



**Koskisen Oy**

**KOSKISEN THIN PLYWOOD**

## **GENERAL TERMS OF SALE**

These general terms of sale are applicable to the sales of Koskisen Oy's products. These general terms of sale can be amended only by written mutual agreement between the seller and the buyer.

### **1. Parties and product**

In these general terms of sale, "seller" refers to Koskisen Oy, and "buyer" to the organisation, group or other contractual party with whom the sale contract is made or to whom the offer is addressed. "Product(s)" refers to Koskisen Oy's products intended for sale.

### **2. General product information**

The information presented in brochures and other announcements is indicative and does not bind the seller. It is binding only when specifically referenced in a written contract.

### **3. Offers**

The seller's offer is valid for the term mentioned in the offer. If the term is not mentioned, it is 3 working days from the date of the offer.

### **4. Contract**

#### **4.1. Definition and Validity of Contract**

In this General Terms, "contract" shall mean a sales contract, which comes into force between the seller and the buyer as specified herein. In offer-based sales, a contract is entered into when the buyer has notified its acceptance of the seller's offer. If the sale is based on the buyer's order, the sale contract shall become effective when the seller has sent a written order confirmation to the buyer's official or separately communicated address. Should the buyer's and the seller's expressions of intent differ from each other by mistake, the sale shall be compliant with the terms of the seller's order confirmation.

#### **4.2. Delivery allowance**

Unless otherwise agreed, the seller has the right to deliver 5 percent more or less than the item amount specified on the order.

#### **4.3. Packaging**

Unless otherwise agreed, the seller shall deliver the products in Koskisen Oy's standard, packaging.

#### **4.4. Product attributes**

The seller is responsible for the quality of the product and for other attributes only in accordance with the information specified in the contract or otherwise provided by the seller in writing related to the specific sale. The buyer is responsible for the accuracy of the information it provides to the seller concerning product application.

### **5. General agreements**

#### **5.1. Definition**

General agreements shall mean agreements, under which the product prices are separately agreed upon for a specific time period and/or under which different delivery dates are tentatively agreed upon.

#### **5.2. Separate sales**

If such agreement covers several deliveries or possible deliveries, each delivery will be deemed a separate sale. The buyer is not entitled to cancel sales that have not yet been delivered on the basis that delays, errors or shortages occurred in previous deliveries, unless such delay, error or shortage may be regarded as substantial breach of the contract in question and for which the seller is to blame.

#### **5.3. Delivery specifications**

Unless otherwise agreed, written notification of product specifications for making deliveries in accordance with the general agreement must be provided by the buyer to the seller by telefax or by email at least eight weeks before the predicted or desired delivery date; such written notification made in this time is confirmation by

the customer of the validity of the reservation and the delivery based on it. The seller shall, however, confirm the delivery date of every itemisation with a separate order confirmation.

#### **5.4. Price adjustment**

If, after the agreement becomes effective, the product's raw material price increases or when changes in the currency exchange rate cause an excessive and unreasonable increase in the seller's procurement, production, transport or other such costs, the seller is entitled to adjust the price to correspond to the changed circumstances. The buyer is entitled to cancel the remaining deliveries affected by the price increases without sanctions.

### **6. Payment**

6.1. The buyer shall submit payment for every delivery by the due date noted on the invoice. Each party shall pay their own bank fees originating from the payment transaction.

6.2. The seller is entitled to demand an acceptable security (e.g. credit insurance or letter of credit) against every delivery in question.

6.3. In the event of late payment, the seller is entitled to collect from the buyer penal interest in the amount noted on the invoice or otherwise agreed on. If the amount of the penal interest has not been agreed upon,

the amount levied shall be based on the legal penal interest as provided by Finnish Interest Act.

### **7. Deliveries**

7.1. The delivery date specified is approximate. Upon receiving information of a delay, the seller is obligated to immediately notify the delay to the buyer along with the cause of the delay and the estimated new delivery date.

7.2. The seller shall make its best efforts to meet the delivery date specified in the seller's order confirmation. If the buyer fails to open a letter of credit, provide the agreed security or submit the payment in advance according to the contract, the delivery date to be observed by the seller shall be postponed corresponding to the buyer's delay.

7.3. The place at which responsibility for product damages shifts from the seller to the buyer is determined in accordance with the applicable trade term of International Chamber of Commerce's Incoterms, current at the time of shipment.

7.4. If the buyer fails to accept the goods at the agreed time, the seller shall be entitled, at his discretion, to demand the payment from the buyer or to annul the agreement on those products that have not been accepted. In both cases, the seller is entitled to demand compensation for any costs or damages incurred by him due to the buyer's failure.

7.5. When the price specified in the agreement includes transportation costs to be paid in part or in full by the Seller, the Seller is entitled to choose the mode of transport.

### **8. Ownership of goods**

8.1. The Seller reserves title to the goods he has supplied until full payment of all receivables arising from the business connection with the Buyer has been received, including future receivables arising out of contracts entered into at the same time or later than this contract. This is also expressly applicable to the balance outstanding where all receivables are included in a total sum and the balance has been calculated and accepted.

8.2. The Buyer shall be entitled to dispose of the goods within the normal course of his business operations, but not to pledge or assign or charge them by way of security. The Buyer shall be under an obligation to dispose of the goods only subject to Retention of Title. The Buyer hereby assigns to the Seller in advance all amounts due to the Buyer from his customers in connection with or arising out of any sale of the goods.

8.3. Any treatment or processing of the goods subject to Retention of Title which may be

undertaken by the Buyer is carried out on behalf of the Seller. Should the goods subject to Retention of Title be processed, mixed or blended with other goods not belonging to the Seller, the Seller shall acquire a share of the property in the newly resulting goods in proportion to the relation between the value of the other goods subject to Retention of Title and the value of the other goods so processed at the moment of processing, mixing or blending. Should the Buyer acquire the sole property to the new goods, the parties to this agreement agree that the Buyer grants the Seller joint ownership of the goods, and he undertakes to protect these free of charge for the Seller.

8.4. In the event that the goods subject to Retention of Title are resold either unprocessed or following processing, mixing or blending with other goods that are the property of the Buyer, the Buyer assigns to the Seller the entire proceeds of resale. Should the goods subject to Retention of Title be resold by the Buyer after processing, mixing or blending with goods not belonging to the Buyer, the Buyer shall assign to the Seller the proceeds of resale up to the value of the goods subject to Retention of Title. The Buyer is empowered under the terms of the assignment to collect these receivables. The right of the Seller to collect these receivables himself is unaffected by this; however the Seller undertakes not to collect the receivables himself as long as the Buyer meets his payment and other obligations in an orderly manner. The Seller may at any time require the Buyer to advise him of the assigned receivables and their respective debtors, to give him all information necessary for the collection of the receivables and to furnish him with all relevant documents, as well as to advise the debtors of the assignment.

8.5. If goods in the Buyer's custody which are subject to Retention of Title in favour of the Seller are attached by any third party, the Buyer shall inform the officials concerned of the existence of the Retention of Title in favour of the Seller and inform the Seller of the attachment forthwith. If any goods which are subject to Retention of Title in the custody of the Buyer's customers are attached, the Buyer shall at his own expense take all measures necessary to secure release from such attachment.

8.6. In the event of suspension of payment or petition for the institution of insolvency proceedings, the Buyer shall separate the goods subject to Retention of Title from the rest of its inventory and retain custody over such goods.

8.7. The Seller shall be under an obligation to release the excess security on the Buyer's demand to the extent that its realizable value exceeds the receivables secured by more than 20%.

### **9. Limitation of liability**

9.1. When the goods are not in accordance with the agreed specification or the delivery is incomplete, the goods shall be exchanged for the correct ones or the delivery shall be completed if so desired by the other party, providing that the exchange or completion can be carried out without difficulty. The seller's liability for inaccurate or incomplete deliveries is limited to the terms outlined in point 9.1.-9.3. The seller is not liable for any consequential or indirect damages or losses caused by the inaccurate goods or incomplete delivery. The seller's overall liability shall be limited, in respect of each separate sales contract, to the net sales price (taxes and costs excluded).

9.2. The seller is not liable for the application of goods for specific purposes unless so warranted in writing.

9.3. The seller does not warrant or guarantee that the use, resell or other handling of the product does not infringe upon a third party's patent, trademark or other industrial rights, nor is the seller obligated to compensate the buyer for

damages and expenses resulting from any such infringement.

### **10. Complaints**

Upon receiving the goods, the buyer shall immediately notify the seller in writing of any inaccuracies or shortages the buyer has or should have noticed if practicing adequate carefulness.

If the damage has occurred during transport, a corresponding entry must be made in the freight documents immediately upon acceptance of the goods, and it must be reported in writing to the seller. If the buyer neglects these obligations, he forfeits his right to claim any inaccuracy or shortcoming.

The buyer shall give written notification to the seller of any defect in the product, which cannot be observed during an adequate inspection upon receipt of the products, within 4 weeks of receiving the product. However, in order to retain his rights, the buyer must prove the origin of the products (packaging list or the like).

The buyer shall store in a covered storage area any products for which a complaint has been submitted for at least two weeks after providing written notification to the seller so that the seller can, if desired, inspect said products at the buyer's facilities.

The buyer shall send a sample of the said products to the seller by mail immediately after the written notification of formal complaint. If mailing the sample is impossible to organise i.e. the products have already been installed, the seller will inspect the goods in question at the buyer's facilities. Claims will only be considered up to the value of the replacement material unless otherwise agreed.

### **11. Product liability**

For damage caused by attributes of the product, or incorrect or insufficient information, instruction or advice related to the product, the seller is liable for personal damages, damage caused to real property, damage to products that contain the sold goods, or damage to movable property, however, only providing that the buyer can prove the damage was caused by the intentional or gross negligence of the seller. The seller is not liable in any case for production stoppages, lost profit or other indirect damages. The buyer shall indemnify and hold the seller harmless against any third party claims on the basis of product liability, unless it can be demonstrated that the seller or its agent has caused the damage intentionally or through gross negligence.

### **12. Force majeure**

12.1. Force majeure shall mean any supervening unforeseeable circumstances beyond the control of either party, for example actions taken by Finnish or foreign authorities, war, labour disputes, extensive military drafts or other impediments to maintain a workforce, shortage of transportation, raw materials, electricity or other energy, subcontractor delays, fire, production facility disruptions or other production facility mishaps, shipwrecks, ice or other impediments for which the party liable to perform is not answerable and as a result of which production, shipment, acceptance or use are reduced, delayed, prevented or cannot reasonably be expected of either party. Force majeure event shall relieve the seller of his obligation to deliver and the buyer of his obligation to take delivery as long as, and to the extent that, the disturbance continues. If this time exceeds two months, either party shall have the right to wholly or in part withdraw from the deliveries which were supposed to be delivered during the period in question.

12.2. If some delivery installment must be postponed due to the before-mentioned impediments, the remaining part of the contract is not affected.

12.3. The party exercising the above-mentioned rights shall give the other party written notification of such without delay.

12.4. The party is not liable to the other party for damages or losses arising from the delivery postponement or cancellation.

**13. Arbitration**

Disputes arising from the interpretation and application of the agreement shall be resolved by one arbitrator in accordance with the Arbitration Rules of the Finnish Central Chamber of Commerce. The place of arbitration shall be in Helsinki, Finland. The language to be used in the arbitral proceedings shall be English.

**14. Applicable law**

The applicable law shall be the Finnish law.