business, please state the cost of such assets to the purchaser and, if acquired by the seller within two years prior to the transaction, the original cost to the seller.

6. Involvement in Legal Proceedings

a. Is the Company or the property of the Company a party to or the subject of any pending legal proceeding in which you or an associate[8] of yours (i) is an adverse party or (ii) has a material interest adverse to the Company?

Yes __________ No __________

If your answer is yes, we will contact you for further information.

7. State whether you (i) are, or, at any time within the past five years, have been, a director, officer, or controlling person of, or (ii) own, or have, at any time within the past five years, owned, directly or indirectly, in excess of a ten percent equity interest in any entity which is a member of the NASD.

Yes ____________ No ____________

- ----------------------

8 See Appendix A for definition of "associate".

If the answer is "Yes" please describe.

The undersigned acknowledges that it understands its obligation to comply with the provisions of the Exchange Act and the rules thereunder relating to stock manipulation, particularly Regulation M thereunder (or any successor rules or regulations), in connection with any offering of Registrable Securities pursuant to a Registration Statement. The undersigned agrees that neither it nor any person acting on its behalf will engage in any transaction in violation of such provisions.

The Selling Securityholder hereby acknowledges its obligations to comply with all the terms and provisions of the Agreement applicable to Holders and Notice Holders, including the obligation to indemnify and hold harmless certain persons as set forth therein.

Pursuant to the Agreement, the Company has agreed under certain circumstances to indemnify the Selling Securityholders against certain liabilities.

In accordance with the undersigned's obligation under the Agreement to provide such information as may be required by law for inclusion in a Registration Statement, the undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while a Registration Statement remains effective. All notices hereunder and pursuant to the Agreement shall be made in writing at the address set forth below.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to items (1) through (6) above and the inclusion of such information in a Registration Statement and the related prospectus. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of a Registration Statement and the related prospectus.

IN WITNESS WHEREOF, the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: ________________________

Beneficial Owner

By: __________________________________
Name:
Title:

PLEASE RETURN THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE TO VISHAY AT:

Investor Relations
Attn: Robert Freece
Vishay Intertechnology, Inc.
63 Lincoln Highway
Malvern, Pennsylvania 19355-2120
(610) 644-1300

Appendix A

"Affiliate" of a specified person (or entity) is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

"Associate" means (1) a corporation or organization (other than the Company) of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of ten percent or more of any class of equity securities, (2) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity, and (3) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of the registrant or any of its parents or subsidiaries.

"Beneficial Ownership", "Beneficial Owner", or "Beneficially Owned", when used in this Questionnaire, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares:

(1) voting power (which includes the power to vote, or to direct the voting of, such security); and/or

(2) investment power (which includes the power to dispose, or to direct the disposition, of such security).

In addition, a person is deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership of such security at any time within 60 days, including, but not limited to, any right to acquire: (i) through the exercise of any option, warrant or right, (ii) through the exchange of a security or (iii) pursuant to the power to revoke a trust, discretionary account or similar arrangement or pursuant to the automatic termination of a trust, discretionary account or similar arrangement.

Securities owned beneficially by you include not only securities held by you for your own benefit, whether in bearer form or registered in your own name or otherwise, but also securities held by others as to which you have or share voting power or investment power (regardless of how the securities are registered) such as, for example, securities held for you by custodians, brokers or pledgees. Securities owned by a corporation which you control are within your power to vote and invest and are thus considered beneficially owned by you despite the separate legal personality of the corporation.

Where by virtue of a special relationship, whether of a family or a business nature, you have substantial influence over the decisions of another person in investing or voting his securities, any securities owned by that person would be considered beneficially owned by you. Thus, for example, securities owned by all persons related to you by blood, marriage or adoption or by other persons who share your home or are a member of your immediate family would be considered beneficially owned by you absent a clear history of independent decision-making in their investment and voting of the securities.

In addition, securities held by you solely for the benefit of another person, for example, as nominee, trustee or executor, are considered beneficially owned by you if you have or share voting power or investment power with respect to such securities. More specifically, securities held by a trustee where either the trustee or a member of his immediate family (for the purpose of this definition only, spouse, ancestor, descendant, step-parent or step-child) has a vested interest in the income or corpus of the trust would be considered beneficially owned by the trustee. (If you have been named as executor of an estate but have not yet qualified under local law, you are not considered the beneficial owner of securities in the estate, absent other facts indicating actual power.)

The power to vote or invest securities need not be currently exercisable to confer beneficial ownership. The fact that securities are held for you in trust or in a discretionary account removes them from your control; but if you have the power to terminate the relationship and regain control of the securities at will or within 60 days, they are considered to be subject to your power and hence beneficially owned by you. The same applies to securities which you can acquire by option or other right exercisable within 60 days.

You would not ordinarily be deemed the beneficial owner of securities held by you as pledgee in the ordinary course of business pursuant to a bona fide pledge agreement if the pledge agreement provides that you have no substantive rights in such securities (i.e., the owner retains the investment and voting power) until a default has occurred.

"Immediate Family" includes your spouse, parents, children, siblings, mother and father-in-law, sons and daughters-in-law and brothers and sisters-in-law

"Predecessor" means a person the major portion of the business and assets of which another person acquired in a single transaction, or in a series of related transactions in each of which the acquiring person acquired the major portion of the business and assets of the acquired person.

Exhibit 4.5

PUT AND CALL AGREEMENT

PUT AND CALL AGREEMENT (this "Agreement") dated as of December 13, 2002 between Vishay Intertechnology, Inc., a Delaware corporation (the "Company"), the Put/Call Agent (as defined herein) and each of the holders of the Notes due December 13, 2102 (the "Notes") issued by the Company, including initially those holders whose names appear on the signature page to this Agreement (the "Initial Holders").

WHEREAS, the Company and the Initial Holders have entered into that certain Share Sale and Purchase Agreement and Note Purchase Agreement, each dated as of even date herewith, by and among the parties thereto, pursuant to which, among other things, the Company has agreed to issue Notes in the aggregate nominal amount of US$105,000,000 to the Initial Holders.

WHEREAS, it is a condition of the Notes that each Initial Holder execute and be a party to this Agreement, and each other transferee in relation to the Notes become a party to this Agreement by execution of an Assignment Form, as defined herein.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1. Definitions. As used in this Agreement, the following terms, when capitalized, shall have the meanings assigned below:

"Assignment Form" means an assignment form substantially in the form attached hereto as Annex I.

"Business Day" means any day other than a Saturday, Sunday or legal holiday on which the commercial banks in the City of New York, Borough of Manhattan, are required or permitted by law to remain closed.

"Call" means the right of the Company to call all of the Notes in exchange for the issuance of shares of Common Stock or cash in accordance with the provisions of Article III.

"Call Exercise Notice" has the meaning described in Section 3.02.

"Call Period" means the period beginning on January 2, 2018 and ending on the date that is 30 days prior to the Maturity Date.

"Call Target Price" means $35.00 per share of Common Stock, which price shall be appropriately adjusted in the event of any stock dividend, stock split, reverse stock split, combination, recapitalization, reclassification, exchange or similar transaction with respect to the shares of Common Stock.

"Common Stock" means the common stock, par value US$.10 per share, of the Company and any other security exchanged or substituted for such common stock or into which such common stock is converted in any recapitalization, reorganization, merger, consolidation, share exchange or other business combination transaction, including any reclassification consisting of a change in par value or a change from par value to no par value or vice versa.

"Company" has the meaning set forth in the introduction to this Agreement.

"Daily Market Price" for any trading day means the volume-weighted average of the per share selling prices on the New York Stock Exchange or other principal United States securities exchange or inter-dealer quotation system on which the relevant equity security is then listed or quoted or, if there are no reported sales of the relevant equity security on such trading day, the average of the high bid and low ask price for the relevant equity security on the last trading day on which such sale was reported or, if there are no high bid and low ask prices, the Daily Market Price shall be the per share fair market value of the relevant equity security as determined by an investment banking firm of national

reputation and standing selected by the Company and reasonably acceptable to a Majority of the Holders (in which case, only a single determination of value need be made by an investment banking firm, notwithstanding any provision in the Agreement requiring an average over more than one (1) trading day).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Holder" means the Initial Holders and their successors and permitted assigns who become holders of Notes in a manner permitted thereunder, in each case until the relevant person ceases to be a holder of Notes in accordance with the provisions of the Notes and this Agreement.

"Initial Holder" has the meaning set forth in the introduction to this Agreement. For the avoidance of doubt, the definition of Initial Holder shall include Phoenix Bermuda, LP, a Bermuda limited partnership and an affiliate of Phoenix Acquisition Company S.ar.l.

"Interest Rate Hurdle", means the "Target Price" (initially $45 per Common Share), as defined in Schedule 2 of the Notes which may be adjusted pursuant to the provisions herein, and whereby (pursuant to Schedule 2, Item 3(c) of the Notes) the interest rate on the Notes is adjusted for the period commencing on or after January 1, 2011 based upon certain performance parameters of the shares of Common Stock.

"Majority of the Holders" means, at any relevant time, the Holders of a majority of the nominal amount of the Notes that are at any relevant time outstanding.

"Maturity Date" means December 31, 2102, the final maturity date of the Notes.

"Notes" has the meaning set forth in the introduction to this Agreement.

"person" means any individual, corporation, partnership, limited liability company, trust, foundation, joint venture, association, joint stock company, unincorporated organization, government agency, estate or other entity of any nature.

`Put" means the right of a Holder to require the Company to exchange the Notes, in whole or in part (as permitted herein), for shares of Common Stock in accordance with the provisions of Article II.

"Put/Call Agent" means American Stock Transfer & Trust Co., a New York corporation, or any successor as provided in Article V.

"Put/Call Rate" means $17.00 per share, subject to adjustment pursuant to Article IV herein.

"Put Exercise Notice" means the notice of intention to exercise the Put in the form attached to this Agreement in the form of Annex II.

"Put Period" means the period during which the Notes are outstanding, ending on the Maturity Date.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

Where the reference "hereof," "hereby" or "herein" appears in this Agreement, such reference shall be deemed to be a reference to this Agreement as a whole. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." Words denoting the singular include the plural, and vice versa, and references to it or its or words denoting any gender shall include all genders.

ARTICLE II
THE PUT

SECTION 2.01 Put Exercise Generally. At any time during the Put Period, a Holder may exercise the Put with respect to (i) the aggregate nominal amount of all Notes held by such Holder or (ii) a portion of the nominal amount of any Note in integral multiples of US$2,000,000. The number of shares of Common Stock issuable upon exercise of the Put shall equal (i) the nominal amount of the Notes for which the Put is being exercised by the Holders, divided by (ii) the Put/Call Rate as of the Put Date (as defined below). No adjustment to the

Put/Call Rate shall be made in respect of any accrued but unpaid interest on the Notes, whether before or after the record date for payment of any such interest.

SECTION 2.02 Put Exercise Procedure. To exercise the Put, the Holder must (i) surrender to the Put/Call Agent (at its office designated for such purpose, the initial address of such office being listed in Section 6.01 hereof) the certificate or certificates representing the Notes to be exchanged together with the Put Exercise Notice duly completed and executed, (ii) deliver a form of transfer in the form specified by the Notes executed by the Holder with the name of the transferee left blank and (iii) pay any transfer or similar tax required to be paid by the Holder pursuant to Section 2.04.

The date on which the Holder satisfies all the requirements for exercise of the Put is referred to as the "Put Date." As soon as practicable after the Put Date, the Company will cause the Put/Call Agent to deliver to the Holder in exchange for the Notes (or, pursuant to this Section 2.02, a portion thereof) as to which the Put has been exercised a certificate (or other evidence of ownership) for the number of full shares of Common Stock issuable upon the exercise of the Put and cash in lieu of any fractional share determined pursuant to Section 2.03. The person in whose name the certificate is registered shall be treated as a stockholder of record on and after the Put Date, and such person, following the exchange of the relevant Note or part thereof in accordance herewith, shall no longer be a Holder of the Notes as to which the Put has been exercised as of such date.

If the Holder exercises the Put for more than one Note at the same time, the number of shares of Common Stock issuable upon exchange of the Notes shall be based on the total nominal amount of the Notes exchanged.

Upon surrender of a Note that is exchanged in part, the Company will execute and deliver to the Holder a Note certificate in an authorized denomination equal in nominal amount to the unexchanged portion of the Note surrendered.

SECTION 2.03 Fractional Shares. The Company will not issue a fractional share of Common Stock upon exchange of a Note. Instead, the Company will deliver cash for the fractional share, to the nearest 1/10,000th of a share, equal to an amount determined by multiplying (i) such fractional share by (ii) the closing sale price of the Common Stock on the principal exchange or quotation system on which the Common Stock is then traded (or if there is no sale of the Common Stock reported on such trading day, the average of the low ask and high bid prices for the Common Stock on such trading day) on the last trading day prior to the Put Date and rounding the product to the nearest whole cent.

SECTION 2.04 Taxes on Conversion. If a Holder exercises the Put, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon exchange. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Put/Call Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Put/Call Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the

Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations by the Company.

SECTION 2.05 Reservation of Stock, Validity of Shares; Listing. The Company will at all times reserve and keep available, out of the aggregate of its authorized but unissued shares of Common Stock or its authorized and issued shares of Common Stock held in its treasury, for the purpose of enabling it to satisfy any obligation to issue shares of Common Stock upon exchange of the Notes following exercise of the Put, the maximum number of shares of Common Stock which may then be deliverable upon the exchange of all outstanding Notes upon the exercise of the Put. The Company may in its discretion use such shares of Common Stock reserved for the Put pursuant to this Section with respect to any Call. The Company or, if appointed, the transfer agent for the Common Stock (the "Transfer Agent") and every subsequent transfer agent for any shares of the Company's capital stock issuable upon the exchange of any of the Notes upon exercise of the Put shall be authorized and directed at all times to reserve such number of authorized shares as shall be required for such purpose. The Company shall keep a copy of this Agreement on file with the Transfer Agent and with every subsequent transfer agent for any shares of the Company's capital stock issuable upon the exchange of the Notes. The Company will furnish such Transfer Agent a copy of all notices of adjustments and certificates related thereto, transmitted to each Holder.

All shares of Common Stock delivered upon exchange of the Notes following exercise of the Put shall be newly issued shares or treasury shares, shall be duly and validly issued and fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim.

The Company will list or cause to have quoted such shares of Common Stock issuable upon exercise of the Put on each securities exchange or such other market on which the Common Stock is then listed or quoted.

ARTICLE III
THE CALL

SECTION 3.01 Call Exercise Generally. At any time during the Call Period, the Company, at its option, may exercise the Call with respect to all of the Notes, as provided herein. Upon exercise of the Call,

(i) if the Common Stock has had a Daily Market Price at or above the Call Target Price then in effect for 20 or more out of 30 consecutive trading days at any time after the Issue Date, the Company shall issue to the Holders that number of shares of Common Stock equal to (x) the nominal amount of the Notes exchanged divided by (y) the Put/Call Rate as of the Call Date (as defined below) and pay to the Holders an amount in cash equal to accrued but unpaid interest on the Notes to the Call Date or;

(ii) if the Common Stock has not had a Market Value at or above the Call Target Price for 20 or more out of 30 consecutive trading days at any time after the Issue Date, at the election of the Company, the Company shall either--

(1) issue to the Holders that number of shares of Common Stock equal to (x) the nominal amount of the Notes exchanged divided by (y) the average of the Daily Market Prices for the ten trading days ending two trading days prior to the date that the Call Exercise Notice is first sent to Holders, and pay to the Holders an amount in cash equal to accrued but unpaid interest on the Notes to the Call Date; or

(2) pay to the Holders $1.00 for each $1.00 nominal amount of Notes subject to the Call, plus an amount in cash equal to any accrued but unpaid interest on the Notes to the Call Date.

No adjustment to the Put/Call Rate shall be made in respect of any accrued but unpaid interest on the Notes, whether before or after the record date for payment of any such interest.

The date that the Company specifies for the exchange of the Notes pursuant to exercise of the Call as specified herein is referred to as the "Call Date."

The Company shall give the notice of a Call to the Put/Call Agent at least thirty (30) days but not more than sixty (60) days before the Call Date (unless a shorter notice shall be satisfactory to the Put/Call Agent). The Company shall accompany such notice with a copy of the register of the record owners of the Notes then outstanding and shall promptly furnish the Put/Call Agent with any changes in such register prior to the Call Date.

SECTION 3.02 Call Exercise Notice. At least thirty (30) days but not more than sixty (60) days before a Call Date, the Company shall send a notice of redemption ("Call Exercise Notice"), by a method permitted for the delivery of a notice to the Holders pursuant to Section 6.1 below, to each Holder of Notes at its registered address.

The Call Exercise Notice shall state:

(1) the Call Date;

(2) whether the Call is for shares or cash;

(3) if the call is for shares, the Put/Call Rate (as subject to adjustment pursuant to Article IV prior to the Call Date) or, in the case of a Call exercised pursuant to clause (ii) (1) of Section 3.01, the number of shares of Common Stock exchangeable for each $1,000 nominal amount of Notes;

(4) if the Call is for cash, that the Company will pay to the Holders $1.00 for each $1.00 nominal amount of Notes subject to the Call;

(5) the accrued but unpaid interest to the Call Date, to the extent it can be determined;

(6) the name and address of the Put/Call Agent;

(7) that the Notes must be surrendered to the Put/Call Agent to receive the cash or shares of Common Stock issuable in exchange for the Notes, as applicable; and

(8) that, unless the Company defaults in issuing the shares of Common Stock or to pay the cash as the case may be, in exchange for the Notes called for exchange, such Notes will cease to accrue interest on and after the Call Date.

At the Company's request, the Put/Call Agent shall give the notice of exercise of the Call in the Company's name and at the Company's expense, provided that the Company makes such request at least fifteen (15) days (unless a shorter period shall be acceptable to the Put/Call Agent) prior to the date such notice of redemption must be mailed.

SECTION 3.03 Competing Notices/Effect of Notice of Redemption. If, following service of a Call Exercise Notice and prior to the date falling five (5) days before the relevant Call Date, a Put Exercise Notice is served by any Holder pursuant to Article II above, then that Call Exercise Notice shall cease to have effect in relation to the Notes subject to the Put Exercise Notice. Subject thereto and provided the relevant Notes remain outstanding on the Call Date, once notice of exercise of the Call is given pursuant to Section 3.02, the Notes will become mandatorily exchangeable on the Call Date. Upon surrender to the Put/Call Agent, the Notes shall be exchanged for shares of Common Stock or cash in accordance with Section 3.01.

SECTION 3.04 Call Date. Subject only to Section 3.03 above and Section 3.05 below, on the Call Date, -upon surrender by a Holder to the Put/Call Agent of, and provision to the Put/Call Agent of a duly executed form of transfer in relation to, the Notes, the Notes of any Holder shall be exchanged on the Call Date by the Put/Call Agent for the appropriate number of shares of Common Stock or cash as provided in Section 3.01 above, and the Put/Call Agent shall in addition pay to each Holder its entitlement of cash in lieu of any fractional share determined pursuant to Section 3.06 herein and any interest accrued but unpaid.

SECTION 3.05 Deposit of Redemption Price. The Company shall make available to the Put/Call Agent sufficient Common Stock to exchange the Notes on the Call Date, together with cash in lieu of fractional shares as provided in Section 3.06 and in respect of accrued but unpaid interest.

SECTION 3.06 Fractional Shares. The Company will not issue a fractional share of Common Stock upon exchange of a Note. Instead, the Company will deliver cash for the fractional share, to the nearest 1/10,000th of a share, equal to an amount determined by multiplying (i) such fractional share by (ii) the closing sale price of the Common Stock on the principal exchange or quotation system on which the Common Stock is then traded (or if there is no sale of the Common Stock reported on such trading day, the average of the low ask and high bid prices for the Common Stock on such trading day) on the last trading day prior to the Call Date and rounding the product to the nearest whole cent.

SECTION 3.07 Taxes on Conversion. If the Company exercises the Call, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon exchange. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Put/Call Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Put/Call Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations by the Company.

SECTION 3.08 Validity of Shares, Listing.

All shares of Common Stock delivered upon exchange of the Notes following exercise of the Call shall be newly issued shares or treasury shares, shall be duly and validly issued and fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim.

The Company will list or cause to have quoted such shares of Common Stock issuable upon exercise of the Call on each securities exchange or such other market on which the Common Stock is then listed or quoted.

ARTICLE IV
ADJUSTMENTS TO THE PUT/CALL RATE

SECTION 4.01 Adjustments to the Put/Call Rate. The Put/Call Rate is subject to adjustment from time to time upon the occurrence of the events enumerated in this Section 4.01.

(a) Declaration of Stock Dividend, Splits, Reverse Splits or Reclassification or Reorganization; other Distributions.

(i) In case the Company shall declare any dividend or other distribution upon its outstanding shares of Common Stock payable in Common Stock or shall subdivide its outstanding shares of Common Stock into a greater number of shares, then the Put/Call Rate, the Call Target Price and the Interest Rate Hurdle shall be decreased in inverse proportion to the increase in the number of shares of Common Stock outstanding through such dividend, other distribution, or subdivision. In case the Company shall at any time combine the outstanding shares of its Common Stock into a smaller number of shares, the Put/Call Rate, the Call Target Price and the Interest Rate Hurdle shall be increased in inverse proportion to the decrease in the number of shares of Common Stock outstanding through such combination. The Company shall cause a notice to be mailed to each Holder at least ten (10) days prior to the applicable record date for the activity covered by this Section 4.01(a)(i). The Company's failure to give the notice required by this Section 4.01(a)(i) or any defect therein shall not affect the validity of the activity covered by this Section 4.01(a)(i). Notwithstanding the

foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(ii) In case the Company shall at any time (including in connection with any merger, consolidation or sale of all or substantially all the assets of the Company in which Section 4.01(d) hereof is not applicable) (i) issue any evidence of indebtedness, shares of its stock or any other securities to all holders of shares of Common Stock by reclassification of its shares of Common Stock, (ii) distribute any rights, options or warrants to purchase or subscribe for any evidence of indebtedness, shares of its stock (other than distributions for which adjustment may be made pursuant to Section 4.01(b) or Section 4.01(e)) or any other securities to all holders of shares of Common Stock, (iii) distribute cash (other than regular quarterly or semi-annual cash dividends) or other property to all holders of shares of Common Stock, or (iv) issue by means of a capital reorganization other securities of the Company in lieu of the Common Stock or in addition to the Common Stock, then the Note shall be adjusted as is determined to be appropriate so that the Holder of each Note shall be entitled to receive the kind and number of shares or other securities of the Company or the successor entity or cash or other property that the Holder would have owned or have been entitled to receive after the happening of the event described above, had such Note been converted immediately prior to the happening of such event or any record date with respect thereto. The Company shall cause a notice to be mailed to each Holder at least ten (10) days prior to the applicable record date for the activity covered by this Section 4.01(a)(ii). The Company's failure to give the notice required by this Section 4.01(a)(ii) or any defect therein shall not affect the validity of the activity covered by this Section 4.01(a)(ii). Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(iii) An adjustment made pursuant to this Section 4.01(a) shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event.

(b) Adjustment for Rights Issuance.

(i) (A) In case the Company shall at any time distribute any rights, options or warrants to all holders of Common Stock entitling them, for a period expiring within sixty (60) days after the date of determination of the stockholders entitled to receive such rights (the "Record Date") (or any longer period resulting from the extension of the exercise period which is announced following the time that the rights, options or warrants are first issued) for such distribution, to purchase or subscribe for shares of Common Stock at a price per share less than ninety percent (90%) of the Daily Market Price of the Common Stock on the Record Date, then the Put/Call Rate, the Call Target Price and the Interest Rate Hurdle in effect immediately prior thereto shall be adjusted as provided below:

Put Call Rate Adjustment. The Put Call Rate Adjustment shall be determined by the following formula:

$$R = Ro \times \frac{(O + C/M)}{(O + A)}$$

where:

R = the adjusted Put/Call Rate;

Ro = the Put/Call Rate immediately prior to such adjustment;

O = the number of shares outstanding immediately prior to the issuance of such rights, options or warrants as referred to in this Section 4.01(b)(i)(A);

A = the maximum number of shares issuable pursuant to such rights, options or warrants as referred to in this Section 4.01(b)(i)(A);

C = the aggregate consideration receivable by the Company for the issuance of Common Stock upon exercise of such rights, options or warrants as referred to in this Section 4.01(b)(i)(A); and

M = the average of the Daily Market Prices of the Common Stock for the ten (10) consecutive trading days immediately preceding the Record Date;

Call Target Price Adjustment. The Call Target Price shall be determined in accordance with the following formula:

$$T = To \times \frac{(O + C/M)}{(O + A)}$$

where:

T = the adjusted Call Target Price;

To = the Call Target Price immediately prior to such adjustment;

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph.

Interest Rate Hurdle Adjustment. The Interest Rate Hurdle applicable shall be determined in accordance with the following formula:

$$I = Io \times \frac{(O + C/M)}{(O + A)}$$

where:

I = the adjusted Interest Rate Hurdle;

Io = the Interest Rate Hurdle immediately prior to such adjustment;

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph; provided that no adjustments shall be made in the event that R would exceed Ro.

(B) The adjustments shall become effective immediately after the Record Date for the determination of shareholders entitled to receive the rights, warrants or options to which this Section 4.01(b)(i) applies. If less than all of such rights, warrants or options have been exercised when such rights, warrants or options expire, then the Put/Call Rate, the Call Target Price and the Interest Rate Hurdle shall promptly be readjusted to the Put/Call Rate, the Call Target Price and the Interest Rate Hurdle that would then be in effect had the adjustment upon the issuance of such rights, warrants or options been made on the basis of the actual number of shares of Common Stock issued upon the exercise of such rights, warrants or options.

(ii) In case the Company shall at any time distribute any rights, options or warrants to all holders of Common Stock entitling them, for a period expiring more than sixty (60) days after the Record Date therefor (excluding any rights, options or warrants originally issued with an exercise period of sixty (60) days or less, which, by virtue of one or more extensions, expire more than sixty (60) days after the Record Date therefor), to purchase or subscribe for shares of Common Stock at a price per share less than ninety percent (90%) of the Market Price of the Common Stock as of such Record Date, then the Company shall similarly distribute such rights, options or warrants to the Holders on such Record Date (without any exercise of the Put by Holders) as if such Holders had exercised their Put immediately prior to the Record Date.

(c) Liquidation, Dissolution or Winding Up. Notwithstanding any other provisions hereof, in the event of the liquidation, dissolution, or winding up of the affairs of the Company (other than in connection with a consolidation, merger or sale or conveyance of all or substantially all of its assets or a Change or Spin-Off), the right to exchange the Notes shall terminate and expire at the close of business on the last full Business Day before the earliest date fixed for the payment of any distributable amount on the Common Stock. The Company shall cause a notice to be mailed to each Holder at least ten (10) Business Days prior to the applicable record date for such payment stating the date on which such liquidation, dissolution or winding up is expected to become effective, and the date on which it is expected that holders of record of shares of Common Stock shall be entitled to exchange their shares of Common Stock for securities or other property or assets (including cash) deliverable upon such liquidation, dissolution or winding up, and that each Holder may exercise the Put during such ten (10) Business Day period and, thereby, receive consideration in the liquidation on the same basis as other previously outstanding

shares of the same class as the shares acquired upon exercise. The Company's failure to give notice required by this Section 4.01(c) or any defect therein shall not affect the validity of such liquidation, dissolution or winding up. Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(d) Merger, Consolidation, etc. In any event when (A) any person (the "Acquirer") directly or indirectly acquires the Company in a transaction in which the Company is merged with or into or consolidated with another person or (B) the Company sells or conveys all or substantially all of its assets to another person (unless, subsequent to such merger, consolidation or other transaction, the Company is the surviving entity and has reporting obligations under the Exchange Act as a result of having common equity securities outstanding, in which case, this Section shall not apply with respect to such merger, consolidation or other transaction)(such merger, consolidation or other transaction referred to hereinafter as a "Change")), then, in the case of each such Change, the following shall occur:

(i) The Company shall give written notice of any Change to each Holder, in accordance with Section 6.01 hereof, at least ten (10) Business Days immediately preceding but not including the date of effectiveness of the Change and shall also include in such written notice whether the Acquirer is effecting Section 4.01(d)(ii) or Section 4.01(d)(iii) below. The Company's failure to give notice required by this Section 4.01(d) or any defect therein shall not affect the validity of the Change covered by this Section 4.01(d). Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

In addition, at the option of the Acquirer, the Acquirer will effect either Section 4.01(d)(ii) or Section 4.01(d)(iii) below, with respect to the rights provided to the Holders pursuant to the Notes and the Put and Call (provided that, if Section 4.01(d)(ii) below is not available for whatever reason, the Acquirer will effect Section 4.01(d)(iii) below). Notwithstanding the foregoing, if the Acquirer is not a public company with reporting obligations under the Exchange Act (or is a continuing public company only by virtue of securities which are not common equity securities under the Exchange Act), then the Acquirer will effect the steps described in Section 4.01(d)(iii)(A),(B), (C) and (D) below (and shall result in the automatic election of Section 3.01(ii)(2).

(ii) The Roll-Over Option.

(A) The Notes shall remain the outstanding obligations of the Company.

(B) The Company shall procure that the Acquirer provides a full and unconditional guarantee on terms reasonably satisfactory to a Majority of the Holders, which shall inure for the benefit of all holders of the Notes (the "Guarantee") of the prompt payment when due by the Company of principal and interest under or arising out of the Notes. Such Guarantee

shall rank pari passu equally and ratably without discrimination, subordination or preference as an unsecured debt obligation of the Acquirer.

(C) The Company shall procure that the Acquirer executes an agreement supplemental hereto that provides that the Acquirer will be bound by this Agreement;

(D) In the case of each such Change, thereafter each Holder shall receive, upon such Holder's exercise of the Put pursuant to this Agreement, shares of the Acquirer (the "Acquirer Shares") as opposed to shares of the Company, as provided for prior to such Change. In addition, the Put/Call Rate, the Call Target Price, and the Interest Rate Hurdle on the Notes shall be determined by the following formulae:

Put/Call Rate Adjustment. After the Change, the Put/Call Rate shall be adjusted in the following manner:

$$PC = PC_o \times (M/M_o)$$

where:

PC = the adjusted Put/Call Rate.
PCo = the Put/Call Rate immediately prior to such adjustment.

Mo = the average of the Daily Market Prices of the Common Stock for the first ten (10) consecutive trading days immediately preceding but not including the date of effectiveness of the Change.

M = the fair market value per share of the Acquirer Shares. As used in this formula, "fair market value" shall mean the average Daily Market Price of the Acquirer Shares for the ten (10) consecutive trading days immediately preceding but not including the date of effectiveness of the Change.

Call Target Price Adjustment. After the Change, the Call Target Price shall be adjusted in the following manner:

$$T = T_o \times (M/M_o)$$

Where:

T = the adjusted Call Target Price.
To = the Call Target Price immediately prior to such adjustment.

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph.

Interest Rate Hurdle Adjustment. After the Change, the Interest Rate Hurdle applicable to the Notes shall be adjusted in the following manner:

$$I = I_o \times (M/M_o)$$

Where:

I = the adjusted Interest Rate Hurdle;
I_o = the Interest Rate Hurdle immediately prior to such adjustment.

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph.

(iii) The Acceleration Option. If the Acquirer chooses, or if Section 4.01(d)(ii) above is not available, or if the Acquirer is required to do so pursuant to Section 4.01(d)(i) above, the Acquirer shall provide a notice to the Company to such effect at least ten (10) Business Days immediately preceding but not including the date of effectiveness of the Change, and the Company shall inform the Holders as soon as reasonably practicable thereafter, but in any event not later than five (5) Business Days immediately preceding but not including the effective date of the Change. In any such case, the following shall occur:

(A) The Call Date shall be accelerated to be immediately prior to the effectiveness of the Change;

(B) Except as provided in (C) below, the terms and conditions under Section 3.01 shall apply without the adjustments provided for in Section 4.01(d)(ii) above; provided, however, that if the Change is not effected, the provisions of this Section 4.01(d)(iii) shall not apply;

(C) If, with respect to this Section 4.01(d)(iii), Section 3.01(ii) is applicable, in no event will the payment made or fair market value of shares of Common Stock issued by the Company to the Holders be less than the fair market value of the Notes. As used herein, the "fair market value" of the Notes shall be determined by an investment banking firm of national reputation and standing selected by the Company and reasonably acceptable to a Majority of the Holders. The fair market value shall be determined as of the day immediately preceding the first public announcement of the Change, and if payment for purposes of this Section 4.01(d)(iii) is in Common Stock, the Common Stock shall be valued at the closing price for the Common Stock on the effective date of the Change; and

(D) Notwithstanding the provisions of Section 3.02, the Call Notice shall be sent as soon as practicable following notice of the Acquirer as described above.

(e) Spin-Off.

(i) In case the Company shall at any time pay a dividend or make a distribution to all holders of its Common Stock consisting of the capital stock of any class or series, or similar interests, of or relating to a subsidiary or other business unit of the Company (such transaction, a "Spin-Off"; such capital stock or other interests, the "Spin-Off Shares"; and such subsidiary or business unit, the "Spin-Off Company"), then the Company shall take such action, and shall cause the Spin-Off Company to take such action, so that the Notes shall be deemed exchanged as of the effective date of the Spin-Off, without action by any Holder, for a combination of new floating rate unsecured loan notes of the Company (the "New Notes") and floating rate unsecured loan notes of the Spin-Off Company ("Spin-Off Notes"), as provided in this Section 4.01(e); provided, however, that in the event that the distribution of Spin-Off Notes to the Holders would, in the reasonable opinion of counsel to the Company, (i) jeopardize the tax-free nature of such Spin-Off or (ii) require registration with the SEC in circumstances where registration would not otherwise be required, then, at the election of the Company, either (y) the Holders shall not receive New Notes and Spin-Off Notes pursuant to this Section 4.01(e)(i) and the Put/Call Rate shall instead be adjusted pursuant to the terms of Section 4.01(e)(ii) or (z) the Holders shall receive New Notes and Spin-Off Notes as contemplated above in this Section 4.01(e)(i). The terms of the New Notes and the Spin-Off Notes shall be identical to the terms of the Notes mutatis mutandis, except that the Put/Call Rates, the nominal amounts, the Call Target Prices and the Interest Rate Hurdles (subject to adjustment as provided therein) of the New Notes and the Spin-Off Notes shall be determined as follows:

Put/Call Rate Adjustment. The Put/Call Rate of the Spin-Off Notes shall be determined in accordance with the following formula:

$$Rs = Ro \times Ps / (Pp + (r \times Ps))$$

where:

Rs = the Put/Call Rate of the Spin-Off Notes;

Ro = the Put/Call Rate of the Notes immediately prior to adjustment for the Spin-Off pursuant to this Section 4.01(e)(i);

Pp = the average of the Daily Market Prices of the Common Stock for the ten (10) consecutive trading days following the date on which the Spin-Off is consummated;

r = the number of Spin-Off Shares (which may be one or a fraction less than or greater than one) distributed pursuant to the Spin-Off in respect of each share of Common Stock; and

Ps = the fair market value per share of the Spin-Off Shares. As used in this section, "fair market value" shall mean the average Daily Market Price of the Spin-Off shares for the first ten (10) consecutive trading days following the date on which the Spin-Off is consummated; provided, however, that if such distributed securities do not begin trading within two trading days of the consummation of such Spin-Off or if the Spin-Off Shares do not trade for at

least ten (10) consecutive trading days within twenty (20) days after the Spin-Off, then the "fair market value" of such distributed securities shall be determined by an investment banking firm of national reputation and standing selected by the Company and acceptable to a Majority of the Holders on the record date of the Spin-Off.

The Put/Call Rate of the New Notes shall be determined in accordance with the following formula:

$$Rn = Ro \times Pp / (Pp + (r \times Ps))$$

where

Rn = the Put/Call Rate of the New Notes,

and the other symbols in such formula have the meanings specified in the preceding paragraph of this Section 4.01(e)(i).

Nominal Amount Adjustment. The nominal amount of each Spin-Off Note shall be determined in accordance with the following formula:

$$As = Ao \times (Ps \times r)/(Pp + (Ps \times r))$$

where:

As = the nominal amount of the Spin-Off Note issued in exchange for any Note;

Ao = the nominal amount of the Note for which the Spin-Off Note is exchanged;

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above in this Section 4.01(e)(i).

The nominal amount of each New Note shall be determined in accordance with the following formula:

$$An = Ao \times Pp/ (Pp + (r \times Ps))$$

where:

An = the nominal amount of the New Note issued in exchange for any Note;

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph, in each case in this Section 4.01(e)(i).

Call Target Price Adjustment. The Call Target Price for the Spin-Off Notes shall be determined in accordance with the following formula:

$T_s = T_o \times PS / (P_p + (r \times P_s))$

Where:

T_s = the adjusted Call Target Price for the Spin-Off Notes.
T_o = the Call Target Price immediately prior to such adjustment.

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph, in each case in this Section 4.01(e)(i).

The Call Target Price for the New Notes shall be determined in accordance with the following formula:

$T_n = T_o \times P_p / (P_p + (r \times P_s))$

Where:

T_n = the adjusted Call Target Price for the New Notes.

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph, in each case in this Section 4.01(e)(i).

Interest Rate Hurdle Adjustment. The Interest Rate Hurdle applicable on the Spin-Off Notes shall be determined in accordance with the following formula:

$IS = I_o \times P_s / (P_p + (r \times P_s))$

Where:

I_s = the adjusted Interest Rate Hurdle;
I_o = the Interest Rate Hurdle immediately prior to such adjustment.

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph, in each case in this Section 4.01(e)(i).

The Interest Rate Hurdle applicable on the New Notes shall be determined in accordance with the following formula:

$I_n = I_o \times P_p / (P_p + (r \times P_s))$

Where:

I_n = the adjusted Interest Rate Hurdle
I_o = the Interest Rate Hurdle immediately prior to such adjustment.

and the other symbols in such formula have the meanings specified under "Put/Call Rate Adjustment" above and the preceding paragraph, in each case in this Section 4.01(e)(i).

(ii) In case the Company shall engage in a Spin-Off, and Section 4.01(e)(i) shall not be available to the Holders as a result of the proviso in the first paragraph of Section 4.01(e)(i), then the Holders shall not receive New Notes and Spin-Off Notes and immediately prior thereto the following shall be adjusted in accordance with the following formulae:

Put/Call Rate Adjustment. The Put/Call Rate of the Notes shall be determined in accordance with the following formula:

$$Rx = Ro \times Pp/(Pp + (r \times Ps))$$

where:

Rx = the adjusted Put/Call Rate.

Ro = the Put/Call Rate immediately prior to adjustment pursuant to this Section 4.01(e)(ii).

Pp = the average of the Daily Market Prices of the Common Stock for the ten (10) consecutive trading days following the date on which the Spin-Off is consummated.

Ps = the fair market value per share of the Spin-Off Shares. As used in this section, "fair market value" shall mean the average Daily Market Price of the Spin-Off shares for the first ten (10) consecutive trading days following the date on which the Spin-Off is consummated; provided, however, that if such distributed securities do not begin trading within two trading days of the consummation of such Spin-Off or if the Spin-Off Shares do not trade for at least ten (10) consecutive trading days within twenty (20) days after the Spin-Off, then the "fair market value" of such distributed securities shall be determined by an investment banking firm of national reputation and standing selected by the Company and acceptable to a Majority of the Holders on the record date of the Spin-Off.

r = the number of Spin-Off Shares (which may be one or a fraction less than or greater than one) distributed pursuant to the Spin-Off in respect of each share of Common Stock. Call Target Price Adjustment. The Call Target Price for the Notes shall be determined in accordance with the following formula:

$$Tx = To \times Pp / (Pp + (r \times PS))$$

Where:

Tx = the adjusted Call Target Price for the Notes. To = the Call Target Price for the Notes immediately prior to such adjustment.

and the other symbols in such formula have the meanings specified immediately above under "Put/Call Rate Adjustment".

Interest Rate Hurdle Adjustment. The Interest Rate Hurdle applicable on the Notes shall be determined in accordance with the following formula:

$$Ix = Io \times Pp / (Pp + (r \times PS))$$

Where:

Ix = the adjusted Interest Rate Hurdle.
Io = the Interest Rate Hurdle immediately prior to such adjustment

and the other symbols in such formula have the meanings specified immediately above under "Put/Call Rate Adjustment".

An adjustment made pursuant to this Section 4.01(e)(ii) shall become effective immediately after the determination of the adjustments referred to in this Section 4.01(e), retroactive to the date for the Spin-Off.

(iii) The Company shall give written notice of any Spin-Off, in accordance with Section 6.01 hereof, at least ten (10) Business Days prior to the record date therefor. The Company's failure to give notice required by this Section 4.01(e)(iii) or any defect therein shall not affect the validity of the Spin-Off covered by this Section 4.01(e). Notwithstanding the foregoing, nothing in this paragraph will prejudice the rights of the Holders pursuant to this Agreement.

(iv) SECTION 4.02 General Adjustment Provisions.

(a) Notice of Adjustment. Whenever the Put/Call Rate is adjusted, or the type of securities for which the Notes are exchangeable pursuant to the Put and the Call is changed, the Company shall promptly file, in the custody of its Secretary or an Assistant Secretary at its principal office and with the Put/Call Agent, an officer's certificate setting forth the adjusted Put/Call Rate, Call Target Price and Interest Rate Hurdle, and, if applicable, Nominal Amount and the kind or nature of any other securities or assets for which the Notes shall become exchangeable, a statement, in reasonable detail, of the facts requiring such adjustment and the computation by which such adjustment was made. Each such officer's certificate shall be made available at all reasonable times for inspection by the Holders at the office of the Put/Call Agent.

(b) Good Faith Determination.

(i) Subject to the following clause (ii), any determination as to whether an adjustment or limitation of exercise is required pursuant to this Section 4.01 (and

the amount of any adjustment), shall be binding upon the Holders and the Company if made in good faith by the board of directors of the Company.

(ii) If a Majority of the Holders shall object to any determination of the board of directors of the Company within ten (10) Business Days of receipt of notice of such determination, then such determination shall be referred to a national independent accounting firm in the United States (the "Accounting Firm") selected by the Company and reasonably acceptable to a Majority of the Holders. The determination of the adjustment made by the Accounting Firm shall be strictly in accordance with the terms of this Agreement and shall be binding upon the Holders and the Company. The Accounting Firm shall be instructed to notify the Company and the Holders of its determination regarding the adjustment within fifteen (15) Business Days of such referral.

(iii) Whenever this Agreement provides for the reasonable approval of a Majority of the Holders of any action or determination, such approval shall be deemed to be given if a Majority of the Holders do not reasonably object to such action or determination by written notice to the Company within ten (10) Business Days of the date on which notice thereof is first given to the Holders. No objection shall be deemed reasonable if the reasons for such objection are not set forth in reasonable detail in the notice of objection given to the Company as aforesaid.

(c) Subsequent Adjustments. The adjustment provisions of this Article IV shall be applied successively and from time to time as the circumstances requiring such adjustments shall occur. If as a result of an adjustment made pursuant to this Article IV (except as otherwise specifically provided herein) the Holder of any Notes thereafter surrendered for conversion shall be entitled to receive any securities other than shares of Common Stock into which the Notes were originally convertible, the Put/Call Rate, the Call Target Price and the Interest Rate Hurdle shall be subject to adjustment, from time to time, in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in this Article IV.

ARTICLE V
THE PUT/CALL AGENT

SECTION 5.01 Appointment. The Company hereby appoints the Put/Call Agent as its agent to act as set forth herein, subject to resignation or replacement of the Put/Call Agent as provided herein. The Put/Call Agent agrees to accept such appointment, subject to the terms and conditions as set forth herein.

SECTION 5.02 Duties of the Put/Call Agent. The Put/Call Agent acts hereunder as agent and in a ministerial capacity for the Company, and its duties shall be determined solely by the provisions hereof. The Put/Call Agent shall not by any act hereunder be deemed to make any representations as to the validity, value or authorization of any securities or other property delivered upon exercise of the Put or the Call.

Without prejudice to any liability of any other party hereof, the Put/Call Agent

shall not (i) be liable for any recital or statement of facts contained herein or for any action taken, suffered or omitted by it in reliance on any document or instrument believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties, (ii) be responsible for any failure on the part of the Company to comply with any of its covenants and obligations contained in this Agreement or in any Note or (iii) be liable for any act or omission in connection with this Agreement except for its own gross negligence or willful misconduct.

Any notice, statement, instruction, request, direction, order or demand of the Company shall be sufficiently evidenced by an instrument signed by the Company's Chairman or Vice Chairman of the Board, President, any Vice President, its Secretary, or Assistant Secretary (unless other evidence in respect thereof is herein specifically prescribed). Without prejudice to any liability of any other party hereof, the Put/Call Agent shall not be liable for any action taken, suffered or omitted by it in accordance with such notice, statement, instruction, request, direction, order or demand believed by it to be genuine.

The Company agrees to pay the Put/Call Agent reasonable compensation for its services hereunder and to reimburse it for its reasonable expenses hereunder and further agrees to indemnify the Put/Call Agent and save it harmless against any and all losses, expenses and liabilities, including judgments, costs and counsel fees, for anything done or omitted by the Put/Call Agent in the execution of its duties and powers hereunder, except losses, expenses and liabilities arising as a result of the Put/Call Agent's gross negligence or willful misconduct.

The Put/Call Agent may resign its duties and be discharged from all further duties and liabilities hereunder (except liabilities arising as a result of the Put/Call Agent's own gross negligence or willful misconduct), after giving thirty (30) days' prior written notice to the Company. At least fifteen (15) days prior to the date such resignation is to become effective, the Put/Call Agent shall cause a copy of such notice of resignation to be mailed to the Holder of each Note at the Company's expense. Upon such resignation, or any inability of the Put/Call Agent to act as such hereunder, the Company shall appoint a new Put/Call Agent in writing. The Company shall have complete discretion in the naming of a new Put/Call Agent, who may be an affiliate, subsidiary or department of the Company, or any person used by the Company as transfer agent for the Common Stock. If the Company shall fail to make such appointment within a period of thirty (30) days after it has been notified in writing of such resignation by the resigning Put/Call Agent, then the Holder of any Note may apply to any court of competent jurisdiction for the appointment of a new Put/Call Agent.

The Company may, upon notice to the Holders, remove and replace the Put/Call Agent if the Put/Call Agent is the transfer agent for the Company's Common Stock and the Put/Call Agent ceases to be the transfer agent for the Company's Common Stock for any reason. If for any period no person is acting as Put/Call Agent, then the Company shall discharge the obligations that would otherwise fail to be discharged by the Put/Call Agent during such period.

After acceptance in writing of an appointment by a new Put/Call Agent is received by the Company, such new Put/Call Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as the Put/Call Agent, without any further assurance, conveyance, act or deed. Any former Put/Call Agent hereby

agrees to cooperate with and deliver all records to the new Put/Call Agent at the direction of the new agent and the Company.

Any corporation into which the Put/Call Agent or any new Put/Call Agent may be converted or merged or any corporation resulting from any consolidation to which the Put/Call Agent or any new Put/Call Agent shall be a party or any corporation succeeding to the trust business of the Put/Call Agent shall be a successor Put/Call Agent under this Agreement without any further act. Any such successor Put/Call Agent shall promptly cause notice of its succession as Put/Call Agent to be mailed to the Company and to each Holder.

Nothing herein shall preclude the Put/Call Agent from acting in any other capacity for the Company.

ARTICLE V
MISCELLANEOUS PROVISIONS

SECTION 6.01 Notices. Any notice or demand authorized by this Agreement to be given or made to or on the Company or the Put/Call Agent shall be sufficiently given or made when and if delivered by a recognized international courier service or hand delivery, or by telecopier with copy sent by first class or registered mail, postage prepaid, to the applicable address set forth below (until the Holders are otherwise notified in accordance with this Section by the Company):

If to the Company, then to:

Vishay Intertechnology, Inc.
63 Lincoln Highway
Malvern, PA 19355
Attn.: Chief Financial Officer
Telecopier No.: (610) 889-2161
Confirm No.: (610) 644-1300

If to the Put/Call Agent, then to:

American Stock Transfer & Trust Co.
59 Maiden Lane
New York, NY 10038
Attn.: Exchange Department
Telecopier No: 718-234-5001
Confirm No: 718-921-8200

Any notice pursuant to this Agreement to be given to any Holder of Notes shall be sufficiently given when and if delivered to such Holder at the address appearing on the register maintained for that purpose by the Company (until the Company and the Put/Call Agent are otherwise notified in accordance with this Section by such Holder). Any such notice shall be

delivered, by overnight or hand delivery, by telecopier with copy sent by first class mail, postage prepaid, or by first class or registered mail, postage prepaid.

SECTION 6.02 Supplements and Amendments. The Company and the Put/Call Agent may from time to time amend or supplement this Agreement in good faith without the approval of any Holders only in order to cure any ambiguity or to correct or supplement any provision contained herein which may be defective or inconsistent with any other provision herein. Any other amendment or supplement to this Agreement shall require the written consent of the Holders of two-thirds (2/3) in nominal amount of the Notes then outstanding.

SECTION 6.03 Assignments/Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Put/Call Agent shall bind and inure to the benefit of its successors and assigns hereunder; provided, however, that any assignment by the Company shall not relieve the Company of any of its obligations hereunder; provided, further, that no Holder may assign its rights and obligations except to an assignee who has executed and delivered to the Company an Assignment Form, which Assignment Form, when executed by the transferor and transferee thereunder, shall inure to the benefit of and be binding upon, the Company, the Put/Call Agent and each of the other Holders. This Agreement shall be binding upon and inure to the benefit of the successors and registered assigns of the Initial Holders and all subsequent Holders of Notes.

SECTION 6.04 Governing Law. THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF SAID STATE.

SECTION 6.05 No Third Party Beneficiaries. Nothing in this Agreement shall be construed to give to any person other than the Company, the Put/Call Agent and the Holders of the Notes any legal or equitable right, remedy or claim under this Agreement; but this Agreement shall be for the sole and exclusive benefit of the Company, the Put/Call Agent and the Holders of the Notes.

SECTION 6.06 Registered Holders. The Company and the Put/Call Agent shall be entitled to treat as the Holders of the Notes solely those persons in whose names the Notes are registered in the register maintained for that purpose by the Company.

SECTION 6.07 Securities Laws. It is the intention of the parties that the issuance of the shares of Common Stock upon exercise of the Put or the Call shall be exempt from registration under the United States securities laws pursuant to Section 3(a)(9) of the Securities Act or any successor statute. If and to the extent that this exemption is not available, the parties will take such action as may be required to permit the delivery of the shares of Common Stock in exchange for the Notes in compliance with the United States securities laws and the rules and regulations of the SEC then in effect.

SECTION 6.08 Notification of Delisting. Prior to the occurrence of a Delisting Event, the Company will, at least ten (10) Business Days before the occurrence thereof, notify

each holder of such event. Any notice will be in writing and shall specify the date of such Delisting Event. For these purposes "Delisting Event" means the common stock of the Company being delisted from the principal United States national or regional securities exchange or national quotation system on which the shares of common stock are then listed or traded.

SECTION 6.09 Headings. The descriptive headings of the several sections and subsections of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in any way the meanings or interpretation of this Agreement.

SECTION 6.10 Counterparts. This Agreement may be executed in counterparts and all such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

[Remainder of this page left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, as of the day and year first above written.

VISHAY INTERTECHNOLOGY, INC.

By:____________________________________
Name:
Title:

AMERICAN STOCK TRANSFER & TRUST CO.

By:____________________________________
Name:
Title:

PHOENIX ACQUISITION COMPANY S.AR.L.

By:______________________________________
Name:
Title:

PHOENIX BERMUDA, L.P.

By:______________________________________
Name:
Title:

SANKATY HIGH YIELD ASSET PARTNERS L.P.
By: Sankaty Advisors, LLC

By:______________________________________
Name:
Title:

BCM CAPITAL PARTNERS L.P.
By: Sankaty Advisors, LLC

By:______________________________________
Name:
Title:

BCIP ASSOCIATES II
By: Sankaty Advisors, LLC

By:______________________________________
Name:
Title:

BCIP TRUST ASSOCIATES II
By: Sankaty Advisors, LLC

By:_____________________________________
Name:
Title:

JP MORGAN PARTNERS (BHCA), L.P.

By: JPMP Master Fund Manager, L.P.
its general partner

By: JPMP Capital Corp.
its general partner

By:_____________________________________
Name:
Title:

GARMARK PARTNERS L.P.

By:_____________________________________
Name:
Title:

BCIP TRUST ASSOCIATES II-B
By: Sankaty Advisors, LLC

BAIN CAPITAL V MEZZANINE FUND L.P.
By: Sankaty Advisors, LLC

By:_____________________________________
Name:
Title:

ANNEX I

Form of Assignment

THIS ASSIGNMENT dated [_____20_____] is supplemental to a Put and Call Agreement (the "Agreement") dated _____, 2002 (as amended and restated from time to time) between Vishay Intertechnology Inc., a Delaware corporation (the "Company"), [_____], [_____] and [_____] (each an "Initial Holder") and _____, a _________ the ("Put/Call Agent").

Unless otherwise defined in this Assignment, words and expressions defined in the Agreement shall have the same meaning when used in this Assignment.

Whereas:

(A) [_____] (the "Transferor") is a Holder of [_____] nominal amount of Notes (the "Transferred Notes").

(B) The Transferor proposes to transfer the Transferred Notes [(being all the Notes held by it)] to [_____] (the "Transferee").

[(C) The Transferor proposes to retain [_____] nominal amount of Notes (the "Retained Notes").]

Assignment

With effect from the date on which the transfer of the transferred Notes takes effect in accordance with the terms of the Notes, in respect of the Agreement and the Transferred Notes only:

(a) the Transferor shall be released from further undertakings, liabilities and obligations to the Company and the Put/Call Agent and each of the other Holders (the "Non-transferring Parties"), and each of the Non-transferring Parties shall be released from further undertakings, liabilities and obligations to the Transferor, and their respective rights shall be cancelled (the discharged rights and obligations); and

(b) the Transferee shall assume such undertakings, liabilities and obligations towards, and acquire rights against, each of the Non-transferring Parties and each of the Non-transferring Parties shall assume such undertakings, liabilities and obligations towards, and acquire rights against, the Transferee that differ from such discharged rights and obligations only insofar as each such Non-transferring Party and the Transferee have assumed and acquired the same in place of each such Non-transferring Party and the Transferor.

[For the avoidance of doubt, this Assignment shall not affect the rights, undertakings, liabilities and obligations of the Transferor in respect of the Retained Notes.]

The Transferee hereby notifies the Company that its address for notices for the purposes of Section 6.01 of the Agreement is:

[_____]

Fax No: [_____]

Attention: [_____]

This Assignment is governed by the [laws of the State of New York].

Signed by

- ---------------------------------
Transferor

- ---------------------------------
Transferee

ANNEX II

PUT EXERCISE NOTICE

If you, the Holder, want to exercise the Put, fill in the form below.

I or we, the registered owner of Notes, irrevocably Put to the Company Notes in the nominal amount of

$____
(if less than the aggregate nominal amount of all Notes held by the Holder, must be in $2,000,000 denominations)

at the Put/Call Rate and on the terms and conditions specified in that certain Put and Call Agreement, dated as of ___________, 2002 by and among the parties thereto, and request that certificates for the shares of Common Stock hereby exchanged for the indicated nominal amount being put to the Company (and any securities or other property issuable or transferable upon such exercise) be issued in the name of and delivered to:

- --

- --

- --

(Print or type name, address and zip code and social security or tax ID number of owner)

and, if such nominal amount listed above shall be less than the full nominal amount of the Note(s) of which I am the Holder, that a new Note of like tenor and date for the balance of the nominal amount thereunder be delivered to the undersigned.

Nominal amount of Note held immediately prior to exercise of the Put ________

Nominal amount of Note for which this Put is being exercised ________

Balance in nominal amount to be issued as a new Note ________

Date:____________________________ Signed:___________________________________
(Signed exactly as your name appears on the Note)

Exhibit 4.6

SECOND AMENDMENT TO AMENDED AND RESTATED
VISHAY INTERTECHNOLOGY, INC. LONG TERM
REVOLVING CREDIT AGREEMENT AND CONSENT

THIS SECOND AMENDMENT AND CONSENT ("Second Amendment") is made as of this 13th day of December, 2002 by and among Vishay Intertechnology, Inc., a Delaware corporation ("Company"), and the Permitted Borrowers, Comerica Bank and the Lenders signatory hereto and Comerica Bank, as administrative agent for the Lenders (in such capacity, "Agent").

RECITALS:

A. The Company and each of the Permitted Borrowers, Agent and certain of the Lenders entered into that certain Amended and Restated Vishay Intertechnology, Inc. Long Term Revolving Credit Agreement dated as of June 1, 1999, as amended by First Amendment dated as of August 31, 2000 (the "Credit Agreement") under which such Lenders renewed and extended (or committed to extend) credit to the Company and the Permitted Borrowers (collectively with the Company, the "Borrowers"), as set forth therein.

B. At the request of the Borrowers, Agent and the requisite Lenders signatory to this Second Amendment have agreed (i) to make certain amendments to the Credit Agreement and to certain other Loan Documents as hereinafter set forth and (ii) to consent to the BCc Acquisition (as defined below) and certain related changes in capital structure, but in each case only on the terms and conditions set forth in this Second Amendment.

NOW THEREFORE, the Borrowers, Agent and the Lenders agree:

1. Section 1 of the Credit Agreement shall be amended by:

(a) adding the following new definitions:

"BCc Acquisition" shall mean the acquisition by the Company, directly or through its subsidiaries, of BCcomponents and its subsidiaries (and related property and interests) pursuant, subject to the terms hereof, to the BCc Acquisition Documents.

"BCc Acquisition Documents" shall mean the BCc Share Purchase Agreement, together with all other related documents and instruments (including conveyances) executed and delivered in connection with the BCc Acquisition, as amended (subject to the terms hereof) from time to time.

"BCcomponents" shall mean BCcomponents Holdings B.V., a Dutch private limited liability company.

"BCc Share Purchase Agreement" shall mean that certain Share Sale and Purchase Agreement dated November 10, 2002 by and among the BCc Shareholders, the Foundation, BCcomponents International BV (each such term being defined therein), the Company and Vishay Europe, as amended (subject to the terms hereof) from time to time.

"FPB Advance Notice" shall mean notice from the Company or the applicable Foreign Permitted Borrower that such Foreign Permitted Borrower intends to submit a Request for Advance (or for the issuance of a Letter of Credit) under this Agreement.

"Revolving Credit Optional Increase" shall mean an amount up to One Hundred Million Dollars ($100,000,000), minus the portions thereof applied from time to time pursuant to Section 2.17 hereof to increase the Revolving Credit Aggregate Commitment.

"Second Amendment" shall mean that certain Second Amendment to the Credit Agreement and Consent dated as of December 12, 2002 by and among the Company, the Permitted Borrowers, Agent and the Lenders signatory thereto.

"Second Amendment Effective Date" is defined in Section 8 of the Second Amendment.

"Security Agreement(s)" shall mean the security agreements executed and delivered by the Company, each Significant Domestic Subsidiary and certain Significant Foreign Subsidiaries pursuant to this

Agreement incorporated under the laws of the United States of America, or a state, territory, possession or other political subdivision thereof (whether by execution thereof or by execution of a joinder agreement attached to the form of such security agreement) in favor of the Agent substantially in the form of the security agreements previously delivered under this Agreement, as amended or otherwise modified from time to time.

"Senior Debt" shall mean, with respect to the Company and its Consolidated Subsidiaries, Total Indebtedness, excluding Subordinated Debt.

"Subordinated Debt" shall mean all Debt of the Company and its Subsidiaries which has been subordinated in right of payment and priority to the Indebtedness, in each case on terms and conditions reasonably satisfactory to the Agent and the Required Lenders, including, without limitation, the Subordinated Debt existing on the Second Amendment Effective Date and identified (as such) on Schedule 8.13 hereto.

(b) amending and restating the following existing definitions:

"Revolving Credit Aggregate Commitment" shall mean Five Hundred Million Dollars ($500,000,000), subject to any increases in the Revolving Credit Aggregate Commitment pursuant to Section 2.17 of this Agreement by an amount not to exceed the Revolving Credit Optional Increase, and subject to any reduction or termination of the Revolving Credit Aggregate Commitment under Section 2.15 or 9.2 hereof.

"Significant Domestic Subsidiary(ies)" shall mean, on the Second Amendment Effective Date, those Domestic Subsidiaries identified as Significant Domestic Subsidiaries on Schedule 6.6A hereto (for purposes of determining the required Guarantors hereunder) and Schedule 6.6B hereto (for purposes of determining those Subsidiaries whose share capital is required to be encumbered by a Pledge Agreement hereunder) and thereafter shall mean the Significant Domestic Subsidiaries as of the Second Amendment Effective Date and all other Domestic Subsidiaries, whether existing as of the Effective Date or created or acquired by the Company thereafter, except any Subsidiary:

(a) the total assets of which, on an individual basis, on any date of determination, are less than $5,000,000; and

(b) which has, as of the most recent fiscal quarter then ending, for the four preceding fiscal quarters, an EBITDA of less than $1,000,000;

provided however that, notwithstanding the foregoing, Siliconix shall not be considered a Significant Subsidiary hereunder unless and until becoming a 100% Subsidiary.

"Significant Foreign Subsidiary(ies)" shall mean, on the Second Amendment Effective Date, those Foreign Subsidiaries which have executed and delivered a Foreign Guaranty on or prior to the Second Amendment Effective Date, as identified on Schedule 6.6A hereto (for purposes of determining the required Guarantors hereunder) or whose share capital (or any portion thereof) has been encumbered by a Pledge Agreement on or prior to the Second Amendment Effective Date, as identified Schedule 6.6B hereto (for purposes of determining those Subsidiaries whose share capital is required to be encumbered by a Pledge Agreement hereunder) and thereafter shall mean the Significant Foreign Subsidiaries as of the Second Amendment Effective Date and all other Foreign Subsidiaries, whether existing as of the Effective Date or created or acquired by the Company thereafter, except any Subsidiary:

(a) the total assets of which, on an individual basis, on any date of determination, are less than $30,000,000; and

(b) which has, as of the most recent fiscal quarter then ending, for the four preceding fiscal quarters, an EBITDA of less than $2,500,000;

provided however that, notwithstanding the foregoing, Vishay Israel shall not be considered a Significant Subsidiary hereunder.

"Significant Subsidiary(ies)" shall mean the Significant Domestic Subsidiaries and the Significant Foreign Subsidiaries.

(c) amending the following existing definitions, as follows:

The references to "January 1, 1998" in the definition of "Equity Offering Adjustment" and to "March 31, 1999" in the definition of "Net Income Adjustment" are changed to January 1, 2003.

The definition of "Fees" is amended to delete, after the reference to "Syndication Fee" (in the second line thereof), the words, added by the First Amendment, "the Utilization Fee".

The definition of "Indebtedness" is amended to delete, after the word Subsidiaries (in the fifth line thereof), the parenthetical phrase, added by the First Amendment, "(other than any Special Purpose Subsidiary)."

The definitions of "Intercompany Loan" and "Intercompany Loans, Advances or Investments" are amended to delete, after each reference to Subsidiary in such definitions, the parenthetical phrase, added by the First Amendment, "(excluding any Special Purpose Subsidiary)."

The definition of "Total Indebtedness" is amended to delete, at the end of such definition, the words (added by the First Amendment) ", including without limitation any Debt incurred by a Special Purpose Subsidiary pursuant to a Permitted Securitization, whether or not required to be so included in accordance with GAAP."

(d) deleting, in their entirety, the definitions of "Permitted Securitization," "Securitization Transactions," "Special Purpose Subsidiary," "Utilization Fee" and "Utilization Fee Percentage".

2. Section 2 of the Credit Agreement is amended as follows:

(a) Clause (a) of Section 2.1 (Commitment) of the Credit Agreement is amended and restated in its entirety, as follows:

"(a) No Permitted Borrower shall be entitled to request an Advance of the Revolving Credit or the Swing Line or the issuance of a Letter of Credit hereunder until (i) it has become a party to this Agreement, either by execution and delivery of this Agreement, or by execution and delivery of a Permitted Borrower Addendum to this Agreement, (ii) it has become a party to the applicable Guaranty either by execution and delivery of such Guaranty or by execution and delivery of a Joinder Agreement to such Guaranty, (iii) in the case of each Domestic Permitted Borrower, it has

become a party to the applicable Security Agreement, (iv) in the case of the first Advance to a Foreign Permitted Borrower after the Second Amendment Effective Date, the Company, or such Foreign Permitted Borrower, has submitted to the Agent, not less than 60 days prior to date of such Advance, a FPB Advance Notice and (v) in the case of each Permitted Borrower, the Company has encumbered and/or delivered (or caused to be encumbered and/or delivered), as the case may be, pursuant to a Pledge Agreement those shares of stock issued by such Permitted Borrower and owned (directly or indirectly) by the Company which are required to be encumbered and/or delivered under the Prior Credit Agreement or Section 7.16 or 7.17 hereof, as applicable, and accompanied in each case by authority documents, legal opinions and other supporting documents as reasonably required by Agent and the Required Lenders hereunder;"

(b) Section 2.13A (Utilization Fee) is deleted from the Credit Agreement, in its entirety.

(c) Existing Section 2.17 of the Credit Agreement is redesignated in its entirety as Section 2.18 and New Section 2.17 is added to the Credit Agreement as follows:

"2.17 Optional Increase in Revolving Credit Aggregate Commitment. Provided that no Default or Event of Default has occurred and is continuing, and provided that the Company has not previously elected to terminate the Revolving Credit Aggregate Commitment under Section 2.15 hereof, the Company may request that the Revolving Credit Aggregate Commitment be increased in an aggregate amount (for all such Requests for Increase (as defined below) under this Section 2.17) not to exceed the Revolving Credit Optional Increase, subject, in each case, to Section 11.1 hereof and to the satisfaction concurrently with or prior to the date of each such request of the following conditions:

(a) the Company shall have delivered to the Agent not less than thirty (30) days prior to the Revolving Credit Maturity Date then in effect a written request for such increase, specifying the amount of Revolving Credit Optional Increase thereby requested (each such request, a "Request for Increase"); provided, however that in the event the Company has previously delivered a Request for Increase pursuant to this Section 2.17, the Company may not deliver a subsequent Request for Increase until all the conditions to effectiveness of such first Request for Increase have been fully satisfied or waived hereunder (or such Request for Increase has been withdrawn); and provided further that the Company may make no more than two Requests for Increase in any calendar year;

(b) a lender or lenders meeting the requirements of Section 13.8(c) hereof and acceptable to the Company and the Agent (for purposes

of this Section 2.17, such lenders, together with any existing Lender which agrees to increase its commitment hereunder, being referred to herein as the "New Lender(s)") shall have become a party to this Agreement by executing and delivering a New Lender Addendum (in the form attached as Exhibit K) for a minimum amount (including for the purposes of this Section 2.17, the existing commitment of any existing Lender) for each such New Lender of Ten Million Dollars ($10,000,000) and an aggregate amount for all such New Lenders of that portion of the Revolving Credit Optional Increase, taking into account the amount of any prior increase in the Revolving Credit Aggregate Commitment (pursuant to this Section 2.17), covered by the applicable Request for Increase, provided, however that each New Lender shall remit to the Agent funds in an amount equal to its Percentage (after giving effect to this Section 2.17) of all Advances of the Revolving Credit then outstanding, such sums to be reallocated among and paid to the existing Lenders based upon the new Percentages as determined below;

(c) the Company (i) shall have paid to the Agent for distribution to the existing Lenders, as applicable (based on the existing Percentages, before giving effect to the applicable Request for Increase) all interest, fees (including the Revolving Credit Facility Fee and the Letter of Credit Fees) and other amounts, if any, accrued to the effective date of such increase and any breakage fees attributable to the reduction (prior to the last day of the applicable Interest Period) of any outstanding Eurocurrency-based Advances, calculated on the basis set forth in Section 11.1 hereof as though Company has prepaid such Advances and (ii) shall have paid to each New Lender (based on its applicable Percentage, but if an existing Lender on such date, only to the extent of its increase in Percentage) a special letter of credit fee on the Letters of Credit outstanding on the effective date of such increase, calculated on the basis of the Letter of Credit Fees which would be applicable to such Letters of Credit if issued on the date of such increase, for the period from the effective date of such increase to the expiration date of such Letters of Credit;

(d) the Company and each of the Permitted Borrowers shall have executed and delivered to the Agent, if requested by such New Lenders, new Revolving Credit Notes payable to each of the New Lenders in the face amount of each such New Lender's Percentage of the Revolving Credit Aggregate Commitment (after giving effect to this Section 2.17) and, if applicable, renewal and replacement Revolving Credit Notes payable to each of the existing Lenders in the face amount of each such Lender's Percentage of the Revolving Credit Aggregate Commitment (after giving effect to this Section 2.17), each of such Revolving Credit Notes to be substantially in the form of Exhibit B-1 or B-2 to the Credit Agreement, as applicable, and dated as of the effective

date of such increase (with appropriate insertions relevant to such Notes and acceptable to the applicable Lender, including the New Lenders);

(e) except to the extent such representations and warranties are not, by their terms, continuing representations and warranties, but speak only as of a specific date, the representations and warranties made by Company, the Permitted Borrower, or each Guarantor in this Agreement or any of the other Loan Documents, and the representations and warranties of any of the foregoing which are contained in any certificate, document or financial or other statement required to be furnished at any time hereunder or thereunder shall have been true and correct in all material respects when made and shall be true and correct in all material respects on and as of the effective date of such increase; and (ii) no Default or Event of Default shall have occurred and be continuing as of the effective date of such increase; and

(f) such other amendments, acknowledgments, consents, documents, instruments, any registrations, if any, shall have been executed and delivered and/or obtained by Company as required by Agent, in its reasonable discretion.

Promptly on or after the date on which all of the conditions to such Request for Increase set forth above have been satisfied or waived, Agent shall notify the Company and each of the Lenders of the amount of the Revolving Credit Aggregate Commitment as increased pursuant this Section 2.17 and the date on which such increase has become effective and shall prepare and distribute to the Company and each of the Lenders (including the New Lenders) a revised Schedule 1.1 to this Agreement setting forth the applicable new Percentages of the Lenders (including the New Lender(s)), taking into account such increase and assignments (if any)."

3. Section 7 of the Credit Agreement shall be amended as follows:

(a) The preamble to Section 7 is amended to delete after the word "Subsidiaries" (in the second line thereof) the parenthetical phrase, added by the First Amendment, "(excluding any Special Purpose Subsidiary)".

(b) Clause (f) of Section 7.3 (Reporting Requirements) is amended to delete at the end of clause (f) the words, added by the First Amendment, "and promptly following each Permitted Securitization, copies of the principal operative documents relating to such Permitted Securitization."

(c) Section 7.4 (Tangible Net Worth) is amended to change the date reference in the second line thereof from "December 31, 1998" to "December 31, 2002" and to change the reference to "Five Hundred Fifty Two Million Four Hundred One Thousand Three Hundred Twenty Three Dollars

($552,401,323)" in the third and fourth lines thereof to "Nine Hundred Million Dollars ($900,000,000)".

(d) Section 7.5 (Leverage Ratio) is amended and restated in its entirety as follows:

"7.5 Leverage Ratio. Maintain, as of the last day of each fiscal quarter during the periods specified below, a Leverage Ratio of not more than the following amounts during the periods specified below:

Period	Ratio
Effective date through December 30, 2003	3.50
December 31, 2003 through December 30, 2004	3.25
December 31, 2004 and thereafter	3.00

(e) New Section 7.6A (Senior Debt Ratio) is added to the Credit Agreement (immediately following Section 7.6), as follows:

"7.6A Senior Debt Ratio. Maintain, as of the last day of each fiscal quarter ending during the periods specified below, for the four fiscal quarters then ending, a ratio of Senior Debt to Consolidated EBITDA of not more than the following amounts during the periods specified below:

Period	Ratio
Effective date through December 30, 2003	1.75
December 31, 2003 and thereafter	1.50

(f) Clause (a) of Section 7.16 (Future Subsidiaries) is amended and restated in its entirety as follows:

"(a) With respect to each Person which becomes a Significant Subsidiary subsequent to the Effective Date, cause such new Subsidiary to execute and deliver to the Agent (i) in the case of each such Significant Domestic Subsidiary, (x) a Joinder Agreement whereby such Significant Domestic Subsidiary becomes obligated as a Guarantor under the Domestic Guaranty and (y) a Joinder Agreement whereby such Significant Domestic Subsidiary becomes obligated under the applicable Security Agreement, such documents to be executed and delivered within thirty days of the date such Person is created, acquired or otherwise becomes a Significant Subsidiary (whichever first occurs) and (ii) in the case of each such Significant Foreign Subsidiary, (a) a Joinder Agreement whereby such Significant Foreign Subsidiary becomes obligated as a Guarantor under the Foreign Guaranty and (b) a Security Agreement or a Joinder Agreement whereby such Significant Foreign Subsidiary incorporated

under the laws of the United States of America becomes obligated under the applicable Security Agreement, as the case may be, such documents to be executed and delivered within fifty-five days of the Agent's receipt of a FPB Advance Notice; and"

(g) Clause (b) of Section 7.16 (Future Subsidiaries) is amended to add, in the second line thereof, following the words "Effective Date" (after the comma) the words, "if such Subsidiary is a direct Subsidiary of the Company or a Domestic Subsidiary, and to add, at the end of clause (b), before the semicolon, the following:

"and; for all other Foreign Subsidiaries within fifty-five days of the Agent's receipt of a FPB Advance Notice, the Company shall execute, or cause to be executed, and deliver to the Agent a Pledge Agreement encumbering subject to Section 7.17 hereof, with a first priority Lien 65% of the share capital of each such Significant Foreign Subsidiary to secure the Indebtedness of the Company and the Domestic Permitted Borrowers and the Indebtedness (as such term is defined therein) of such parties under the Short Term Revolving Credit Agreement and 100% of the share capital of each such Significant Foreign Subsidiary to secure the Indebtedness of the Foreign Permitted Borrowers hereunder; and"

4. Section 8 of the Credit Agreement shall be amended as follows:

(a) Clause (e) of Section 8.2 (Limitations on Fundamental Changes) is amended to delete, after the words Permitted Transfers, the words, added by the First Amendment, "and Permitted Securitizations."

(b) The reference in the last line of Section 8.3 (Guaranties) to "Section 8.7(g)" is changed to "clauses (d), (e), (f) or (g) of Section 8.7."

(c) The first clause of Clause (f) of Section 8.4 (Debt) (contained in the first two lines of said Section) is hereby amended and restated (without affecting the balance of said Section) to read as follows:

"Debt to third parties issued by any Foreign Subsidiary of the Company in an aggregate amount at any time outstanding not to exceed $55,000,000;"

(d) The words "on a pari passu basis with the Indebtedness, or" contained in the fifth line of clause (h) of Section 8.4 (Debt) are deleted.

(e) The period at the end of clause (i) of Section 8.4 is changed to "; and," and new clause (j) is added, as follows:

"(j) unsecured Debt issued (or to be issued) by the Company in an aggregate principal amount not to exceed $105,000,000 to refinance the mezzanine debt issued by BCcomponents prior to the BCc Acquisition (the "BCc Replacement Financing")."

(f) Section 8.5 (Liens) is amended to delete clause (f), added by the First Amendment, in its entirety, and to move the "; and" from the end of clause (e) thereof to the end of clause (d).

(g) Section 8.7 (Investments) is amended to change the reference to "five percent (5%)" in clause (g) thereof to "seven and one-half percent (7.5%)", and to delete clause (l) in its entirety, added by the First Amendment, and to move the "; and" from the end of clause (k) to the end of clause (j).

(h) Section 8.8 (Accounts Receivable) is amended to delete, at the end of such section, the words (added by the First Amendment) ", and except pursuant to a Permitted Securitization."

(i) Section 8.11 (Prohibition Against Certain Restrictions) is amended to delete (after the word "Agreement" in the parenthetical phrase in the second line thereof) the words, added by the First Amendment, "and excluding any such agreement by a Special Purpose Subsidiary pursuant to a Permitted Securitization, but only to the extent such agreement applies only to such Special Purpose Subsidiary."

(j) Section 8.12 (Amendment of Various Documents) is amended to add, in the caption (immediately preceding Temic Acquisition Agreement) the words "BCc Acquisition Documents," and to add in the third line thereof, immediately preceding the words "Temic Acquisition Agreement," the words "BCc Acquisition Documents."

(k) New Sections 8.13 (Amendment of Subordinated Debt Documents), 8.14 (Limitations on Prepayments) and 8.15 (EBIT Requirement) are added to the Credit Agreement, as follows:

"8.13 Amendment of Subordinated Debt and Other Debt Documents. Amend, modify or otherwise alter (or suffer to be amended, modified or altered) any of the terms and conditions of those documents or instruments evidencing or otherwise related to any Debt set forth on Schedule 8.13 or any other Subordinated Debt, except for those amendments, modifications or other alterations which could not reasonably be determined to have a material adverse effect on (a) the business, operations, property or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, (b) the ability of the Company or any of its Subsidiaries to perform their respective obligations under this Agreement or any other Loan Document to which any of them is a party, or (c) the validity or enforceability of this Agreement or any of the other Loan Documents or the rights or remedies of the Agent or the Lenders hereunder or thereunder, or except as may be approved by Agent and the Required Lenders."

"8.14 Payment or Prepayment of Other Debts. Prepay, purchase, redeem or defease any Subordinated Debt or other Debt set forth on Schedule 8.14, except to the extent permitted under that certain Consent issued by the Agent, for and on behalf of the Lenders, on May 29, 2001 with respect to the Additional Debt (as defined therein) and under that certain consent issued by the Agent for and on behalf of the Lenders on November 2, 2001 (with respect to the Subordinated Debt issued by General Semiconductor); and, except for regularly scheduled payments of interest, make any payments, prepayments or purchase, redeem or otherwise defease the BCc Replacement Financing in cash or cash equivalents, prior to the Revolving Credit Maturity Date as in effect on the Second Amendment Effective Date."

"8.15 EBIT Requirement. Have EBIT, determined on a Consolidated basis for the Company and its Subsidiaries (as defined below), which is a negative number for two or more consecutive fiscal quarters. For purposes of this Section 8.15, "EBIT" shall mean Net Income of the Company and its Subsidiaries (determined on a consolidated basis) for the applicable period adjusted to exclude, without duplication, the following items of income or expense to the extent that such items are included in the calculation of Net Income: Interest Expense, and total income tax expense."

5. Section 13 of the Credit Agreement shall be amended, as follows:

(a) Section 13.11 (Amendment and Waiver) is amended and restated in its entirety, as follows:

"13.11 Amendment and Waiver. No amendment or waiver of any provision of this Agreement or any other Loan Document, or consent to any departure by the Company or the Permitted Borrowers therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders (or signed by the Agent at the direction of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that (X) no amendment, waiver or consent shall increase the Percentage or the stated commitment amounts applicable to any Lender unless approved, in writing, by the affected Lender and (Y) no amendment, waiver or consent shall, unless in writing and signed by all the Lenders, do any of the following: (a) increase the Revolving Credit Aggregate Commitment, except pursuant to Section 2.17 hereof, (b) reduce the principal of, or interest on, the Advances or any Fees or other amounts payable hereunder, (c) postpone any date fixed for any payment of principal of, or interest on, the outstanding Advances or any Fees or other amounts payable hereunder, (d) waive any Event of Default specified in Section 9.1(a) or (b) hereof, (e) release or defer the granting or perfecting of a lien or security interest in any Collateral or release any

guaranty or similar undertaking provided by any Person or modify any indemnity provided to the Lenders, hereunder or under the other Loan Documents, except as shall be otherwise expressly provided in this Agreement or any other Loan Document, (f) take any action which requires the signing of all Lenders pursuant to the terms of this Agreement or any other Loan Document, (g) change the aggregate unpaid principal amount of the outstanding Advances which shall be required for the Lenders or any of them to take any action under this Agreement or any other Loan Document, (h) change this Section 13.11, or (i) change the definition of "Required Lenders", "Interest Periods", "Alternative Currencies", "Permitted Borrower" or "Percentage"; and provided further, however, that no amendment, waiver or consent hereunder shall, unless in writing and signed (x) by the Agent, in addition to all the Lenders, affect the rights or duties of the Agent under this Agreement or any other Loan Document, whether in its capacity as Agent or the issuing bank or (y) by the Swing Line Bank, in addition to all the Lenders, affect the rights or duties of the Swing Line Bank under this Agreement or any other Loan Documents, in its capacity as Swing Line Bank. All references in this Agreement to "Lenders" or "the Lenders" shall refer to all Lenders, unless expressly stated to refer to "Required Lenders."

6. Replacement Schedule 4.1 (Pricing Matrix) to the Credit Agreement set forth on Attachment 1 shall replace in its entirety, the existing Schedule 4.1 to the Credit Agreement. Replacement Schedules 6.6A and 6.6B to the Credit Agreement (relating to the Significant Subsidiaries and set forth on Attachment 2) shall replace in their entirety the existing Schedule 6.6A and 6.6B and Replacement Schedule 8.3 (set forth on Attachment 3) shall replace in its entirety existing Schedule 8.3. New Schedules 8.13 and 8.14 are added to the Credit Agreement in the form of Attachments 4 and 5, respectively. New Exhibit K is hereby added to the Credit Agreement in the form of Attachment 6.

7. The Company has requested that the requisite Lenders consent to the BCc Acquisition and to the changes in capital structure identified on Attachment 7. The Agent and the requisite Lenders hereby consent to the BCc Acquisition and to the changes in capital structure identified on Attachment 7 substantially on the terms and conditions set forth in the BCc Share Purchase Agreement and otherwise as set forth in this Second Amendment, provided that the following conditions are satisfied or waived on the date of the BCc Acquisition:

   (a) the BCc Acquisition Documents shall be in form and substance reasonably satisfactory to the Agent and the requisite Lenders and each of the BCc Acquisition Documents shall have been duly authorized, executed and delivered by each of the parties thereto and shall be in full force and effect;

   (b) no term or provision of the BCc Acquisition Documents shall have been modified, and no condition to consummation of the BCc Acquisition shall have been waived, in either case in a manner materially detrimental to the Company, by any of the parties thereto;

(c) the Company shall have in all material respects done and performed such acts and observed such covenants which each is required to do or perform under the BCc Acquisition Documents in order to consummate the BCc Acquisition; and

(d) no Default or Event of Default shall have occurred and be continuing.

If the BCc Acquisition has not been consummated prior to January 31, 2003 (or such later date approved by the Required Lenders) this Consent shall expire and be of no further force and effect.

8. This Second Amendment shall become effective (according to the terms hereof) on the date confirmed in a written notice to the Borrowers and the Lenders from the Agent (such date, the "Second Amendment Effective Date") that the following conditions have been fully satisfied by the Borrowers, which date shall occur on or before December 31, 2002 (the "Conditions"):

(a) Agent shall have received counterpart originals of this Second Amendment, duly executed and delivered by each of the Borrowers, and the requisite Lenders, and of acknowledgments and reaffirmations of the Guarantors, in each case in form reasonably satisfactory to Agent and the Lenders;

(b) Agent shall have received from each of the Borrowers and each of the Guarantors a certification (i) that all necessary actions have been taken by such parties to authorize execution and delivery of this Second Amendment (and any acknowledgments and reaffirmations), supported by such resolutions or other evidence of corporate authority or action as reasonably required by Agent and that no consents or other authorizations of any third parties are required in connection therewith; and (ii) that, after giving effect to this Second Amendment, no Default or Event of Default has occurred and is continuing on the proposed effective date of the Second Amendment;

(c) To the extent aggregate Advances of the Revolving Credit (and the undrawn amount of any Letters of Credit) and the Swing Line outstanding on such date exceed the Revolving Credit Aggregate Commitment (as reduced by the Second Amendment), the Company or any Permitted Borrower, as applicable, shall prepay the amount of such Advances in accordance with the terms set forth in Credit Agreement (including any breakage costs assessed under Section 11.1 of the Credit Agreement), such prepayment to be distributed to the Lenders based on the Percentages in effect on the Second Amendment Effective Date, accompanied by any breakage costs, as aforesaid;

(d) Agent shall have received from Company and each of the Domestic Guarantors (as of the Second Amendment Effective Date) counterpart

originals of a Security Agreement covering all tangible and intangible personal property (excluding real estate and fixtures) substantially in the form of the Security Agreement previously in effect (prior to the First Amendment) under the Credit Agreement; provided, however, the Company and the Domestic Guarantors shall be required to deliver Schedule I (Intellectual Property) to the Security Agreement and any other items or documentation relating to the Intellectual Property owned by such Persons on or before December 23, 2002; and

(e) Company shall have paid to Agent, an amendment and consent fee in the amount of 0.20% of the aggregate amount of the Revolving Credit Aggregate Commitment (after giving effect to reduction thereof under the Second Amendment), for distribution to those Lenders (based on the applicable Percentages in effect on the Second Amendment Effective Date) which executed and delivered this Second Amendment on or before December 11, 2002, and, to the extent applicable, shall have selected new Interest Periods for the Advances to be outstanding on the First Amendment Effective Date in compliance with Sections 2.3 and 2.5(c) of the Credit Agreement.

9. Each of Company, the Permitted Borrowers and the Guarantors hereby represents and warrants that, after giving effect to the amendments contained herein, (a) execution and delivery of this Second Amendment and the performance by each of Company and the Permitted Borrowers of their respective obligations under the Credit Agreement as amended hereby (herein, as so amended, the "Amended Credit Agreement") are within such undersigned's corporate powers, have been duly authorized, are not in contravention of law or the terms of its articles of incorporation or bylaws or other organic documents of the parties thereto, as applicable, and except as have been previously obtained do not require the consent or approval, material to the amendments contemplated in the Amended Credit Agreement, of any governmental body, agency or authority, and the Amended Credit Agreement, will constitute the valid and binding obligations of such undersigned parties enforceable in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, reorganization, insolvency, moratorium, ERISA or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (whether enforcement is sought in a proceeding in equity or at law); (b) the continuing representations and warranties set forth in Sections 6.1 through 6.20, inclusive, of the Amended Credit Agreement are true and correct in all material respects on and as of the date hereof; and (c) each of the foregoing representations and warranties (whether expressly set forth or incorporated by reference) are and shall remain continuing representations and warranties until the termination or expiration of the Amended Credit Agreement.

10. Except as specifically set forth above, this Second Amendment shall not be deemed to amend or alter in any respect the terms and conditions of the Credit Agreement (including without limitation all conditions and requirements for Advances and any financial covenants) or any of the other Loan Documents, or to constitute a waiver or release by any of the Lenders or the Agent of any right, remedy, Default or Event of Default under the Credit Agreement or any of the other Loan Documents, except to the extent specifically set forth above.

Furthermore, this Second Amendment shall not affect in any manner whatsoever any rights or remedies of the Lenders or the Agent with respect to any other non-compliance by the Borrowers with the Credit Agreement or the other Loan Documents, whether in the nature of a Default or Event of Default, and whether now in existence or subsequently arising, and shall not apply to any other transaction.

11. Unless otherwise defined to the contrary herein, all capitalized terms used in this Second Amendment shall have the meanings set forth in the Credit Agreement.

12. This Second Amendment shall be a contract made under and governed by the internal laws of the State of Michigan, and may be executed in counterpart in accordance with Section 13.10 of the Credit Agreement.

* * *

[Signatures follow on succeeding pages]

IN WITNESS WHEREOF, Company, the Permitted Borrowers, the Lenders and Agent have each caused this Second Amendment to be executed by their respective duly authorized officers or agents, as applicable, all as of the date first set forth above.

COMPANY:

VISHAY INTERTECHNOLOGY, INC.

By:___________________________________

Its: Executive Vice President,
Chief Financial Officer and
Director
63 Lincoln Highway
Malvern, Pennsylvania 19355

AGENT:

COMERICA BANK, As Agent

By:______________________________

Its: Vice President
One Detroit Center
500 Woodward Avenue
Detroit, Michigan 48226
Attention: Corporate Finance

PERMITTED BORROWERS:

VISHAY EUROPE GmbH

By:__________________________________

Its:_________________________________

VISHAY ELECTRONIC GmbH

By:__________________________________

Its:_________________________________

PAMELA VERWALTUNGSGESELLSCHAFT mbH

By:__________________________________

Its:_________________________________

COMERICA BANK, individually
and as Issuing Bank

By:___________________________________

Its:__________________________________

BANK OF AMERICA N.A., individually
and as Swing Line Bank

By:___________________________________

Its:__________________________________

FLEET NATIONAL BANK

By:___________________________________

Its:__________________________________

BANK HAPOALIM B.M.,
NEW YORK BRANCH

By:___________________________________

Its:__________________________________

By:___________________________________

Its:__________________________________

BANK LEUMI USA

By:___________________________________

Its:__________________________________

WESTDEUTSCHE LANDESBANK
GIROZENTRALE, NEW YORK
BRANCH

By:___________________________________

Its:__________________________________

ABN AMRO BANK NV

By:___________________________________

Its:__________________________________

By:___________________________________

Its:__________________________________

BARCLAYS BANK PLC

By:___________________________________

Its:__________________________________

WACHOVIA BANK, N.A.

By:___________________________________

Its:__________________________________

THE CHASE MANHATTAN BANK

By:___________________________________

Its:__________________________________

THE BANK OF TOKYO-MITSUBISHI,
LTD. NEW YORK BRANCH

By:___________________________________

Its:__________________________________

KEYBANK NATIONAL ASSOCIATION

By:___________________________________

Its:__________________________________

SANPAOLO IMI SPA, formerly known as
Istituto Bancario San Paolo Di Torino,
S.p.A.

By:___________________________________

Its:__________________________________

SOCIETE GENERALE, NEW YORK
BRANCH

By:___________________________________

Its:__________________________________

ISRAEL DISCOUNT BANK

By:___________________________________

Its:__________________________________

THE BANK OF NEW YORK

By:___________________________________

Its:__________________________________

REPLACEMENT SCHEDULE 4.1
PRICING MATRIX

Applicable Margin Grid
Vishay Intertechnology, Inc.
Amended and Restated Long Term Revolving Credit Facility

Basis for Pricing	LEVEL I	LEVEL II	LEVEL III**	LEVEL IV
Leverage Ratio	2.00:1.0	2.00:1.0 but 2.50:1.0	2.50:1.0 but 3.00:1.0	3.00:1.0
Revolving Credit Facility Fee	0.30%	0.45%	.625%	.625%
Eurocurrency-based Margin	1.20%	1.30%	1.625%	2.25%
Prime-based Rate Margin	0.0%	0.0%	0.0%	0.0%
Letter of Credit Fee (exclusive of facing fee)	1.20%	1.30%	1.625%	2.25%

** Level III pricing shall be in effect until the delivery of the financial statements and Covenant Compliance Report for the quarter ending December 31, 2002 required to be delivered under Section 7.3 hereof, after which time the pricing grid shall govern.

EXHIBIT K
NEW LENDER ADDENDUM

NEW LENDER ADDENDUM, dated ___________, to the Amended and Restated Vishay Intertechnology, Inc. Long Term Revolving Credit Agreement dated as of June 1, 1999 (as otherwise amended or modified from time to time, the "Credit Agreement"), among Vishay Intertechnology, Inc. ("Company"), the Permitted Borrowers parties thereto, each of the financial institutions parties thereto (collectively, the "Banks") and Comerica Bank, as Agent for the Banks.

W I T N E S S E T H:

WHEREAS, the Credit Agreement provides in Section 2.17 thereof that a financial institution, although not originally a party thereto, may become a party to the Credit Agreement with the consent of the Company and the Agent by executing and delivering to the Agent a New Lender Addendum to the Credit Agreement in substantially the form of this new lender addendum; and

WHEREAS, the undersigned New Lender was not an original party to the Credit Agreement but now desires to become a party thereto;

NOW, THEREFORE, the New Lender hereby agrees as follows:

The New Lender hereby confirms that it has received a copy of the Credit Agreement and the exhibits and schedules referred to therein, and all other Loan Documents which it considers necessary, together with copies of the other documents which were required to be delivered under the Credit Agreement as a condition to the making of the loans thereunder. The New Lender acknowledges and agrees that it: (a) has made and will continue to make such inquiries and has taken and will take such care on its own behalf as would have been the case had its commitment been granted and its loans been made directly by such New Lender to the Company without the intervention of the Agent or any other Lender; and (b) has made and will continue to make, independently and without reliance upon the Agent or any other Lender, and based on such documents and information as it has deemed appropriate, its own credit analysis and decisions relating to the Credit Agreement. The New Lender further acknowledges and agrees that the Agent has not made any representations or warranties about the creditworthiness of the Company or any other party to the Credit Agreement or any other of the Loan Documents, or with respect to the legality, validity, sufficiency or enforceability of the Credit Agreement, or any other of the Loan Documents.

New Lender represents and warrants that it is a Person to which assignments are permitted pursuant to Sections 13.8(c) of the Credit Agreement.

Except as otherwise provided in the Credit Agreement, effective as of the Effective Date (as defined below):

(a) the New Lender (i) shall be deemed automatically to have become a party to the Credit Agreement and the other Loan Documents, and to have all the rights and obligations of a party to the Credit Agreement and the other Loan Documents, as if it were an original signatory; and (ii) agrees to be bound by the terms and conditions set forth in the Credit Agreement and the other Loan Documents as if it were an original signatory thereto; and

(b) the New Lender shall be a Lender and its Percentage of the Revolving Credit (and its risk participation in Letters of Credit) shall be as set forth in the attached revised Exhibit D (Percentages); provided any fees paid prior to the Effective Date, including any Letter of Credit Fees, shall not be recalculated, redistributed or reallocated by Company, Agent or the Banks.

As used herein, the term "Effective Date" means the date on which all of the following have occurred or have been completed, as reasonably determined by the Agent:

(1) the Company shall have paid to the Agent all interest, fees (including the Revolving Credit Facility Fee) and other amounts, if any, accrued to the Effective Date for which reimbursement is then owing under the Credit Agreement;

(2) New Lender shall have remitted to the Agent funds in an amount equal to its Percentage of all Advances of the Revolving Credit outstanding as of the Effective Date; and

(3) the Company shall have executed and delivered to the Agent for the New Lender, new Revolving Credit Notes payable to such New Lender in the face amount of such New Lender's Percentage of the Revolving Credit Aggregate Commitment (after giving effect to this New Lender Addendum, and any other New Lender Addendum executed concurrently herewith).

The Agent shall notify the New Lender, along with Company, of the Effective Date. The New Lender shall deliver herewith to the Agent administrative details with respect to the funding and distribution of Advances (and Letters of Credit) as requested by Agent.

Terms defined in the Credit Agreement and not otherwise defined herein shall have their defined meanings when used herein.

IN WITNESS WHEREOF, the undersigned has caused this New Lender Addendum to be executed and delivered by a duly authorized officer on the date first above written.

[NEW LENDER]

By___________________________________
Title:

Accepted this ______ day of _______, ____.

VISHAY INTERTECHNOLOGY, INC.

By___________________________________
Title:

Accepted this ______ day of _______, ____.

COMERICA BANK, as Agent

By___________________________________
Title:

Exhibit 99.1

NEWS RELEASE

Contact: Richard N. Grubb, Executive Vice President and Chief Financial Officer or
Robert A. Freece
Senior Vice President
610/644-1300

FOR IMMEDIATE RELEASE

VISHAY CLOSES ACQUISITION OF BCcomponents

MALVERN, PENNSYLVANIA - December 16, 2002 - Vishay Intertechnology, Inc. (NYSE:VSH) announced today that it had completed the acquisition of BCcomponents Holdings B.V., a leading manufacturer of passive components with operations in Europe, India and the Far East. The product lines of BCcomponents include linear and non-linear resistors; ceramic, film and aluminum electrolytic capacitors; and switches and trimming potentiometers. BCcomponents had annual sales in 2001 of approximately $320 million.

Vishay acquired the outstanding shares of BCcomponents in exchange for ten-year warrants to acquire 7,000,000 shares of Vishay common stock at an exercise price of $20.00 per share and ten-year warrants to acquire 1,823,529 shares of Vishay common stock at an exercise price of $30.30 per share.

In the transaction, outstanding obligations of BCcomponents, including indebtedness and transaction fees and expenses, in the amount of approximately $224 million were paid or assumed. Also, $105 million in principal amount of BCcomponents' mezzanine indebtedness and certain other securities of BCcomponents were exchanged for $105 million principal amount of floating rate unsecured loan notes of Vishay due 2102. The Vishay notes bear interest at LIBOR plus 1.5% through December 31, 2006 and at LIBOR thereafter. The notes are subject to a put and call agreement under which the holders may at any time put the notes to Vishay in exchange for 6,176,471 shares of Vishay common stock in the aggregate, and Vishay may call the notes in exchange for cash or for shares of its common stock after 15 years from the date of issuance. Vishay has granted registration rights for the warrants and the shares of common stock issuable in respect of the warrants and the notes.

Vishay obtained the cash required for the transaction with cash of Vishay on hand, cash of BCcomponents and borrowings under Vishay's long term revolving bank credit facility. At the same time, the aggregate commitment under this facility was reduced from $660 million to $500 million, subject to increase under certain circumstances.

Commenting on the transaction, Dr. Felix Zandman, Chairman and CEO of Vishay, stated: "We are pleased that the acquisition closed smoothly and on schedule, and we expect to quickly begin integrating the operations of BCcomponents with our passive component business in Europe and elsewhere around the world. As we said when we first announced the transaction, the acquisition of BCcomponents gives us an

- MORE -

extensive portfolio of new products, complements our MLCC and tantalum capacitor lines, offers meaningful opportunities for synergies and cost savings and enhances our position in passive components generally. We are therefore very excited about the opportunities presented by this acquisition, which is our first major acquisition in the passive area in ten years."

Vishay, a Fortune 1,000 Company listed on the NYSE, is one of the world's largest manufacturers of discrete semiconductors (diodes, rectifiers, transistors, optoelectronics, and selected ICs) and passive electronic components (resistors, capacitors, inductors, and transducers). The Company's components can be found in products manufactured in a very broad range of industries worldwide. Vishay is headquartered in Malvern, Pennsylvania, and has plants in fourteen countries employing over 20,000 people. Vishay can be found on the Internet at http://www.vishay.com.

This release contains statements concerning the expected benefits of the BCcomponents transaction. These forward-looking statements are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. They are based on current expectations and are subject to certain risks, uncertainties and assumptions. Factors that could cause results to differ from the Company's expectations include those that affect Vishay's passive components

business and its businesses generally. With regard to factors affecting Vishay's businesses generally, please see the Company's Report on Form 10-K for the year ended December 31, 2001 that has been filed with the Securities and Exchange Commission. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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