

GENERAL TERMS OF SALE

Art. 1 GENERAL TECHNICAL NOTES

1.1 Supplier. By nature, our Products are all components. They are also housed by appliances subject to different Standards, with different tests and requirements, with respect to that envisioned by IEC EN 61558 stated below. For these reasons every transformer, with exception to that defined in article "1.4 Finished Products", will be supplied as a semi-finished product, with characteristics driving only at satisfying Customer requirements and developed to be used in specific appliances, unless the explicit request for a finished product is made under the conditions indicated successively.

1.2 Technical requirements. Every type of technical and/or construction requirement necessary (for example, clearance, creepage, thermal class of the materials, dimensions, etc.), including any parameters to be respected (for example voltage, current, inductance, resistance, electric strength, etc.), must be specified. Regarding the technical parameters, the necessity to carry out the tests and the relative level of assiduity (AQL for statistic inspections - quantity for special inspections - 100% for inspections to be performed on the total amount of pieces produced) must be specified. The requirements stated above must be advanced previously in writing. In absence of precise indications, the values of the parameters indicated will be considered as typical preferred values not to inspect on the production (for example, because verified within the tests performed by the Customer or systematic verification is deemed unnecessary by the Customer).

Rather, Itacoil commits to maintaining the main characteristics of the Product in compliance with the first supply of samples or series through time and to supply, on request, all information necessary for the Customer or laboratories engaged by the same, to perform evaluations and type-tests in Order to verify technical and regulatory suitability. Products that have characteristics in compliance with the supply conditions and the samples or, in the absence of samples, the first supply, cannot be contested (except normal tolerances and any technological or process variations that could intervene through time without deviation of the Product's fundamental characteristics).

All printed circuit board transformers are "to be incorporated" by nature with IP00 protection rating, i.e. protection against direct and indirect contacts must be assured by a suitable casing, which does not only consider electrical safety and mechanical strength, but also the temperatures that the transformer may reach in overload and short circuit conditions.

The necessity for sufficient heat exchange towards the environment must be taken into consideration when studying the applications. Given that there are many elements that affect the dissipation of the heat generated (dimension, thickness, type of container material, ambient temperature, load conditions, presence of other components that generate heat, etc.) and given that the life span of the transformer can be shortened notably if working at high temperatures, suitable relevant checks are recommended. In particular, in final installation, it must be checked that the temperatures of the windings in abnormal conditions (overload, fault tests, etc.) do not exceed 140°C for the power supply transformers at 50-60 Hz and 115°C for all others, unless otherwise specifically indicated. Moreover, the choice of transformer must take mains voltage variations into consideration.

The dimensions given in the technical documentation and the catalogues are indicative and, unless differently indicated, are expressed in millimetres. The drawings illustrated may not respect real proportions.

If our products are potted in customer application, during and after hardening the potting material might shrink and might damage the products. The customer shall perform proper checks.

Violation of the technical product specifications will void the warranty.

1.3 Regulatory requirements. If not expressly declared, no Product design ever includes evaluation regarding legislation and safety, which remains under the Customer's responsibility independently from any fee envisioned. Itacoil guarantees regulatory compliance exclusively for those Products for which expressed and restricted reference is made in the catalogue to the regulations stated. Whenever the Customer should request the supply of finished Products, which even if Custom Products, are in compliance with the IEC EN61558-1 Standard, and relative part 2 only when indicated by the Customer, Itacoil can, on request and on payment, take on the expenses for performing the necessary evaluations and type-tests at its own laboratories or at external laboratories.

1.4 Finished Products. Standard Products¹ where conformity with one or more regulations is indicated in the catalogue or Custom Products² of which Itacoil declares compliance with determined regulations. Itacoil assumes the expenses of CE marking and the responsibility from a design point of view only with this supply condition.

1.5 Unfinished semi-finished Products. All remaining Products, whether Custom or Standard, are always supplied as unfinished Products, i.e. as a component for specific use defined by the Customer. In these cases, performance of the type-tests and every other check necessary to establish the compliance of the features with the technical requirements and the requirements of the pertinent standards, laws and regulations of any nature, remains the exclusive responsibility of the Customer, which can put them into service only following the positive result of said checks and tests.

1.6 Limits of use. All Products supplied by Itacoil are not destined for the aeronautical and/or aerospace sectors unless specifically agreed in writing.

Art. 2 AGREEMENT DOCUMENTS

The general conditions of sale are those stated in this document and they will govern every sale of Products. No other clause or condition, including anything non-compliant proposed by the Customer with his Order, will be valid and binding for Itacoil if not expressly accepted in writing by the latter.

Together with each sampling of Custom Products, Itacoil sends the module "OPS1 - Approval form for Custom Products" to the Customer, which must be signed and returned by the same in the case of approval. If the Customer does not return the signed OPS1 to Itacoil, when he Orders the Products previously sampled, the afore-said will have the faculty to consider its Products approved as represented by the sample or suspend all activity until the receipt of the OPS1.

Following every Purchase Order, Itacoil sends the Order Confirmation to the Customer, which must be signed and returned by the same. If the Customer does not return the signed Order Confirmation to Itacoil, the afore-said will have the faculty to consider its Order Confirmation accepted under the conditions indicated or suspend all activity until the receipt of the Confirmation.

Persons that deal with Itacoil (for example, whoever signs the Order Confirmation or OPS1 model) in the Customer's name, represent the same for all intents and purposes and will be implicitly deemed fully authorised to commit the said Customer with Itacoil.

Art. 3 WARRANTY

The warranty rights shall start from the date of delivery of the Product to the Customer and shall cover a period of 1 year. Any product flaws acknowledged by Itacoil only makes the afore-said obliged to replace the faulty piece and this will not extend the duration of the warranty. Itacoil is not responsible for direct and indirect damage depending on any operating failure of the Products supplied. In all cases, the property liability of Itacoil cannot exceed the amount paid by the Customer to Purchase the faulty Products.

Art. 4 ORDERS, PRICES, DELIVERIES AND PAYMENTS

4.1 Irrevocability. The Purchase Order is irrevocable and binding for the Customer, and shall be considered accepted when the Customer receives formal confirmation thereof from Itacoil. Once confirmed, the Purchase Order may not be cancelled without the prior written consent of Itacoil. In this event, Itacoil shall have the right to a suitable indemnity for the expenses and costs sustained in beginning to fulfil the Order.

4.2 Prices. Product sale prices are excluding VAT and "ex seller's warehouse", unless differently indicated in the Order Confirmation. The Minimum Order Value is 200,00 € (MOV), samples excluded. Orders below this amount will be charged with an administrative cost to reach an Order value of 200,00 €.

4.3 Charges. All charges and the risks relative to shipping the Products, independently from the method and means of shipping, are at the Customers expense, unless differently indicated in the Order Confirmation.

¹ Standard Products: manufactured to satisfy general market demands, put together in the catalogue and have pre-determined technical features.

² Custom Products: manufactured to satisfy specific requests made by the Customer; they can be designed by Itacoil or by the Customer.



4.4 Delivery. The delivery dates stated in the Order Confirmation are always indicative, therefore no compensation will be acknowledged for damages owing to late delivery. The availability of the material on the delivery dates agreed represents a commitment to pick-up within 10 days (term for pick-up) from the information note Itacoil will send to the Customer.

4.5 Rescheduling. Any rescheduling on the delivery dates indicated in the Order Confirmation must be authorised by Itacoil in writing. Anyway the request (a) must be received 28 calendar days before the delivery date; (b) may not exceed 60 calendar days; (c) does not apply to deliveries previously rescheduled.

4.6 Returns. Any returns must be previously authorised in writing and have an RMA number, which Itacoil will send to the Customer.

4.7 Tolerances. In Order to guarantee the total cover of the quantity Ordered, the quantities delivered are subject to tolerances, which may vary depending on the product type. The quantity relative to the scheduled partial deliveries and the final delivery of the Order can vary as a multiple of the quantity per package (SPQ). The quantity relative to a final delivery is also subject to the following tolerances depending on the quantity Ordered per individual Product:

<i>Ordered qty</i>	<i>min tolerance</i>	<i>MAX tolerance</i>
≤ 100	0,00%	8,00%
101 - 500	0,00%	6,00%
501 - 1000	0,00%	4,00%
1001 - 10000	0,00%	2,00%
> 10000	0,00%	1,00%

4.8 Payments. The payment terms are those indicated in the Order Confirmation of Itacoil. The Customer shall have no right to delay, offset or withhold payment, even in the case of claims.

4.9 Interest. In the event of late payment, interest on arrears will be charged at the same interest rate as the main refinancing facility of the European Central Bank, increased by seven percentage points, in compliance with Legislative Decree n. 231 dated 9 October 2002, starting the day after the payment was due. The Customer will also be charged with all expenses correlated to the recovery of credit. The arrears interest, calculated for the exposure time, can also be requested after payment of the amount due.

4.10 Retention of title. The goods supplied by Itacoil remain its exclusive property until payment of the price in full by the Customer. In case of non-payment upon the due date by the Customer Itacoil will automatically be entitled to claim the goods back, ipso jure and at the Customer's expense. If the Customer resells the delivered goods before payment of the full price owed to Itacoil, the retention of title will apply to the price owed to the Customer or, as the case may be, the Customer's claim on its customer as a result of this sale will be pledged to Itacoil as security for the payment of the price owed to the latter.

4.11 Complaints. Itacoil is entitled, ipso jure and without notice or other formality, to postpone performance of its obligations towards the Customer under any agreement, to terminate any agreement concluded with the Customer with immediate effect, to claim immediate payment of all outstanding claims (including those not yet due) or to refuse performance except against cash payment, notwithstanding any prior agreement, without prejudice to any other remedies which could be applied by Itacoil, if the Customer becomes insolvent, or if Itacoil has good reasons to believe that the Customer becomes unable to pay its debts as they come due, or the Customer does not fulfil any of its obligations under an agreement.

Art. 5 INFORMATION OWNED BY THE CUSTOMER

5.1 Definition. It is specified that, whenever the Customer should supply the complete technical construction features of the Product in writing, he is the owner of this information, therefore, Itacoil commits not to supplying this information to third parties, let alone the Product designed by the Customer, without written authorisation from the same.

5.2 Customer's Sample. If the Customer gives Itacoil a sample of Product to analyse, only the Customer is responsible for any direct or indirect damage whenever the analysis of this sample constitutes a breach of the industrial/intellectual property rights and/or other rights of third parties. In relation to this, the Customer binds himself expressly to releasing Itacoil from any responsibility that may arise.

Art. 6 INFORMATION OWNED BY ITACOIL

6.1 Definition. It is specified that, whenever the Customer should only supply incomplete features and/or just regarding operation and Itacoil should define the technical and construction features, the industrial property and the Confidential Information (including sampling) belongs to Itacoil, while the Customer will not acquire any rights.

6.2 Industrial/intellectual property rights. All of the Confidential Information, including know-how, patents, copyright, industrial secrets, trademarks and any other intellectual or industrial property right referring to these, the technical information transmitted to the Customer or detectably by analysis, from the samples and from the Products supplied by Itacoil, remain the exclusive property of the same. This is also valid if a charge is requested for the development of the Product Design.

6.3 Limitations of use. The Customer is authorised to analyse the samples and Itacoil Products or have them analysed by external bodies for the purpose of certification and/or type-approval within the measures and using means strictly necessary to attain a good project result in exclusive collaboration with Itacoil. The Customer is not authorised to disclose or exploit any Confidential Information of which he has become aware on his own behalf, which can be recognised by the wording "CONFIDENTIAL" (or synonyms of said term), or to transmit samples and/or Products, in particular for analysis with the purpose of partial and/or total production or reproduction, without written authorisation from the latter.

6.4 Assignment of the Confidential Information. If the Customer wants to totally or partly limit the power of Itacoil as stated in art. 6.1, it must stipulate a specific written Agreement with Itacoil itself, which envisions exclusive licence (or non-exclusive) or the assignment of property of the Confidential Information partly or in full.

6.5 Non-exclusive licence. In the case envisioned by article 6.1 of this Agreement, Itacoil grants the Customer with a non-exclusive licence for use of the Confidential Information.

Art. 7 COMPETENT LAW COURT

This Agreement is made in, governed by, and shall be construed solely in accordance with the internal laws of Italy. If the Customer is established in a Member State of the European Union, any dispute deriving from this Agreement or connected to these General Conditions of Sale will be subject to the exclusive jurisdiction of the Judicial Authority of Monza.

If the Customer is not established in a Member State of the European Union, any dispute between Itacoil and the Customer shall be settled by arbitration in accordance with the Rules of the Milan Chamber of Arbitration in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules. The arbitration shall be held in Milan (Italy) at the Milan Chamber of Arbitration. The arbitrator will be 1 (one).

Notwithstanding the foregoing, Itacoil will be entitled, at its sole discretion, to submit a dispute to a jurisdiction located in the district or region where the Customer maintains its place of business or at the Judicial Authority of Milan.

All proceedings of the arbitration shall be conducted in English.

