



## GENERAL DELIVERY TERMS APPLIED TO GLASS DELIVERIES FROM 22.9.2020 ON

### 1. SCOPE OF APPLICATION

A delivery agreement concerning the delivery of glass units referred to in section 3 of these General Terms and/or an order concerning the delivery of glass units and an order confirmation related thereto, these general delivery terms applicable to deliveries of glass units (“**General Delivery Terms**”), the Supplier’s warranty terms (“**Warranty Terms**”), and quality criteria (“**Quality Criteria**”) together form an agreement as a whole (“**Delivery Agreement**”), and they shall be applied to deliveries of glass units between the client (“**Client**”) and FinnGlass Oy (“**Supplier**”). The Supplier and Client may agree in writing on amending or excluding individual provisions in the General Delivery Terms and set new conditions.

The Client’s own purchasing terms possibly supplied in conjunction with the order shall not be valid, unless their application has been specifically agreed on in writing between the Supplier and Client.

### 2. VALIDITY OF OFFERS, FORECASTS

A written offer of the Supplier shall be valid for one (1) month from its date, unless otherwise mentioned in the offer. No forecasts provided by the Supplier, concerning e.g. the current phase of production or the date of completion of the order, shall be binding, and they are only given to help the Client with its own schedules or production planning.

### 3. AGREEMENT

A Delivery Agreement shall be considered to have been generated when the Client and Supplier have signed the Delivery Agreement or when the Supplier has separately confirmed the order in writing or by e-mail (order confirmation), and the Client has not submitted a remark about the content of the order confirmation within one (1) day from receiving the order confirmation. The amendments and additions to be made in the Delivery Agreement shall be agreed on in writing between the Supplier and Client. The Supplier shall be entitled to invoice the costs arising from the amendments and additions separately from the Client.

The Delivery Agreement or a part thereof can only be cancelled with the Supplier’s consent on the condition that the Client shall compensate the costs incurred by the Supplier due to the cancellation.

### 4. DRAWINGS, TECHNICAL DOCUMENTS, INTELLECTUAL PROPERTY RIGHTS AND CONFIDENTIALITY

The Client shall provide the Supplier with the basic information, drawings, technical documents and any other material separately agreed on which is necessary for the order.

All drawings and technical documents relating to products or manufacture, including intellectual property rights between the parties shall be the property of the party that supplied the said documents.

The Supplier or Client shall have no right to transfer the confidential information, drawings, formulae and documents of the other party received in conjunction with the delivery to a third party. Without being prevented by what is stated above, the Supplier has the right to transfer information related to the delivery to its subcontractor. The Supplier also has the right to use the expertise achieved in conjunction with the assignment/contract in other activities. The Supplier may use the Client and the services provided for the Client as references in its marketing, provided that the Supplier shall not disclose confidential information of the Client.

### 5. TITLE AND RISK

The title to the property that is the object of sale shall be passed to the Client when the entire purchase price has been paid.

The risk for the object of sale shall be passed to the Client either according to what the parties have agreed as the delivery clause (Incoterms 2010/Finnterms 2001 or other delivery terms agreed on by the Supplier and Client) or, in the absence of the aforementioned agreement, at the time of transfer of possession of the object of sale.

If the delivery is delayed due to a reason attributable to the Client, the risk shall be passed at the time when the delivery should have taken place at the latest in accordance with the Delivery Agreement. The Supplier shall decide on the packaging method applicable to the delivery at any given time. Unless otherwise agreed by the Supplier and Client, the Client shall be responsible for arranging transportation (mode of transport, carrier etc.).

### 6. SUPPLIER’S RIGHT OF INTERRUPTION

If the payment has not been made by the due date, and the Supplier has reminded the Client about the delayed payment thereafter, of there is a reason to suspect the Client’s ability to pay on other grounds (delay of advance), the Supplier has the right to interrupt the manufacturing process for its part and/or refrain from handing over manufactured goods or deny the attachment or installation of the goods to the object and separate the goods sold to the Client to its possession at its expense.

When the payment has been made, the Supplier has the right to charge a reasonable compensation from the Client for the storage of the goods during the interruption. If the payment is delayed, the Supplier has the right to charge 12% interest for late payment.

### 7. DELIVERY AND DELAY OF DELIVERY

The delivery is considered to have taken place at the time when the delivery has been made in accordance with the delivery clause applied to the said agreement (Incoterms 2010/Finnterms 2001 or other delivery terms agreed on by the Supplier and Client).

If the delivery has not taken place at the time of delivery agreed in the agreement between the Supplier and Client, the Client has the right to demand the payment of contractual penalty



starting from the date on which 7 days have passed from the time/date of delivery in accordance with the Delivery Agreement. The amount of contractual penalty shall be 0.5% of the amount of the contract price paid by the Client to the Supplier for each starting week of delay. If only part of the delivery is delayed, the contractual penalty shall be calculated from the value of the delayed part of the delivery.

The contractual penalty based on the delay of delivery shall, however, be in any case a maximum of 5% of the amount of the delivery or part of delivery used as the calculation basis for the contractual penalty.

The Client shall lose its right to the contractual penalty based on the delay of delivery, if the Client does not demand the contractual penalty to be paid in writing and provedly within 14 days from the date on which the delivery should have taken place.

## 8. SUPPLIER'S LIABILITY

The Supplier shall see to it that

- (i) the glass units are delivered in accordance with the contractual terms determined in the Delivery Agreement that obligate the Supplier; and
- (ii) the delivered glass elements are in accordance with this Delivery Agreement and the Supplier's valid Quality Criteria included in the Delivery Agreement.

The Client's rights and the Supplier's responsibilities regarding a defective glass element are determined in detail in the Warranty Terms.

The Supplier shall be responsible for its subcontractor's work in the same way as for its own work in accordance with the terms of the Delivery Agreement.

## 9. LIMITATIONS OF LIABILITY

### (i) General limitations

The Supplier's liability shall in all cases be limited to the amount of the purchase price that the Client pays to the Supplier.

The Supplier shall not be liable for any indirect damage caused to the Client in any way.

The Supplier is not obliged to check the intended purpose of use of the glass units from the Client, and the Supplier shall not be responsible that the glass units supplied in conjunction with a glass delivery are suited to the purpose of use that the Client has possibly stated while making the Delivery Agreement. Thus the Client has no right to present such demands to the Supplier that the glass units supplied are not suited to the purpose of use planned by the Client, if the glass units are otherwise in accordance with the Delivery Agreement and the Quality Criteria.

If the Supplier has not specifically committed itself to perform the installation work, the Supplier shall not be liable for the damage caused to the products by possible defective installation work in any respect. The Client shall inspect the product before taking it into use and notify the Supplier in writing about any defect without delay and within the time limits mentioned later in this Agreement. The Supplier shall not be liable to the Client, the Client's contractual partner or

any other third party for any such damage caused by installation or maintenance of the Product against the maintenance and installation instructions.

Unless otherwise ordered in these General Delivery Terms or Warranty Terms, all claims and complaints presented on the basis of these General Terms, Warranty Terms and Quality Criteria shall be presented to the Supplier without delay and within 14 days at the latest from the time when the defect/issue on which the claim is based was detected or the defect/issue should have been detected. Complaints about any alleged visual defects of a glass element shall always be filed to the Supplier within 14 days at the latest from the date on which the delivery of the glass element has taken place in accordance with section 7 of these General Delivery terms or from any earlier date on which the products were ready for pick-up in the place referred to in the said agreed delivery clause.

Unless otherwise specifically ordered in the agreement between the Supplier and Client or these General Delivery Terms or the Warranty Terms referred to in section 10 of these General Delivery Terms, the Supplier's liability shall in any circumstances and situations be limited to defects which the Client has notified to the Supplier in writing within three (3) months from the date on which the delivery has taken place in accordance with section 7 of these General Delivery terms or from any earlier date on which the products were ready for pick-up in the place referred to in the agreed delivery clause (Incoterms 2010/Finnterms 2001 or other delivery terms agreed on by the Supplier and Client).

### (ii) Inspection of the delivery; transport damages

The delivered glass units shall be inspected on arrival with the driver present. The Client shall notify the Supplier about any glass units broken or damaged during transport without delay and within seven (7) days at the latest from the date on which the delivery has taken place in accordance with section 7 of these General Delivery terms or from any earlier date on which the products were ready for pick-up in the place referred to in the agreed delivery clause (Incoterms 2010/Finnterms 2001 or other delivery terms agreed on by the Supplier and Client).

An appropriate remark about the glass units broken during transport shall be made in the waybill. If a notification about broken or damaged glass units in writing or by e-mail has not provedly been sent to the Supplier within the aforementioned time limit, the Client will lose its right to present claims to the Supplier based on broken or damaged glass units.

### (iii) Quality defect

The Supplier's liability for defects shall be limited to any quality defect occurring in glass which refers to

- (i) possible manufacturing defect of glass due to which the glass is not in compliance with the Quality Criteria applied together with the General Delivery Terms (incl. alleged deviation concerning visual quality criteria);
- (ii) possible defect in air-tightness of insulated glass, which means that condensation water is accumulated in the gas cavity between the panes;
- (iii) possible defect in laminated glass in which air bubbles are formed between the glass panes (delamination), however taking into account the deviations permitted in the Quality Criteria and limitations of the Warranty Terms;



- (iv) possible defect in the electrical functioning of electrically heated glass in a way described in more detail in the Warranty Terms.

The Supplier's liability for the aforementioned quality defect shall be limited to the limited warranty determined in section 10 of these General Delivery Terms and the separate Warranty Terms.

#### **10. PRODUCT WARRANTY**

The Supplier grants a special limited product warranty, which is determined in the Supplier's Warranty Terms, for normal insulated glass elements, single-glazed laminated glass and electrically heated glass used for construction purposes.

The Client undertakes not to give any warranty, assurance or commitment relating to the glass units supplied by the Supplier to any third party without the Supplier having granted a similar warranty or the Supplier having specifically approved the warranty to be granted to the said third party in writing beforehand.

If the Client refers to the warranty given by the Supplier in accordance with the Warranty Terms, an opportunity shall be reserved for the Supplier to inspect the non-functional and/or broken glass element in the way determined in more detail in the Warranty Terms.

#### **11. FORCE MAJEURE**

The Supplier shall not be liable for delay and damage that is caused by an obstacle outside its sphere of influence which it cannot reasonably be required to have taken into account at the time of concluding the agreement and the consequences of which it could not reasonably have avoided or overcome.

A strike, lockout, boycott or other industrial action shall also be considered a force majeure in case the Supplier is the object of it or party to it. Furthermore, a delay of a subcontractor used by the Supplier in its performance due a force majeure referred to in this section 11 shall also be considered a force majeure regarding the delivery between the Supplier and Client.

#### **12. TERMINATION OF AGREEMENT**

If the Supplier or Client materially breaches the terms of the Delivery Agreement, the other contracting party has the right to terminate the Delivery Agreement. If the Client materially breaches the terms of the Delivery Agreement, instead of terminating the Supplier has the right to interrupt the manufacturing process and materials purchases temporarily until it becomes clear whether the Client's material breach of contract leads to the termination of the Delivery Agreement.

The Supplier has the right to terminate the Delivery Agreement, if the Client is obviously insolvent or is declared bankrupt. The Supplier and Client have the right to terminate the Delivery Agreement, if fulfilling of the Delivery Agreement due to a force majeure referred to in section 11 becomes impossible or is delayed materially or by more than six (6) months.

If the Delivery Agreement is terminated, the Client shall pay compensation for the part of the order/purchase performed in approved fashion in accordance with the agreed basis of charge up to the date of termination or the time of stopping of work, if work is agreed to be performed after the date of termination.

The Supplier has the right to receive reasonable compensation for the costs and damage resulting from the termination of the Delivery Agreement, if the termination of the Delivery Agreement is caused by a reason attributable to the Client or a party under its responsibility.

#### **13. GOVERNING LAW AND DISPUTE RESOLUTION**

The Delivery Agreement and the interpretation of the Delivery Agreement and the solving of disputes shall be governed exclusively by the laws of Finland, excluding the regulations concerning choice of law.

All disputes between the Supplier and Client shall be solved primarily by negotiations between the Supplier and Client. If a dispute cannot be settled, the dispute shall be solved finally and in a way binding on the Supplier and Client in arbitration proceedings of one arbitrator in accordance with the arbitration rules of Finland Chamber of Commerce in the Supplier's domicile. If the Client is a consumer, the dispute shall be solved in the lower court of the Supplier's domicile.