
General Terms and Conditions of CFM Services Oy

General

CFM Services Oy ("CFM Services") offers CFO and financial management services to our clients subject to these General Terms and Conditions. These terms are applicable to all our assignments, unless we and the client have agreed differently in writing on a case by case basis

Offer

1. An offer of an accounting firm shall be valid for a period of 30 days from the date of the offer, unless otherwise stated in the offer.

Entry into force of the contract

2. The contract enters into force by signing of the service contract by both parties or when CFM Services has confirmed the order of the client.

Services

3. The tasks to be performed by CFM Services are detailed in the service specification (hereinafter Services) attached to the contract. If CFM Services performs on the basis of an order other than the detailed services mentioned in the attachment, these terms apply to them as well.

CFM Services starts to provide the Service forthwith after the client has given CFM Services necessary information and material and paid a possible advance payment. CFM Services shall provide the Services carefully and professionally in accordance with the working and reporting methods of the company.

Basic Information

4. The client shall see that CFM Services always has up to date basic information on the client (hereinafter Basic Information). Such information include contact, personnel, financial year, Trade Register information, industry, domicile, nationality, members of the board of directors and other necessary information and instructions on the measures to be taken. The client shall name a contact person, to whom CFM Services can turn if needed to obtain information or decisions in relation to the Services. A party shall inform the other party if the contact person is changed.

Confidentiality

5. The party shall keep confidential the other party's trade secrets and other confidential information brought to his knowledge. They shall not be used to any other purpose than to fulfill the contract. The offer, order confirmation and contract with its terms and thereto included plans and schemes and other material are regarded as confidential. The confidentiality obligation shall survive the termination of the contract. The parties shall ensure that also their employees undertake to observe the confidentiality obligation.

Validity of the contract

6. The contract is valid until further notice with a three (3) months' notice period, unless otherwise agreed. If neither of the parties give a notice on a fixed term contract at least three (3) months before the end of the agreed fixed term, the contract is valid until further notice with a three (3) months' notice period.

Interruption of the Services and termination of a contract with immediate effect

7. CFM Services has the right to interrupt the Services, if

- a) the payment to CFM Services is delayed with more than seven (7) days,
- b) the client does not provide the necessary information or material in due time or does not otherwise properly contribute to the provision of the Services, or
- c) client breaches the contract in some other manner or breaks the laws, orders, instructions or recommendations of the authorities significant to the provision of the Services.

If the client does not correct the situation within seven (7) days from the written remark of CFM Services, CFM Services has the right to terminate the contract with immediate effect.

8. The client has the right to terminate the contract with immediate effect, if CFM Services essentially breaches the contract and does not begin to correct the situation within seven (7) days from the written remark of the client.

9. A party may terminate the contract with immediate effect, if the other party is declared bankrupt or applied for reorganization or arrangement of debts.

Rights to the material, right of retention to the material, transfer of the material to the client

10. The rights to the material produced by CFM Services belong to the client.

CFM Services has the right to have in its possession the material prepared for the client on the basis of the material the client has submitted to CFM Services or otherwise until all the receivables of CFM Services from the client have been paid, unless nothing else is regulated in mandatory bankruptcy or other legislation. CFM Services shall transfer the material to the client forthwith upon payment. The client shall take care of the picking up of the material at its own expense. If the client does not come to pick up the material on a due date given by CFM Services at the latest, CFM Services will send it as registered collect on delivery, unless otherwise agreed. CFM Services has the right to keep the copies of the material it has produced also after the termination of the contract. CFM Services keeps the Basic Information at least five years from the termination of the contract. CFM Services has the right to collect a fee on the keeping of the client's material.

Charges

11. CFM Services' principles for charging have been agreed upon in contract attachments. In addition to the fee, the Client shall compensate CFM Services for necessary direct travel and other costs. Unless otherwise agreed, additional work shall be charged in accordance with CFM Services' practice.

The charges do not contain VAT, which is added itemized to the charges together with all the other indirect taxes and charges ordered by the authorities.

Service charge is payable also during the notice period in accordance with the service contract, even though no Services have been ordered and performed during the notice period.

Terms of payment, consequences for default

12. Unless otherwise appears in the signed service contract or otherwise agreed, the terms of payment is fourteen (14) days from the date of the invoice and interest on overdue payments is 10%. CFM Services has the right to charge the collecting costs of a delayed payment.

Complaints regarding the invoices

13. Complaints regarding the invoices shall be made in writing within ten (10) days of the date of the invoice.

Changes of the payments and the General Conditions of Contract

14. In case of changes in labor costs or in other bases for determining charges, CFM Services has the right to adjust its charges accordingly.

15. If these General Terms and Conditions applied in the contract change, CFM Services shall have the right to change the contractual terms by replacing the General Terms and Conditions with the amended General Terms and Conditions.

16. CFM Services shall notify the client of the aforementioned amendments in writing, no later than sixty (60) days before the adjustment enters into force. Then the client shall have the right to give a notice in writing within thirty (30) days of the date of the notification to terminate the contract on the effective date of the adjustment.

17. In case the charges or the bases for determining the charges change due to amendment of law or orders of the authorities, CFM Services shall have the right to amend its charges accordingly. The changes shall be notified fourteen (14) days before they become effective.

Responsibilities of the parties

18. The client, having a legal obligation to keep books, is responsible for its bookkeeping, as a taxpayer he is responsible for paying the taxes and as an employer he is responsible for the obligations related to the employer status.

19. CFM Services shall place the Services and its expertise at the client's disposal in accordance with the contract and these General Terms and Conditions.

20. CFM Services is liable for its breaches of contract with the limitation included in these General Terms and Conditions, error in its Services and negligence causing damages to the client. CFM Services has the duty to compensate the damage only and to the extent that the client proves that due action according to the contract, carried out by CFM Services on time, would actually have prevented the damage or limited it.

Notifying of the error of CFM Services and correction of it

21. If an error is discovered in the Service performed for the client by CFM Services, the client must inform CFM Services thereof without delay. CFM Services shall then have the right and the obligation to correct the error it has caused without a charge, as soon as the circumstances permit. If the client neglects to report an error which it has detected, or which it should reasonably have detected, the client shall not have any right to make claims based on the error.

CFM Services is responsible only for its own activities

22. CFM Services is not responsible for the taxes of the client, or for damages other than those mentioned in Section 20 above. CFM Services is

not liable for the damages caused by the inadequateness, incorrectness or tardiness of the information or instructions or of the material provided by the client, or damages attributable to the client, or if the damage has been caused by a person, other than employee of CFM Services, acting on behalf of the client. Nor shall CFM Services be liable for damages caused by the fact that the client or somebody acting on his behalf other than employee of CFM Services has not followed the relevant laws or regulations of the authorities or the terms and conditions agreed. CFM Services is never responsible for commercial or managerial decisions. They are decided upon and answered for by the client.

Limitation of liability of CFM Services to direct damages and to maximum amount

23. The financial liability of CFM Services related to service contracts is limited in all events to damages caused by professional fault and, as to amount, to the aggregate maximum sum of five hundred thousand Euro (500,000 €).

We exclude any liability for indirect or consequential damages as well as for claims of third parties.

Breach of a contract, defect or negligence in performing the Services do not cause any other consequences to CFM Services than the those aforementioned.

Deadline for presenting claims

24. The client shall notify CFM Services, without delay and in writing, of any claim it may have. If the matter involves an error or deficiency which is detected or can be detected immediately, the notification must be made immediately and in no case later than within fourteen (14) days. Unless an itemized claim is presented to CFM Services within six (6) months of the detection of the damage, no compensation shall be paid. Furthermore, no compensation will be paid if a claim is presented when more than three (3) years has lapsed after the performing of the Service in question. Nonetheless, if the damage is caused by an error committed by CFM Services appearing in the Service directly relating to the bookkeeping of the client, which can be residual tax inspected, the time for presenting the claim is six (6) years from the performing of the Service in question instead of the aforementioned three years.

Third party claims

25. Should a third party present one of the parties with a claim for damages based on the Services or the assignment contract, the other party must be notified of this without delay. Should CFM Services pay damages to a third party, the client shall indemnify CFM Services for the loss CFM Services has incurred so far as it is not resulting from the error or omission of CFM Services in observing of the contract terms.

Subcontractors and the personnel

26. The party is responsible for the work performed by its subcontractors like it is responsible for its own work. Client's obligations towards CFM Services and the terms on the limitation of liability are in force also for the benefit of the subcontractors, personnel, shareholders and management of CFM Services.

Liability insurance of CFM Services

27. CFM Services keeps in force at its own expense proper liability insurance. Upon the occurrence of an event of damage the client shall for its part submit the insurance company with necessary reports and provide the

insurance company with a possibility to assess the quantity and quality of the damage.

Force majeure; grounds for release

28. If the fulfilment of either party's contractual obligations is prevented, impeded or delayed owing to a circumstance beyond the party's control, such as a strike, work boycott, lockout or other labor conflict, a fire or other accident or crisis situation, lightning damage or other act of nature, or due to a disturbance in the communications connections or electricity, the party concerned shall be released from the performance of its contractual obligations and from the sanctions as long as the circumstances require. Error or delay of the authorities or of a bank, a defect in equipment, software, information connections or lines, the breaking off, interruption, or disturbance of data communications or links, and an action taken by a network operator shall be deemed grounds for release.

29. The other party shall immediately be notified of the force majeure and the ending of it.

Notifications

30. Termination or early termination of the contract, as well as other remarks and notifications according to the contract must be made demonstrably. Unless otherwise agreed, the notifications deem to have been made and come to the knowledge of the receiver the following working day of the date when,

- they are left for the post to be delivered and addressed to the address mentioned in the contract or notified later by the party in writing, or

- they have been sent to the e-mail address mentioned in the contract or notified later in writing by the party.

Electronic communication

31. The parties are each responsible for information security and antivirus and other protection software condition and up-dating. The parties know and accept that despite of this electronic communication may be disturbed. The parties may send each other emails and attachment files without encrypting them, unless otherwise agreed. The party is not responsible for the email or attachment file sent through the electronic communication system has been received unchanged or without delay.

Recruitment limitation

32. Neither party may without the consent of the other party engage a person, who has performed tasks meant by and essential to the Services, employed at that moment or previously by the other party, or agree on any other arrangement in order to acquire the work input of such a person, before six months has passed from the termination of the accounting Services contract.

Unless otherwise agreed, the party breaking the recruitment limitation shall pay the other party a compensation amounting to six (6) months' gross salary of the employee in question.

The recruitment limitation is not in force, if the employment relationship has ended for a reason attributable to the employer.

Transfer of contract

33. The transfer of contract is subject to a written consent of the other party.

Amending of contract

34. Other amendments to the contract than those mentioned in sections 14.-17. shall be agreed upon in writing.

Previous contracts

35. Contract which includes these General Terms and Conditions supersedes all the previous contracts regarding the Services made between the parties and verbal and written notifications.

Dispute resolution

36. The parties pursue to solve their disputes through negotiations. Any disputes arising from this contract are to be brought primarily for settlement by mediation in accordance with the mediation rules of the Finnish Bar Association or when enabled by the law, in a court of law. Settlement may be brought to be confirmed by an arbitrator. Otherwise the disputes shall be settled by the district court of the domicile of the defendant.

Other terms

37. These General Terms and Conditions and other documents mentioned in the contract shall be applied to this contract in accordance with the Laws of Finland. Information contained in the brochures, price lists and material of CFM Services are part of the contract only, if it is separately and explicitly stated so in the offer, order confirmation or contract.

Order of priority

38. If the contractual instruments contradict, they are applied in following order of priority:

1. Service contract

2. Service specification and other attachments to the contract in the numerical order

3. These General Terms and Conditions

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