

GENERAL TERMS AND CONDITIONS

Sales

These General Terms and Conditions ("GTC") applies to contracts for the sale and supply of parts, products and equipment (hereinafter together referred to as the "Goods") concluded by **InduComp Gép- és Villamosipari Korlátolt Felelősségű Társaság** as a service provider ("Service Provider") within the scope of its manufacturing activities, and covers the rights and obligations of the customer that enter into such contracts with the Service Provider ("Customer") (the Service Provider and the Customer are hereinafter together referred to as the "Parties").

These GTC shall enter into force on 1. of February 2021 and shall become part of the individual contracts concluded after its entry into force.

The Service Provider shall provide access to these GTC by publishing them on its website.

These GTC shall become a part of the individual contract concluded between the Service Provider and the Customer with the Customer's statement of acceptance contained therein.

The Service Provider's data:

Name: InduComp Gép- és Villamosipari Korlátolt Felelősségű Társaság

Registered seat: 2890 Tata, Molnár utca 5.

Company registration number: 11-09-008720

Court of Registration: Court of Registration of the Regional Court of Tatabánya

Tax number: 12840339-2-11

Officers authorized to solely represent the Company:

Mónika Holczinger, CFO

Josef Gerwald Schwaller, Managing Director

Bank account:

(HUF) HU63 10103623-08366600-01003009

(EUR) HU41 10103623-08366600-01003308

Budapest Bank Zrt, Szent Borbála tér 6. 2800-Tatabánya

Swift (BIC): BUDAHUHB

E-mail: info@inducomp.hu

Tel.: +36 34-586-780

Fax: +36 34-586-781

Correspondence address: 2892 Tata, Pf. 246.

Website: <http://inducomp.hu>

1. Conclusion of the Contract

1.1. Offer

A legal declaration to conclude a contract shall be deemed to be an offer if it clearly expresses the intention to conclude the contract and covers the material terms of the contract. Material terms of the contract include the name and quantity of the Goods, the delivery date and the determination of the purchase price. The offer is only valid in writing.

1.2. Effectiveness of the Offer

The offer becomes effective when it has been demonstrably received by the recipient. The commitment to the offer shall start when the offer becomes effective. The offeror may determine the period of commitment in its offer.

1.3. Termination of the commitment to the offer

The commitment to the offer shall terminate if the offeror cancels its offer by means of a written legal statement to the addressee, provided that the cancellation is received by the addressee before the statement of acceptance is sent. The commitment to the offer shall also terminate if the addressee rejects the offer by a written legal statement.

1.4. Acceptance of the Offer.

An offer shall be deemed accepted if it is accepted by the addressee with a written legal statement without changing its content. After receipt by the offeror of the statement of acceptance, the statement of acceptance becomes effective upon its acknowledgement (confirmation of receipt).

1.5. New offer

It shall be deemed a new offer if the addressee makes a different or additional legal statement to the offeror on any issue included in the offer.

2. Conclusion of the Contract, Subject of the Contract

2.1. The contract shall be concluded between the Parties upon acceptance of the offer. In the case of a framework contract, the contract is concluded by accepting (confirming) the order.

2.2. Subject of the Contract

The subject of the contract is determined on the basis of the name, product number, quantity, delivery date and method, as well as the payment terms. Performance shall be deemed contractual if the Goods

- (a) meet the conditions and quantity requirements specified in the contract or order,
- (b) are suitable for the purposes for which other goods of the same type are normally used (if the Service Provider has exercised the right of modification),
- (c) have the characteristics that the Service Provider has presented to the Customer as a sample,
- (d) have been delivered to the Customer in the agreed manner and by the agreed date.

2.3. The Service Provider is entitled to make changes to the Goods without changing the external design and the agreed specification of the Goods. The Customer must be informed of such change in writing 15 days before the first shipment. The Customer is entitled to request a modification concerning the external design and specification of the Goods. Should such a modification affect the delivery date or the agreed purchase price, the modification shall be subject to the mutual agreement of the Parties.

2.4. The delivery times given are for information only. The Service Provider shall only be deemed to be in default if it exceeds the original delivery date by more than 8 days.

3. Performance of the Contract, Delivery and Acceptance of the Goods

3.1. Service Provider shall supply and deliver the Goods in the quantity specified in the contract/order and in accordance with the prior agreement of the Parties, properly stored and packaged. If the Parties do not agree on a specific packaging or transport method, the Service Provider is entitled to determine the appropriate packaging and transport mode.

3.2. Packaging must be suitable for preserving the integrity of the given thing during shipping and storage.

3.3. Unless otherwise agreed, the delivery terms shall be EXW (H-2890 Tata, Molnár utca 5.). Unless otherwise agreed, the risk of damage shall pass from the Service Provider to the Customer upon transfer to the carrier. The Customer shall receive the Goods supplied in accordance with the contract.

3.3. The Service Provider shall notify the Customer in a form certified by an appropriate document (e.g. delivery note, bill of lading) when and where the Goods will be delivered to the Customer as well as when the Goods have been delivered to the carrier in accordance with these GTC.

3.4. The Service Provider shall inform the Customer about the essential properties of the Goods and any important requirements applicable to the Goods.

4. Investigation of the Goods

4.1. The Customer shall immediately inspect each shipment, and such inspection shall cover the quality and quantity of the Goods. The Service Provider is not obliged to accept quality and/or quantity objections submitted after 8 days from the delivery. Random inspection is accepted if at least 10% of the quantity of Goods received has been inspected by Customer. If the packaging is visibly damaged, the Customer shall check the contents of the damaged package item by item. Unless otherwise agreed, the place of the quality and quantity inspection shall be the Service Provider's seat. The Customer shall enable the Service Provider to investigate a quantity or quality objection at the place where the inspection was performed.

4.2. In the case of Goods ordered according to an individual order or according to special conditions/parameters, the Service Provider shall provide the Customer with at least one sample before series production/series delivery, the acceptance of which shall be notified by the Customer to the Service Provider in writing. In the

event of any defect in the sample, Customer shall notify the Service Provider in writing providing details, and the latter shall deliver an appropriate new sample to the Customer. If Service Provider fails to provide an appropriate sample to the Customer within 6 weeks after the notification of the defect, the Customer may rescind the contract. The Service Provider may rescind the contract if it is not technically possible or economically viable to produce the sample.

4.3. The Service Provider shall subject the Goods delivered to the Customer to an appropriate inspection in advance in accordance with the Inspection Schedule agreed on with the Customer or, if no such Schedule exists, according to the Service Provider's own inspection schedule. On request, the Customer may occasionally participate in the inspection and, also on Customer's request, the Service Provider shall provide a description thereof (audit).

4.4. The Customer shall notify the Service Provider of any detected quality defect immediately after discovery of the same.

4.5. Unless otherwise agreed by the Parties, the costs of packaging shall not be included in the purchase price. The packaging must be properly labelled

5. Transfer of Risk

The Service Provider shall bear the risk of damage and all costs related to the Goods until the Goods are delivered in accordance with the agreed terms of delivery. From then on, the Customer shall bear the risk of damage and all costs (and taxes if any). In case of delayed receipt by the Customer, the risk of damage shall pass to the Customer, and the Service Provider shall provide for custody of the object of the service (Goods) on a *negotiorum gestio* basis. The costs of such custody shall be borne by the Service Provider even if the Customer is later excused from the default.

6. Purchase Price and Payment, Reservation of Title

6.1. Prices are net, and must be increased by the VAT applicable from time to time. If a Customer who is not resident in Hungary fails to provide their EU tax number or other data that enables net settlement of the shipment, the Service Provider will invoice the gross value including VAT. Unless otherwise agreed, the purchase price is quoted in Hungarian forint (HUF).

6.2. The purchase price shall be paid by bank transfer against an invoice within 8 calendar days of its receipt unless otherwise agreed. Payment shall be deemed to have been made when the amount of the purchase price has been credited to the Service Provider's bank account.

6.3. The Service Provider reserves title to the delivered Goods until the full purchase price of the Goods is paid. Until full payment of the purchase price of the Goods, the Customer shall not alienate, or encumber, or let the use of the Goods to third parties, or process them, or combine them with other things or use them in any other way.

6.4. The Customer may also settle its cash debt by offsetting its overdue cash claim against the Service Provider recognized by the Service Provider into its cash debt by means of a legal declaration addressed to the Service Provider.

7. Breach of Contract

7.1. If the Customer fails to fulfil any of its obligations undertaken in the contract, the Service Provider shall be entitled to exercise the rights set forth in this Clause and demand compensation.

7.2. The Customer shall be in default if it

- (a) fails to pay the purchase price by the due date,
- (b) does not accept performance offered contractually,
- (c) fails to take the measures and make the representations that are necessary for the contractual performance of the Service Provider,
- (d) fails to issue the receipt or certificate of performance.

7.3. The Service Provider may demand from the Customer the payment of the purchase price, the receipt of the Goods and the performance of their other contractual obligations. The Service Provider may set a reasonable extended deadline for the performance of the Customer's obligations.

7.4. In case of late payment of the purchase price, the default interest defined in the Hungarian Civil Code shall be paid.

7.5. The Customer shall indemnify the Service Provider for any damage resulting from its breach of contract. It shall be exempt from its obligation to pay damages if it can prove that the breach of contract was due to a circumstance beyond its reasonable control and it could not be reasonably expected to avoid such cause or prevent the damage.

Regardless of whether or not they have excused a breach of contract, the Customer shall

- (a) reimburse the costs of the Service Provider (especially warehousing, storage costs) arising from Customer's non-receipt of the Goods,
- (b) assume the risk of damage as if it had accepted performance,
- (c) not claim any interest for the default period.

The Customer's default excludes the simultaneous default of the Service Provider.

8. Warranty

8.1. The Service Provider warrants that the Goods comply with the provisions of the laws, authority regulations and the contract.

8.2. The Customer shall submit any claims arising from the Service Provider's defective performance in writing, within 8 working days from the receipt of the Goods, in such manner that the nature of the defect and the Customer's warranty claim can be clearly established.

8.3. If the warranty claim proves to be justified, the Customer may request repair firstly or replacement secondly. The Customer is only entitled to rescind the contract if the Service Provider is unable to satisfy the primary and/or secondary warranty claim after two repair attempts.

8.4. The Service Provider must be granted adequate time to satisfy the warranty claim, taking into account the time required for a possible reproduction of the Goods. The Service Provider shall process warranty claims with urgency.

9. Duration and Termination of the Contract

Unless otherwise agreed, the contract shall be terminated upon performance of the individual order and payment of the consideration.

10. Miscellaneous Provisions

10.1. If any provision of these GTC is invalid, the whole GTC shall be deemed invalid only if the Parties would not have concluded the contract without such invalid provision.

10.2. Any waiver of any condition or stipulation of these GTC shall not be interpreted extensively. Any waiver of a particular condition or clause shall be made in writing by the waiving party and its acceptance by the other party shall be confirmed in writing.

10.3. The Service Provider is entitled to unilaterally amend these GTC. 15 days prior to the entry into force of the amendment, it shall notify its contractual partners (buyers, customers) of the amendment and of the availability of the amended GTC. The Service Provider shall publish the amended GTC on its website at least 15 days before the amendment enters into force.

10.4. The Parties shall notify each other in writing (by registered letter, e-mail with confirmation of receipt, facsimile with confirmation of receipt, or courier service); any oral notification (e.g. by telephone) shall be confirmed by the Parties in writing.

10.5. These GTC as well as the contract made between the Parties shall be governed by the Hungarian law. The application of the UN Convention on Contracts for the International Sale of Goods is expressly excluded.

10.6. Any condition specified in advance by the Customer and not individually negotiated, as well as any general condition applied by it, shall become part of the contract with express prior acceptance by the Service Provider.

10.7. In case of any legal dispute arising from or in connection with this contract, the Parties hereto submit to the exclusive jurisdiction of the court that has jurisdiction at the Service Provider's seat.