

TERMS AND CONDITIONS OF SALE AND DELIVERY

Mekrapid Products Ltd

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Org.nr 0523240-9

1 Scope

If You (hereinafter the “Buyer”) are doing business with Mekrapid Products Ab (hereinafter “Mekrapid”), the following terms and conditions of sale and delivery of Mekrapid furniture parts apply to all quotations, orders, sales and deliveries.

Exceptions from these terms and conditions must be agreed in writing between the Buyer and Mekrapid.

2 Quotations, prices and payment terms

- 2.1 All prices are in EUR currency if not otherwise stipulated.
- 2.2 Validity period for prices is stipulated in the order confirmations. If the product, packing or freight prices have changed after the quotation period has ended, Mekrapid can alter the prices at the time of a new order and the order confirmation from Mekrapid side.
- 2.3 All product prices are ex works, excluding V.A.T., packing materials and freight.
- 2.4 Packing material prices and freight prices given in quotations and order confirmations are approximate until the date of delivery. Mekrapid reserves the right to alter packing and/or freight prices before the time of delivery if there are changes in such combinations and/or prices between quotations, confirmations and time of delivery.
- 2.5 The right to alter product prices between quotations and order confirmations and time of delivery is limited to significant changes in prices and costs such as changes in exchange rates, freight or customs rates, or public taxes that are beyond the control of Mekrapid.
- 2.6 Payment term is 14 days net if not otherwise agreed in written or stated in the quotation or in the order confirmation.
- 2.7 Mekrapid has right, if it deems necessary, to claim the payment to be paid in advance partly or in full before the shipment of the order.
- 2.8 Mekrapid does not accept cheques.

3 Samples

- 3.1 Samples, their packing materials and related freight cost will be invoiced by Mekrapid.

4 Order confirmation

- 4.1 The order confirmation shall be binding on the Buyer. Any claims must be made in written no longer than 48hours after receiving of the confirmation.
- 4.2 Orders do not become binding on Mekrapid until the order confirmation has been sent to the Buyer.

5 Delivery

- 5.1 Delivery is DAP/Delivered at Place (Incoterms 2020), if not otherwise agreed upon. Mekrapid may choose the most suitable and efficient form of transport. The Buyer pays the freight and the freight document costs of the delivery to Mekrapid according to the payment terms of Mekrapid's invoice.
- 5.2 Mekrapid informs the Buyer in writing in the order confirmation of the approximate freight cost to be invoiced.
- 5.3 Mekrapid shall take out a transport insurance policy when delivery term is DAP Jakobstad. When and if the delivery term is another, the transport insurance arrangement and cost shall be arranged by the Buyer.
- 5.4 Planned delivery time/date from Mekrapid is set in the order confirmation. A variation in the time of delivery from Mekrapid may be three (3) working days without prior notice to the Buyer. If the variation exceeds three working days Mekrapid shall inform the Buyer.
- 5.5 If a delivery includes custom-made products the delivery shall be regarded as complete when Mekrapid has delivered ~15% more or less than the amount set out in the order and/or in the order confirmation.
- 5.6 Regardless of quotations and/or order confirmations given, Mekrapid is not liable for failure to fulfil delivery obligations, and thus entitled to postpone the time of delivery, if any of the following situations arises in the time elapsed between the order confirmation and planned delivery time: all situations which are beyond the control of Mekrapid, such as fire or other severe damage to building and/or production equipment, exceptional weather conditions, industrial disputes, natural catastrophes, war, mobilization or unforeseen military call-up of similar dimensions, requisition, confiscation, foreign exchange restrictions, riots and disturbances, strikes, the lack of transport, general shortage of goods, power restrictions, cyber-attacks, hindrances caused by epidemics or pandemics or any similar cause and any defects or delays in connection with supplies to Mekrapid, which are due to the situations stated in this clause.
- 5.7 If a delivery is delayed, due to one or more of the situations mentioned in clause 5.6, and the delay is expected to last for more than four (4) months, Mekrapid and /or the Buyer is entitled to cancel the order without this being regarded a breach of contract.

6 Delays and/or cancellations of the Buyer

- 6.1 Delays in payment entitles Mekrapid to hold back deliveries of ordered goods to the Buyer until payment is settled in full, including also possible previous orders of the Buyer which are still unsettled in full.
- 6.2 If the Buyer will not be able to take delivery of the goods by the stipulated date, the Buyer shall notify Mekrapid in writing about this, and the probable time when reception can take place.
- 6.3 Notwithstanding that the Buyer fails to take delivery of the goods at the stipulated time, it shall make any payment contingent upon delivery, as if delivery of the relevant goods had taken place.
- 6.4 Mekrapid shall store and insure the goods for the Buyer's account and at the Buyer's risk and cost.
- 6.5 Orders may only be cancelled subject to Mekrapid's written consent. The Buyer shall pay any costs which Mekrapid may have incurred.

7 Warranty and lack of conformity

- 7.1 Mekrapid guarantees, through quality control through the whole process, that products are free from significant defects in function, design, materials and workmanship.
- 7.2 The expected lifespan of Mekrapid products are shown in Mekrapid's test reports.
- 7.3 A Mekrapid product does not require technical maintenance during its expected lifespan.
- 7.4 Mekrapid shall for a period of 24 successive months from the date of delivery to correct all defects in products due to materials, manufacture or from similar cause and which are a result of mistakes of Mekrapid. The Buyer shall notify Mekrapid in writing of any defects without undue delay after such defects have appeared, but no later than 21 days after such appearance.
- 7.5 To be able to detect and confirm a defect, the product together with possible other component attached to it has to be sent to Mekrapid for inspection. In such case Mekrapid shall pay the reasonable costs of the delivery.
- 7.6 Subject to time limits set out in section 7.4 above, in case of recognized and acknowledged defect in a delivered product, Mekrapid is entitled to choose either to replace the defective goods by supplying corresponding goods to the Buyer at no cost to the Buyer (terms and conditions according to this document), or to credit the defective goods once the goods are returned at Mekrapids expense, or to offer the Buyer a reduction in price of the goods concerned.
- 7.7 The obligation to compensate the Buyer the defective product (section 7.6) does not apply when defects are due to the fact that the delivered products has not been used in full agreement with Mekrapid's directions, written, technical, 3D, or any other instructions or if the delivered goods are used incorrectly or inappropriately, or if alterations or technical adjustments are made without the written consent of Mekrapid.
- 7.8 Costs in connection with dismantling and installation are not included in the right of redress.
- 7.9 Mekrapid is under no circumstances liable for indirect losses, such as running loss, loss of profits or loss of time.

8 Product liability and limitations

- 8.1 Mekrapid is only liable for damages if current legislation does not completely or partly exempt Mekrapid from such liability.
- 8.2 Mekrapid is not liable for damage to property or movables.
- 8.3 Mekrapid is only liable for direct damage caused by Mekrapid products, to persons or where it can be shown that such damage was due to fault or negligence on Mekrapid's part or that of Mekrapid's employees. Under no circumstances shall Mekrapid be liable for loss of profits, loss of time or earnings, or any other consequential financial or indirect loss or damage.
- 8.4 Mekrapid is not responsible for damage resulting from overloading of products, nor any incorrect use of them.
- 8.5 Mekrapid is not liable for damage on products that is manufactured by the Buyer and in which the product supplied by Mekrapid is included.
- 8.6 In the event that Mekrapid incurs product liability towards any third party, the Buyer shall indemnify and hold Mekrapid harmless to the same extent as Mekrapid's liability is limited according to this section 8. If any third party raises a claim for compensation against the Buyer in any case of product damage, the Buyer shall forthwith notify Mekrapid to this effect.
- 8.7 In any case Mekrapid's total liability towards the Buyer shall be limited to a maximum of 1,20 times the paid price of a product including packing, freight costs and other possible costs related to delivery of the product.

9 Payment

- 9.1 Terms of payment is stated in the quotations, order confirmations and invoices.
- 9.2 In the event of late payment an interest of 8% per commenced month can be charged.
- 9.3 In the event of non-payment, all costs arising from collecting and recovering the debt including interest rate, charges for lawyers and/or debt-collection agencies etc. shall be paid by the Buyer.
- 9.4 The Buyer is not entitled to offset all or part of the purchase price, and any lack of conformity in accordance with section 7 does not entitle the Buyer to withhold all or part of the purchase price.

10 Intellectual property and production rights

- 10.1 Mekrapid treats all drawings, designs or other property of the Buyer confidentially.
- 10.2 Mekrapid holds the exclusive right to all patents, product designs and technical solutions, trademarks and other possible intellectual property rights (registered as well as non-registered) that is used, created or contained in or arising as a result of or in connection with the delivery and trade of Mekrapid's products.
- 10.3 Products, product solutions and production solutions including samples of these, developed by Mekrapid may only be produced by Mekrapid or with Mekrapid's permission.

11 Drawings, descriptions, testing and technical product information

- 11.1 Mekrapid's drawings, sketches and measurements in public catalogues and product information sheets are approximate and not intended as reference material for production equipment or production (see 11.5).
- 11.2 Mekrapid reserves the right to make such changes in product dimensions and functions, that are due to technical development and necessary to maintain or improve product features, serviceability and/or production efficiency.
- 11.3 Mekrapid undertakes to inform the Buyer if product changes are made that may affect the use of the product at the Buyers end.
- 11.4 Mekrapid tests products for durability, strength and fatigue in own test stations. The tests are made on solitaire products according to current standards. The products are not assembled in furniture pieces/chairs during the tests. Each Buyer is responsible to do the final tests for their chair models according to the requirements on the relevant market at a certain period.
- 11.5 Mekrapid provides, and recommends the Buyer to take part of, the technical support in relation to Mekrapid's products. Technical information such as 3D-files, technical advices and recommendations for use and production, test reports etc. will be provided by Mekrapid upon request by the Buyer.

12 All monies Retention of Title clause (RoT)

- 12.1 Mekrapid retains title to all products delivered to Buyer until receipt of all amounts invoiced, including interests and charges.
- 12.2 This retention of title clause is still in force, if the goods will be used in the buyer's products or mixed with the Buyers goods of other suppliers. In that event the retention of title shall comprise the transformed or processed product to an extent equal to the value represented by the sale from Mekrapid.
- 12.3 The Buyer is obligated to keep the goods insured against theft, burglary, fire etc. as long as the goods are covered by this retention of title clause.

13 Disputes and applicable law

- 13.1 The order and all matters arising out of or in connection with it shall be interpreted, construed and governed exclusively in accordance with the laws of Finland without reference to its choice of law rules.
- 13.2 Any dispute, controversy or claim arising in connection with trading between the Buyer and Mekrapid shall be settled by the Ostrobothnia District Court in Finland as a first instance.