

# Ledil Oy General Terms and Conditions of Sale 2010

## 1 Scope of Application

These General Terms and Conditions shall apply exclusively to any agreements concerning the delivery of the Products between Ledil Oy (hereinafter referred to as the Supplier) and the other contracting Party (hereinafter referred to as the Purchaser), unless expressly otherwise agreed in writing. In case the Purchaser presents in its order or any other communication to the Supplier a term or a condition conflicting with these General Terms and Conditions, these General Terms and Conditions shall prevail.

These General Terms and Conditions can be studied on the Supplier's web site [www.ledil.fi](http://www.ledil.fi) and they shall be sent to the Purchaser on request. By placing an order the Purchaser accepts these General Terms and Conditions.

## 2 Offer, Order, Confirmation and Conclusion of Agreement

Offers made by the Supplier are valid only for guidance. The Supplier shall in no event be bound by such offers. The agreement shall be concluded only when the Supplier confirms in writing the order made by the Purchaser. In case the Supplier shall immediately after the Purchaser's order begin to fulfil the order, an invoice or a delivery note shall apply as an order confirmation.

In case the Purchaser shall not object the order confirmation forthwith after receiving it, the agreement shall be in accordance with the order confirmation.

## 3 Delivery

The delivery term is FCA (Incoterms 2000) the place of delivery. The place of delivery shall be either Salo, Finland, Somero, Finland, Porvoo, Finland or Hong Kong, China. The place of delivery shall be communicated in the order confirmation by the Supplier.

In order to form reasonable lot sizes, the Supplier reserves the right to deliver quantities being not more than 5 per cent under the order as long as this is not unreasonable for the Purchaser. Such shortfall shall not be invoiced.

The Supplier shall not in any case be responsible for any indirect or consequential losses or damages caused by a delay in delivery. The Supplier's liability for delay shall in any case not exceed the value of the delivery.

## 4 Prices

The prices quoted by the Purchaser are exclusive of Value Added Tax. The VAT shall be added to the price when applicable. If the Purchaser has a registered VAT-number, it is bound to communicate the VAT-number and any changes to it to the Supplier.

In case the costs of material or other production costs have unforeseeably increased after the conclusion of the agreement, the Supplier shall have the right to adjust the prices within the framework of the increased prices.

## 5 Payment

The Purchaser shall as a rule pay within fourteen (14) days from the date of invoice, unless another payment term has been confirmed in the order confirmation. Interest on delayed payment is in accordance to the Finnish law.

The invoices are payable without deduction. The Purchaser shall be responsible for any bank fees.

In the event of partial delivery, each part may be invoiced separately.

## 6 Retention of Title

The title to the Products shall not pass to the Purchaser until the purchase price of them is paid in full. The Purchaser shall be responsible for keeping the Supplier's Products apart from Purchaser's or third party's property or to mark the Supplier's Products so that they can be identified to be Supplier's Products.

## 7 Quality

The Products shall have the features specified in the Supplier's product datasheets. The Purchaser is exclusively responsible for the suitability and the safety of the Products used by the Purchaser for any specific purpose.

The Purchaser shall inspect the delivered Products upon arrival of the delivery. Notice of defects and short deliveries must be sent to the Supplier forthwith after the inspection in writing, or if the defect could not have been reasonably seen in the inspection, forthwith after discovering such defect. In any case, the Purchaser shall send the notice of defects and short deliveries to the Supplier within thirty (30) days from the delivery.

In case the Products are defective, the Supplier shall repair or replace the defective Products. This is the sole remedy available for the Purchaser.

## 8 The Supplier's Liability

The Supplier shall not be liable to the Purchaser or any third party for any indirect, consequential, incidental, punitive or exemplary loss or damages caused by any defects in the delivered Products. The Supplier's liability for defects shall in any case not exceed the value of the delivery.

The Supplier shall not be liable to the Purchaser or any third party for any indirect, consequential, incidental, punitive or exemplary loss or damages caused by any Product-related infringement of trade marks, copyrights, patents, models or any other intellectual property rights whether or not registered.

## 9 Intellectual Property Rights

All documents, data, information and suggestions of every kind and description supplied by the Supplier to the Purchaser in connection to the agreement and delivery of the Products shall be the sole and exclusive property of the Supplier unless specifically otherwise agreed in writing.

The Supplier shall at all times retain the rights to its trade marks, copyrights, patents, models and other intellectual property rights whether or not registered.

When purchasing a custom design from the Supplier, the Purchaser will purchase only the design and the production of the product in question. The Purchaser will not become the owner of the 3D geometry of the designed product. Thus, the Purchaser of a custom solution will not become the owner of the optical solution, only the owner of the specially designed product.

Should the Purchaser not have approved or disapproved the design work or product sample within 2 weeks of its receipt, the design work or tooling will be invoiced automatically.

**10 Indemnity**

The Purchaser shall indemnify and hold the Supplier harmless from all claims and all direct, indirect or consequential loss, liabilities, costs, proceedings, damages and expenses (including legal and other professional fees and expenses) awarded against, or incurred or paid by, the Supplier, which arise as a consequence of a direct or indirect breach or negligent performance or failure by the Purchaser of its obligations under these General Terms and Conditions.

**11 Force Majeure**

Either party shall be excused from the performance of any of its obligations if the failure to perform was due to an impediment beyond his control (e.g. natural disaster, military operations, acts and actions of the authorities such as export or import bans, strike, lock-out and similar events).

The party who fails to perform shall notify the other party of the impediment and its effect on his ability to perform immediately in writing. This exemption from liability only has the effect for the period during which the impediment exists. After the impediment has disappeared, the party shall notify the other party of the disappearance of the impediment immediately in writing.

If the impediment continues to exist for more than three (3) months the other party shall have the right to terminate the Agreement

**12 Applicable Law**

The agreement shall be governed and construed in accordance with the laws of Finland excluding the choice of law rules thereof and the UN Sales Convention (CISG).

**13 Disputes**

Any dispute, controversy or claim arising out of or relating to the agreement, or the breach, termination or validity thereof shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finnish Central Chamber of Commerce. The dispute shall be settled by one arbitrator. The arbitration proceedings shall be conducted in Turku, Finland, in the English language.