

## GENERAL TERMS AND CONDITIONS OF SALE

These General Terms and Conditions of Sale, unless otherwise agreed by the parties in writing, apply to all economic transactions between the Buyer and Cistelaier S.p.A. (hereafter referred to as "the Parties") and they prevail on any other different clause indicated in forms or documents prepared by the Parties even if not expressly contested, except for the modifications and integrations allowed by these General Terms and Conditions.

These General Terms and Conditions of Sale must be considered as entirely accepted by the Buyer either by signing the Order Acknowledgement sent by Cistelaier S.p.A. or if nothing has been communicated in writing within 3 (three) working days since reception of the Order Acknowledgement.

### 1) Products/Services

Cistelaier S.p.A. manufactures products and supplies services at the Buyer's request and according to projects provided by the Buyer, that Cistelaier S.p.A. executes. The Buyer, in his own interest, has an obligation to provide plans which shall be complete and without errors. In any case, Cistelaier S.p.A. is only responsible for the correct realisation of the plans provided by the Buyer and not for the final use of the supplied products/services.

The services offered by Cistelaier S.p.A. do not guarantee that all possible errors or inaccuracies in the documentation provided by the Customer can be identified before starting the manufacturing process. Cistelaier S.p.A. shall only control that the PCBs can be manufactured according to the technical specifications of the related service. Regarding all aspects which are not expressly defined in the technical documentation, products/services will be manufactured/supplied in compliance with the acceptability criteria set forth by IPC norm A 600 H – Class 2.

### 2) Order and Order Acknowledgement

The Order, to be sent to Cistelaier S.p.A., cannot be revoked by the Buyer until its acknowledgement by Cistelaier S.p.A. and in any case it cannot be cancelled after 10 (ten) working days since its reception. Orders are anyway valid and effective also after that period, as long as the Buyer has not cancelled them before receiving the related order acknowledgement by Cistelaier S.p.A.

Orders and Order Acknowledgements must always be in written form and can be sent also per fax or e-mail. Orders must be considered as accepted and binding for Cistelaier S.p.A. after their acknowledgement in writing. Orders can be suspended after their acknowledgement only with the approval of Cistelaier S.p.A. which in any case reserves the right to charge the Buyer either with a penalty of 1/3 (one third) of the total amount of the order or with the costs borne by Cistelaier S.p.A. until the suspension, if they are higher than the amount of the penalty.

Cistelaier S.p.A. reserves the right to refuse any modification that can alter specifications, drawings, quantities and shipping dates indicated on order acknowledgements, without prejudice to the compensation for used goods and executed work.

Cistelaier S.p.A. reserves the right to entrust other subjects with the fulfilment of one or more of its contractual obligations without Buyer's prior consent. Cistelaier S.p.A. alone is responsible of all works executed as part of the order by its own personnel and/or by one or more subcontractors.

If an acknowledged event of force majeure occurs, preventing order fulfilment, Cistelaier S.p.A. is relieved of its obligations.

Unless otherwise agreed and accepted by Cistelaier S.p.A. in Order Acknowledgements, products must be delivered in quantities complying with the tolerance values expressly indicated in price offers sent by Cistelaier S.p.A. In any case, unless otherwise agreed by the Parties in writing, contracts stipulated under these General Terms and Conditions are finalized at Cistelaier S.p.A.'s premises and executed with the pick-up of goods by the Buyer or by the carrier. If modifications from the Order are indicated on an Order Acknowledgement, such modifications must be considered as implicitly accepted after 5 (five) working days since reception of the Order Acknowledgement if the Buyer has not explicitly expressed his disagreement in writing by this deadline.



### 3) **Prices**

Prices of products and/or services supplied following these General Terms and Conditions are those indicated by Cistelaier S.p.A in Order Acknowledgements.

Unless otherwise agreed in writing, prices do not include costs for loading, transport, shipment, special packing, taxes and customs duties of any kind nor any other cost for products/services not specifically indicated in Order Acknowledgements.

### 4) **Payment terms**

Payment must be made to Cistelaier S.p.A. registered office, irrespective of what payment method has been chosen.

Unless otherwise indicated in Order Acknowledgements, payments must be made within 30 (thirty) days after delivery of products and/or services, as indicated at point 6) here below, by bank transfer to the bank and account indicated by Cistelaier S.p.A.

In case of late payment of the total or partial amount of an order, Cistelaier S.p.A. will be entitled to put all deliveries on hold and refuse to fulfil any further order sent by the Buyer, without prejudice to compensation for all costs paid by Cistelaier S.p.A. and for greater damages.

The Buyer cannot suspend, delay, withhold or compensate the sums of money intended as payment of the goods and/or services supplied, not even in case of claim noticed by the Buyer or late delivery by Cistelaier S.p.A.

In case of late payment which prevents the fulfilment of contracts stipulated with Cistelaier S.p.A, interests must be calculated in compliance with the Italian law (D.Lgs. dated October 9th 2002, nr. 231). These interests automatically accrue from the payment date indicated on the invoice, without any formal notice.

### 5) **Delivery**

Unless otherwise agreed, products are delivered to the Buyer at Cistelaier S.p.A. plant in Modena according to Ex-Works INCOTERM (Ex-Works - Modena plant). Loading and transport of the products, also for DDP deliveries, as well as insurance costs are at the Buyer's complete cost and risk.

Unless otherwise agreed by the Parties, delivery dates indicated by Cistelaier S.p.A. are estimated dates and they are not an essential characteristic of the service supplied. Cistelaier S.p.A. has no obligation, on whatever ground, regarding compensation for any kind of damage in case of late delivery.

Delivery of products and/or services is executed at shipping date and in any case when the completion of the requested production is advised to the Buyer by Cistelaier S.p.A. per fax or e-mail. Unless otherwise agreed in writing, the payment terms indicated at point 4) must be calculated starting from that date.

Cistelaier S.p.A. has a right to ship the goods using its trusted carrier if the Buyer has not picked up the goods within 5 (five) days after notice. Also in this case, expenses and risks related to transport as well as insurance costs are completely at the Buyer's cost.

Once the goods have been received, the Buyer shall control that there are no missing nor damaged products and that the goods actually correspond to what has been agreed between the Parties and he shall notify any missing / damaged / non-corresponding product in a document signed by the carrier. This obligation is valid also if it has been agreed that the shipment should be carried out at Cistelaier S.p.A.'s charge. If no damage is quickly and exactly notified in writing with the carrier's signature, Cistelaier S.p.A. shall not be asked for any compensation.

The notice must be received by Cistelaier S.p.A. within 5 (five) working days from the date of inspection. After this term, the Buyer cannot object to the delivery, unless otherwise agreed in writing. In any case, Cistelaier will not accept any return of material unless previously agreed in writing and with a valid RMA nr.

### 6) **Copyright**

Since the goods to be delivered are developed following the data and drawings provided by the Buyer, he shall declare that he owns all rights (property, copyright, etc.) regarding the whole equipment or part of it, or the layout according to which the work is executed on his behalf. The Buyer shall indemnify Cistelaier S.p.A. against any loss or damage arising from unauthorized reproduction.



## 8) **Warranty**

The Buyer confirms that Cistelaier S.p.A. manufactures products and/or services on his request and behalf following the projects provided by the Buyer. Cistelaier S.p.A. guarantees that the Printed Circuit Boards (PCBs) are manufactured in compliance with the data and drawings provided by the Customer. Warranty is limited to the electrical functionality of PCBs and does not apply to the their final use.

Without prejudice to what is indicated at point 9), manufactured products are guaranteed for 1 (one) year starting from the date of their production, realised following these General Terms and Conditions of Sale and according to the Purchase Order. This warranty cannot be suspended nor extended due to the fact that products have not been used, even in case of warranty repair. Warranty shall not be effective in case the Buyer does not fulfil the obligations agreed upon in the sales' contract.

Warranty is limited to the repair, replacement or modification of parts not produced in compliance with the data and plans provided by the Buyer.

The buyer shall check compliance and correct functioning of products supplied by Cistelaier S.p.A. before assembly. Cistelaier S.p.A. will not accept any claim for products that have been somehow altered without its prior written consent.

Warranty covers good quality of materials and good construction. It does not cover any damage caused by usual strain and/or improper use, by incorrect maintenance and by any breakdown due to mismanagement and/or non-authorised repair. Transport and labour costs as well as costs related to trips of Cistelaier S.p.A. technicians are not covered by warranty.

Cistelaier S.p.A. does not provide any other legal and/or conventional warranty, implicit or explicit, to the Buyer.

As soon as goods have been delivered, the Buyer shall carefully control the products received in order to ensure that the goods supplied actually correspond to what was indicated in the order acknowledgement in terms of quantity and type of product. Any claim regarding partial or incorrect deliveries or obvious defects must be notified to Cistelaier S.p.A. within 8 (eight) working days. If no claim has been notified within this period, warranty will be considered void and goods supplied will be considered as accepted by the Buyer without reserve. Therefore, the Buyer shall renounce any claim regarding any possible defect of the product after this period.

Defects which are not immediately obvious at delivery must be notified within 8 (eight) working days since their identification. They must be directly notified to Cistelaier S.p.A. in writing, indicating part number, batch number and delivery date of the product as well as a detailed description of the defects observed.

Defective products and their packaging must be available at the Buyer's premises for a reasonable period of time for any possible inspection and they cannot be returned without Cistelaier S.p.A.'s written consent.

The warranty described here above only covers material or manufacturing defects observed when normally using the product. Warranty cannot be extended to defects caused by an incorrect assembly or installation of the products by the Buyer or by third parties nor by a use which is improper or different from the usual functioning modes nor by insufficient maintenance, nor by normal wear and tear nor by repair or actions done by third parties without Cistelaier S.p.A.'s consent.

In case defects have been acknowledged, Cistelaier S.p.A. shall repair or replace the defective parts according to the terms and conditions fixed by Cistelaier itself. Defective products must be repaired or replaced free of charge and shipped ex-works, as a compensation for the faulty goods paid by the Buyer.

The Buyer shall not ask for any other kind of warranty repair and/or compensation, without prejudice to his right to renounce products in case of direct, indirect, accidental or consequential damages due to defects and / or non-conformity of the products, in compliance with article nr. 1519-quinquies of the Italian Civil Code, in the cases where this is applicable.

Any possible claim notified by the Buyer, as well as any legal action taken by him, will not entitle him to suspend nor to delay payments provided for in the contract.

Any return of material which has not been previously approved in writing will be rejected and sent back (at the Buyer's cost). Cistelaier S.p.A. shall not bear any responsibility in case of lost and/or damaged goods after return.



## 9) Packing, storing and conditioning of products

As far as PCBs are concerned, their correct functioning is guaranteed by the following conditions of storing and preparation for use.

Printed circuit boards must be stored in a dry place, at constant and controlled temperature (maximum humidity = 40%; temperature  $20 \pm 5^{\circ}\text{C}$ ). Though PCBs produced by Cistelaier S.p.A. undergo baking cycles during manufacturing process, it has to be considered that PCBs are shipped irrespective of weather conditions and that, unless otherwise agreed, packaging cannot completely protect boards from changes in humidity. Therefore, it may happen that PCBs are not always shipped in the best conditions. Changes in temperature of  $7^{\circ}\text{C}$  may lead to condensation in the packaging.

As envisaged by technical norms, Printed Circuit Boards must be conditioned before assembly and they must be dried in a static oven as follows:

- boards must be piled up on special racks in order to be kept separated or in small packages of 10 pieces maximum
- boards must undergo a drying process at  $121\text{--}140^{\circ}\text{C}$  for up to 12 hours (see norm MIL-55110)

Conditioning processes lead to an artificial aging of PCB finishes such as Immersion Tin, Immersion Silver and OSP: it has to be considered that 2 hours at  $130^{\circ}\text{C}$  equal an aging of about two months. For particularly sensitive products, finishes can be realised again. Specific treatments for ENIG finishes can be used to re-activate the PCB surface. These operations are not generally executed to fulfil the order and must therefore be carried out by Cistelaier S.p.A. only on customer's request.

In the table here below you can find times and temperatures for the correct conditioning of PCBs as well as the maximum time for the proper use of PCBs after conditioning according to the different types of product. These data have to be taken into consideration in order to prevent laminates from absorbing humidity:

Conditioning							
Simple- and Double-Layer Fr4	Multilayer Fr4	Multilayer hybrid structure	Flex up to 2 layers	Flex up to 3 layers	Rigid-flex up to 4 layers	Rigid-flex from 5 to 8 layers	Rigid-flex with more than 8 layers
$130^{\circ}\text{C}$ 2H	$130^{\circ}\text{C}$ 2H/4H	$130^{\circ}\text{C}$ 2H/8H	$130^{\circ}\text{C}$ 2H	$130^{\circ}\text{C}$ 2H/4H	$130^{\circ}\text{C}$ 2H/4H	$130^{\circ}\text{C}$ 2H/6H	$130^{\circ}\text{C}$ 2H/8H

  

Maximum time for use of PCBs after conditioning							
Simple- and Double-Layer Fr4	Multilayer Fr4	Multilayer hybrid structure	Flex up to 2 layers	Flex up to 3 layers	Rigid-flex up to 4 layers	Rigid-flex from 5 to 8 layers	Rigid-flex with more than 8 layers
24 H	8 H	8 H	8 H	6 H	6 H	6 H	6 H

Peak temperature must be adjusted during the soldering phase according to J-STD-033A standards and must never be higher than  $260^{\circ}\text{C}$  for more than 10 seconds and for more than twice.

A drying cycle of 10 days at  $90^{\circ}\text{C}$  must be executed before re-work on boards assembled with humidity-sensitive components.

Depending on the different types of finishes, soldering conditions are guaranteed for the periods indicated in the following table:

Finish	Guaranteed for	Note
Enig	6 months	Can be extended for 6 more months after re-fresh
Immersion Tin	3 months	Can be extended after re-work
Hal/Hal Lead Free	12 months	
Electrolytic Nickel Gold	12 months	
Immersion Silver	6 months	



**10) Applicable law and jurisdiction**

Deliveries following these General Terms and Conditions are regulated by the Italian law. Any dispute between the Parties regarding sales regulated by these General Terms and Conditions shall be settled according to the Italian law and exclusively by the Civil and Penal Courts of Modena.

By way of derogation from what is stated here above, Cistelaier S.p.A. shall be entitled, at its sole discretion, to resort to the tribunal where the Buyer has its registered office.

**11) Final clauses**

If one or more of the clauses included in these General Terms and Conditions or in any agreement regarding a sales' contract regulated by these General Terms and Conditions should become invalid or ineffective, that does not affect the validity of the other General Terms and Conditions nor does it lead to the termination of the sales' contract.

An updated version of this document, referred to in all Order Acknowledgements, can be found on the website [www.cistelaier.com](http://www.cistelaier.com)