

# General Conditions



## for the Supply of Standard Goods such as Mechanical, Electrical and Electronic Components, Screws, Nails and other Bulk Items.

Issued in 2019 by DI, Denmark, Teknologiateollisuus – Teknologiindustrin, Finland, Norsk Industri, Norway and Teknikföretagen, Sweden.

### Preamble

1. These General Conditions shall apply when the parties agree in writing or otherwise thereto. Deviations from the Conditions shall not apply unless agreed in writing.

When used in these conditions the term “written” or “in writing” refers to a document signed by both parties or a letter, fax, electronic mail or other means of communication agreed by the parties.

### Packaging

2. Prices quoted in tenders and contracts shall, unless otherwise specified, be deemed to include the Seller’s standard packaging.

### Deviations in Weight or Quantity

3. The delivery may deviate from the agreed weight or quantity only if the parties have so specifically agreed.

### Product Information

4. Data in marketing material, price lists and other product information are binding only to the extent that they are expressly referred to in the contract.

### Delivery

5. Where a trade term has been agreed, it shall be interpreted in accordance with the INCOTERMS® in force at the formation of the contract. If no trade term has been specifically agreed, delivery shall be Free Carrier (FCA) at the place decided by the Seller.

### Time for Delivery. Delay

6. If delay in delivery is caused by an act or omission on the part of the Buyer, the time for delivery shall be extended by a period, which is reasonable having regard to the circumstances. The time for delivery shall be extended even if the cause for delay occurs after the originally agreed time for delivery. Except as specified in Clause 19, second paragraph, the Seller’s right to an extension of time for delivery shall also apply when delivery is delayed due to a circumstance which constitutes ground for relief under Clause 18.

7. If the Seller fails to deliver the goods on time, the Buyer may by written notice to the Seller fix a final reasonable time for delivery, stating the Buyer’s intention to terminate the contract if delivery does not take place within such final time. If delivery does not take place within such final time, the Buyer may terminate the contract by written notice to the Seller.

If the delay in delivery is of substantial importance to the Buyer, or if it is clear that such a delay will occur, the Buyer may forthwith terminate the contract by written notice to the Seller.

8. If the Buyer terminates the contract in accordance with Clause 7, the Buyer is entitled to compensation from the Seller for reasonable increased costs incurred when procuring substitute goods from another source.

Except for compensation in accordance with the first paragraph the Buyer shall not be entitled to any compensation in respect of the Seller’s delay.

### Payment

9. Unless otherwise agreed, payment shall be made, after delivery of the goods, within 30 days after the date of the invoice.

If the Buyer fails to take delivery of the goods on the agreed date, payment shall nevertheless be made as though delivery had taken place in accordance with the contract.

10. If the Buyer fails to pay in time, the Seller shall be entitled to interest from the due date at the rate of interest determined by the law on late payment in the Seller’s country. The Seller shall also be entitled to compensation for recovery costs.

11. If the Buyer has failed to pay the amount due within three months after the due date, the Seller may terminate the contract by written notice to the Buyer. The Seller shall then, in addition to Clause 10, be entitled to compensation for the loss he has suffered. The compensation shall not, however, exceed the agreed purchase price.

### Retention of Title

12. The goods shall remain the property of the Seller until paid for in full, to the extent that such retention of title is valid under the relevant law.

### Liability for Defects

13. The Seller undertakes to deliver goods in replacement of any goods which are defective due to faulty design, materials or workmanship.

14. The Seller’s liability is limited to defects, which appear within one year after delivery of the goods.

The Buyer shall, after the appearance of any defect, without undue delay notify the Seller in writing. If not, the Buyer forfeits the right to have the goods replaced under Clause 13.

**15.** If the Seller fails to deliver replacement goods within a reasonable time after receipt of the Buyer's notice under Clause 14, the Buyer may by written notice to the Seller terminate the contract in respect of defective goods.

If the Buyer terminates the contract, the Buyer is entitled to compensation from the Seller for reasonable increased costs incurred when procuring substitute goods from another source.

**16.** The Seller shall have no liability for defects in goods except as specified in Clauses 13 and 15. This applies to any loss that may be caused by the defect, such as loss of production, loss of profit and other consequential economic loss. This limitation of the Seller's liability shall not, however, apply if the Seller has been guilty of gross negligence.

### **Liability for Damage to Property Caused by the Delivered Goods**

**17.** The Seller shall have no liability for damage caused by the goods to any immovable or movable property, or for the consequences of such damage, if the damage occurs while the goods are in the Buyer's possession. Nor shall the Seller be liable for any damage to products manufactured by the Buyer or to products of which the Buyer's products form a part.

The Buyer shall indemnify and hold the Seller harmless to the extent that the Seller incurs liability towards any third party in respect of loss or damage for which the Seller is not liable according to the first paragraph of this Clause.

The above limitations of the Seller's liability shall not apply if the Seller has been guilty of gross negligence.

If a third party lodges a claim for compensation against the Seller or the Buyer for loss or damage referred to in this Clause, the other party to the contract shall forthwith be notified thereof in writing.

The Seller and the Buyer shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal which examines claims against either of them based on damage or loss alleged to have been caused by the delivered goods. The liability as between the Seller and the Buyer shall, however, always be settled in accordance with Clause 20.

### **Grounds for Relief (Force Majeure)**

**18.** The following circumstances shall constitute grounds for relief if they impede the performance of the contract or make performance unreasonably onerous: industrial disputes and any other circumstance beyond the control of the parties, such as fire, natural disasters and extreme natural events, war, mobilization or military call up of a comparable scope, requisition, seizure, trade and currency restrictions, insurrection and civil commotion, shortage of transport, general shortage of materials, restrictions in the supply of power and defects or delays in deliveries by sub-contractors caused by any such ground for relief.

The above described circumstances shall constitute grounds for relief only if their effect on the performance of the contract could not be foreseen at the time of formation of the contract.

**19.** A party wishing to claim relief under Clause 18 shall without delay notify the other party in writing on the intervention and on the cessation of such circumstance.

If grounds for relief cause a delay in the performance by either party, which is of substantial importance to the other party, the latter may forthwith terminate the contract by written notice.

Notwithstanding other provisions of these general conditions, either party may terminate the contract by written notice to the other party if performance of the contract is delayed more than three months due to a ground for relief as defined in Clause 18.

### **Disputes. Applicable Law**

**20.** Disputes arising out of or in connection with the contract shall be settled by arbitration in accordance with the law on arbitration in the Seller's country. However, if the amount in dispute does not exceed EUR 50,000, VAT excluded, or the equivalent amount in the currency of the contract, the dispute shall be settled by a general court in the Seller's country.

**21.** All disputes arising out of the contract shall be judged according to the law of the Seller's country.