

## Standard General Conditions

for Members of the Finnish Shipbrokers' Association.

Approved by the Annual Meeting on the 8th of February, 1990. Adjusted February 13th, 2003.

### § 1

These conditions include all those activities through which the enterprise is a member of the Finnish Shipbrokers' Association.

The activities thus include ship's agency, acting as chartering broker of ships and cargo, acting as broker in the sale and purchase of ships, acting as dockyard broker, liner agency and so on. The person who entrusts the member of the Association with a task is called the principal. The member of the Association is called the shipbroker.

### § 2

The principal and the shipbroker are to inform their respective counterpart of all such circumstances that might significantly affect the fulfilment of the task. If the shipbroker must act without having had the possibility of asking for instructions from the principal, he is deemed to have acted on behalf of the principal and at the principal's risk.

### § 3

The shipbroker must act carefully and in accordance with good shipping and brokering practice when fulfilling the task.

### § 4

The shipbroker is liable for the damage that he has caused the principal. However, the shipbroker is liable in damages only if he has acted negligently in fulfilling the task. The burden of proof of the shipbroker's negligence lies with the principal. The principal shall also provide proof of a foreseeable cause between the negligence and damage. The liability of the shipbroker is limited to [FIM 50.000] 9,000 euro for each task. This limitation of liability is applied even if there is more than one incident causing damage within the scope of the task in question. The limitation of liability does not apply if the shipbroker himself has caused damage [wilfully or through gross negligence] done with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.

### § 5

The shipbroker is not liable to the principal for the fulfilment of the contract to which the shipbroker has been the intermediary.

### § 6

Notices against the shipbroker shall be given without undue delay. The principal shall also within a reasonable time specify his claims against the shipbroker.

### § 7

The shipbroker is entitled to reasonable remuneration for the fulfilment of the task. The shipbroker has a right to commission in shipbrokering, cargo brokering and shipyard brokering even if the parties who because of the brokerage have entered a chartering, purchased, sale, shipyard or other contract do not fulfil that contract.

### § 8

The shipbroker will negotiate separately about the amount of remuneration and coverage of outlays. If the principal does not fulfil these specific terms the shipbroker has the right to rescind the contract without any liability whatsoever.

### § 9

If the shipbroker in accordance with the contract has collected freight or some other payment on behalf of the principal, the shipbroker has the right to set off against the freight or other payment a counterclaim arisen either in connection with the task or in connection with any other task whatsoever from the same principal for which the shipbroker has not received payment.

### § 10

The shipbroker has a lien on the goods and the bill of lading and other documents connected with the goods, provided that the goods or the documents are in his possession, for the sums due from the principal and connected with the goods or the document in question, such as claims on warehouse rent, and for any other sums whatsoever due from the principal. The shipbroker has a similar lien on the payment to the principal due to insurance or some other reason because of loss of or damage to the above mentioned good or documents.

### § 11

The shipbroker has the right to sell goods so that the selling costs and the sums connected with the lien are covered. A similar right to sell is valid also as far as the documents connected with the lien are concerned.

### § 12

The sums referred to above also include the right to delay interest.

### § 13

In case of a dispute between the principal and the shipbroker, courts in Finland shall have exclusive jurisdiction, Finnish law being applicable.

### § 14

However, in order to obtain a basis for execution, the court proceedings can according to the shipbroker's option take place in the country where the principal has a place of business, Finnish law being applicable.

### § 15

Any action by the principal against the shipbroker relating to tasks given by the principal to the shipbroker under these General Conditions is time-barred if judicial proceedings have not been instituted within a period of two years.

### § 16

The limitation period commences on the day on which the principal became aware of the damage. However, the limitation period commences no later than 60 days from the day when the shipbroker has finalized the task in question.

### § 17

The shipbroker against whom a claim is made may at any time during the running of the limitation period extend that period by a declaration in writing to the principal. This period may be further extended by another declaration or declarations.

### § 18

If the principal's claim is time-barred he has lost his right to use such a claim in a set-off situation with the shipbroker.