# **General Conditions for Corrective Maintenance**

of Machinery and other Mechanical, Electrical and Electronic Equipment in Denmark, Finland, Norway and Sweden.

Issued in 2015 by Dansk Industri, Denmark; Teknologiateollisuus – Teknologiindustrin, Finland; Norsk Industri, Norway, and Teknikföretagen, Sweden.



These General Conditions are intended for use where a Contractor carries out repair and other corrective maintenance of the Customer's equipment. The maintenance may be carried out where the equipment is located, at the Contractor's works or in another place to which the equipment has been sent for the work.

# **Applicability**

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

# **Contractor's Obligation**

**2.** Under the contract, the Contractor undertakes to perform corrective maintenance of the equipment, hereinafter called the Equipment.

The maintenance shall be performed in order to remedy any functional defects in the Equipment. It shall be commenced within the agreed time or as soon as possible. Unless otherwise agreed, the corrective maintenance shall include the following:

- fault tracing
- renair
- provision and installation of spare parts
- functional checks

#### **Original Parts**

**3.** Unless otherwise agreed, the Contractor shall only use parts of the original brand or parts of equivalent quality when carrying out maintenance.

# Contractor's Access to the Equipment. Working Hours

**4.** The Customer shall ensure that the Contractor has access to the Equipment at the agreed time for maintenance. Unless otherwise agreed, the maintenance shall be carried out during the Contractor's normal working hours.

#### **Customer's Delay**

**5.** If the Customer cannot give the Contractor access to the Equipment at the agreed time, he shall immediately notify the Contractor thereof.

Regardless of the cause for such delay the Customer shall reimburse the Contractor for any additional costs incurred by the latter as a result of the Customer's inability to provide access to the Equipment at the agreed time.

If maintenance is carried out elsewhere than the Customer's premises and the Customer is in delay in taking delivery of the repaired Equipment, the Contractor shall arrange storage of the Equipment at the Customer's risk and expense.

Except as specified in this Clause, the Contractor shall not be entitled to any compensation for the Customer's delay.

### **Contractor's Delay**

**6.** If the Contractor fails to be present at the agreed time and such delay is not due to the Customer, the Customer

may – having notified the Contractor thereof in writing – carry out the maintenance himself or employ others to do so

Unless the delay is due to force majeure as defined in Clause 21, the Contractor shall reimburse the Customer for any additional costs the latter incurs for such maintenance.

Except as specified in this Clause, the Customer shall not be entitled to any compensation for the Contractor's delay.

# **Working Conditions**

7. The Customer is responsible for working conditions when work is carried out on the Customer's premises and shall, in accordance with applicable laws for working conditions, protect the Contractor's personnel from accidents and prevent their exposure to any health hazards.

The Customer shall ensure that the Contractor's personnel are informed of any hazards that may exist at the worksite and of hazards while using tools and equipment supplied by the Customer.

The Contractor shall inform the Customer of any special hazards that the maintenance may entail. The Customer is obliged to take necessary precautionary measures required by the Contractor.

# **Technical Documentation**

**8.** The Customer shall provide the technical documentation in his possession that is necessary for carrying out the maintenance. The Contractor may not use such documentation for any purpose other than to carry out the agreed maintenance.

#### Confidentiality

9. Neither party may, without the consent of the other, disclose to any third party technical or commercial information which either party, at the formation of the Contract or later, has stated as confidential or which is obviously of a confidential nature. This does not apply to the extent that such a disclosure is necessary to enable a party to fulfil its obligations under the Contract.

# Contractor's Maintenance Log

**10.** When maintenance is carried out, the Contractor shall keep a log or an equivalent document and record his observations and the measures taken.

A copy of this log or document shall be provided to the Customer following each occasion when maintenance is performed.

## Price Estimate. Ceiling price

11. Upon the Customer's request, the Contractor shall provide a price estimate after fault tracing but before undertaking any other maintenance. Said price estimate shall not be binding upon the Contractor.

If an explicit ceiling price has been agreed, it may not be exceeded.

#### Payment

**12.** Payment shall be made against invoice no later than 30 days from the date of the invoice.



The Contractor's invoice shall specify the following items separately:

- payment for working time
- payment for time and costs for travel, board, lodging and transport costs
- payment for spare parts
- payment for other material that has been supplied to the Equipment
- payment for waiting time or overtime caused by the Customer.

The above charges shall be in accordance with the norms and price lists generally applied by the Contractor at the time when the maintenance is carried out.

Value-added tax will be charged on the payments listed in this Clause and shall be paid by the Customer.

If the Customer fails to pay in time, the Contractor shall be entitled to interest from the due date at the rate of interest determined by the law on late payments in the Contractor's country.

#### **Liability for Deficient Maintenance**

13. If the Contractor has failed to correctly perform the maintenance specified in the Contract or if the maintenance otherwise has not been performed professionally, the Contractor shall as soon as possible and at his own expense remedy the deficiently performed maintenance.

#### **Liability for Defects in Installed Parts**

**14.** The Contractor shall at his own expense and as soon as possible remedy defects in parts which he has installed under the Contract.

#### **Liability Period**

**15.** Unless otherwise agreed, the Contractor shall be liable for the maintenance he has performed and installed parts for a period of one year.

#### **Notice of Deficiencies and Defects**

**16.** If such deficiencies appear in the maintenance as defined in Clause 13 or such defects in installed parts as defined in Clause 14, the Customer shall without undue delay notify the Contractor

If the Customer fails to give notice without undue delay, he shall lose his rights in respect of deficient maintenance and defects in installed parts.

# **Measures to Prevent Damage**

17. If deficient maintenance as defined in Clause 13 or defects in installed parts as defined in Clause 14 due to risk of damage require immediate measures, the Customer shall – if the Contractor cannot take such immediate measures – take any measures necessary to prevent or mitigate damage. The Contractor shall compensate the Customer for the necessary costs for such measures.

# **Contractor's Failure to Remedy Deficient Maintenance or Defects in Installed Parts**

**18.** If the Contractor fails to remedy deficient maintenance or defects in installed parts within a reasonable time, the Customer may, having notified the Contractor thereof in writing, himself undertake or employ a third party to undertake such remedial work at the risk and expense of the Contractor, provided that he proceeds in a reasonable manner.

# Liability for Damage to the Customer's Property

19. The Contractor shall be liable for damage to the Customer's property caused by the Contractor's negligence in connection with the fulfilment of the Contract. The Contractor's liability shall for each occurrence be limited to EUR 100,000 or the corresponding amount in the currency of the Contract.

The Customer shall bear all risks of loss of or damage to the Equipment also when it is away from the Customer's premises for maintenance.

#### **Limitation of Liability**

**20.** The Contractor's liability under Clauses 13, 14 and 17 does not cover defects or damage due to circumstances beyond the control of the Contractor such as incorrect use of the Equipment, deficient maintenance on the Customer's part and incorrect measures under Clause 17. Nor shall the Contractor be liable for normal wear and tear.

The Contractor shall have no liability for deficient maintenance, defective parts or otherwise for his negligence except as defined in Clauses 13, 14, 15, 17, 18 and 19. This also applies to any loss, which may be caused in connection therewith such as loss of production, loss of profit and any other consequential economic loss. However, this limitation of the Contractor's liability shall not apply where he has been guilty of gross negligence.

To the extent that the Contractor incurs liability towards any third party for damage arising in connection with performance of the Contract, the Customer shall indemnify, defend and hold the Contractor harmless to the same extent as the Contractor's liability is limited as stated above in this Clause.

If a third party lodges a claim for damage or loss as described in this Clause against the Contractor or the Customer, the other party shall forthwith be informed in writing thereof.

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

21. 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, mobilisation 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 formation of the Contract.

The party wishing to claim relief as described in the first paragraph, shall without delay notify the other party in writing on the intervention and on the cessation of such circumstance.

If any ground for relief does not cease within reasonable time, either party shall – if the maintenance cannot be carried out later without substantial inconvenience for him – be entitled to terminate the Contract by notice in writing to the other party. In case of such termination, the Contractor shall be entitled to compensation for the maintenance he has performed.

#### Disputes. Applicable Law

**22.** Disputes arising out of or in connection with the Contract shall not be brought before the court but shall be finally settled by arbitration in accordance with the law on arbitration applicable in the Contractor's country.

However, the Contractor may bring an action to court in the Customer's country in respect of disputes concerning payment for performed maintenance.

All disputes arising out of the Contract shall be judged according to the law of the Contractor's country.

