

ACT ON LAW APPLICABLE TO SALE OF GOODS OF INTERNATIONAL CHARACTER

(387/1964)

Section 1

- (1) This Act shall be applied to sale of goods of international character.
- (2) The Act shall, nevertheless, not be applied to:
 - (1) the sale of a registered vessel or aircraft nor to the sale of securities;
 - (2) a sale between a merchant and a consumer; nor to
 - (3) a sale based on an act of a legal authority nor to a sale upon judicial order or by way of execution. (468/1988)
- (3) The provisions of this Act on a sale shall correspondingly apply to a contract for the manufacture of an article provided the party who assumes delivery is to furnish the necessary raw materials for the manufacture.

Section 2

This Act shall not apply to the legal capacity of the parties, the form of the contract or the legal effects of the contract upon third parties.

Section 3

- (1) Buyer and seller may expressly agree that the law of a specific State be applied to a sale. Such agreement shall be valid also when otherwise demonstrated by the contract.
- (2) A question as to whether the parties have otherwise validly chosen the law of a specific State shall be determined by said law.

Section 4

- (1) In the absence of a choice of law under section 3 by the parties, the sale shall be governed by the law of the State where the seller had his place of habitual residence when he received the order. If the order was received by a business owned by the seller, the sale shall be governed by the law of the State where the business is situated.
- (2) Nevertheless, the sale shall be governed by the law of the State where the buyer has his habitual residence or where he owns a business which placed the order if the seller or his agent received the order in said State.
- (3) If a sale is concluded in a stock exchange or in an auction, the sale shall be governed by the law of the State where the stock exchange is situated or the auction is carried out.

Section 5

In the absence of an express agreement to the contrary, the form of and period for, and notice of, the inspection of goods sold as well as any measures to be taken with regard to refusal to take delivery of such goods shall be governed by the law of the State where the inspection is to be carried out.

Section 6

- (1) A provision of a foreign law that is manifestly incompatible with public policy (*ordre public*) shall not be applied in Finland.
- (2) This Act shall enter into force as provided by Decree.