

## General Commercial and Transport Terms and Conditions

The present general terms and conditions contain the general terms and conditions of services and transport contract between PROFILPLAST Kft. (Entrepreneur) and its Clients (Customers).

Issues not regulated in contracts between the Entrepreneur and the Customer shall be governed by the regulations of the general terms and conditions and the Civil Code.

### I. Order

Customer requests offer or transport from the Entrepreneur in a letter, by fax or in an e-mail.

#### The order contains

- name of the product or its item number and if necessary also the technical data of the product.
  - the order may contain the date of performance and place of performance as well.
1. Entrepreneur shall send its quotation or confirmation in a letter, by fax or in an e-mail to the Customer, in which Entrepreneur shall inform the Customer that unless a different agreement exists the general terms and conditions govern the works contract. Works contract shall come into existence upon the acceptance of the confirmation of the Entrepreneur by the Customer.  
In case the Customer does not make a declaration maximum within 3 days about the acceptance of the order, Entrepreneur shall regard the order accepted. The Entrepreneur shall make transport exclusively on the basis of the terms and conditions of our confirmation. Other agreements or conditions of the Customer shall be binding only if they are confirmed in writing by PROFILPLAST Kft.
  2. If the Entrepreneur manufactures a tool or has it manufactured on behalf of the Customer, parties shall enter into a separate agreement.
  3. In case a product is to be delivered on the basis of data, drawings, models or samples by the Entrepreneur, the Customer shall be responsible for not infringing the rights of third parties in the course of manufacturing and transport of the goods. If, upon referring to protection law, a third party prohibits the manufacture and transport of such products which are manufactured on the basis of data, drawings, models or samples provided by the Customer, the Entrepreneur is entitled to terminate manufacture and transport and exclude all damage claims of the Customer - without being obliged to examine the legal situation - furthermore, the Entrepreneur is entitled to reimbursement of all its costs. The Customer shall exempt the Entrepreneur from all damage claims of third parties without delay.

The Customer shall be obliged to pay a fair and equitable compensation for each and all indirect and direct damage that arises out of infringement or implementation of protection law. Drawings, models and sent samples shall be sent back only upon the request of the Customer and at the cost of the Customer. In case an Order does not come into being, the Entrepreneur has the right to destroy the drawings, models and samples within 3 months of making the offer.

## **II. Entrepreneurial fee**

1. The base of the price calculation of the ordered products is the quotation.
2. Prices set out in the confirmation of order or in the delivery framework agreement shall be valid for the orders. Delivery of profiles with accessories is free of freight from the value of 40,000 HUF (without VAT). Minimal value of order is 5,000 HUF (without VAT). If there is more than 6 weeks between entering into contract and date of delivery, in special cases the Entrepreneur reserves the right to amend the prices equitably in case there is a change in the price of the raw materials, wages, freight etc. until the order is performed.
3. Customer shall inform the Entrepreneur without delay if it has no coverage to settle the entrepreneurial fee, if bankruptcy proceedings, winding-up proceedings, dissolution without liquidation, enforcement procedure or any other proceedings commence that influence its legal entity or liquidity or it has to count on the initiation of such proceedings. Customer shall be responsible for all damage arising out of failing to provide such information. The Customer is aware that it has criminal liability if it entered into the contract with the knowledge that it has no cover to settle the entrepreneurial fee and the same prevails if Customer is unable to pay the entrepreneurial fee due to a reason about which it should have informed the Entrepreneur in advance.

## **III. Performance**

1. Date of performance is settled by the parties in the transport and works contract or it is agreed on in the order or in the confirmation. Transport deadlines or delivery dates are not binding as long as no vigorous agreement is made upon them with the Customer. Entrepreneur informs the Customer without delay if transport or keeping the date of performance are impeded for any reasons. Information sent to the headquarters of the Customer kept at the business registration shall be deemed a notification even if it is not taken over. Due to unforeseeable reasons that are not attributable to the Entrepreneur such as failure of machines, lack of raw material or any other operational or transport failure or late performance of sub-suppliers or force majeure (e.g. strike, official measures of authorities etc.) the delivery deadline shall be modified accordingly. Parties to the contract shall inform each other thereof and shall perform their duties in good faith and with mutual trust by adopting to the changed conditions.
2. If a notification about the modification of the date of performance was sent by the Entrepreneur and the Customer does not react within 3 days, the new deadline shall be deemed accepted.

3. The Customer shall inform the Entrepreneur about such circumstances that endanger or impede contractual performance without delay. The Customer shall be responsible for all damage arising from failing to provide such information.

## **Delivery of the product**

4. Proper delivery of the ordered product is the obligation of the Entrepreneur while acceptance is the obligation of the Customer. Entrepreneur shall deliver the products in proper packaging. Packaging shall be appropriate to protect the manufactured product during transport and storage.

Documents certifying proper delivery and receipt:

- Delivery-receipt protocol, signed by the Customer or
- Delivery note or
- Invoice

## **Receipt by quantity and quality**

5. Place of delivery and receipt of the product shall be the location specified in the Order by the Customer. If the Customer did not specify the place of performance in its order in writing, place of performance shall be at the registered seat of the Entrepreneur.
6. If the place of performance is at the registered seat of the Entrepreneur, the transport of the product and its cost shall be borne by the Customer. The Entrepreneur shall hand over the product in packaging, along with a delivery note and in a state that is proper for transport to the Customer or to its agent who is obliged to control quantity by signing the delivery note. If the Customer or its agent states upon receipt that the quantity, piece or quality do not correspond with the data in the delivery note, invoice or in the delivery-receipt protocol, the parties shall make a protocol thereof upon delivery without delay. Following takeover the Customer shall not have a quantitative complaint issue.
7. Warranty claim shall not be established by the Customer against the Entrepreneur if the defect of the product arose due to a reason attributable to the Customer or if the complaint is not made within the deadline. The Customer shall report the defect within the scope of warranty to the Entrepreneur within 24 hours from detecting it but within 8-days the latest and shall make it possible for the Entrepreneur to check the defective product.
8. Factors excluding warranty claims of the Customer are the followings in particular:
  - injury arising from careless storing and handling
  - quantitative complaint following a certified receipt
9. In case the Entrepreneur deals with transport for the Customer, Entrepreneur hands over the product to the Customer in package, in a condition that is proper for transport along with a delivery note. Incomplete quantity detected upon arrival of the product or damage arising during transportation shall be noted in the delivery notes by the Customer or by the addressee specified by

the Customer.

10. Recognizable incompletenesses upon arrival of the product shall be noted immediately in writing by the Customer. Customer shall be responsible for all damage arising from delay. Delivery note shall be attached when making a complaint.
11. The Customer is obliged to check the quality of the received goods within 3 working days from receipt. The Customer shall make a declaration about the certification of performance simultaneously with quality control, i.e. within 3 working days. If Customer fails to do so, the delivered product shall be deemed accepted both quantitatively and qualitatively. In this case the Customer shall not make a complaint and shall not challenge the Entrepreneur under any legal title in the future.

## **IV.**

### **Retention of Proprietary Rights**

1. The Entrepreneur retains its proprietary rights on the delivered product until the purchase price is paid. In spite of delivering the object, the Customer shall not gain the proprietary rights of the handed over product only upon paying the whole purchase price. It means the Customer shall not alienate the delivered product and shall not burden it.  
In case the Customer does not comply with the provisions of the contract, especially in case of late payment following a payment notification, the Entrepreneur is entitled to take back the product and the Customer is obliged to give the product back.
2. In case the product is returned, the costs of delivery, re-dispatch and storing shall be borne by the Customer.

### **Transfer of claims**

3. In case delivery is made with retention of proprietary rights - on the basis of a mutual agreement thereof - the Customer assigns its claims against third parties to the Entrepreneur if these claims arose from the sale of the delivered product until the claims of the Entrepreneur are fully settled. If the Entrepreneur requires, the Customer shall name its own clients and debtors, shall hand over the assigned invoices and shall inform each party affected about the assignment in writing. Assignment of claims shall be indicated in account books, delivery notes and invoices towards the recipient.

## **V.**

### **Quality**

1. The Entrepreneur warrants that the product defined in the contract and delivered by the Entrepreneur complies with the professional and technical parameters undertaken in the contract.
2. Complaint cannot be made in case of minor colour derogations and in case of size, thickness and weight differences if these derogations do not exceed the usual value in the profession and if these remain within the requirements of directives or norms or if they do not influence the usability of the product.

## **VI. Breach of Contract**

### **Late Payment**

1. In case of late payment the Customer shall pay interest to the Entrepreneur, the rate of which is twice as much as the base interest of the central bank. Derogation is possible only on the basis of a written declaration of the Entrepreneur.

### **Late Delivery**

2. Entrepreneur shall be obliged to perform only if the Customer fulfilled all its obligations which are necessary to perform.

### **Defective performance**

3. The Entrepreneur performs defectively if the rendered item does not comply with the features prescribed by law or by the contract at the time of performance.

In case of defective performance the Customer shall be entitled to:

4. Require either repair or replacement, unless compliance with the chosen warranty right is impossible or it results in disproportionate expenses on the part of the obligor as compared to the alternative remedy.  
If the Entrepreneur refused to repair or change the product, or could not comply with this due to the above reasons, the Customer may require proper price reduction.
5. Justifiable complaints shall be settled by the Entrepreneur either by providing a product without defect or by eliminating the error - as per the choice of the Entrepreneur. If the Entrepreneur is unable to eliminate the error, as per the choice of the Customer it may ask either for price reduction or - in case the defect is so extensive that the interest of the Customer to performance ceases to exist - the Customer may withdraw from the contract.

## **VI. Terms of Payment**

1. Terms of payment are set out in a different agreement by the Entrepreneur and the Customer. Failing this, payment in advance or paying in cash prevail.
2. Employees of the Entrepreneur working abroad shall not have authorization to collect remittances. However, payments made to them shall be deemed effected upon arrival at the Entrepreneur.
3. In case a bill of exchange is accepted, amounts deducted upon discounting and other costs shall be borne by the buyer. We do not undertake to execute rights relating to bill of exchange or cheques.
4. If the Customer is late with the payment of the amount indicated in the invoice or if a matured bill of exchange or cheque is not answered due to a reason attributable to the Buyer then all the outstanding claims against the buyer including all claims of bill of exchange and cheque shall be due to be paid

immediately.

5. In case a debt is expired the Buyer or the Customer shall be able to pay by advance payment or in cash.

## **VII. Miscellaneous**

1. Those who have the right to representation on the basis of the Act on Business Associations shall be deemed entitled for representation.
2. In case any legal argument arises out of the works and transportation contract, the Parties lay down the exclusive jurisdiction of the District Court of Balassagyarmat or depending on the value of the matter in dispute the exclusive jurisdiction of the Balassagyarmat Tribunal.

Dated in Ludányhalászi on the 30th day of June 2016.