

DELIVERY TERMS

1. Scope

These delivery terms shall be applied unless otherwise agreed. The company performing the work to order is hereinafter called the Supplier and the company placing the order or requesting a cost estimate the Client.

2. Good Business Practice

The Supplier and the Client shall observe good business practice and due care in all their activities.

3. Tender and Confirmation of Order

The tender shall preferably be in writing. It shall enumerate the quality and other requirements of the material supplied by the Client without prejudice to the established practice between the Supplier and the Client. If the original material, proofs or the final product is forwarded by the Client to the Supplier or vice versa in digital form, the tender shall include a description of the requirements for the Client's equipment, software and data connections.

The tender shall be valid for 30 days. An acceptance by the Client shall reach the Supplier within the stated period. The timetable included in the tender will not be binding to the Supplier if during the period between the submission of the request to tender and the Client's response the Supplier concludes an agreement on a job that was not taken into account when submitting the tender. In this case, the Supplier shall contact the Client after reviewing the answer without undue delay to negotiate a revised timetable.

A response to a tender containing additions, limitations or conditions will not be binding to the Supplier but will be deemed to constitute a counteroffer from the Client. On request, the Supplier shall issue a confirmation of order.

If drafts or work samples that cannot be considered to constitute a part of standard tendering practice are ordered from the Supplier, a reasonable compensation shall be paid for them even if the Client does not accept the tender. The Supplier shall give the Client an advance estimate of such costs.

The invitation to tender, the tender and the acceptance by the Client shall together constitute an order agreement, unless a separate contract is drawn up.

Provisions for the notice period shall be included in contracts valid for an indefinite period. Unless otherwise agreed, the notice period is three months.

4. Subcontractors

The Supplier has the right to subcontract unless the contract specifically restricts this. The Supplier will not be released from liability for errors by stating that the error is caused by the subcontractor.

The Supplier shall deliver a sufficient number of extra copies to the subcontractor for covering the normal loss in production.

5. Prices

Prices are quoted excluding value added tax in the tender. In consumer trade, the prices are quoted including value added tax or the amount of the value added tax is stated separately.

The contract price is the price agreed between the parties or if no price has been agreed, the contract price will be the going price charged by the Supplier.

The Supplier will have the right to revise the price if currency rates, import charges or other charges, taxes or public charges beyond the control of the Supplier change before the agreed delivery date.

In addition to the agreed price, the Supplier is entitled to invoice costs incurred as a result of:

- a) Defects in the material provided by the Client,
- b) The Client's corrections and alterations not included in the agreed original manuscript,
- c) Delays attributable to the Client,
- d) Additional proofs, setting, print or ink samples required by the Client
- e) Overtime at the request of the Client or
- f) other such extra costs at the responsibility of the Client

If there is a need to invoice such extra costs, the Supplier shall notify the Client without undue delay.

Freight and packaging costs shall be borne by the Client.

6. Edition under or over the Agreed Number

If an exact number of copies is not required on account of the nature of the work order, the number of copies supplied may deviate from the agreed number by a maximum of 5% when the order is for a maximum of 20,000 copies. When the agreed number of copies exceeds 20,000, the maximum deviation is 2%.

Credit notes for the copies lacking from the agreed total number and invoices for the excess copies shall be forwarded in accordance with the terms of the tender. The Client has no obligation to pay for copies in excess of what has been stated in the foregoing paragraph.

7. Terms of Payment

Payment shall be effected within 14 days from the date of the invoice. If the work is delayed for reasons attributable to the Client, the Supplier is entitled to invoice the completed part of the order separately.

If payment is not effected within the prescribed term, the Supplier will be entitled to charge penalty interest from the due date of the invoice at the customary rate. In addition to the penalty interest, the Supplier will be entitled to charge reasonable collection costs.

8. Delay of Payment

The Supplier will have the right to refuse to begin the next work phase if interim invoicing has been agreed and the Client has failed to pay the outstanding invoices as specified in the contract. Moreover, the Supplier will have the said right if it is apparent in advance that the Client will not be able to meet his obligations. If completion of the work is delayed on account of the aforesaid refusal, breach of contract by the Client shall be deemed to constitute the reason for the delay.

If the Client has repeatedly failed to meet his obligations the Supplier is entitled to require payment of the invoice on delivery, irrespective of the original contract.

9. Right of Retention and Lien

Should the Client fail in his duties concerning the agreed contract price and its payment, the Supplier will be entitled to refuse to surrender the products or other material in his possession belonging to the Client prior to receiving payment in full. The Client shall be notified of such refusal at the address he has given.

The Supplier has the right of lien to all the Client's material he holds on behalf of the Client as security for his outstanding account.

If the Client makes assets belonging to a third party available to the Supplier, the Supplier shall be notified of this at the time. The rights of retention and lien will also apply to such assets.

If the Client fails to meet his contractual obligations to pay, the Supplier will have the right to dispose of the afore-mentioned assets at will, unless otherwise stipulated by the law. The disposal of the assets may not unduly violate the Client's interests. The amount accrued by the disposal in excess of the Supplier's outstanding account shall be transferred to the Client without undue delay.

10. Delivery Clause and Liability for Damages Concerning the Goods

The delivery will take place in the Supplier's place of business.

The liability for damage to the goods will be transferred to the Client when he, or someone acting on his behalf receives the goods or should have received the goods according to the contract.

The Supplier is responsible for safeguarding the material supplied to him with due care.

When the value of the articles handed over to the Supplier is substantial, the Client shall inform the Supplier thereof. Legal relations between the Client and a third party will not affect the Supplier's liability.

The Client is responsible for adequately insuring the material to be handed over to the Supplier.

11. Predictable Breach of Contract

Either party will be entitled to dissolve the contract if it appears that the other party will not be able to fulfil his contractual obligations. As an alternative to dissolving the contract, a party may demand an adequate guarantee from the other party for the fulfilment of this party's obligations.

12. Delay by the Client

The Client shall inform the Supplier without undue delay if it is apparent that he will not be able to supply on time the material necessary for the work or otherwise meet his contractual obligations. If the notified delay causes considerable inconvenience to the Supplier, he will have the right to dissolve the contract.

The Supplier will be entitled to compensation from the Client for the direct costs incurred as a result of the delay.

13. Liability for Errors in the Material

The Supplier shall notify the Client without undue delay if the material supplied by him is not suited for the performance of the work as specified by the contract. On request, the Supplier shall provide an estimate of any additional costs to the Client.

The parties shall follow the instructions given by the Client or other agreed instructions (form of material, equipment, software, requirements concerning data connections, operational models etc.) when transmitting material in digital form to one another. The party that fails to observe these instructions is liable for any ensuing faults.

If the instructions concerning the material have been followed, the Supplier will be liable for errors during the processing of the digital material. However, if the defect is due to incompatibility of the employed equipment or software, programming errors or other factors that cannot have been anticipated, the Supplier will not be held liable.

If the parties deem it necessary that the Supplier shall inspect the digital material received before processing it, this shall be agreed separately. At the same time, the manner of inspection, its scope and timetable should also be agreed.

Any alterations to the material provided by the Client shall be done in writing. The Client is responsible for instructions or changes given over the telephone.

The Supplier will not be responsible for errors in the content of the material.

Drafting, inspection of proofs and timetables shall be agreed separately.

14. Delayed Delivery

The Supplier shall notify the Client without undue delay if it is likely that the order cannot be delivered within the agreed timetable. The notification shall include an estimation of when the Supplier will be likely to meet his contractual obligations.

The Client will have the right to receive compensation from the Supplier for the direct costs incurred as a result of the delay in the delivery to the extent that the maximum amount for such compensation will be the value of the agreed delivery. Indirect damage to the Client will not be compensated.

Moreover, the Client will be entitled to dissolve the contract if the delay has considerable significance to the Client. The delay will be deemed considerable if

- a) an explicit mention is made in the contract that delivery shall take place punctually on an agreed date, or
- b) the contract or other circumstances known to the Supplier clearly indicate that the ordered product will be worthless to the Client after a specified date and the product is not delivered prior to that date.

The Client will not be entitled to claim compensation for extra costs from the Supplier or to dissolve the contract if the delay is due to deficiency or late submission of the material supplied by the Client or to any other reason attributable to the Client.

15. Faulty Performance

The delivery is faulty if it deviates considerably from what was agreed or from what may be expected of the delivery considering standard good trading practices in the field.

The delivery will not be considered faulty if

- a) the defect in the goods is due to faulty original material, a correction open to various interpretations or an error that was not corrected in the proof approved by the Client,
- b) there is a slight deviation from the submitted colour proof or paper sample, approved model proof or similar. The paper will be considered to conform to the sample if it is of a quality identified by the paper industry with the same code,
- c) the edition contains a slight deviation from the approved model proof or its equivalent for which the Supplier cannot reasonably be considered responsible due to technical reasons,
- d) a maximum of 0.5% of the items of the consignment are faulty in regard to the printing work and a maximum of 0,5% in respect of finishing.

16. Consequences of a Defect or Fault

Whenever possible, the Supplier shall be given the first choice of setting right an essential defect or fault attributable to him.

The Client will be entitled to a reasonable reduction of the price on account of an essentially defective or faulty delivery by the Supplier where the defect or fault is attributable to the Supplier.

The Client will have the right to dissolve the contract if the nature of the defect or fault attributable to the Supplier is likely to prevent the Client from putting the product to the intended use.

The Client will have the right to receive compensation from the Supplier for the direct costs resulting from the defect or fault. The Supplier's liability for the defect or fault is limited in all cases to compensating for the defect or fault by the agreed performance or to returning the paid contract price. The Subcontractor's liability for the rejected consignment of goods is limited to the value of his performance.

If the fault of the Supplier or the subcontractor was intentional or a result of gross negligence, the restriction of liability will not be applied to the direct costs incurred by the Client or by a third party.

The Supplier will not be liable for indirect damage caused to the Client by a defect or fault in the goods, e.g. loss of profit or other disturbance of the business activity, or for damage to a third party.

17. Inspection and Complaints

The Client shall inspect the received product without undue delay. A consignment claimed to be defective shall be inspected jointly.

If the Client wishes to refer to a performance defect, he shall submit a written notification

- a) of a delay within 10 days from the date the Client was informed about the delay,
- b) of an essential defect or fault in the product within 10 days from receiving the product or from the date on which the Client should have inspected or received the goods according to the contract,
- c) of a hidden defect or fault that cannot reasonably have been identified during the inspection performed with due diligence upon receipt of the goods within 10 days from the detection of the defect or fault.

18. Force Majeure

A strike, employment blockade, fire or other force majeure beyond the control of the Supplier and the sub-contractor shall release them from the responsibility of observing the agreed time of delivery. Moreover, scarcity of labour or raw material, breakdown of machinery, actions by the authorities and similar unusual and essential reasons beyond the control of the Supplier and the sub-contractor, that could not have been reasonably anticipated, will also constitute grounds for a reasonable extension of the time of delivery.

In case a circumstance mentioned in the foregoing constitutes unreasonable technical or economic difficulties for the performance of the contracted work, the Supplier will have the right to cancel his tender or to dissolve the contract entirely or for the part that has not yet been executed. The Client will not be entitled to claim compensation based on this.

Correspondingly, the Client will be entitled to dissolve the contract if an obstacle mentioned in the foregoing causes him unreasonable inconvenience or significant additional costs compared to the value of the work. The Supplier will not be entitled to claim compensation based on this. The right to dissolve the contract will apply only to the part of the contract affected by the force majeure. After the force majeure has been removed, the application of the contract shall be resumed as before.

19. Right of Ownership

The right of ownership to the finished product will be transferred upon full payment of the contract price.

Various tools or preparatory phases of the work performed or acquired by the Supplier, such as sketches, proofs, colour separations, printing plates, computer files and registers are the Supplier's property and all rights pertaining to them belong to the Supplier.

Any tools, supplies, files and other material submitted by the Client to the Supplier for the work remain the Client's property and shall be returned to him by the Supplier when the order has been completed, unless otherwise specified in Paragraph 9.

20. Storage of Finished Goods

The Supplier shall store the finished goods with due care even after the agreed delivery date. In this case, the storage takes place on behalf and at the risk of the Client. The Supplier is entitled to recover reasonable storage costs from the Client.

The material handed over to the Supplier and the material produced by subcontracting will be stored and transported at the Client's risk after completion of the work.

If the Client has not received the finished goods within a month from the agreed delivery date in spite of a written request, the Supplier will be entitled to liquidate the product and other material in his possession. The Client shall be notified in advance of such liquidation to his given address.

21. Immaterial Rights (Copyrights and Other Industrial Rights)

The Client shall declare that the copyrighted material and the technical equipment (e.g. computer software) needed for performing the work submitted by him to the Supplier do not infringe the right of a third party and that there are no restrictions or other legal limitations to their use. The aforesaid will also apply to all other immaterial rights including sole rights to a trade mark, company name or other sole rights pertaining to immaterial and industrial rights.

Under this contract, the Client shall be directly liable for compensating all indemnities and expenses payable by the Supplier as a result of demands presented by a third party. Should a third party present demands to the Supplier, he shall inform the Client prior to paying such indemnity.

The above stipulations shall apply reciprocally to the Supplier in respect of material and technical equipment submitted by him to the Client.

22. Free Copies

File copies required by the Act on Free Copies shall be sent by the Supplier to the authorities at the Client's expense.

23. Settlement of Disputes

Disputes between the Supplier and the Client arising from the interpretation of this contract shall be settled at the Court of First Instance of the domicile of the Supplier or by arbitration, if so agreed.

Prior to taking legal action or referring the matter to arbitration, the parties may request a statement from an inspector of goods appointed by the Chamber of Commerce on whether the performance is deficient and whether the defect or fault is slight or essential according to the currently applicable practice in the field. The parties shall divide equally the costs for the statement.

24. Limitation

The Client shall bring action concerning a defect or fault in the goods or a delay within one year from the transfer of liability for risk to the Client.