



# GENERAL TERMS AND CONDITIONS OF SALE 1.1.2020

## 1. Scope of Application

These General Terms and Conditions of Sale shall govern the offering, sale and delivery of all goods sold by Avesco Oy or any of its affiliates (hereinafter "Seller") to its customers (hereinafter "Buyer"), unless specifically agreed otherwise in writing between Seller and Buyer.

## 2. Conclusion of a Sale

### 2.1 The 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 shall not have the right to use such documents to the detriment of the Seller, disclose information about them to a third party or use the customised technical solutions included in the offer.

Unless otherwise mentioned, the price stated in the offer is based on foreign exchange rates valid at the date of offer.

### 2.2 Conclusion of a 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 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.

## 3. Obligations of the Seller

### 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 the contract of sale is concluded
- b) the receipt by the Seller of the approval of the authorities should this be required for the sale
- c) the provision of any agreed security or advance payment
- d) the provision by 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 Risks

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 as a result of the Buyer or a 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 given by the manufacturer shall apply to new goods that are sold. If the goods being sold are used goods, a guarantee of repair shall only be given following a separate written agreement. The Seller's guarantee shall only extend to repair of the goods as specified in the guarantee terms and conditions.

### 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. The Seller is not liable for the suitability of the goods to the use intended by the Buyer

### 3.6 Delay

Immediately on being informed of a delay, the Seller must notify the Buyer thereof, stating the reason for the delay and a new date when delivery can be expected. If the manufacturer or person from whom the Seller acquires the goods has failed 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 delivered too late for reasons not due to the Buyer or for any circumstances for which the Buyer is 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 originally agreed.

Should delay be due to the negligence of the Seller, the Buyer may claim demonstrable direct damages. Unless otherwise agreed, damages do not exceed 0.5 per cent of the value of the delayed goods for each full week subsequent to the delivery date subject to maximum damages of 5.0 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. Obligations of the Buyer

### 4.1 Purchase Price

The purchase price is the price agreed on by the parties. If no price has been agreed, the purchase price is the market price charged by the Seller. Notwithstanding this, the Seller is entitled to adjust the purchase price in accordance with the terms and conditions set in clause 4.3 of these General Conditions of Sale.

### 4.2 Terms of Payment

Unless otherwise agreed, the terms of payment are determined by the general conditions of payment used by the Seller. 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 due to the Seller, the Seller is entitled to delay further deliveries until such time as outstanding invoices have been paid or acceptable security has been provided. The Seller is entitled to refrain from deliveries also 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 that part of the price that the Seller has not received by at least one business day prior to the date at 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 of the date of payment is to be compared with that of 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 on the date of offer.

If the foreign exchange rate changes after the maturity date 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 at the maturity date.

### 4.4 Penalty Interests and Collection Costs

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 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 is entitled to compensation in accordance with point 4.4 above for the period of delay. Additionally, 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 Security

Should it be agreed to provide security, this must be given before delivery of the goods commences. Even after this, the Seller is entitled to require security to be deposited 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 in writing within eight (8) business days of 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.

## 5. Termination of the Contract

### 5.1 The 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.

If the Buyer is entitled to terminate the contract according to this article, the Seller is liable to pay damages of not more than 10 % of the purchase price of the goods.

### 5.2 The Right of the Seller to Terminate the Contract

Should the Buyer fail to pay by the deadline for reasons not due to the Seller, the Seller, should the delay in payment be serious, is entitled to terminate the contract or that part thereof that applies to goods not yet received by the Buyer. 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 shall have the right to terminate the sale if the Buyer has not collected or accepted delivery of the goods within 8 days after a request from the Seller to collect or accept delivery of the goods.

The Buyer is liable to pay damages of no less than 10 % of the purchase price of the goods if the Buyer terminates the purchase without acceptable grounds, or if the Seller terminates the sale because of a breach of contract on the Buyer's part.

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 calculated, 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 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 are unreasonable compared to the resulting benefit to 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 Damages 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.

The Seller is not liable for any indirect loss and 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 or the Buyer has assigned the goods over to a third party, the Seller may not be held liable for any damage to

- a) movable or immovable property or the consequences of such damage
- b) products manufactured by the Buyer or to 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

The title and right of ownership to the goods belongs to the Seller until the full purchase price is paid and the Buyer shall not have the right to reassign the property, attach it to other property or otherwise control the property in a manner similar to that of an owner.

## 9. Notices

All notices must be given in writing, and the sender is responsible for the delivery of notices sent to the other party.

## 10. Used goods

Used goods are sold in the condition they are in at the conclusion of the sale and the Buyer shall be given opportunity to inspect the goods. The Seller is in no way responsible for possible flaws, unless the Seller has agreed in writing to a specific guarantee of repair according to section 3.4.

## 11. Article of exchange

The right of ownership to an article of exchange set as payment of the purchase price or a part thereof is transferred to the Seller when the Buyer delivers the article of exchange into the Seller's possession. The article of exchange shall be delivered to the Seller at the latest when the Seller hands over the goods being sold to the Buyer. The Buyer shall be obliged to transfer possession of the article of exchange in the same condition and containing the same equipment as when inspected by the Buyer. If the article of exchange differs from its inspected condition, with the exception of normal wear and tear, the price of the article of exchange shall be reduced correspondingly. The Buyer is responsible for the article of exchange being fully paid for as well as owned and used by the Buyer. The Buyer is responsible for the article of exchange being free of mortgages and not subject to distraint. The Buyer is responsible for paying all taxes and insurance premiums for the article of exchange prior to the transfer of possession. The Buyer is responsible for submitting all documents required for registration of the article of exchange to the Seller.

## 12. Settlement of Disputes

Disputes arising from this transaction shall be settled in the District Court of Helsinki, unless otherwise agreed. Finnish Law shall be applied to this transaction and its terms and conditions, excluding its choice of law provisions. The applicability of the 1980 Vienna Convention on the International Sale of Goods is excluded.

## 13. Validity

As of 1<sup>st</sup> of January 2020, these General Conditions of Sale shall apply until further notice for the Avesco Oy and replace any existing terms and conditions.