

# GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

## 1. Preamble

- 1.1 In these general terms and conditions of sale and delivery the seller shall mean **Herrmans Oy Ab** (below the "Seller"), the buyer shall mean the company, corporation or person with whom any agreement is concluded or to whom any order confirmation is addressed (below the "Buyer"), and the goods shall mean the goods to be sold by the Seller to the Buyer (below the "Goods").
- 1.2 These general terms and conditions of sale and delivery shall apply to the sale and delivery of Goods between the Seller and the Buyer, unless otherwise expressly agreed in writing with respect to all or part of the provisions contained herein.

## 2. Product information

Information given in brochures and other advertising material is only given as guidance and shall not be binding upon the Seller.

## 3. Formation of agreement

No offer, obligation or agreement relating to the sale and delivery of the Goods shall be binding upon the Seller, unless accepted and confirmed in writing by the Seller.

## 4. Price adjustment

- 4.1 Should, after an agreement has been concluded and entered into, the raw material prices for the Goods increase by more than five (5) percent or should the purchase, production, transport or any other costs relating to the Goods increase by more than five (5) percent due to changes in the rates of exchange or due to other circumstances, the Seller shall be entitled to revise the price accordingly.
- 4.2 Should, after an agreement has been concluded and entered into, export or import duties, custom charges, taxes on export, import or delivery or similar duties or charges increase or should new duties, taxes and/or charges be introduced and implemented in respect of the Goods, the Seller shall be entitled to revise the price accordingly.
- 4.3 Any price adjustment made based on Section 4.1 or 4.2 above shall take effect thirty (30) days from the date of the Seller's notice to the Buyer of such price adjustment, unless otherwise agreed in writing.

## 5. Payment

- 5.1 Unless otherwise agreed in writing, payment shall be made by the Buyer on or before the thirtieth (30<sup>th</sup>) day after the date of the Seller's invoice.
- 5.2 Interest on delayed payments is to be paid according to the provisions of the Finnish Interest Act.

## 6. Delivery

- 6.1 Unless otherwise agreed separately in writing, the term of delivery shall be FCA (Incoterms 2010) the Seller's factory in Pedersöre, Finland.
- 6.2 The quoted delivery period and delivery date set forth in the Seller's order confirmation are only approximate.
- 6.3 If the delivery is delayed more than fourteen (14) days from the delivery date set forth in the Seller's

order confirmation due to reasons attributable to the Seller, the Seller shall pay liquidated damages in the amount of 0.5 % of the value of such delayed part of a delivery for each completed week of delay, however, maximum 7.5 % of the value of such delayed part of a delivery. The payment of liquidated damages as set forth in this Section 6.3 shall be the sole remedy available to the Buyer due to delay in delivery.

## 7. Title

The Goods shall remain the property of the Seller as legal and equitable owner and no property in or title to the Goods shall pass to the Buyer until full payment for the Goods has been received by the Seller.

## 8. Warranty and liability

- 8.1 The Seller warrants that the Goods are free from defects resulting from faults in material or craftsmanship and that the Goods will comply with the requirements stipulated under Finnish law. The warranty period in respect of light output, i.e. the LED chip, is five (5) years. For other parts or components than the light output the warranty period is twelve (12) months for halogen products and twenty-four (24) months for HID and LED products. The warranty period is calculated from the date of delivery according to Section 6.1. The warranty does not cover bulbs for halogen or HID or incandescent bulbs.
- 8.2 The warranty does not cover wear and tear, physical or environmental damage, accidents, mismanagement or negligence in the use and maintenance of the Goods nor does it cover if the serial number affixed to the product are removed, obliterated or defaced.
- 8.3 The Seller's only obligation under this warranty is, at its sole discretion, to either repair any defects or replace any defective Goods, provided a claim with respect thereto is made by the Buyer within thirty (30) days of discovery of such defect. The Seller may elect to affect the remedies set forth above by a third party at the Seller's expense.
- 8.4 The warranty set forth in this Section 8 is the only warranty given to the Goods and expressly replaces any other warranties, remedies, guarantees or liabilities, expressed or implied, against defects and any other obligations or liability whether in contract or law and the Buyer hereby waives any such other warranties, remedies, guarantees or liabilities.
- 8.5 The Seller shall under no circumstances be liable for loss of production, loss of profit, loss of use or any other consequential damages and/or indirect loss, whatever the cause may be.
- 8.6 The Seller's aggregate maximum liability under an agreement shall be limited to the value of the agreement. In respect of deliveries to be made under a frame agreement based on separate orders, the Seller's aggregate maximum liability shall be determined separately for each order and be limited to the value of such order.

**9 Force majeure**

The Seller shall not be liable for any default or delay in performing its obligations under an agreement, or for any loss or damage resulting therefrom, if the default or delay is caused by circumstances beyond the reasonable control of the Seller (force majeure), including but not limited to, wars, civil riots, strikes, epidemics, fires, acts of God, governmental restrictions and actions, winding up or failure of a subcontractor to provide materials or goods, shortage of transport or loss of workmen, or any circumstances beyond the reasonable control of the Seller's subcontractors.

**10 Code of Conduct**

The Seller is committed to conduct its business in line with applicable laws and regulations and in accordance with high standards of business ethics. This requires the highest standards of integrity in all business interactions undertaken on behalf of the Seller. Consequently, any form of corruption, extortion, bribery or other improper offer for payments from or to any of the Seller's directors, officers or employees or other representatives is strictly prohibited.

**11 Governing law and settlement of disputes**

- 11.1 These terms and conditions of sale and delivery and/or an agreement between the Seller and the Buyer shall be governed by Finnish law, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 11.2 Any dispute, controversy or claim arising out of or in connection with an agreement between the Seller and the Buyer and/or these terms and conditions of sale and delivery, or the breach or invalidity thereof, shall be settled by arbitration. The Rules of the Arbitration Institute of the Central Chamber of Commerce of Finland are to be followed in the arbitration proceedings. The arbitral tribunal shall be composed of one (1) sole arbitrator. The place of arbitration shall be Helsinki, Finland. The language used in the arbitration proceedings shall be English.