

General Sales Conditions GSC

1. Applicability of GSC

These general conditions shall apply to each purchase order for the sale of goods by Harkwell Labels Ltd (hereinafter referred to as the "seller").

2 formation of the contract

2.1 The offer of the seller is binding to the seller during the period indicated in the offer, or otherwise 30 days.

2.2 The contract shall be deemed binding to both the seller and the buyer when the seller, upon receipt of an order from the buyer, has confirmed the order in writing, or when the goods have been physically loaded into the transportation vehicle, whichever occurs first.

3. Delivery

3.1 The delivery or deliveries shall be made at the estimated time agreed upon between the parties in the contract, provided always that suitable means of transportation are available at that time. Each delivery under the contract shall be considered to a separate contract, and default on one of more deliveries shall not invalidate the balance of the contract except otherwise provided hereunder.

3.2 The term of delivery shall be separately agreed upon between the parties. In failure of such an agreement the term of delivery shall be EX-WORKS suppliers' factory (Incoterms, 2000).

3.3 The risk of goods shall in regard to goods shipped onboard a seagoing vessel pass to the buyer in accordance with the International Rules for the Interpretation of Trade Terms (Incoterms, Edition, 2000) of the International Chamber of Commerce. The risk of goods in regard to deliveries made by multimodal transport or by modes of transport other than seagoing vessel, shall as well pass on to the buyer in accordance with Incoterms, Edition 2000.

3.4 Should delay in delivery be caused by grounds other than those mentioned in clause 7, the parties shall fix an additional period of time of reasonable length for delivery.

3.5 Each single delivery shall be considered to have been completed in accordance with the contract when the quantity delivered against each separate item of the delivery neither exceeds nor falls short of the contractual quantity by more than the limit of the tolerance defined in the Trade Customs of EPSMA (European Pressure Sensitive Manufacturers Association) for Dimensions Quantities and Packaging.

3.6 Should delay in delivery be caused by the buyer's failure to accept delivery or take any other measures in accordance with his contractual obligations in regard to the delivery, the seller shall be entitled to arrange for the storage of the goods at the risk and the cost of the buyer. When the delay is caused by the buyer, he shall nevertheless make any payment conditional on delivery as if the goods had been delivered. Unless the failure of the buyer is due to circumstances stated in clause 7 hereunder, the seller shall be entitled to cancel the contract in regard to undelivered goods and to claim damages.

4. Price

4.1 Should, after a contract has been entered into, export and import duties, customs charges, taxes on export, import and delivery, or similar charges increases as a result of decisions made by authorities, or if new duties, taxes and charges are introduced and implemented in respect of the relevant goods of their conveyance, the price may be revised accordingly.

5. Payment

5.1 Payment shall be made in accordance with the term of payment and at the times agreed upon in the contract. In failure of such an agreement, the term of payment shall be cash with order.

5.2 If the buyer defaults in making any payment on the date agreed upon in the contract, the seller shall be entitled to charge interest on the amount overdue starting from the due date of invoice until the invoice has been paid in full. The effective rate shall be stated on the invoice.

5.3 If the buyer is in default of the payment and the delay is not attributable to errors by the transferring banks, the seller has the right in addition to all other remedies, to cancel the entire order with effect fourteen (14) days after giving notice if the payment has still not reached him.

5.4 Should the buyer be in default in making a payment due under the contract, the seller shall have the right to withhold deliveries due to the buyer under the contract and under all other contracts made between them until such payment is received by the seller. The buyer shall not be entitled to any contractual remedies on account in delay in delivery caused by the exercise of the aforesaid withholding right.

5.5 Should the buyer or the seller become insolvent, go in to liquidation, have a receiver' appointed or be declared bankrupt, or otherwise is found to be in such a financial position that it may reasonably be assured that he will not be able to fulfil his obligations, the other party shall have the right to cancel the contract if the other party has not within ten (10) days after giving notice furnished a satisfactory guarantee for his fulfilment of the contract.

6. Quality of goods

6.1 The quality of goods shall be in conformity with the contract and any specifications or standards referred to therein.

6.2 The buyer shall check the quality of delivered goods upon receipt. If the quality of delivered goods upon receipt. If the quality is not in accordance with the quality contracted for, then the buyer has to inform the seller in writing immediately by registered mail.

6.3 Claims for defects of quality shall be made by the buyer as soon as the defect is discovered, but at the latest within three (3) months from the time the goods are discharged at the place of the buyers' warehouse.

6.4 When giving notice of claim, the buyer must identify the goods clearly and state fully the facts on when and how such defects have been discovered. Upon discovery of a defect, the buyer shall take all reasonable measures to prevent or limit any damage that may result from such a defect.

6.5 The buyer shall whenever considered necessary by the seller allow the inspection of the whole delivery including the defective goods as well as non-defective goods by the seller or its representative. In case inspection of the whole delivery is not possible, the liability of the seller shall not exceed the invoice value of the defective goods that the seller has had the possibility to inspect.

6.6 The buyer shall bear the burden of proof for the defects of goods.

7. Force Majeure

7.1 The seller shall not be considered in default if its failure to perform is attributable to any of the circumstances stated herein if they occur after conclusion of the contract-or when they have occurred before that time. If their effects were not clearly foreseeable before the conclusion and they prevent, hinder or delay the production in which the buyer intends to use the goods or the buyers acceptance of the goods or the seller's production or delivery by agreed means.

The following shall be considered cases of relief (force majeure): industrial and labour disputes and any other circumstances including but not limited to fire; flood; mobilization; war; insurrection; requisition; embargo; blockade; currency restrictions; general shortage of labour; transport; materials; energy and water; obstructions of railways or obstruction of navigation by ice at port of shipment, non delivery or faulty or delayed delivery by the supplier of raw materials, Acts of God, labour disputes, strikes, acts of governmental agencies, or other commodities and any other circumstance beyond the control of the seller whether or not similar to the causes of enumerated herein.

7.2 The seller shall without delay inform the buyer of the intervention and cessation of any of the aforesaid circumstances impeding the performance of the seller. If by reason of any aforesaid circumstances the performance of the seller under the contract within a reasonable time becomes impossible, the buyer as well as the seller shall be entitled to cancel the contract forthwith by written notice. Neither party shall be entitled to claim damages due to cancellation of the contract on the aforesaid grounds.

8. Warranty, Limitation of damages and Waiver Warranty

The seller warrants to the buyer that the products sold shall be free from defects in material and workmanship and shall comply with all specifications expressly agreed in writing by the seller to be applicable to this sale. No other warranty, express or arising by operation of law or trade usage or otherwise implied, including without limitation of the warranty of merchantability and the warranty of fitness, shall exist. All such warranties are hereby disclaimed by the seller and waived by the buyer after 3 months, unless ongoing. There are no warranties, which extend beyond those expressly given herein.

8.1 Defective goods shall be replaced by goods of agreed quality as soon as possible. The parties may alternatively agree upon a price-reduction or a reimbursement of the price paid in order to compensate the buyer for the difference in the value of goods of agreed quality as soon as possible. The replacement shall be carried out by the seller without cost to the buyer. The parties may alternatively agree upon a price-reduction or reimbursement of the price paid in order to compensate the buyer for the difference in the value of the goods of agreed quality and defective goods. The liability of the seller shall not apply to defects due to causes arising after the risk of goods has passed on the buyer.

Replacement of defective goods or a price reduction shall exclude any other remedies of the buyer pertaining to inferior quality of the goods delivered.

Defective goods replaced or reimbursed as aforesaid shall upon request for the seller be placed at the disposal of or returned to the seller.

8.2 When either party is liable in damages to the other under the contract, these shall not include consequential damages. Damages shall in no case exceed the invoiced value of any single delivery or part thereof that has been delayed or defective. In the event that the seller can prove that the specification provided by the buyer has been duly complied with, no liability for damages exists.

8.3 If one party alleges a breach of contract by the other party, he must take all necessary and reasonable measures to mitigate the loss.

8.4 The failure of either party at any time to require performance by the other party of any provision hereof shall in no way effect the full right to require such performance at any time thereafter. Nor shall the waiver by either party of a breach of any provision hereof be taken to be a waiver of any succeeding breach of such provision or a waiver of the provision itself.

9 Product liability

9.1 Should either party receive a product liability claim concerning the contractual goods, he shall inform the other party in writing immediately.

9.2 In the case of damage caused by harmful inherent vices of the goods or information, instruction or advice given hereto, the seller shall be liable to the buyer only for personal injury, damage to the property or damage to products of which the goods constitute a part, and only if it is proven that such damage was caused by intent or gross misconduct by the seller or someone the seller is responsible for.

9.3 when the goods have been delivered subject to drawings, materials, models, specifications or other instructions by the buyer, the buyer is responsible for damages to which end customers and the seller are entitled as a result of such instructions.

9.4 Should the seller or the buyer pay compensation to a third party suffering damage for damages that the party in question is not liable for according to sub-clauses 9.2 and 9.3, the party who has paid the compensation is entitled to a claim of recourse from the other party.

10. Applicable Law and Setting Disputes

10.1 The contract shall be governed and interpreted in accordance with the laws of the country of the seller except concerning the retention of title clause 11, where the law of the country of the buyer shall apply.

10.2 All disputes arising in connection with the contract shall be finally be settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with the rules. The Arbitration proceedings shall take place in Helsinki and be conducted in English language.

10.3 Notwithstanding the provisions in sub-clause 10.1 or 10.2 the seller shall be entitled to lodge claims concerning outstanding debts in the competent court of the buyer's domicile or place or business.

11. Retention of Title

Should delivery have been made before payment of the whole sum payable under the contract, the goods delivered shall, to the extent permitted by the law of the country where the goods are situated after delivery, remain the property of the seller until such payment has been effected in full together with the full price of any other goods which are subject of any other contract with the seller and all other sums due from the buyer to the seller. The ownership of the goods includes the right to the goods such as delivered or converted.