

## GENERAL TERMS AND CONDITIONS FOR PROCUREMENT

### Article 1

#### Scope of application

1.1. **Bericap Bt** (hereinafter: **Customer**) shall apply, and take into account, the provisions of these General Terms and Conditions, to its purchase orders and the content of these General Terms and Conditions for Procurement shall constitute part of the purchase orders without any separate stipulation.

The Supplier shall deliver the product or service to the Customer in the quality and quantity, by means of transport, to the designated address, and by the deadline as specified by, and in accordance with, the conditions laid down in these General Terms and Conditions for Procurement and the relevant purchase order.

In the event the Customer and the Supplier (hereinafter together: Parties) intend to depart – upon mutual agreement – from the General Terms and Conditions for Procurement with respect to any purchase order, their intention shall be expressly laid down such the purchase order.

1.2. Acceptance of the General Terms and Conditions for Procurement shall not create for the Customer any obligation to conclude a contract with, or to exclusively employ, the Supplier.

### Article 2

#### Purchase orders/Confirmation

2.1. Only orders placed by the Customer in writing (by fax, in e-mail, by post, or electronically) shall be binding.

Orders shall include the following data:

- order number
- description, identifier, and quantity of the product/service to be delivered
- to the terms and conditions of delivery, the provisions of INCOTERMS 2010 shall apply
- delivery deadline
- destination address
- purchase price
- Supplier's data
- Supplier's contact information
- Customer's data
- Customer's contact information

2.2. The Supplier shall confirm the order within two (2) days from the receipt thereof. The confirmation shall include the order number and the anticipated date of delivery of the product/service at the address designated in the order.

Should the Supplier fail to confirm an order within the above indicated period, the Parties shall regard the order as confirmed with the content and delivery deadline specified therein.

2.3. Prior to the confirmation of an order, for the purpose of correction or supplementation, the Supplier shall draw the Customer's attention to any obvious error (clerical errors, calculation errors, etc.), or to any other problem concerning the order documentation; otherwise, the agreement shall be regarded as non-concluded.

2.4. The Customer shall reserve the property right and copyright in connection with the order documentation (drawings, illustrations, product descriptions, and other documents). The tender documentation may only be used in connection with performing the contractual obligations and the documentation shall not be disclosed to any third party without the Customer's express prior written approval. After the order is fulfilled, all documents shall be returned to the Customer.

2.5. The Supplier may only engage a subcontractor with the Customer's prior written approval. The Customer's consent shall not exempt the Supplier from fulfilling its obligations vis-a-vis the Customer, nor shall it exempt the Supplier from the related liability.

### Article 3

#### Delivery deadline

3.1. Delivery deadlines and terms specified in the order shall have a binding effect. If the order specifies a delivery term, such term shall commence upon the receipt of the order. If the order specifies no delivery deadline, then it shall be four (4) weeks from the receipt of the order. The date of performance of a delivery shall be the day on which the product arrives, the service is provided and accepted, at the address specified in the order.

3.2. If the Supplier states that there is any indication that the delivery deadline cannot be complied with for any reason, it shall promptly notify the Customer thereof.

3.3. Deliveries shall be made on working days, during standard business hours, that is, between 08:00 a.m. and 04:00 p.m.

3.4. Should the Supplier fail to comply with its contractual obligation by the deadline for any reason attributable to the Supplier, the Customer shall be entitled to late penalty as follows: The amount of the penalty payable for each commenced day of the delay shall be minimum 0.2%, but maximum 10%, of the net purchase price of the ordered product/service.

3.5. In the case of late performance by the Supplier, it shall undertake to perform by an extended deadline, to be agreed with the Customer. Failure to comply with the extended

deadline shall result in the non-performance (failure) of the order, but this shall not exempt the Supplier from its obligation to pay late penalty.

3.6. Acceptance of a late delivery shall not be regarded as a waiver by the Customer of its statutory rights.

### Article 4

#### Fulfilment of the order

4.1. The Supplier shall indicate the Customer's order number and all other order data (date, quantity, terms of delivery, etc.) on its confirmation, the transport documents, the consignment note, and the invoice. The Supplier shall also observe the billing address and delivery address indicated in the order. The Customer shall not undertake any liability for any delay in the arrangement of the order if the Supplier fails to fulfil any of its obligations mentioned above.

4.2. The signing of the consignment note and the actual acceptance of the delivered products shall not constitute a declaration that the consignment meets the specifications.

4.3. If due a force majeure event, the Customer is unable to accept the delivery (including work stoppage, and problems with delivery or business operation outside the Customer's liability), the Customer shall be exempted from its obligation to accept the delivery. In such a case the Supplier shall not be entitled to claim refund of the purchase price or damages.

### Article 5

#### Place of performance / Transport documents

5.1. The place of performance of all deliveries and services shall be the destination (delivery address supplied by the Customer in its order), or if no delivery address was expressly specified, then the address of the registered office of **Bericap Záródástechnikai Bt at Székesfehérvár, Aszalvölgyi út 13.**

5.2. Unless otherwise provided in the order, the Supplier shall deliver the product/service to the Customer DDP **Székesfehérvár, Aszalvölgyi út 13.** in accordance with INCOTERMS 2010.

5.3. The consignment shall be accompanied by the following documents:

- **delivery note**, containing the following data:
  - Supplier's name and address, order number, description of the product/service, quantity, quality, country of dispatch, full delivery address, gross and net weight of the consignment, identification number of the transporting vehicle;
- **in the case of international carriage of goods, CMR**
- **quality certificate** attesting product quality, containing the following data:
  - product description, Supplier's name and address, date of production, measured values of the physical and chemical parameters, standard examination method, number of the valid certification, safety data sheet, other documents required by the Customer or by law

### Article 6

#### Prices /Payment conditions

6.1. Unless otherwise agreed, the prices specified in the orders shall be prices **DDP Bericap Záródástechnikai Bt, Székesfehérvár, Aszalvölgyi út 13.** Incoterms 2010. The prices shall be binding. In the invoices, the Supplier shall also indicate the HUF amount of the tax determined pursuant to Section 80 of Act CXXVII of 2007 on Value Added Tax.

6.2. Additional costs (for example, proper packaging and delivery costs, including transportation and liability insurance, if any), taxes, customs duties, and other fees, except for VAT, shall be borne by the Supplier. At the Customer's request, the Supplier shall take back the packaging materials at its own expense.

6.3. In the case the contractual obligations are fulfilled in accordance with the Contract, the Supplier shall be entitled to submit a separate invoice with respect to each order. The Supplier shall send the invoice issued to the Customer's name in two copies to the Customer's address, together with the delivery note or any other document certifying performance, promptly after the date of performance, but at the latest within fifteen (15) working days.

6.4. Monthly invoices shall be issued in the month following the month of delivery (from Monday to Friday).

6.5. The Supplier shall indicate the environmental product charge on the packaging material, using the clause defined by law.

If the environmental product charge and the VAT are not indicated, the Customer shall consider it that the invoice has been issued in an improper form and the Customer shall be entitled to return it without payment.

6.6. Unless otherwise agreed, the invoice shall be settled within 30 calendar days from the receipt of the product/service (performance), without any deduction, **by bank transfer**, upon receipt of the original invoice, or if agreed, an electronic invoice.

6.7. Payments shall not constitute a declaration in connection with the acceptance of product/service quality, nor shall they limit the Customer's rights in any way.

6.8. Customer shall not be subject to any due date interest. This shall not affect the Supplier's claim for default interest.

6.9. In the case of late payment, the Customer shall only pay the default interest specified by law.

## Article 7

### Handover and acceptance

The product/service ordered by the Customer shall be delivered by the Supplier or the carrier engaged by it on the day requested by the Customer and confirmed by the Supplier, to the delivery address specified by the Customer in its order.

The Customer shall check the quantity and quality of the delivered goods together with all certificates related to the goods.

#### 7.1. Quantitative acceptance

A. Quantitative acceptance shall be limited to the obvious physical defects of the delivered goods, including the checking of the transport documentation (for example, transport damage, defective or incomplete consignment).

If any goods-related document is missing, the Customer shall notify the Supplier as soon as possible, but at the latest within 2 working days. In such cases, the Supplier shall provide the necessary documents.

B. Quantitative acceptance and settlement/billing shall be based on the quantity indicated in the delivery note sent by the Supplier and signed by the Customer.

In the case of a quantitative difference, the Customer shall submit a complaint to the Supplier, within 2 working days from the acceptance of the goods.

In the case of a delivery in non-compliance with the Contract, the Customer shall have the right to refuse acceptance (and return such goods at the Supplier's expense to the dispatch address).

C. If the Customer's quantitative complaint turns out to be well-founded, the Supplier shall – unless otherwise specified by the Customer – provide the non-delivered quantity of product/service within 5 working days and compensate the Customer for any losses caused thereby.

#### 7.2. Qualitative acceptance

A. Following delivery to the destination, or before use, the Customer shall check product quality and notify Supplier in detail of any detected quality defects in writing.

In the case of hidden defects, the Customer shall promptly send its quality complaint to the Supplier after the defect has been noticed (in such a case the Customer shall only be liable for sending the notice in time).

If for quality assurance purpose, the Supplier has undertaken the commitment to check the dispatched goods, the Customer shall only be liable for reporting the defects, but not for the checking of the received goods.

B. The Supplier shall confirm the receipt of the Customer's claim regarding quality within 24 hours in writing and commence its own investigation.

If the Parties are unable to reach an agreement regarding the quality complaint, the Parties shall involve an independent third party expert / laboratory in the investigation. The Parties shall accept the opinion given by the independent expert as binding on themselves.

The costs of the investigation shall be borne by the Party whose opinion has not been supported by the independent expert.

C. Should the Customer's quality complaint be confirmed, the Supplier shall – unless otherwise provided by the Customer – remedy defective performance within 10 working days and compensate the Customer for any related losses.

## Article 8

### Requirements concerning packaging

The packaging of the products delivered by the Supplier shall:

- ensure **product protection** (protection against damage and quantitative loss, safety)
- **protect the goods** from environmental effects, the environment from the goods, against mechanical, climatic, chemical and biological load, contamination and other hazards to the environment
- ensure preservation of **product quality**
- ensure **manageability**
- provide logistic **product information** concerning product marking, identification, facilitating selection, handling information, and the use and usability of the product.

## Article 9

### Reserving title

The Supplier waives the title to delivered goods, the goods shall pass into the Customer's property upon handover.

## Article 10

### Guarantee

The Supplier shall undertake guarantee for services performed and products delivered. Unless a longer period is prescribed by law, the guarantee shall be valid for 1 year.

The first day of the guarantee period shall be the day on which the product/service was accepted by the Customer.

## Article 11

### Reporting defects / Warranty of title

11.1. In the case of material defects or the violation of the warranty of title, the relevant Hungarian statutory provisions shall apply, taking into account the following:

A. the limitation period for claims due to defects shall be two (2) years from the day of delivery. If the law stipulates the acceptance of the goods, or the parties agree thereon, the limitation period shall commence on the day of acceptance;

B. in the case of a defect, the Customer shall have the right to claim repair or repeated delivery (of a new product free from any defect). If the Supplier fails to comply with this obligation, the Customer shall have the right to have the defect eliminated and pass the related costs on to the Supplier.

11.2. The Supplier shall be liable for all defaults attributable to it.

11.3. Should a third party call the Customer to account for a defect of any goods delivered by the Customer and the defect be attributable to a defect in the Supplier's product, the Supplier shall promptly indemnify the Customer in relation to the claim for damages by the third party. The Supplier shall indemnify the Customer in the case and to the extent the defect falls in the Supplier's scope of control and organisation and the Supplier itself is liable to third parties.

In the scope of its obligation to pay compensation, the Supplier shall reimburse the costs that have arisen in relation to claims for damages originating from the Supplier's product or service, including product recalls by the Customer. The Customer shall inform the Supplier about the content and scope of product recall and – to the extent it is reasonable and possible – the Customer shall allow the Supplier to express its position.

This shall not affect other claims specified by law.

## Article 12

### Conformity

12.1. Delivered products and services shall comply with the legal requirements and provisions, in particular with the relevant environmental regulations and the agreed technical requirements and specifications.

12.2. The Supplier shall introduce and maintain an adequate and documented quality assurance system based on state-of-the-art technology. The Supplier shall maintain records, in particular about quality tests, and make available such records to the Customer upon request.

12.3. The Supplier shall comply with the general environmental regulations in the course of its business activities.

## Article 13

### Trademarks

13.1. The Supplier shall warrant that the delivered goods are free from the industrial property rights of third parties existing in the European Union.

13.2. Should a third party claim damages for the violation of industrial property rights and such violation is attributable to the Supplier's product or service, the Supplier shall – upon first demand – indemnify the Customer in relation to the claim for damages and reimburse all costs in relation thereto. This indemnification obligation shall also apply to the Customer's partners.

The indemnification obligation shall not apply if the Supplier has manufactured the product in accordance with the Customer's drawings, models, and the relevant requirements. If in such a case, in its opinion, industrial property rights would be violated, the Supplier shall promptly inform the Customer of such fact.

## Article 14

### Obligation to report to the Electronic Road Transportation Control System

The parties acknowledge that in the course of contractual performance, they shall fully comply with all applicable laws in force from time to time, thus in particular with the statutory obligations relating to the Electronic Road Transportation Control System (EKAER). The parties shall make available all relevant EKAER-data prescribed by law to each other prior to the dispatch of the goods.

The parties agree that they shall provide the relevant EKAER-data to each other in writing, by e-mail.

## Article 15

### Breach of contract / Reservation of rights

15.1. If for any reason, by its performance, the Supplier commits a contractual breach, the Supplier shall pay penalty at a rate equivalent to the financial value of the contractual obligation affected by defective performance, or it such value cannot be determined, then in an amount equivalent to 10% of the net purchase price of the products/services ordered.

15.2. If the Supplier is already aware in advance that by its performance, it will commit a contractual breach (late- or non-performance), but it fails to notify the Customer thereof, it shall pay a penalty in an amount equivalent to 10% of the net purchase price (VAT excluded) of the products/services ordered.

15.3. The Customer shall have the right to claim damages for losses in excess of the penalty, in accordance with the rules applicable to the payment of damages. The Customer shall impose the amount of the penalty by a separate notice. The Supplier shall pay the penalty by bank transfer within 15 working days from the receipt of the notice. The Customer shall be entitled to enforce several penalty types jointly against the Supplier.

15.4. Should the Supplier fail to comply with its delivery obligation within 10 working days from the expiry of the delivery deadline specified in the order confirmation, or if it fails to remedy defective/wrong performance within 10 working days from the receipt of the Customer's just complaint, the Customer shall be entitled to procure the undelivered, or faulty but not repair, product/service from another supplier, subject to conditions and in a manner deemed reasonable by the Employee. In such a case, the Supplier shall reimburse to the Customer the extra costs it has incurred in relation to the procurement of the product/service from another source.

The Customer shall charge such extra costs by a separate notice. The Supplier shall reimburse the costs by bank transfer within 15 working days from the receipt of the notice.

15.5. The penalty shall become due:

- a) in the case of a delay, when the delay ends, the additional deadline expires, or the penalty reaches the highest amount;
- b) in the case of defective performance, upon sending a notice about the complaint, or in accordance with the rule applicable to delayed performance;
- c) in the case of coming to naught, or the violation of the confidentiality obligation, late notice, or other contractual breach, if and when the Customer becomes aware of it.

**15.6. Reservation of rights:**

Acceptance of non-contractual performance shall not constitute a waiver of other claims arising due to a contractual breach.

**Article 16**

**Force majeure**

It shall not be regarded as a contractual breach if either of the parties is unable to comply with its contractual obligations due to a reason that is not attributable to such party (force majeure).

The contractual deadlines shall be extended by the length of the force majeure event. If the duration of the force majeure event exceeds 30 days, the parties shall consult each other about the possible modification of the contract. If the parties cannot agree within 10 days, the contract can be terminated by either party with immediate effect, even if it would not be allowed to do so on the basis of the applicable laws or the contract. Also, the parties shall settle accounts in relation to the termination of the contract, in accordance with the rules of impossibility to perform.

The parties shall promptly notify each other in writing of any potential force majeure event, or the occurrence of such an event, and its expected duration. The party failing to give notice in time shall be liable for losses arising as a result of late notification about a potential force majeure event or the occurrence thereof.

**Article 17**

**Assignment**

The Supplier shall not assign its rights under this contract to any third party. This shall not apply to cases of unpaid debts.

**Article 18**

**Confidentiality clause**

The Supplier shall handle all illustrations, drawings, calculations, and other documents, as well as all facts and data obtained in any way in connection with the co-operation, or the performance thereof, confidentially. Such data, qualifying as a business secret, can only be disclosed to any third party with the Customer's prior written approval. This confidentiality obligation shall survive the performance of the contract and shall only become void after the information becomes public.

Should the Supplier commit a breach of its confidentiality obligation, it shall pay penalty in a fixed amount, equivalent to **EUR 100,000 (one hundred thousand Euros)**.

This provision shall not apply to data and information to be made available to third parties providing financial and accounting, insurance, or claims collection services to the Customer.

The confidentiality obligation shall not apply to the following information:

- publicly available information, or which become public in the future for any reason not attributable to the contracting party receiving the information; or
- information that had already been provenly known to the contracting party receiving the information before this contract entered into force; or
- information received by the party from a third party not subject to, or bound by, a confidentiality agreement with respect to the contracting party to which the information applies; or
- information the disclosure or release of which is required by law, the stock exchange regulations, or the authorities, to the extent and in the scope prescribed.

**Article 19**

**Applicable law / Miscellaneous closing provisions**

**19.1. Applicable law:**

The Hungarian laws shall apply to the co-operation of the parties. The application of the Convention on Contracts for the International Sale of Goods shall be excluded.

The parties shall attempt to settle all disputes arising from their co-operation amicably. If it is impossible, the Hungarian state courts seated at Székesfehérvár shall have the right to settle all legal disputes arising from, and connected with, the legal relationship for supply, in accordance with their own rules of competence.

**19.2. Reporting obligations:**

In the course of contractual performance, the parties shall promptly notify each other of all significant data, factors, and circumstances, which arise in their scope of interest and which can have an impact on the Contract, with special regard to the case of bankruptcy or liquidation.

**19.3. Protection of goodwill:**

The parties are mutually entitled to goodwill. The parties shall protect each other's goodwill vis-a-vis third parties.

The Supplier shall comply with its contractual obligations in such a way that does not harm the Customer's goodwill.

19.4. The General Conditions of Supply shall be accepted and enter into force upon the confirmation of the order and be in effect as long as the parties' co-operation exists.