TEKNINEN KAUPPA

Technical Traders' General Conditions of Sale
TK Yleiset 2010 EN

1. SCOPE OF APPLICATION

These General Conditions of Sale relate to transactions between traders on the domestic market and apply unless otherwise agreed by the Parties.

2. CONCLUSION OF A SALE

2.1 Offer

The Seller's offer is valid for the period stated in the offer. If no period of validity is mentioned, the offer is valid for thirty (30) days from the date of offer.

The offer, related pictures, diagrams, calculations and other documents, as well as the rights thereto, remain the property of the seller. The recipient of the offer may not use such documents to the detriment of the Seller, disclose information about them to a third party or utilise the customised technical solutions included in the offer.

Unless otherwise mentioned, the price stated in the offer is based on the foreign exchange rates valid as at the date of the offer. The offer price is based on the offer invitation or other information and quantities provided by the Buyer. If the actual order does not correspond to the information or quantities given, the Seller has the right to adjust the delivery or the price based on the final data.

The Buyer is responsible for the accuracy of the information it gives to the Seller relating to the purpose of use of the goods.

2.2 Contract of sale

In sales based on an offer, a contract of sale is deemed to have been concluded when the Buyer notifies the Seller that it accepts the offer. In other cases, a sale is deemed to have been concluded when the Seller has confirmed the order or delivered the goods.

In the event that the Buyer's order differs from the Seller's offer, a contract of sale is deemed to have been concluded on the terms of the offer unless the Seller has confirmed otherwise in writing.

It is the Buyer's responsibility to check the accuracy of the order confirmation.

3. SELLER'S OBLIGATIONS

3.1 Period of delivery

Unless otherwise agreed, the period of delivery commences on whichever is the latest of the dates listed below:

a) the date on which the contract of sale is concluded;
b) the date on which the Seller receives the approval of the authorities, should this approval be required for the sale;
c) the date of provision of any agreed deposit or advance payment;
d) the date of provision on the part of the Buyer of information necessary for delivery.

3.2 Terms of delivery

Unless otherwise agreed, delivery complies with Finnterms. Unless otherwise agreed by a delivery clause, the goods are collectible at the Seller's warehouse on a date or at a time agreed, or if no time has been specified, within reasonable time.

3.3 Liability for risk

Unless otherwise provided, the Buyer assumes liability for risk of the goods once the goods have been delivered to the Buyer or to an independent carrier for delivery in accordance with the contract of sale.

Should the goods not be delivered at the agreed time due to a fault of the Buyer or any reason for which the Buyer is responsible, the Buyer assumes liability for risk of the goods once the Seller has fulfilled its obligations to enable delivery in accordance with the terms of the contract of sale.

3.4 Guarantee

Unless otherwise agreed, the guarantee provided by the manufacturer of the goods shall apply.

3.5 Properties of the goods

The seller is liable for the quality and other properties of the goods only in accordance with the information given by the Seller expressly in the contract of sale referred to.

3.6 Delay

Immediately upon being informed of a delay, the Seller must notify the Buyer thereof, stating the reason for the delay and a new date on which delivery can be expected. If the manufacturer or person from whom the Seller acquires the goods fails to fulfil its agreement, thus resulting in a delay in delivery to the Seller, the Seller is not obliged to compensate the Buyer for any loss that may be incurred as a result.

Even if the goods are not delivered or are delivered too late for reasons not owing to the Buyer or due to any circumstances for which the Buyer is not responsible, the Buyer is not entitled to request delivery if there has been a change in circumstances that materially alters the relation between the contractual responsibilities as originally agreed.

If a delay owing to the negligence of the Seller should occur, the Buyer is entitled to claim compensation for demonstrable direct damages. Unless otherwise agreed, the compensation shall not exceed 0.5 per cent of the value of the delayed goods for each full week of delay subsequent to the delivery date. The maximum amount of compensation, however, is 7.5 per cent of the value of the delayed goods.

3.7 Indirect loss

The Seller is not liable to compensate for indirect losses such as production loss, loss of profit or other consequential economic loss sustained by the Buyer as a result of delay or faulty delivery.

4. BUYER'S OBLIGATIONS

4.1 Purchase price

The purchase price is the price agreed on by the parties. Notwithstanding this, the Seller is entitled to adjust the purchase price in accordance with the terms and conditions of point 4.3 of these General Conditions of Sale. Unless the price has been otherwise agreed on, the purchase price is the fair price charged by the Seller.

4.2 Terms of payment

Unless otherwise agreed, the terms of payment are determined by the Seller's general conditions of payment. In the event of delivery from the warehouse, the period of payment commences from the date of the invoice and in the event of delivery from the factory (ex works), from the date of delivery.

Should the purchase price not be paid by the deadline for reasons not owing to the Seller, the Seller is entitled to delay further deliveries until such time as outstanding invoices have been paid or an acceptable deposit has been provided. The Seller is also entitled to refrain from deliveries if the Buyer has notified, or it is otherwise evident, that the Buyer's payment will be seriously delayed. The Buyer is not entitled to present claims for compensation for such delays.

4.3 Adjustment of the purchase price

The Seller reserves all rights to adjust the purchase price should foreign exchange rates, import levies or other charges independent of the supplier, taxes or other fees under public law, change before the Buyer makes payment.

In the event of foreign exchange rates affecting the purchase price, the Seller is entitled to adjust the euro-denominated price on a pro rata basis to the change in exchange rates in respect of the part of the price that

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the Seller has not received by at least one business day prior to the date on which the change occurred. In this context, business day means a day on which Finnish banks sell foreign currency.

In the event of a change in the foreign exchange rate, the exchange rate applicable as at the date of payment is to be compared with that which was applicable as at the date of offer. If the parties have agreed to apply a different exchange rate after the date of offer, this is to be used instead of the rate that was applicable on the date of offer.

If the foreign exchange rate changes after the date of maturity of the invoice and the purchase price has not been paid in full, the minimum price in euros is determined according to the exchange rate as at the maturity date.

4.4 Penalty interest on arrears

Should payment be delayed, compensation is payable for the period of delay in accordance with the interest rate applied by the Seller at any given time and is effective from the maturity date. The Seller is also entitled to charge reasonable collection costs.

4.5 Delayed delivery owing to the Buyer

Should the Seller have to postpone delivery for reasons owing to the Buyer, the Seller has the right to invoice for the goods according to the original delivery date and is also entitled to compensation in accordance with point 4.4 above for the period of delay. The Seller is also entitled to compensation for other costs such as foreign exchange rate losses, storage costs and any loss resulting from the goods becoming obsolete.

4.6 Deposit

Should it be agreed that a deposit is to be provided, this must be given before delivery of the goods commences. Even after this, the Seller is entitled to require a deposit to be made for payment of the purchase price if there is serious reason to assume that the Buyer will default on all or part of the purchase price.

4.7 Complaints and rectification of non-conformities

If delivery does not conform in part, the Buyer must notify the Seller of this in writing immediately, but not later than eight (8) business days from the date of delivery. The Seller is entitled firstly to either rectify the non-conformity or to supply new goods. The Buyer is not entitled to require a new delivery if there has been a change in circumstances that materially alters the relation between the contractual obligations originally agreed.

It is the buyer's responsibility to check the accuracy of the delivery and the quality of the delivered products when receiving the goods.

5. TERMINATION OF THE CONTRACT

5.1 Right of the Buyer to terminate the contract

If the delivery by the Seller differs essentially from that agreed and, notwithstanding the Buyer's written comments, the non-conformity is not rectified or new goods in keeping with the contract are not delivered within a reasonable time, or if delivery is delayed owing to the Seller to the extent that it causes the Buyer unreasonable inconvenience, the Buyer is entitled to terminate the contract.

If the goods that are the subject of the contract have been produced or acquired especially for the Buyer in accordance with the Buyer's wishes and instructions, and the Seller is unable to use the goods in any other way without considerable loss, the Buyer may terminate the contract because of delay owing to the Seller only in the event that such delay results in the Buyer's essential failure to achieve the purpose of the contract.

5.2 Right of the Seller to terminate the contract

Should the Buyer fail to pay within the agreed period for payment for reasons not owing to the Seller, the Seller is entitled to terminate the contract or the part thereof that applies to goods not yet received by the Buyer in case the delay in payment is substantial. The Seller is also entitled to terminate the contract if the Buyer has notified, or it is otherwise evident, that the Buyer's payment will be seriously delayed.

Furthermore, the Seller is also entitled to terminate the contract if the Buyer fails to contribute to the fulfilment of the contract as agreed or otherwise as could reasonably be expected and within the deadline imposed by the Seller.

The Seller is also entitled to terminate the contract, without any liability to compensate the Buyer, if importation of the goods becomes impossible, impractical or substantially more expensive than the Seller had originally assumed owing to an international agreement binding on Finland or to some other import restriction or legislation or actions imposed by an authority in Finland (including but not limited to import quotas and limitations or increased customs duties).

5.3 Force majeure

The Seller is not required to fulfil the contract if delivery of the goods or part thereof is prevented by any natural obstacle, fire, mechanical breakdown or similar malfunction, strike, lockout, war, mobilisation, prohibition on imports or exports, lack of transport, discontinuation of production, traffic disruption or similar obstacle that is outside the Seller's control. Neither is the Seller required to fulfil the contract when this would require sacrifices by the Seller that would be unreasonable compared to the resulting benefit for the Seller.

The Seller is not required to compensate the Buyer for any loss resulting from failure to fulfil the contract and the Seller may also terminate the contract.

6. INSURANCE

The parties are responsible for insuring the goods in accordance with the division of responsibility indicated in the terms of delivery agreed. Other insurance is subject to separate agreement.

7. LIABILITY FOR DAMAGE CAUSED BY THE GOODS

The Seller is not responsible for damages caused by the user connecting the goods or using the goods in any other way than their intended use nor for any damages caused by materials or product design defined by the Buyer or by the working or manufacturing processes the Buyer has determined.

The Seller's liability for direct damage is limited to the purchase price paid by the Buyer.

The Buyer will indemnify and hold the Seller harmless to the extent that the Seller incurs liability towards a third party for any damage or loss for which the Seller is not liable towards the Buyer according to clauses a) and b) below.

If the goods are in possession of the Buyer, the Seller may not be held liable for any damage to:

a) moveable or immovable property or the consequences of such damage;
b) products manufactured by the Buyer or products containing a product manufactured by the Buyer.

Limitation of liability does not apply in the event of gross negligence on behalf of the Seller.

If a claim for loss or damage as described here is raised by a third party against either the Buyer or Seller, the party receiving the claim must immediately notify the other thereof.

8. TRANSFER OF TITLE

Unless otherwise agreed, title to the goods is transferred to the Buyer once the entire purchase price has been paid to the Seller.

9. NOTICES

The sender is responsible for the delivery of notices sent to the other party.

10. SETTLEMENT OF DISPUTES

Every effort will be made to settle any disputes arising from the contract between the Seller and Buyer primarily by negotiations between the two parties. Unless otherwise agreed, disputes will be settled by a sole arbitrator in arbitration proceedings. The arbitrator will be appointed by the Board of the Arbitration Institute of the Central Chamber of Commerce and arbitration proceedings will comply with the rules of the Board.

Nevertheless, the Seller is entitled at all times to claim for any outstanding debts based on the contract in the lower court of the Seller's domicile.

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