

## General Terms and Conditions of Service of Hungaro-Ventilátor Kft.

The Customer hereby accepts and acknowledges the General Terms and Conditions of Service set forth herein (hereinafter: GTCs) to be part of any and all contracts to be executed by and between Hungaro-Ventilátor Kft. (hereinafter: the Supplier) and the Customer (hereinafter: the Customer) and declares to be aware of the fact that, by the mutual agreement of the parties reached hereunder, Hungary shall have exclusive jurisdiction regarding these GTCs and any other legal relationships established by and between the parties and that the applicable law shall be the Hungarian law. These GTCs are an inseparable part of every sales contract executed on the sale and purchase of products manufactured by the Supplier and defined by type and quantity as per Section 6:231 of Act V of 2013 on the Hungarian Civil Code (hereinafter: the Civil Code). By accepting these GTCs, the Customer declares to be aware of the fact that only contracts under which the seller undertakes the obligation to supply goods in the future that are defined by type and quantity shall be construed as sales contracts defined by type and quantity in the meaning of Section 6:231 of the Civil Code. In the event the provisions of the written sales contract defined by type and quantity differ from these GTCs, the written sales contract defined by type and quantity shall be applied in terms of such provisions. The Customer will receive these General Terms and Conditions from the Supplier along with the issued price offer. Upon both order confirmation and taking receipt of the goods, the Customer shall accept these conditions as set forth above unless the parties deviate from these General Terms and Conditions by mutual consent in a separate written agreement. Points I.1, I.2, I.3, I.4, II.2, II.4, VI.1, VI.2 of the Points listed below are not applicable to prompt cash purchases. By accepting these GTCs, the Customer acknowledges that upon legal disputes if any – in the absence of a separate contract – the court will adjudicate the disputed matter based on the provisions stated herein since these General Terms and Conditions form a material part of the agreement between the Customer and the Supplier. The Customer explicitly acknowledges that even if the Customer has his own GTCs, their provisions shall not be applied to these GTCs or to any legal relationship established between the parties, solely the provisions hereof shall apply.

### I. General Terms and Conditions

1. The Supplier shall deliver appliances meeting the technical specifications set out in the prior price offer and specified in the order confirmation under the conditions stated therein. Any and all terms and conditions not defined therein shall be regulated by these GTCs.
2. The Supplier will only accept orders from and fulfil orders of Customers that have no overdue debts towards the Supplier.
3. The Supplier will engage his credit insurer to check the Customer's creditworthiness if such Customer wishes to make use of the deferred payment facility upon ordering but has not had a credit limit established with the Supplier. The Supplier will exclusively grant deferred payment facilities to Customers for whom the credit insurer cooperating with the Supplier has defined a credit limit and whose first order exceeds HUF 250,000 gross in value. Customers holding a granted credit limit may only receive goods or services under the deferred payment facility up to the determined credit limit.
4. Upon the Customer's late payment or upon any deterioration in his solvency (among others, if an execution, bankruptcy or liquidation procedure is started against the Customer, and – even in the absence of such proceeding(s) – if the Customer will foreseeably be unable to meet his financial obligations by deadline), the Supplier will have the right to collect his debts without any delay, even including the yet unexpired ones. In the event the foregoing happens, the Supplier will have the right to terminate any and all of his contracts in existence with the Customer with immediate effect. Upon termination, the contract shall cease immediately. The Supplier shall notify the Customer of his immediate termination in

#### **HUNGARO-VENTILATOR Kft.**

H-9483 Sopronkövesd, Táncsics Mihály u. 18.

tax registration no.: 13657396-2-08 – trade register no.: 08-09-013709

[www.hungaro-ventilator.hu](http://www.hungaro-ventilator.hu) [info@hungaro-ventilator.hu](mailto:info@hungaro-ventilator.hu)

writing. As part of his obligation to cooperate, the Customer shall notify the Supplier of circumstances as detailed above immediately after becoming aware of them but at the latest after the related proceedings have been started.

5. The Customer may modify or cancel his order in writing at no extra cost within one working day of placing the order.
6. The Supplier reserves the right to alter his prices. This provision will not affect price offers already issued to Customers up to the date stated therein but for maximum 30 days.
7. The Supplier caps his liability for damages at 100% of the purchase price of the goods causing damage. The Supplier limits his liability for damage directly caused by the damaging products, therefore his liability for damages shall not relate to indirect, unforeseeable or consequential damage (e.g. failure to conclude a contract, lost profits or lost income). The Supplier has set the prices of the products with special attention to these considerations.
8. Parties bind themselves to keep the existence of the price offers, orders and contracts and the conditions of the same as well as any business secret they may have learnt confidential and shall not make them accessible to or disclose them to third parties. Any and all facts, information, solutions or data related to parties' business operations whose disclosure, acquisition or use by unauthorised parties would violate or endanger either party's rightful financial, economic or market interests shall qualify as business secret.

## II. Prices and conditions of payment

1. The prices specified by the Supplier – unless regulated otherwise in separate written contracts – relate to the receipt of goods without packaging at the Supplier's manufacturing or business site. Receipt of goods at the manufacturing site shall mean taking receipt of the goods at the Supplier's registered office at 18, Táncsics Mihály Street, 9483 Sopronkövesd, Hungary, while taking receipt of the goods at the Supplier's business site shall mean the Supplier's business site at 2, Gyár Street 2040 Budaörs, Hungary. All the prices specified in the price offer are net of VAT.
2. Unless the Supplier defines different terms and conditions in the confirmation issued by him, the terms of payment are as follows: 35% of the order value shall be paid in advance by bank transfer upon ordering, which amount shall be construed

as earnest money in the meaning of Section 6:185 of the Civil Code, therefore in the event the Customer is responsible for the failure of contract performance, the Customer shall lose the earnest money given, while in the event the failure of performance is attributable to the Supplier, the Supplier shall repay double the earnest money received to the Customer. In the event neither or both party is responsible for the failure of contract performance, the earnest money shall be returned to the Customer. In the event the contract is performed, the earnest money shall be fully credited to the amount of the purchase price payable. The order and manufacture of the goods shall commence upon the amount of earnest money being credited to the Supplier's bank account therefore the Supplier will calculate the delivery time of the goods from that specific date. Payment of the outstanding purchase price similarly by bank transfer will fall due once the Supplier declares full performance. Unless otherwise agreed, invoices shall be issued in the currency stated in the order confirmation. The Supplier's invoices raised in EUR may also be settled in HUF. In that case the applicable exchange rate shall be not other than the applicable commercial selling rate published by Erste Bank for that date. Subject to a positive customer credit rating, payment may be effected by bank transfer with agreed maturity, or by advance payment or cash payment in other cases. The countervalue is deemed to have been fully paid when it has been credited to the Supplier's current account. The completion of the payment is a condition to transferring the goods to the Customer. In the event the Customer fails to meet any of his payment obligations outstanding towards the Supplier, the Customer shall not obtain title to the received goods, consequently, the Customer shall consider the goods being in his wrongful possession as ones owned by the Supplier and shall return them to the Supplier without any further notice or legal proceedings bearing all the costs arising out of restoring the original state of possession (such as freight, packaging and other costs). The Customer acknowledges that until the purchase price of the received goods is fully paid, he shall not acquire title to such goods therefore he may not dispose over them, and may especially not sell or let them to third parties, to install them or establish any right on them. Hereunder the Customer binds himself to advise any party he enters into a

contract with of the content hereof provided that the Customer intends to sell on, install etc. the received goods and furthermore binds himself to follow the corresponding procedures. Should the Customer fail to perform this obligation and the received goods are not returned to the Supplier, the Customer shall pay the Supplier contractual penalty besides the purchase price of the received goods amounting to 10% of the countervalue of the ordered goods (services), but not less than HUF 100,000 say one hundred thousand Hungarian forints.

3. The Customer shall collect the ordered goods or employ the services within 10 working days of the Supplier's written notification of readiness (unless the parties stipulate otherwise in writing).
4. Should the Customer fail to meet his payment obligations, he shall pay an interest on late payment calculated as per Paragraph (1) of Section 6:155 of the Civil Code. The Customer is aware that in accordance with Paragraph (1) of Section 6:155 of the Civil Code, the interest upon late payment for contracts between business parties shall be calculated at the central bank base rate in effect on the first day of the calendar half-year affected by the default - if the monetary claim is to be satisfied in a foreign currency, the base rate of the issuing central bank, or failing this, the money market rate - plus eight percentage points. For the purposes of calculating the interest, the central bank base rate in effect on the first day of the calendar half-year affected shall apply for the entire period of the given calendar half-year.

### III. Delivery period

The delivery period specified by the Supplier shall be calculated from a date subsequent to the date the parties' mutual agreement on the commercial, technical and payment conditions (order confirmation) is reached. Beyond that date, any technical and quantity modification requested by the Customer may affect the delivery period and shall not be construed as the Supplier's default. The Supplier is entitled to modify the delivery period in a unilateral declaration for reasons defined hereunder.

1. The Supplier shall define the delivery period in consideration of the Customer's requirements.
2. Should the Customer delay in performing his obligations related to the order (paying earnest money, settling overdue debt), it might have a

bearing on the processing lead time. The Supplier is entitled to modify the processing lead time in a unilateral declaration for reasons specified hereunder.

3. Conditions beyond the Supplier's control shall be construed as factors modifying contract terms. Such conditions include force majeure events arising either at the Supplier's or at the Supplier's suppliers. Under such circumstances the Supplier shall have the right to reschedule order performance to a later date or to stop or limit order performance, which the Customer may not blame on the Supplier or claim compensation for from the Supplier.

### IV. Delivery

1. Unless otherwise agreed, the place of taking receipt of the ordered goods is at either 2, Gyár Street 2040 Budaörs, Hungary or 18, Táncsics Mihály Street 9483 Sopronkövesd, Hungary. The Customer acknowledges that in the event he qualifies as a non-Hungarian resident company, the place of receiving the goods shall in every case be the Supplier's registered office at 18, Táncsics Mihály Street 9483 Sopronkövesd, Hungary. The Supplier shall not be held liable for any damage caused to the goods while in transit after the Customer has taken receipt of the goods nor may the Supplier be obligated to pay compensation. The Customer shall arrange for the goods to be collected at the site. Upon the Customer's request, delivery to the Customer's site can be arranged at the Customer's cost.
2. In the event the delivery deadline is missed for reasons arising after notification of readiness has been given by the Supplier for reasons beyond the Supplier's control that may not be attributable to the Supplier (e.g. the Customer has an overdue debt or fails to accept the ordered goods by the specified delivery deadline), the Customer may not claim compensation from the Supplier.

### V. Terms of guarantee and warranty

1. The Supplier's warranty and mandatory statutory guarantee obligations - if any - shall be governed by the effective legal rules with the content detailed herein.
2. The starting date of the products' guarantee period is the date of performance, which is the day on which the Customer or a third party acting on the

Customer's behalf signs the products' delivery note.

3. Any quantity and quality problems and complaints that are based on visual inspection are only accepted upon receipt of the goods with written documentation in the form of a protocol. In the absence of this, any subsequent claim for compensation shall be rejected.
4. The Customer shall furthermore report any quality and technical complaints in writing within 30 days of receipt that cannot be checked upon taking receipt of the goods (hidden defects).
5. For a 12-month period commencing on the performance date, the Supplier will provide guarantee for the products he delivers to be free from any material defect, to be the products of expert manufacturing and to meet all the technical, ventilation technological and electric requirements that are stated in the orders. This guarantee obligation is only valid for defects in materials or manufacturing that arise during the expert operation of the product; the Supplier will not be held liable for defects caused by transport, storage, installation or operation of the appliance by the Customer. The guarantee shall only cover the repair or replacement of the defective components. Any wear caused by the normal operation of security devices (such as fire and smoke control dampers or smoke extractor fans) are not within the scope of this guarantee.
6. Electrically operated appliances shall be commissioned in accordance with the Supplier's commissioning protocol and said protocol shall be completed, signed legibly and stamped by the person commissioning the appliance and then sent to the Supplier by fax or e-mail. Completing the commissioning protocol and presenting it to the Supplier is a condition for the guarantee obligation to be valid.
7. No guarantee claims are accepted before the payment conditions defined in the agreement are met by the Customer.
8. The Supplier shall not provide guarantee for products modified or repaired by the Customer or any third party by installing components or third party devices other than the original ones, and therefore the guarantee will cease.
9. The Supplier's obligation for guarantee is exclusively towards the Customer (third parties are excluded).
10. In the event the product delivered by the Supplier is manufactured according to drawings, technical

data and documents furnished by the Customer, the Customer shall be liable for the operability and applicability of these appliances and products as well as for any related licensing or legal dispute. In such event, the Supplier's liability shall only cover defects that can be identified in comparison with the documents made available by Customer for manufacturing the product.

11. The Supplier shall not assume liability for defects caused by the Customer or the Customer's subcontractor or agent.
12. The Customer acknowledges that since he does not qualify as a consumer, his claim for compensation will lapse within 1 year of performance date.

13. **Product guarantee, product liability:**

Product guarantee shall be governed by the provisions of Sections 6:168-6:170 of the Civil Code. Therefore the Customer acknowledges that since he does not qualify as a consumer, the Supplier will have no product guarantee obligations towards the Customer; only consumers whom the product has been sold to may exercise such claims towards the Supplier with reference to any defect in the products manufactured by the Supplier.

Product liability shall be governed by the provisions of Section 6:550-6:559 of the Civil Code. The manufacturer of the defective product, also including the Supplier shall be liable for damage caused by defective products.

**Damage caused by defective products means**

- a) any damage caused by a defective product and leading to the death, bodily injury or any health impairment of a person; and
- b) any damage caused by a defective product to other objects valued in excess of five hundred euros as converted to forints at the official exchange rate of the National Bank of Hungary for the day on which the damage occurred provided that such object is for private use or private consumption according to its intended purpose and that it has generally been used for such purposes by the injured party as well.

A product shall be considered defective if it fails to provide a reasonable level of safety with special regard to the purpose of the product, the way in which it can be reasonably expected to be used, the information provided in connection with the product, the date of the sale of the product, and the

current state of scientific and technological achievements.

The injured party shall prove the defect of the product within 3 years, which period shall commence on the date when the injured party became aware or may have become aware of the damage, the defect in the product and the identity of the manufacturer. The manufacturer shall remain subject to liability for a period of ten years effective from the date of placing the given product on the market. This deadline shall apply with prejudice.

#### **VI. Reservation of title**

1. After the product is transferred, any and all risks and further costs arising regarding the appliance shall be borne by the Customer. However, the Supplier shall reserve his title to all the products supplied by him as long as the Customer meets his financial obligations in full.
2. In the event the Customer being in a legal relationship with the Supplier transfers the ordered goods to a third party and fails to meet his payment obligations towards the Supplier, the Supplier shall be entitled to notify the third party that has received the goods and make an agreement on the outstanding payment liabilities with such third party to the Customer's detriment.

#### **VII. Legal remedy**

1. Parties shall primarily attempt to settle any legal dispute regarding the validity or performance hereof between themselves through friendly negotiation.
2. Should the settlement of such legal disputes fail, parties shall submit their disputes to the exclusive competence of either the Sopron District Court or the Győr Regional Court of Appeal depending on the value in dispute with a view to Hungary's exclusive jurisdiction and Hungarian law being the applicable law.

#### **VIII. Validity, data protection provisions**

1. This agreement is valid as of today until withdrawal.
2. In the event any provision hereof becomes ineffective for any reason whatsoever, it will not

invalidate the other provisions. The invalid provision shall be replaced by a valid provision with a similar economic purpose.

3. Any personal data that the Supplier obtains from the Customer in relation to the order shall solely be used for fulfilling the contractual obligations. Only for this reason shall the Supplier forward the Customer's data to order processors and third parties who will all have been bound by the Supplier to comply with the data protection provisions. Data processing is done in accordance with Point b) of Paragraph (1) of Section 6 of GDPR and is therefore lawful.
4. The Supplier shall process the Customer's data with utmost care and only store them as long as he is obligated to do so by law or it is necessary for exercising legal claims.
5. In connection with his personal data, the Customer has the right to ask for information, rectification or prior information, and after the termination of the legal relationship, within the statutory deadline, he will have the right to request the competent Hungaro-Ventilátor Kft to erase his data or restrict data handling and processing and the Customer furthermore has the right to object to data processing and forwarding altogether and to file a complaint with the data protection authority.

The Supplier has the right to unilaterally amend these GTCs at any time. With respect to already established legal transactions the Supplier will remain to be bound by the provisions of the GTCs valid upon the date the contract was made.

Effective date: 1 June 2021

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