

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

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Committee on Government Procurement

Original: English

**NATIONAL LEGISLATION**

**Communication Pursuant to Article IX:4**

**Finland**

In accordance with paragraph 4(b) of Article IX, each Party shall inform the Committee of any changes in its laws and regulations relevant to the Agreement on Government Procurement and in the administration of such laws and regulations.

The following attached information<sup>1</sup> in response notified by Finland in the English, Finnish and Swedish<sup>2</sup> languages has been received with the request that its English versions be circulated to the members of the Committee.

This communication contains:

- (i) Finland's new Decree on Government Procurement which came into force on 1 January 1994;
- (ii) the general terms of public procurement.

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<sup>1</sup>English only

<sup>2</sup>The Finnish and Swedish language versions are available in the Secretariat for consultation by interested delegations (Annet Blank, tel. 739 53 49, bureau 2060).

FINLAND  
Statute No. 1416/1993  
as amended through  
No. 28/1994 (new Section 15a)

Unofficial translation,  
18 April 1994,  
Ministry of Trade and Industry

## **Decree on Government Procurement**

Issued in Helsinki on 22 December 1993

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By virtue of Section 17 of the Act on Public Procurement of 30 December 1992 (1505/1992) and on presentation by the Minister of Trade and Industry it is decreed:

### **Chapter 1**

#### **General Provisions**

##### **Section 1**

##### **Scope of Application**

The procedure stipulated by this Decree shall be observed in the procurement of supplies and services by State authorities referred to in the Act on Public Procurement (1505/1992), Section 2, first paragraph, subparagraph 1. Procurement undertaken pursuant to the Decree on Supply Contracts Referred to in the Agreement on the European Economic Area (1350/1993) is governed by this Decree only where Sections 2, 7, 10 (first paragraph), 11, 12, 13, 14 and 15 are concerned.

##### **Section 2**

##### **Procurement Principles**

In government procurement, efforts shall be made to create competition and ensure an equal and confidential treatment of suppliers.

Furthermore, better terms of purchase as well as savings shall be sought by utilizing, where possible, either collective purchases arranged by contracting entities or other joint acquisitions, or by undertaking procurement in cooperation with other buyers operating in the same region or using similar supplies or services.

## Chapter 2

### Procurement

#### Section 3

##### Procurement Procedures

Procurement shall be undertaken either through:

- (1) Competitive tendering, during which all interested suppliers may submit a tender and the contracting entity may, where necessary, negotiate with one or more suppliers; or
- (2) Direct procurement without competitive tendering, where the contracting entity makes its procurement decision on the basis of a tender invited from a single supplier or on the basis of an earlier contract, or without arranging competitive tendering.

The reasons for negotiating an acquisition, or for making an acquisition other than one of minor value without competitive tendering, shall be included in the procurement documents.

#### Section 4

##### Procurement without Competitive Tendering

Procurement may be undertaken as direct procurement without prior competitive tendering if:

- (1) The supplies or services to be procured are not available from other sources;
- (2) A specific type of supplies or services has to be procured for reasons connected with maintenance, spare parts or other technicalities;
- (3) So required in the interest of national security or defence;
- (4) The procurement is one of exceptional urgency;
- (5) The procurement is based on a right of additional procurement (option) provided for in the contract;
- (6) The lower price and other favourable terms that may possibly be attained through competitive tendering do obviously not exceed the costs of arranging competitive tendering.

#### Section 5

##### Inviting Tenders

An invitation to tender shall be made in writing or by telex, telefax, electronic mail or similar means, depending on the nature, value and urgency of the procurement. The invitation may also be made orally, where the procurement is urgent or of minor value.

Tenders shall normally be requested to be submitted in writing or by telex, telefax, electronic mail or similar means. However, if the total value of the procurement is small, the suppliers may also be asked to tender orally. In the case of tenders submitted by telex, telefax, electronic mail or similar means, a request that it be confirmed in writing shall be made, depending on the nature, value and urgency of the procurement.

## Section 6

### Content of an Invitation to Tender

An invitation to tender shall be formulated clearly enough to provide a basis for comparable tenders. Suppliers shall be allowed a reasonable amount of time for drawing up their tenders.

Depending on the nature and value of the procurement, the invitation to tender shall state:

- (1) The extent and nature of the services to be provided or the quantity and nature of the goods to be supplied, using general trade names or an appropriate materials nomenclature or appending a list of any requirements concerning the supplies or services required and, where necessary, drawings, standards and models to be complied with;
- (2) Recommended terms of payment and delivery;
- (3) The time of delivery;
- (4) Required terms of guarantee, spare-parts and after-sales service, and maintenance;
- (5) Period during which tenders must be kept open;
- (6) Whether the supplier can tender for part of the supplies or services needed;
- (7) Required rights of possession and usufruct, and incorporeal rights;
- (8) Any other relevant details.

In addition, the invitation shall include a mention of the fact that the General Terms of Public Procurement shall be complied with and directions as to where, when and how tenders are to be submitted.

## Section 7

### Opening of Tenders

When the opening of tenders is arranged, the nature and value of the procurement shall be taken into account. In connection with the opening, a list of the tenders received shall be made.

### Chapter 3

#### Procurement Decisions

##### Section 8

###### Criteria

The contracting entity shall accept the tender with the lowest price or the greatest overall economic advantages by the criteria for assessing supplies or services, taking account of the price, operating expenses, functional characteristics, environmental impacts and other similar criteria.

The criteria for the procurement decision shall be indicated in the relative documents.

##### Section 9

###### Excluding a Supplier from the Procurement Procedure

A supplier may be excluded from the procurement procedure if:

- (1) The price quoted or the criteria for it are vague;
- (2) The supplier is deemed to lack the qualifications for carrying out the supply;
- (3) The supplier has gone into bankruptcy, a court for arrangement proceedings has confirmed a composition for him, or a court has confirmed a debt-adjustment or debt-restructuring programme for him,
- (4) An application for bankruptcy, composition, debt adjustment or debt-restructuring concerning the supplier is pending;
- (5) A decision has been made to place the supplier in liquidation;
- (6) The supplier has been convicted by a final judgement for an illegal act connected with his profession;
- (7) The supplier is guilty of serious malpractice;
- (8) The supplier has failed to fulfil his obligations relating to the payment of taxes or social security contributions in Finland or in the country in which his principal place of business is situated (the country in which he is established);
- (9) The supplier has furnished the contracting entity with false information when requested to give the information referred to in this Chapter.

An overdue tender must not be accepted. Nevertheless, an overdue tender which has arrived before the opening of tenders shall be considered if it is apparent that the supplier is not responsible for the delay.

Should the price quoted seem exceptionally low considering the goods or services to be procured, the contracting entity shall examine the tender in detail and, where necessary, request a statement from the supplier on the criteria of the tender.

## Section 10

### Award of Contracts

Contracts or orders for supplies or services shall be drawn up on the basis of the General Terms of Public Procurement appended to this Decree. The general terms can be applied in an abridged, modified or supplemented form as appropriate with regard to the nature of the procurement.

In the case of acquisitions that are urgent or of minor value, an order may be made orally.

## Chapter 4

### Miscellaneous Provisions

## Section 11

### Making Advance Payments

An advance payment may be made to the supplier as part of the agreed price against an acceptable security. When tenders are compared, the interest on the advance payment shall be taken into account as an element affecting the price.

## Section 12

### Other Security Requirements

Securities shall be required for any raw materials or accessories delivered to the supplier, unless their minor value or other reasons render securities unnecessary.

Where necessary, securities may also be required for supply according to contract.

## Section 13

### Types of Securities

Acceptable securities are government bonds, absolute guarantees provided by financial or insurance institutions, and bank deposits. In addition, an absolute guarantee given by a well-established corporation, a mortgage on property, shares and bonds listed on the stock exchange, and shares in a housing or real estate company may be accepted as securities.

## Section 14

### Impartiality

Anyone who participates in the handling of a matter concerning a tender, a procurement contract or its interpretation, or in the examination of supplies or services, shall be impartial.

## Section 15

### Publicity of Procurement

Documents concerning government procurement are not public until the relative procurement contract has been concluded or an order has been placed. Should it be necessary for reasons of national security or for the carrying out of a government or private transaction, disclosure of information about the documents shall not be permissible even after that.

### Section 15a

The Council of State may grant exemptions and reliefs from the provisions of this Decree. (5 January 1994/28).

## Section 16

### Coming into Force

This Decree will come into force on 1 January 1994. It repeals the Decree on Government Procurement of 28 December 1979 (1070/1979) as subsequently amended, and the Decision of the Ministry of Trade and Industry on the Establishment of General Terms of Public Procurement. (1071/79)

(Signatures)

Valid from 1 January 1994

GENERAL TERMS OF PUBLIC PROCUREMENT FOR FINLAND (1994)

Confirmed on 22 December 1993 by the Ministry of Trade and Industry in accordance with Decree No. 1416/93.

1. Scope

1.1. The following General Terms of Public Procurement shall be observed for procurements of goods and services unless otherwise specifically agreed in writing in individual cases.

1.2. In these Terms, Buyer means the entity that undertakes the procurement, Supplier means the other party to the procurement, and Goods mean the object of the procurement.

2. Tenders

2.1. A tender shall correspond to the invitation. In a tender not conforming to this requirement, the deviations from the invitation shall be stated.

2.2. A tender shall be binding and open for acceptance two months from the deadline for tenders, unless some other period of validity was indicated in the invitation.

2.3. The Buyer shall have the right to accept the tender or any part of it, unless otherwise specified in the tender.

2.4. The Buyer is not obliged to accept any tender.

2.5. The Supplier assumes all cost and expenses of making and submitting his tender.

2.6. A tender must include the following information:

- (a) A detailed description of the Goods (quantity, quality etc.)
- (b) The total price as composed of specified unit prices and applicable price variations due to quantity ordered, and, if the price is not fixed, an unequivocal base for price adjustment;
- (c) Terms of payment;
- (d) Terms of guarantee;
- (e) Time and terms of delivery in accordance with internationally approved terms of trade (Incoterms);
- (f) Packaging: number, size, standards observed and allowance, if any, of returnable transport covering;
- (g) Period of validity of the tender; and
- (h) Any other details specially mentioned by the Buyer in the invitation.

3. Contract of procurement

3.1. A contract between Buyer and Supplier shall be deemed concluded when:

- (a) Both parties have signed a written contract; or
- (b) The Buyer has notified the Supplier in writing that the tender has been accepted (order); or
- (c) The Supplier has confirmed the order in writing without alterations upon the request of the Buyer (confirmation of order).

3.2. The Supplier must send the confirmation specified in 3.1.(c) to the Buyer within 14 days of receipt of the order.

3.3. Any terms or conditions in the Supplier's confirmation of order which change or alter the terms of the order shall be valid only if approved in writing by the Buyer.

3.4. Any amendments to the contract shall be agreed upon in writing by both parties.

4. Prices

4.1. Unless otherwise agreed in writing the contract price is a firm and fixed total price.

4.2. The contract price shall include:

- (a) Any indirect taxes and duties payable by the Supplier and applicable at the deadline for tenders;
- (b) The cost of packaging required for normal transport and storage;
- (c) Any documents needed for the proper installation, use and servicing of the Goods, customary manuals pertaining to use and maintenance, and similar information.

4.3. If the contract price is wholly or partly tied to an exchange rate or to changes in a specific index, the price shall be adjusted only when the change is at least 2 per cent. If the base value of the factor was not given in the tender, it shall be calculated as from the values known at the date of the tender. The comparison value shall be the mean currency exchange rate as quoted by the Bank of Finland on the date of delivery or an index value published by the date of delivery, whichever is applicable.

4.4. Any advance payment made shall constitute a fixed part of the contract price. Any adjustments attributable to modifications of such indirect taxes or duties directly affecting the purchase price as shall according to the contract be borne by the Supplier shall, however, be taken into account also for advance payments.

4.5. If a delivery is delayed for any reason other than those given in paragraph 11 below and if the application of price adjustment or any modification of such indirect taxes or duties directly affecting the purchase price as shall be borne by the Supplier would result in a price increase due to the delay, this increase shall not be affected. If the price adjusted as per date of delivery is lower, the adjustment of price shall be affected.

4.6. If the contract price has been agreed upon in a foreign currency and the delivery is delayed due to the Supplier's fault, the Buyer is not liable to pay any sum higher than the conversion result of the Finnish mark into the foreign currency by the exchange rate of the contractual delivery date.

5. Payments

5.5. Payments shall be made only against an invoice. Payment terms are thirty (30) days net after completion of delivery and receipt of invoice. A precondition for advance payments is that the Buyer has been furnished in good time with an acceptance security.

6. Securities

6.1. If the contract stipulates an advance payment by the Buyer or if the Buyer has to furnish the Supplier with raw materials or accessories, the Supplier shall, prior to the advance payment or the furnishing of the raw materials or accessories, provide the Buyer with a security. Such security may be a guarantee issued by a bank or insurance company in Finland or such other security as the Buyer may specify or approve. The security must be equivalent to the amount of the advance payment or the value of the raw materials or accessories furnished plus fifteen per cent (15 per cent).

6.2. The security shall cease to be valid when the Supplier has fulfilled all his obligations under the contract: however, under no circumstances earlier than one month after the contractual time of delivery. If the delivery is delayed, the Supplier must extend the period of validity for the security provided.

7. Properties of goods

7.1. At the time of delivery the Goods must be free from faults and conform to the contract as to their kind, quantity, quality and other properties and as to their packaging.

7.2. Every part of the delivery has to comply with the requirements of Finnish legislation and official regulations in effect at the time of delivery regarding structure, accessories, labour and fire safety and similar requirements.

7.3. At the time of delivery the Goods shall be in the condition envisaged in the contract and be accompanied by all such certificates, permits and other documents needed for the direct use of the Goods and customarily or contractually provided by the Supplier.

8. Documents, rights and secrecy

8.1. Any drawings and technical documents needed for the manufacture of the Goods that the Buyer and Supplier provide each other with before or after the conclusion of the contract remain the property of the providing party. The party receiving such documents is not entitled to use them or disclose information regarding them to a third party, unless the providing party gives his consent. The documents shall be returned to the providing party upon his request and at his expense.

8.2. The Supplier shall provide the Buyer in good time with any drawings, instructions and other data and documents subject to the contract which the Buyer needs for installation, repairs, service or use of the Goods. The documents thus given are retained by the Buyer.

8.3. Both parties shall be held responsible for the veracity of any designs and documents they provide and of any data these are based upon.

8.4. The Supplier shall meet any claims and obligations concerning patents and other industrial property rights so that the Buyer incurs no expenses, damages or inconvenience.

8.5. The Supplier shall not, without the buyer's permission, disclose any facts concerning the purchase to a third party unless such disclosure is necessary for fulfilling the obligations of the contract.

The use by the Supplier, without the Buyer's permission, of any part of the contract or of the Buyer's name in marketing the Goods is likewise forbidden.

9. Acceptance inspections and delivery control

9.1. The Buyer is entitled to inspect the Goods prior to delivery.

9.2. The inspections and observation effected by the Buyer before concluding the contract or before the delivery of the Goods do not in any way limit the Supplier's responsibilities and liabilities.

9.3. After the delivery of the Goods, the Buyer shall carry out an acceptance inspection of the Goods as soon as the conditions make this possible. The buyer is also entitled to perform acceptance inspections on the Supplier's premises.

If there is a deficiency in the Goods, the Buyer shall notify the Supplier of the deficiency within a reasonable time from detecting it.

9.4. The Supplier shall at his own expense place at the buyer's disposal any premises, facilities and personnel needed for normal inspections.

9.5. Any deficiencies and omissions detected shall be remedied by and at the expense of the Supplier.

The Buyer has no obligation to indemnify the Supplier for any costs caused by any goods or accessories that have become unserviceable or lost value in the course of a normal inspection.

9.6. Both parties shall bear the expenses for their respective representatives attending an inspection.

Should an item or consignment of Goods inspected not meet the requirements set for it, the Supplier shall bear all the expenses that a renewed inspection, handling or transport may involve.

10. Delivery times and delays

10.1. The delivery time shall be counted from the date on which the contract was concluded. Goods or any part thereof shall not, without the Buyer's consent in writing, be delivered before the contractual time of delivery.

10.2. The delivery of Goods shall be deemed effected at the time when they have been delivered in accordance with the terms of delivery in such a state in which they can be approved in the acceptance inspection.

10.3. If the Supplier finds it impossible to comply with the contractual delivery time or expects delays to occur, he shall immediately notify the Buyer in writing to that effect, stating the reasons for the delays and giving a new time of delivery.

10.4. Delays in delivery shall render the Supplier liable to an immediate deduction from the contract price as liquidated damages without the Buyer having to prove he has suffered any loss or damage.

The liquidated damages shall be calculated on the price of the Goods or that part of the Goods the intended use of which the delays have impeded. The liquidated damages shall be 0.5 per cent for each commenced period of seven days by which the Supplier exceeds the contractual delivery time, but it shall not be charged for more than 15 weeks. The Buyer shall be entitled to deduct the liquidated damages from any payment to be made to the Supplier.

10.5. In determining the liquidated damages any delays in the supply of drawings and written data needed for the installation, operation or use of Goods shall constitute a delay in delivery.

10.6. If the delay is due to negligence on the part of the Supplier, the Buyer is entitled to obtain recovery from the Supplier for any direct expenses and damages in excess of the liquidated damages under 10.4. above. The total amount of the damages payable shall not exceed the price on the basis of which the liquidated damages are to be calculated. However, the total amount of the damages shall be payable, if the delay was due to gross negligence on the part of the Supplier.

10.7. If the delay is due to any other cause than the Buyer's negligence, the Supplier has to pay for the period of the delay an annual interest of 12 per cent on that part of any advance payment received corresponding to the value of Goods delayed according to 10.4. above. The Buyer is entitled to deduct the interest from any payment to be made to the Supplier.

## 11. Release from obligations

11.1. A case for release from obligations (*force majeure*) is deemed to be caused by overwhelming and abnormal impediment or occurrence that prevents the fulfilment of the contract and which neither party had reason to take into account when entering into the contract and which is independent of any action by either party and could not be averted or prevented without unreasonable expense or loss of time. Such occurrences may be war, mutiny, internal unrest, expropriation or confiscation for public needs, embargo, act of God, discontinuation of public transportation or supply of energy, labour conflict or fire or some other unusual event with equally drastic effects beyond both parties' control.

11.2. A delay on the part of a subcontractor constitutes a case for release from obligations only when caused by *force majeure* as set out in 11.1. above and when subcontracting from another source is unpracticable without unreasonable loss of time or expense.

11.3. If the fulfilling of a contractual obligation is delayed through any cause given in 11.1. or 11.2. above or through an act or omission by the other party of the contract, the time for fulfilling the obligation shall be extended by a period which taking into account all relevant circumstances is deemed reasonable.

11.4. A party of the contract shall without delay make a written notification of the extension of the time needed for fulfilling an obligation to the other party. A party shall also make an undelayed notification to the other party of the termination of any *force majeure*, whereupon the parties shall, at the latest, agree upon the effect that this shall have on the fulfilling of the obligation.

## 12. Transfer of risk and ownership: insurance

12.1. Risk is transferred to the Buyer when the Goods are delivered in accordance with the terms and conditions of the contract.

If the Buyer's delay prevents the delivery of the Goods within the contractual time, the risk is transferred to the Buyer at the moment when the delivery should have taken place at the latest provided that the Supplier has performed what is required of him with a view to the delivery of the Goods and the Buyer has been notified in writing.

12.2. Ownership is transferred to the Buyer upon transfer of risk at the latest.

12.3. If according to the contract the risk is carried by the Buyer, the Goods shall not be insured at his expense.

12.4. The Supplier shall nevertheless be held liable for any Goods, parts and accessories that the Buyer, being their owner, has delivered to the Supplier for storage, repairs or further processing.

13. Guarantees and fault in goods

13.1. The guarantee period is 12 months, unless otherwise agreed in writing by virtue of established practice. The guarantee period shall be counted from the date on which the Buyer received and accepted the Goods.

13.2. The Supplier shall, at his own risk and expense, repair, replace or otherwise make good faults detected in the Goods during the guarantee period as soon as he has been informed of them, or replace the faulty Goods by new ones. The Supplier's liability does not extend to deficiencies due to normal wear and tear or to negligence on the part of the Buyer.

13.3. If on the basis of the guarantee the Goods are exchanged or a part thereof is repaired or replaced, the Goods or parts repaired or supplied in exchange or as replenishment shall be similarly guaranteed from the date of installation or repair. The initial guarantee period shall be extended by the period during which the Goods could not be used on account of the fault. The guarantee period shall not, however, exceed twice the period agreed upon under 13.1. above, unless otherwise agreed or unless the provisions at 13.4. should entail something else.

13.4. If the fault detected during the guarantee period is obviously due to defective design or construction and it is obvious that similar faults will occur even in other Goods, the Supplier must remove the defect in all the Goods delivered under the contract.

13.5. The Supplier shall, even upon the termination of the guarantee period, bear responsibility in accordance with 13.2. for any fault that the Buyer proves the Goods to have included when the risk was transferred and which the Buyer was not reasonably able to detect during the acceptance inspection or the guarantee period.

13.6. If the Supplier fails to remove the fault, the Buyer may after notification have the necessary repairs performed at the Supplier's risk and expense.

13.7. If in a case referred to in 13.1.-13.5. the fault is due to negligence on the part of the Supplier, the Buyer is entitled to obtain compensation from him for any direct expenses and damage arising from the fault. The compensation shall not exceed the price of the Goods. However, the total amount of the damages shall be payable, if the fault was due to gross negligence on the part of the Supplier.

14. Spare parts and service

14.1. In the case of machinery and equipment, the Supplier shall warrant an appropriate supply of spare parts and appropriate service in Finland at such prices and terms as are reasonable with a view to the conditions prevailing at the moment.

15. Subcontracting and transfer of contract

15.1. The Supplier is not entitled to transfer the contract, wholly or in part, to a third party without the Buyer's consent. This does not, however, prevent the supplier from using subcontractors.

15.2. Should an essential change take place in the person of the Supplier, the Buyer shall be informed without delay, whereby it shall be proved that the prerequisites for fulfilling the contract have not ceased to exist.

16. Cancellation of contract

16.1. Either party is entitled to cancel the contract if a case for release from obligations would postpone the delivery essentially or by more than six months. The Buyer is always entitled to cancel the contract irrespective of this time-limit if the delay is of essential significance for him and the Supplier conceived or should have conceived that.

16.2. The Buyer is entitled to cancel the contract as far as it concerns Goods which could not be taken into intended use, if:

- (a) The Supplier's performance does not meet the contract and the deficiency is not removed despite of the Buyer's notice;
- (b) The Supplier fails to fulfil the contract within the contractual time and does not prove that the non-fulfilment is due to a case for release from obligations or to a fault on the part of the Buyer, and the delay has exceeded one third of the contractual delivery time but has not been less than 14 days or, if the delivery time is longer than one year, that it has exceeded four months. The Buyer may always cancel the contract irrespective of the periods prescribed above if the delay is of essential significance for him and the Supplier conceived or should have conceived that;
- (c) The Supplier is found to be in such a financial position or the fulfilment of the contract to be at such a stage that the Supplier cannot be expected to meet his contractual obligations.

16.3. If the contract is cancelled in cases other than those referred to in 16.1. above, the Buyer is entitled, in addition to the liquidated damages specified in 10.4. above, to be recompensed by the Supplier for any direct expenses and damage incurred on account of the non-fulfilment of the contract. The sum of the liquidated damages and the actual remuneration shall not, however, exceed the price on the basis of which the liquidated damages are to be calculated. However, the total amount of the damages shall be payable, if the delay or fault is due to gross negligence on the part of the Supplier.

16.4. If the Buyer has made an advance payment or furnished the Supplier with raw materials or accessories, the Supplier shall upon cancellation of the contract refund the prepaid amount plus an annual interest of 12 per cent from the date on which the advance payment was made to the date on which it was refunded and return the raw materials and accessories that he had been furnished with or refund the buyer their value according to current prices and in all cases pay interest as above.

17. The Buyer's obligation to compensate damage

17.1. The Supplier is not entitled to obtain compensation from the Buyer in respect of any indirect expenses and damage due to a breach of the contract. The Supplier is entitled to obtain compensation for direct expenses and damage due to negligence on the part of the Buyer but only up to the price of the Goods involved by the breach.

18. Settlement of disputes

18.1. The contract shall be interpreted and any disputes shall be settled in accordance with the national laws enacted by Finland at the conclusion of the contract, but excluding the United Nations Convention for the International Sale of Goods.

18.2. All disputes arising out of the contract which cannot be solved by amicable means shall be submitted to arbitration and finally settled under the rules of the Board of Arbitration of the Central Chamber of Commerce of Finland. Each party shall nominate one arbitrator within thirty (30) days from the day notice was first given by the other party of that party's intention to have the matter submitted to arbitration together with his nomination of an arbitrator. Failing a nomination of an arbitrator by one or both of the parties within the time specified, the Board of Arbitration of the Central Chamber of Commerce of Finland shall nominate an arbitrator or arbitrators. The Board of Arbitration of the Central Chamber of Commerce of Finland shall nominate a third arbitrator as chairman of the panel.

18.3. The arbitration shall be conducted in English in the city of Helsinki, Finland. The award shall be final and binding on the parties.

19. General provisions

19.1. The contract concluded between the parties shall, together with any annexes, constitute the sole mutually recognized document expressing the sole and exclusive understanding between the parties.

19.2. Any notices given by any party shall be made in writing, by telex, as a telefacsimile or by similar means.

19.3. All correspondence, invoices and deliveries shall include the identifying number or other symbol of the contract and the name of the Buyer: invoices and deliveries also a description of the Goods and the delivery address.