

## Elna Magnetics Standard Terms and Conditions

**Unless otherwise stated in a quotation, pricing quoted by Elna Magnetics is based on Elna's standard terms, business practices, paperwork, and packaging. It is the customer's responsibility to expressly advise an Elna Sales Representative of special requirements, which may be re-quoted accordingly.**

### Note to all Customers regarding Elna's Policy for Export Control and Restricted Products:

Elna Magnetics has procedures in place to comply with US export controls, including the International Traffic in Arms Regulation (ITAR), the Export Administration Regulations, and the Embargo and Sanctions programs administered by the Office of Foreign Assets Control.

- Elna Magnetics is a distributor and value-add supplier of products that are made outside of the United States. Therefore, it is sometimes necessary to send customer data and drawings to the manufacturers in order to convey customer requirements. If the information you supply to Elna Magnetics is ITAR controlled, you must advise Elna Magnetics before you send such information. Absent advance notification of controlled status, Elna Magnetics will treat all information you share with Elna as uncontrolled and not ITAR applicable.
- Elna Magnetics will not knowingly sell a product into an end-use application in an Embargoed Country. By purchasing products from Elna Magnetics, customer asserts that the product will not have an end-use in an Embargoed Country.
- Please advise your customer service representative if your application requires compliance to DFARS regulation and the specific section.
- Elna is contractually restricted from selling its line of amorphous and Finemet nanocrystalline products into any application related to Weapons of Mass Destruction or any weapons proliferation activity. Customers interested in purchasing either of these products for a WMD or weapons application must expressly notify Elna Magnetics of that application, in order to determine eligibility of sale.

**Pricing:** As a distributor that is subject to the costs set by the core manufacturers, Elna can only guarantee pricing for shipments made within 90 days from the date of the initial order confirmations. Shipments scheduled beyond 90 days may be re-acknowledged and invoiced at pricing in effect at the time of shipment.

**Payment Terms:** Our open account payment terms are 30 days. Open account status is dependent on Elna's review of the customer's bank and credit references. We accept VISA, MasterCard, and Discover. Credit Card purchases are not entitled to any early payment discount. Prepay customers must submit payment before product will be ordered, machined or shipped.

**Freight Terms:** All products are shipped FOB origin, (Saugerties New York), and the customer bears all freight expense.

**Packaging:** Elna Magnetics will use appropriate packaging to minimize the risk of damage in transit. Elna is not responsible for rough handling by carriers, and claims for damages must be submitted directly with the carrier. Packaging used is at the discretion of Elna. Requests for special packaging or labeling must be submitted, in writing on the RFQ itself, detailing the exact nature of the request. Special packaging requests not quoted at the time of the original quote may be re-quoted based on the specific requirement.

**Customer Quality Requirements:** It is the customer's responsibility to advise Elna of quality requirements that impact a quote and/or order. Customer's submission of boilerplate T&C's or Quality Requirements does not satisfy this requirement. It is the Customer's responsibility to bring specific requirements to the attention of their Elna Customer Service Rep. Requirements for First Articles, data reports, special testing, etc., must be clearly brought to the attention of your Elna Customer Service Rep at the quoting stage. Subsequent requirements may be re-quoted based on the specific requirement.

**Chips and Cracks:** Unless otherwise agreed between Elna and the customer, all Ferrite cores are sold using MMPA specification for chips and cracks.

**Non-cancellable/Non-returnable:** All products sold are non-cancellable/non-returnable. Elna Magnetics may, at its discretion, accept a cancellation or return of a specific item, but this does not in any way negate our standard NCNR term.

**Record Retention:** Records are kept per our Record Retention Policy. Customer records include:  
Customer PO's, contracts, pick slips, RMA data, and corrective actions – 10 years  
Manufacturer CofC's, manufacturing instructions, and tooling drawings – 10 years  
AR records – 7 years

**Machining Orders:** Depending on the yields during our Machining processes, Elna Magnetics may ship up to 5% below your order quantity and consider your order complete. Our Customer Service team will inform you when this happens so you can adjust your PO. When ordering machined or gapped cores, please take into account possible yield loss and adjust your order levels accordingly.

**Warranty:** Elna warrants to customer that all goods provided by Elna shall conform to all applicable specifications.

**RMA Request:** Product can be returned only with the authorization of Elna Magnetics. Products will not be accepted for return or credit without a Return Authorization Number (RMA).

**Damages:** Elna Magnetics will not reimburse for rework performed by the customer, or for damages arising from unavoidable delays in material such as delays from the manufacturer, acts of God or other unavoidable manufacturing delays at Elna or one of our suppliers.

**Limitation of Liability:** Elna's total liability to customer for damages shall in no way exceed the purchase price of the particular shipment for which such damages are claimed. In no circumstance shall Elna be liable for damages for any loss of use, interruption of business or lost profits, or any other special, incidental, indirect, punitive, or other damages of any kind.

December 10, 2012