

General Terms and Conditions
for procuring goods/appliances
 Effective from 10st June, 2024 until recalled

1. General provisions

1.1. These General Terms and Conditions (hereinafter referred to as: „**General Terms and Conditions**”) shall apply to (ordering and) procuring any and all goods/appliances, also to any agreement and framework agreement on providing related service(s) (hereinafter jointly referred to as: the „**Agreement**”), for the customized agreements concluded within the scope of the framework agreement (hereinafter referred to as: the „**Customized Agreement**”) and the Single Orders issued by the Buyer (hereinafter referred to as: „**Single Order**”) which are concluded by **KVV Tank and Pipeline Construction Private Limited Company** (HU-8600 Siófok Bajcsy-Zsilinszky str. 207.; reg.nr.: 14-10-300048; tax nr.: 11225331-2-14) as buyer (hereinafter referred to as: „**Buyer**”) with the seller (hereinafter referred to as: „**Seller**”) providing the goods subject of the Agreement and transferring the legal title over such goods to Buyer (hereinafter jointly referred to as „**Parties**”). Agreement, Customized Agreement and Single Order hereinafter uniformly referred to as Agreement.

1.2. The Parties expressly exclude application of the general terms and conditions of Seller or any provision thereof for performance under the Agreement.

1.3. When concluding the Agreement, for their contractual relationship the Parties expressly abandon any and all former agreement, related practice invalidated or still in full force and effect between them.

1.4. In case of concluding a framework agreement Buyer shall request for providing the goods subject of the Agreement and for transferring the legal title over those, also for providing related service(s) continuously, arising as per demand during the term of the Agreement, by issuing several single orders (hereinafter referred to as: the „**Order**”). Seller shall confirm receipt of the Order within 3 (three) business days after receipt, in the absence of confirmation by the Seller, the Parties consider the content of the Order as accepted, the contractual legal relationship is established between the Parties in relation to the subject of the Order. The Order shall form any inseparable part of the framework agreement and any matter not regulated by the Order shall be governed by the provisions of the framework agreement.

The Parties may conclude a Customized Agreement for certain legal transactions falling within the scope of the framework agreement, as per Buyer’s choice.

1.5. The Agreement or the Customized Agreement under the framework agreement shall be concluded upon signing by the Parties. The Buyer shall also be entitled to issue single Orders, i.e. Orders without framework agreement. In such case Seller shall confirm receipt of the Order within 3 (three) business days after receipt. Based on the Single Order, the Agreement is considered to be concluded at the time of written confirmation, or, failing this, on the 4th (fourth)

working day as from the date of receipt of the Single Order by Seller.

2. The Fee

2.1. The Parties shall set out the amount of the consideration payable for the goods and related service in the Agreement. (price or fee, hereinafter referred to as: “**Fee**”).

2.2. A payment schedule (partial invoices, final invoices) shall be determined in the Agreement. Seller shall submit its invoice – both in the case of partial and final invoices – for providing goods upon delivery note signed by the representative of Buyer, for providing related services (if any) upon performance certificate signed by the representative of Buyer, on the amount approved therein. Buyer may set the approval of the goods/services by its own buyer as an additional condition to submitting any invoice.

2.3. The Fee shall contain the contribution for any and all contractual obligation of the Seller, including costs of packaging, customs duty, costs of the procedure before the customs office, insurance, vouchering, delivery to the place of performance, all domestic additional and administrative costs, also the costs of the import licence, if any. The Fee shall be a fixed flat rate or price formed from fixed unit price and actual quantity which may not be changed during the term of the Agreement, including the term of any supplementary order.

2.4. Delivery date of the statements of production: simultaneously with handing the goods or the products over. Seller shall notify Buyer by sending the details of the delivery 3 (three) business days before sending at the latest.

3. Packaging

3.1. Seller shall be responsible for delivering the goods to Buyer in proper packaging, which protects the goods from any damage, impairment, effect attributable to weather conditions and any other environmental effect. The goods shall be protected from shaking, dipping, dust and other contamination.

3.2. Bins, boxes and other technologically suitable materials may serve as packaging. The equipment shall be covered with a protective cope, if necessary. All holes shall be locked with pipe plugs or packed with proper materials. Instruments and similar equipment shall be wrapped up in plastic and shall be protected from shaking. All bins shall be filled with stuffing in order to protect the goods from humidity, if necessary. Containers and heat exchangers made from carbon steel and steel shall be wrapped and overwrapped. Seller shall ensure protection of the internal parts of the containers, if needed. Small equipment shall be kept in boxes of proper size and protection. Seller shall send all packages with a detailed packaging list enclosed thereto. A delivery note shall be attached to each box, which contains the item number, designation and weight. 2 (two) copies of the delivery note shall be

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stuck onto the side of the box in a plastic bag or written on a water-resistant paper coated with metal. The following shall be written on each box using water-resistant ink and letters of size 10 at least:

Destination:

Agreement number:

Order number:

Project name:

number of box/boxes:

Size, gross and net weight:

method of storing:

- 3.3. The identification number attached to the Agreement and provided by Buyer shall be indicated on all correspondence, technical drawing, document and invoice.

4. Invoicing and payment terms

- 4.1. The Parties state that the performance certificate itself shall not verify the claim of Seller and shall not serve as basis for Seller claiming its fee. From financial and legal aspects, Seller issuing its invoice on the fee set out in the performance certificate as per the provision of this clause and submitting that to Buyer with the required appendices and Buyer receiving and accepting such invoice are also needed for Seller to claim its fee.
- 4.2. The Seller shall be entitled to submit invoices in one copy for the goods delivered in accordance with the Agreement accompanied by the delivery note, for the related services (if any) accompanied by the performance certificate, up to the amount agreed therein, according to the schedule stipulated in the Agreement..
- 4.3. Regarding the import of goods, the Parties stipulate that the Seller must indicate the customs tariff number of the delivered product(s) and the exact name of the product(s) on the invoice or delivery note.

The customs tariff is a list of goods and articles in international trade, compiled according to a certain system, which contains the location of the individual goods specified in the customs tariff, i.e. the customs tariff number, the exact name of the goods and the amount of duty to be paid on the goods.

The classification of the goods must be determined on the basis of the product names indicated in the custom tariffs numbers and of the comments belonging to the product classes or product groups related thereto, if the given customs tariff number or comment does not stipulate otherwise.

Customs tariff numbers are eight or ten digits long.

Article 56 of Regulation 952/2013/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the establishment of the Union Customs Code contains the provisions concerning the Common

Customs Tariff. The import and export duty due is based on the Common Customs Tariff.

The Combined Nomenclature is regulated by Commission (EU) 2017/1925 Implementing Regulation (October 12, 2017) amending Annex I to Council Regulation 2658/87/EEC on the customs and statistical nomenclature and the Common Customs Tariff.

(<https://eurlex.europa.eu/legalcontent/HU/TXT/?qid=1514453872185&uri=CELEX:32017R1925>)

For Community customs procedures, the goods must be classified according to the Combined Nomenclature (CN). This means that during the classification (classification) the customs tariff number (CN number) of the goods and the related duty rate are also determined. The Nomenclature groups goods into product classes, product groups and product sub-groups, and their titles list the product types or product categories they contain as concisely as possible.

Given that the goods will be part of an international goods classification system - because they will receive a CN number - the CN can also be used for statistical purposes within the Community.

The Parties declare that the provision of customs tariff numbers by the Seller is necessary for the fulfillment of the data service to be sent to the Central Statistical Office - Intrastat.

A product is subject to an environmental product fee if it falls under specific customs tariff numbers and the product group subject to a product fee also corresponds to the definition set in Act LXXXV of 2011 on the environmental product fee.

In case of a product subject to an environmental product fee, the following must be indicated on the invoice or accompanying documentation in connection with the declaration of the environmental product fee:

- the net weight per batch of the delivered product(s),
- the total net and gross weight of the delivered product(s),
- the weight of the packaging and the breakdown of the packaging material by type.

4.4. Form requirements of the invoice:

- the particulars of the Buyer set out in the Agreement shall be listed at particulars of buyer;
- the invoice shall be paper-based or electronic;
- the form of the invoice shall be in line with the requirements of the relevant laws and regulations;
- Seller shall indicate the number of the Agreement and the SAP number of the Order on the invoice and shall attach being basis of issuing the invoice thereto for the goods the delivery note signed by the representative of Buyer and for the related services (if any) the Performance Certificate, verified and signed by Buyer issued in line with a printout from

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- the SAP system of Buyer and also the Declaration of the Owner (if required);
- name and address of the Project shall be indicated in a separate column of the invoice;
 - Seller shall attach any other appendices to the invoice if set out in the Agreement or in the Order.
- 4.5. The Parties state that if the form of the invoice is not acceptable or the performance of Seller is challenged, Buyer shall refuse to accept the invoice and shall send that back to Seller along with a reasoning to such refusal. Refusal of accepting the invoice of Seller shall be deemed as Buyer challenging the claim of Seller.
- 4.6. In case of an incorrect or such an invoice which is not issued in accordance with the above, the payment deadline stipulated in the Agreement shall begin once all the deficiencies have been removed, i.e. on the day subsequent to the receipt of the invoice that is correct both in form and content and Seller may not claim any default interest from Buyer referring to late performance of an improper invoice issued not in line with the above provisions.
- 4.7. Method and place of submitting an invoice via registered mail to the following address:
2443 Százhalombatta Pf. 31.
 via electronic mail to the following e-mail addresses:
 szamla_elorogzitok@olajterv.hu
 bankiutalasok@olajterv.hu
- 4.8. Payment date of (partial and final) invoices shall be 60th day following the day of the receipt of the invoice by the Buyer.
 Seller may claim default interest at the rate specified in the Civil Code applicable at all times for transfers made after the 60th day.
- 4.9. Seller acknowledges and accepts that payments made via settlement at bank accounts shall be deemed as paid on the day when the amount is debited to the bank account of Buyer. Payment shall be made via bank transfer to the bank account of Seller.
 Each party bears its own bank costs, with the exception that, in the case of an international HUF transfer, the costs of the sending bank are borne by the transferring party, while the costs of any other bank participating in the transaction (e.g. correspondent bank, beneficiary bank) are borne by the beneficiary party.
- 4.10. In case of Buyer having any claim against Seller on any legal ground arising from or outside this Agreement or any legal relationship between the Parties, Buyer may set-off such claim from any amount payable to Seller and may satisfy such claim that way. Buyer may also set-off its claims against Seller enforced as per the Agreement from the fee payable to Seller and may deduct such amount from the due payments.
- 4.11. Seller undertakes not to refer to any of its claims against Buyer in case of any third person (e.g. supplier) introducing any claim against Seller, Seller also undertakes not to offer its claim against Buyer as a security. Seller shall settle and satisfy such claim at its own costs.
- 4.12. The Buyer provides the Seller with the opportunity to submit a demand for performance before the payment deadline stipulated in the Agreement (discount), no more than twice per calendar year. The Buyer is obliged to submit its claim together with the invoice, and the claim shall only be validated in case of a written discount agreement concluded between the Seller and the Buyer, taking into account the provisions of the Buyer's internal regulations.
 The Parties agree to accept and account the amount of the discount applicable in case of early payment as non-repayable asset received. Seller may not claim the discounted amount back, Buyer may keep such amount for good as a fee discount.
- 5. Performance Deadline**
 The Parties shall set out any deadline in the Agreement.
- 6. Performance**
- 6.1. The Buyer only inspects the delivered goods or equipment quantitatively upon receipt.
 Unless otherwise provided in the Agreement, the Buyer shall inform the Seller of the results of the quality inspection within 8 working days of receiving the goods or equipment.
 After the acceptance of the quantity, the signing of the delivery note by the Buyer or his representative entitles the Seller to invoicing, however, this does not mean a waiver of the right to object to the quantity or quality of the goods or equipment. So if during the quality acceptance to be conducted within 8 days after receipt, the Buyer finds the quality different from that specified in the Agreement or experiences the same in quantity, initiates the procedure set out in Clause 19 and shall use its right of retention until it is fulfilled or at least until a written agreement of the Parties on the method and deadline of fulfillment.
- 6.2. If the Seller uses a courier service to deliver the goods or equipment, the quantity and quality (damage) of the goods will not be inspected upon receipt, so the delivery note signed for the courier service is considered a conditional delivery note. The delivery note, which serves as the basis for the seller's invoicing, is signed and sent to the seller after the quality and quantity inspection by the Buyer, with the fact that if there is a quantity or quality objection to the goods or equipment, the Buyer initiates the procedure set out in point 19 and until it is fulfilled or at least until a written agreement on the method and deadline for fulfillment is made, it can use its right of proportional retention.

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- 6.3 Any act by Seller shall be deemed as performance, if Seller hands any and all undertaken services and goods over to Buyer in first-rate quality, without any defect and any lack of quantity, of content as set out in the Agreement, enclosing the related documents before the due date and Buyer accepts those.
- 6.4 In case of services related to the purchase of goods (if any), Buyer shall issue the performance certificate, a document verifying acceptance and approval of the contractual performance of Seller, as set out in Clause 4.2. above or Buyer shall sign and stamp the delivery note verifying acceptance of the delivered goods.
- 6.5 Accepting any non-contractual performance shall not be deemed as waiver of any claim of Buyer arising from the non-contractual performance of Seller. Buyer reserves the right to enforce any claim related to hidden defects or defects undetected upon receipt and/or reported by the Investor.
- 6.6 If Seller considers not to be able to keep the deadlines set out in Agreement for any reason, Seller shall, without any delay, inform Buyer about the reason and probable length of the occurrent delay. Seller shall take all measures serving progress and ensuring keeping deadlines. Seller may not receive any remuneration for such measures.
- 6.7 Place of performance shall be the address set out by the Parties in the Agreement.
- 7. Tasks of Buyer**
- 7.1 The Parties shall list the tasks of Buyer in the Agreement.
- 7.2 Buyer shall provide Seller with all relevant information needed for performance under the Agreement.
- 8. Obligations of Seller**
- 8.1 Seller shall fulfil its obligations in line with the laws, regulations and standards in full force and effect at the date of concluding the Agreement, also of technical content as per the instructions of Buyer (and via Buyer of the Investor).
- 8.2 Buyer may give instructions to Seller. Seller shall call the attention of Buyer to the fact if any instruction is unprofessional or if considering the given circumstances such instruction is impossible to follow or is not reasonable. If Seller fails to comply with such obligation, Seller shall bear full liability for the damages of Buyer arising from this failure by Seller.
- 8.3 The Buyer may visit the place of work/production, as well as other places affected by the Seller's performance, from time to time or as specified in the Agreement documents, as per its own request, and the Seller is obliged to perform all actions necessary to assist the Buyer during such visits and inspections.
- 9. Warranties**
- 9.1 Seller shall undertake warranty, warranty to title and liability for damages for the delivered goods and performed services in line with the provisions of the effective laws and regulations. The Seller represents and warrants that the goods are free and clear of any and all liens, mortgages, or encumbrances of any nature and that the Buyer's acquisition of property is not restricted or reduced by the rights of third parties.
- 9.2 The Seller shall undertake a guarantee to fulfill its contractual obligations, for the suitability of the goods, including suitability for use for the intended purpose, and any part thereof for the duration prescribed by law - but at least for the duration specified in the Agreement.
- 9.3 The Seller shall fulfill its guarantee obligations as specified in Clause 19.
- The guarantee shall not cover remedying any damage attributable to natural disasters, abuse or any other improper use, interference.
- Seller shall be liable for damages arising from Seller failing to perform its guarantee obligations or performing those improperly.
- 10. Financial bonds**
- If Seller shall provide a performance or warranty bond, the extent, effectiveness, validity of the bond, also the deadline for delivering and keeping valid such bond shall be determined in the Agreement.
- 10.1. The performance may be secured by (i) deduction from the remuneration payable for performance (retention), (ii) a bank guarantee or (iii) a surety bond issued under an insurance agreement. The required form of the performance bond is always provided for in the Agreement. The surety bond shall be direct, i.e. the surety may not claim from Buyer to enforce its claim from Seller first. Should the Seller fail to submit the bank guarantee or the surety bond, the Buyer - if the invoicing schedule according to the Agreement allows it - enforces this claim by withholding, if not able to do so, entitled to, after 10 days from the date of receipt by the Seller of the written call of the Buyer to recover, terminate the contract with immediate effect.
- 10.2. The performance of guarantee/warranty obligations may be secured by (i) deduction from the remuneration payable for performance (retention), (ii) a bank guarantee or (iii) a surety bond issued under an insurance agreement. The required form of the warranty bond is always provided for in the Agreement. The surety bond shall be direct, i.e. the surety may not claim from Buyer to enforce its claim from Seller first.
- Seller shall provide the warranty bond to the Seller in the deadline specified in the Agreement, but up to the commencement date of the guarantee period at latest.
- Should the Seller fail to submit the bank guarantee or the surety bond simultaneously with its final invoice, the Buyer shall enforce this claim by withholding.

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- 10.3. For both the bank guarantee and the surety bond provided as performance and/or warranty bond it is required to be issued in favour of the Buyer, from banks acceptable for the Buyer, with appropriate content, in an amount equal to the amount specified in the Agreement, and with an expiry date equal to the expiry date specified in the Agreement and being unconditional, irrevocable commitment to be fulfilled for first demand.
- 11. Insurance**
- Seller shall take any insurance of any kind and extent as set out by the Parties in the Agreement and shall maintain that until full performance of its obligations under the Agreement.
- 12. Default penalty**
- 12.1. Seller acknowledges that Seller shall pay default penalty for breaching the Agreement for any reason attributable to Seller. Seller shall pay default penalty for any delay, non-contractual performance, non-performance, violation of HSE rules, failure to provide information and breach of confidentiality obligations.
- 12.2. The default penalty shall be due when:
- a) the delay is over or the extended deadline for performance provided due to the delay elapsed (whichever occurs earlier), in case of late performance;
 - b) a notice is communicated, in case of non-contractual performance;
 - c) Buyer exercises its right to rescind or terminate the Agreement with immediate effect, in case of non-performance;
 - d) a notice is communicated, in case of violation of HSE rules, failure to provide information and breach of confidentiality obligations.
- 12.3. Seller shall pay default penalty for any delay in performance, i.e. if not keeping deadlines (including interim and final deadlines) is attributable to Seller; amount of the default penalty shall be equal to 1% (one per. cent) of the net contractual price of the product(s) per day but shall not exceed 10% (ten per. cent) in total for the given delay.
- 12.4. Buyer may claim cancellation penalty for any unfeasibility attributable to Seller, for Seller denying performance without proper reasoning and for Buyer lawfully terminating the Agreement due to any wrongful conduct of Seller. The amount of the cancellation penalty shall be 20% (twenty per. cent), the net contractual price of the affected product(s) shall be the basis for calculation. In case of Buyer terminating the Agreement, Seller shall receive remuneration for partial performance accepted beforehand, Buyer shall pay such remuneration as agreed before.
- 12.5. In case of any non-contractual performance by Seller, Seller shall pay default penalty, the amount of which shall be 10% (ten per. cent) of the contractual net price of the product(s) affected by such non-contractual performance. If Buyer demands for recovery, the provisions of delay default penalty shall be applied.
- 12.6. If the Seller foresees that his performance will not be in accordance with the Agreement (delayed or non-contractual and/or non-performance) but does not inform the Buyer thereof, Seller is obliged to pay a penalty of 10% (ten percent) of the penalty otherwise payable.
- 12.7. If the Seller violates the confidentiality obligation set in the Agreement, Seller is obliged to pay a penalty, the amount of which shall be 5% (five percent) of the contractual net price of the goods.
- 12.8. If the Seller violates its obligation arising from the HSE rules, Seller is obliged to pay to the Buyer a penalty according to the provisions of the Agreement, in lack thereof penalty equal to 10% (ten percent) of the contractual net price of the goods affected by the violation.
- 12.9. Buyer may claim reimbursement of its damages exceeding the amount of the default penalty, also any other claim of Buyer may be enforced.
- 12.10. The Buyer shall charge the amount of the default penalty that cannot be set off in a separate letter which the Seller is obliged to pay by bank transfer within 15 days of receipt thereof.
- 13. Damages**
- If Seller causes damage to Buyer by breaching any of its obligations set out in the Agreement, the Seller shall reimburse all damages of Buyer which the Buyer suffered in connection with Seller's breach of contract including but not limited to damage occurred in Buyer's property, loss of economic advantage and costs, claims made against Buyer by the Investor or third parties for damages (including consequential damages), default penalty, loss of economic advantage and costs. Seller acknowledges that when determining damages to be enforced against the Seller, Buyer will consider Buyer's responsibility toward the Investor, the damage, cost and default penalty claims made by the Investor against Buyer in relation to the late and/or non-contractual performance of Seller based on the agreement of the Investor and the Buyer.
- 14. Copyright**
- 14.1. Buyer shall overtake any and all copyright attached to or available for any intellectual property delivered under the Agreement, the Parties considered this when determining the remuneration payable under the Agreement. Seller may use the intellectual property only for its business operation, shall not make it public, shall not disclose that to any third party and shall not utilize that in any way. Buyer shall have exclusive, full and unlimited disposal of the intellectual property.

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- 14.2. Buyer overtakes the exclusive, full and unlimited right to use the intellectual property at handover of such intellectual property. Buyer may transfer such right to any third person without any limitation and may give further authorization to any third person to use that.
- 14.3. Under the Agreement Buyer may revise and alter the intellectual property without the need to obtain the consent of Seller thereto.
- 15. Confidentiality**
- The Parties agree to disclose the Agreement and its appendices, any fact, condition and other information they became familiar with during their performance under the Agreement to any third person (including the media) as per the prior written agreement with the other Party. This provision shall not be applicable to any disclosure to the owners, and to companies providing financial or other services, also to any disclosure given as per the effective laws and regulations.
- The provisions of Act LIV of 2018 on the protection of business secrets shall be applied to business secrets and protected know-how.
- This confidentiality clause shall be binding to the Parties without any limitation in time.
- 16. Co-operation**
- 16.1. Buyer may follow the performance with attention, may propose negotiations, give orders, Seller shall comply with such requirements in full at a date and place as requested by Buyer.
- 16.2. Any correspondence, i.e. statements and notices relating to the Agreement shall be made in writing or by e-mail to the postal address specified in the Agreement (a) in person or (b) by courier or (c) by post, or (d) to a fax number or (e) to an e-mail address (or to another person sent by one party to the other party in accordance with the provisions of the Agreement, or to another postal address in person, by courier or by post, or to an email address or fax number). A declaration and notification sent by e-mail in the event of a dispute, in so far as its content concerns material matters of the Agreement, shall be deemed to have been served if it is also sent by post by the party concerned to the other party. The declaration shall be deemed to have been served (a) in the case of personal service, at the time of service; (b) in the case of delivery by courier, at the time of receipt indicated on the receipt of the courier service; (c) in the case of registered postal delivery by return receipt, at the time of receipt indicated on the return receipt, unless the postal item returned the item to the sender with an "not searched" or moved to an unknown location, in which case the item shall be deemed to have been delivered on the 5th working day; (d) in the case of a fax, at the time of transmission specified in the successful acknowledgment; (d) in the case of an email, on the date indicated in the confirmation or, failing that, on the working day following its dispatch.
- If the delivery according to this Clause 16.2 does not fall within the official hours of a working day (i.e. between 9.00 and 17.00 on a working day), the date of delivery shall be the beginning of the official hours of the next working day at the place of delivery.
- 16.3. When fulfilling its obligations under the Agreement Seller shall comply with the provisions of the effective laws and regulations, European and Hungarian standards, technological orders, specifications, also with the provisions of the regulations of Buyer (and Investor) on working hours, work safety and operation, the generally accepted regulations on security technology and work safety pertaining to the product, business activity subject of the Agreement. Seller by signing the Agreement declares that it has been provided with the Business Partner Code of Ethics of MOL Group (available on <https://mol.hu/en/about-mol/ethics-and-compliance/ethical-behaviour>) furthermore for the case of providing related services by the Seller also with the applicable HSE rules (available on <https://molgroup.info/en/about-mol-group/supplier-center/hse-appendix-of-contracts>), it has studied and understood the regulations and hereby consents to conduct business in strict compliance with the requirements of these regulations.
- 16.4. Seller undertakes not to employ the employees of Buyer and/or of the Investor, nor to conclude any agreement with them on any kind of work during performance under this Agreement and for 3 (three) years afterwards. This provision shall be binding for the subcontractors of Seller as well.
- 16.5. Seller shall, without any delay, inform Buyer about any condition, which endangers fulfilling its obligations properly or when due. Seller shall be liable for damages arising from Seller not complying with such obligation.
- 16.6. Buyer may transfer the Agreement or any part(s) of that or certain rights or obligations or claim under the Agreement to any third person, with the obligation to inform Seller thereabout beforehand. By signing the Agreement Seller hereby gives its irrevocable consent to such transfer.
- 17. Rescission, termination with immediate effect**
- 17.1. Buyer may extend the deadline for performance in writing in case of any non-contractual or late performance by Seller. Performance by Seller before such extended deadline may not be deemed as late performance.
- 17.2. If Buyer does not extend the deadline in writing, Seller shall perform when originally due, any performance after the deadline shall be deemed as late performance and the legal consequences of Seller's late performance shall become applicable. If Seller appears not to be able to keep such postponed deadline either or such deadline expired without any result, Buyer may rescind the Agreement before commencement of performance and may terminate the Agreement with

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immediate effect after commencement of performance and Buyer may claim default penalty and reimbursement of damages in such cases as well.

- 17.3. If it appears before expiry of the performance deadline set out in the Agreement that Seller can fulfil its obligations with significant delay only, which falls out of the interest of Buyer, Buyer may rescind the Agreement before commencement of performance and may terminate the Agreement with immediate effect after commencement of performance, and may claim default penalty and reimbursement of damages simultaneously.

18. Testing

The product/goods shall be tested carefully if any standard or the Agreement requires so from Seller. In any other cases Seller shall issue a written declaration on the product, goods meeting all requirements of the laws and regulations. Certificates prescribed by the relevant standards (e.g. PED, ATEX) and by Government Decree 163/2010. (V. 11.) shall be attached to the tested equipment.

19. Repairing defective products

- 19.1. If Buyer detects any defect at handover of the product or when revising the quantity or quality of that, Buyer shall take a protocol and shall notify Seller thereabout within 5 (five) days, simultaneously with appointing its warranty claim (replacement, reparation, price reduction). Seller shall repair the detected defect as soon as practicable. The date of the proper and non-defective performance with handover of any and all documents and quality clearance shall be deemed as date of performance.
- 19.2. Seller shall commence to repair the defect without any delay after receipt of the written notice of Buyer, at its own costs, as follows and as per the choice of Buyer:
- a) Seller shall transport the defective product for reparation and shall deliver the product back to the business location of Buyer after repairing the defect. Seller shall bear the costs of and liability for the carriage.
 - b) Seller shall send a replacement for the defective fixture at its own costs or shall replace the whole product if needed. Seller shall be responsible for transporting the defective fixture or replaced defective product back to Seller. Seller shall bear the costs of and liability for the carriage.
 - c) Seller shall repair the defect at its own costs, at the business location of Buyer or at the place of performance.
- 19.3. If Seller fails to commence to repair the defect within 3 (three) days after receipt of Buyer's notice, Buyer is entitled to have the reparation completed at the costs of Seller and invoice the costs of such repair to Seller. Seller shall not refer to breaching of the guarantee terms in such case.

- 19.4. The guarantee and warranty period for the repaired/replaced part shall recommence upon completion of the repair in cases a), b) and c).

20. Force Majeure

It shall not be deemed as breaching of the Agreement, if any of the Parties fails to fulfil its obligations due to any reason not attributable to any of the Parties (force majeure). Force majeure shall mean any unforeseeable and unavoidable event or circumstance (e.g. war, strike, earthquake, flood, fire, act of terrorism), which is beyond the reasonable control of the Party affected and which prevents the Party affected from performing its obligation. The affected Party shall provide evidence of the force majeure event upon request of the other Party. If the event of force majeure last for a period exceeding 90 (ninety) days, any Party may terminate the Agreement in writing, disadvantageous circumstance shall not apply in such case, or may terminate the Agreement even if such Party may not do so under the Agreement. The Parties shall inform each other in writing about any oncoming force majeure event, the occurrence and expected period of a force majeure event, without any delay. The Party liable for late notification shall bear liability for damages arising from serving late notification on any oncoming force majeure event or any such event that has occurred.

The Parties lay down that the fact of Coronavirus disease (COVID-19) and the content of the official restrictive measures issued by an authority until the date of conclusion of the contract is recognized by both of them at the time of the conclusion of the Agreement and they undertake to fulfil their obligations under this Agreement in view of this fact and the risks. For reasons of clarity, the Parties also specify that the fact of Coronavirus disease does not in itself constitute grounds of exemption from the contractual obligations. With regard to force majeure declared in connection with Coronavirus disease, the Parties shall adopt the following provisions:

In view of the epidemiological situation, the Parties have introduced voluntary restrictive measures and they have duly informed each other.

The Parties declare that, subject to the limitations set forth in clauses above, they will still be able to fulfill their obligations under the Agreement within the time limits and without any additional costs.

Where the consequences of Coronavirus disease or the official measures taken to prevent them place an additional burden on one of the Parties compared to the restrictions set out in clauses above, the Parties shall act in accordance with the provisions of force majeure and each party shall bear the risk and costs incurred related to its interest. The Parties agree in this respect that it shall not constitute a breach of contract if the party concerned is unable to perform its obligations under the Agreement, because

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- the infectious diseases directly affecting its activity or operational areas have reached a stage where and as a result of which the performance of the contractual obligations can no longer be expected, or
- as a result of infectious diseases directly affecting its activity or operational areas, an official measure of an authority not covered by clauses above has been or will be taken which objectively makes it impossible to perform the Agreement.

The Party wishing to invoke the above circumstances shall immediately inform the other Party thereof when they are incurred. In this case, the Parties shall jointly assess and classify the situation within the shortest time frame possible.

21 Data protection

- 21.1. Data protection is extremely important for the Parties, given that personal data is collected, processed and registered in relation to the Agreements and the Customized Agreements.
- 21.2. The Parties declare that Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (hereinafter: "GDPR") and Act CXII of 2011 on informational self-determination and freedom of information (hereinafter referred to as the "Privacy Act") are recognized as binding on them.
- 21.3. With regard to the provisions of the GDPR and the Privacy Act, the Parties are considered to be data controllers in view of the fact that they process personal data in connection with the conclusion and performance of Agreements and Customized Agreements and determine the purposes and means of data processing independently or together with others.
- 21.4. The Parties agree that the personal data provided to them by the other party's employees, senior officials or other private agents during the conclusion or performance of Agreements shall be processed in accordance with the provisions of the GDPR and the Privacy Act.
- 21.5. Data protection issues not regulated in these General Terms and Conditions shall be governed by and in accordance with the statements provided by the Buyer available on Buyer's website: <https://molkvv.kmak.hu/documents/beszerzes/kvv-szallitoknak-szolo-adatvedelmi-nyilatkozat.pdf>, and the applicable legislation in a way extends to the Seller.

22. Miscellaneous

- 22.1. Any amendment to the Agreement shall enter into full force and effect upon the written agreement of both Parties only.

22.2. The prior written approval of Buyer is needed for any public use of reference (e.g. in the media, in marketing materials, on the website etc.). Seller may use the works it carried out under the Agreement as reference in a form priorly agreed with Buyer and after obtaining the written approval of Buyer, provided that Seller shall not violate the interest of the Buyer. Seller may also put the name of Buyer on its reference list in a form as priorly agreed with Buyer and after obtaining the written approval of Buyer. Seller shall remove the challenged disclosure immediately upon receipt of the notice of Buyer if Seller violates the provisions of this Clause, and Buyer may claim reimbursement of its damages.

22.3. Any delay or failure in enforcement of any right under the Agreement shall not be deemed as waiver of enforcement of such right and partial or exclusive enforcement of certain rights may not exclude enforcement of any other or residual right.

22.4. The Agreement shall be governed by Hungarian law, especially by the provisions of the Hungarian Civil Code. The Parties expressly exclude the application of the international private law norms and of the UN Treaty on the agreements of international sale and purchase of goods dated 11 April 1980. Provisions commonly used in trading shall be interpreted in line with the effective Incoterms (ICC, Paris).

22.5. The Parties agree to attempt to settle any dispute between them arising from the Agreement amicably, out of court.

The Parties agree that if they are unable to settle the above dispute through negotiations, out of court, they shall stipulate the ordinary Hungarian courts competent under Hungarian law for the final settlement of the dispute.

22.6. The Agreement concluded by the Parties shall contain any and all terms and conditions of the agreement between the Parties, therefore any former non-written agreement between the Parties shall cease to exist simultaneously with signing the Agreement. During interpretation of certain provisions of the Agreement the former declarations of the Parties may be taken into consideration when dealing with performance or any dispute.