

Tipa Kft.

GENERAL CONTRACTUAL TERMS AND CONDITIONS

- for manufacturing special-purpose machines (single-purpose machines) not shown under other headings and providing associated services -

1. General provisions

- 1.1. These General Contractual Terms and Conditions (hereinafter GCTC) include detailed conditions of all quotations (hereinafter Quotation) issued by TIPA Limited Liability Company (hereinafter the Company) for manufacturing special-purpose machines not shown under other headings (hereinafter special-purpose machines) and of every contract (hereinafter Contract) has been concluded/to be concluded with every client (hereinafter Customer), and Quotations and Contracts are valid and effective only with the provisions of these GCTC. For all orders made by the Customers and received by the Company for special-purpose machines and associated services (hereinafter jointly referred to as Equipment) shall be exclusively governed by the GCTC.
- 1.2. The Company definitely declares that Customer's any possible general contractual terms and conditions are not effective for the Company, and the acceptance/confirmation of Customer's incoming order placed on the basis of the Quotation issued by the Company shall not be construed as acceptance of Customer's general contractual terms and conditions in any form. Any deviation from these GCTC shall be valid and effective only if it is agreed in writing, bearing authorized signatures of both parties.
- 1.3. By sending the Order the Customer expressly acknowledges and accepts the provisions of the Company's actual GCTC.

2. Quotation, binding offer, order confirmation, conclusion of contract

- 2.1. Concerning prices and deadlines stipulated in the Quotation, they shall be binding on the Company for the period and with terms and conditions specified in the Quotation. If the Quotation does not specify any binding period then it shall be deemed that the period for which the Customer's offer shall remain valid for designing, installation and items to be manufactured is 30 days. The binding period begins on the day the Quotation is issued. For items purchased by the Company and modified by the suppliers the Quotation shall not be considered binding on the Company.
- 2.2. Based on the Quotation received, the Customer is entitled to place an order for the Equipment by a properly signed written Order before the expiry of the binding period specified in the Quotation (or, where no such quotation exists, in the GCTC). If the Customer forwards its properly signed written Order to the Company after the binding period has expired, the Company shall be exempted from its commitment to a binding offer set forth in Section 2.1.
- 2.3. The Contract between the parties will be concluded when the Company confirms the Order in writing (hereinafter the Confirmation).
The confirmation of any Order which corresponds to the Quotation and is received within the binding period contains the terms and conditions specified in the Order.
The confirmation of any Order which is received within the binding period but any term or condition thereof differs from that of the Quotation will contain, at the discretion of the Company, the terms and conditions specified in the Order or the Quotation.
The confirmation of any Order received after the binding period has expired will contain terms and conditions at the discretion of the Company.

- 2.4. The Company reserves the right to issue a Quotation that differs, for technical and business policy reasons, from the specification provided by the Customer. The Company expressly declares that its Quotation is valid only with the conditions and technical content stipulated therein.

3. Contract price

- 3.1. The currency of the contract price will be determined in the Quotation (normally EUR or HUF).
- 3.2. The contract price excludes VAT and other taxes and charges that are or will be imposed on the subject-matter of the Contract.
- 3.3. Unless otherwise agreed in writing by the Parties, the subject-matter of the Contract will be delivered Ex Works (EXW, INCOTERMS 2010).
- 3.4. Unless otherwise agreed in writing by the Parties, the contract price excludes installation of connecting points, the OHS examination, wear and spare parts, 24-hour phone service and production monitoring/supervision after final acceptance.

4. Terms of payment

- 4.1. Payment obligations shall be fulfilled according to the payment schedule specified in the Quotation. The Customer shall make all payments by bank transfer to the bank account indicated in the advance payment request/partial invoice/invoice before the deadline specified therein. Advance payment shall be made after the Order has been placed, on the basis of an advance payment request. After the advance payment has been made, the Company issues a prepayment invoice for the amount paid.
- 4.2. In case of fulfilling payment obligations before due date, the Customer is not entitled to a price reduction (discount) for early payment.
- 4.3. Fulfilment date on which the invoice is based:
- advance payment: the date on which the advance payment is received on the basis of the advance payment request issued by the Company.
 - delivery: the date on which the goods arrive at the delivery address (place of destination) on the basis of the delivery note issued by the Company and signed by the Customer or its representative.
 - in any other cases: a certificate of completion signed by the Customer or its representative, accepted also electronically (via e-mail).
- 4.4. The Company retains title to the Equipment until the price of the Equipment has been paid in full. The Customer shall keep the records of the Equipment whose ownership is retained separately and clearly indicate with a label/mark that the Company has retained title to it, and shall provide access to it for the Company, and shall allow the Company to take possession of the Equipment if the purchase price has not been paid according to the Contract. The Customer shall hold, store and safeguard, at its own expense and risk but for the benefit of the Company, the Equipment whose ownership is retained and maintain adequate insurance coverage for the Equipment. The retention of title will not be entered into the registry of insurance coverage but, until the purchase price has been paid in full, the Customer is prohibited from pledging the Equipment whose ownership is retained or from obligating, encumbering or alienating it or granting it to any third party for use. The Customer shall immediately inform the Company in writing if the Equipment is seized or a third person carries out any intervention. In this case the unpaid part of the purchase price becomes payable at once. If the Customer fails to fulfil its payment obligation that has become due this way without delay, it shall immediately provide sufficient collateral for the fulfilment of its payment obligation. The Customer shall be responsible for any damages arising from non-fulfilment of the aforementioned obligations towards the Company.

4.5. The Customer may give notice of any invoice-related objections without delay but not later than 10 working days after receipt of the invoice in order the invoice concerned can be corrected or issued again by the Company in time. Any administrative or formal defect on the invoice cannot serve as a basis for rejecting payment.

In case of disputes the Customer may only withhold payment of the proportional part of the partial invoice containing the disputed delivery. After the dispute has been settled, the proportional part withheld will become due and payable immediately.

The Company and the Customer shall be entitled to count its claim in the other party's claim held against the party only after the other party's prior written approval has been obtained.

4.6. If the Customer fails to fulfil its payment obligation before the specified deadline or violates any other obligation against the Company then, without bearing any responsibility, the Company shall be entitled to suspend, with immediate effect, design, manufacture, transport, installation and commissioning of the Equipment. Specifying a second reasonable deadline, the Company shall call upon the Customer in writing to cure its breach of contract. If the Customer fails to fulfil its payment obligation or any other obligation against the Company before the second reasonable deadline specified by the Company then the Company shall be entitled to terminate the Contract with immediate effect and return the Equipment whose ownership is retained, and the Customer shall pay compensation for any proven additional costs incurred by the Company as a consequence of late payment or non-payment.

4.7. In the event of the insolvency of the Customer the Company, without assuming any liability and at its own discretion, shall be entitled to withdraw from the Contract or terminate it with immediate effect, to suspend, delay or even refuse, partially or wholly, deliveries until the purchase price has been paid in full.

The Customer agrees that the Company will monitor its solvency position on a regular basis. If the Company takes the view that Customer's financial position may delay or jeopardize payment according to the terms of the Contract then the Customer shall prove, beyond doubt, its financial solvency or provide adequate payment security. Failing to do so, the Company shall be entitled to take measures set forth in this section.

4.8. If necessary, the Company may prepare a technological documentation and clamping and/or other ancillary devices for its manufacturing process. Tools necessary for production, technological documentation and clamping and/or other ancillary devices prepared by the Company will not become the property of the Customer. The Company retains title to these auxiliary materials. Exception is made where the transfer of ownership of auxiliary materials is expressly stipulated in the Quotation. This retention of title is valid and effective even if the Quotation contains some one-time production introduction cost. After the Customer has paid the one-time production introduction cost the Company undertakes to keep, with continuous maintenance, the auxiliary materials paid this way (technological documentation, welding clamps and other ancillary devices) as long as Orders for the Equipment are received from time to time. During this period no extra charge will be imposed on the Customer. The Company reserves the right to discard the technological documentation and clamping and/or other ancillary devices one year after the date of the last order.

5. Fulfilment, delivery terms

5.1. The delivery time is included in the Company's Quotation or order confirmation sent by the Company. Delivery time is expressed as a period of time whose starting date is the day when all the following conditions are met:

- the Order has been received,
- the Customer has provided the Company with all necessary documents, licences and approval,
- the Customer has fulfilled its payment and other obligations.

If any aforementioned condition has not been met, the delivery time will be automatically extended by Customer's delay.

The Company reserves the right to modify the price and the delivery time, subject to the modification requested by the Customer in the design and production process, the information provided by the Customer and the performance of suppliers designated by the Customer.

5.2. The technical handover/takeover procedure will be conducted in several stages, in an equipment-specific manner (e.g. preliminary acceptance at the production site, on the spot assembly, commissioning, start of the manufacturing process), whose detailed description is included in the Quotation. If the Quotation does not contain any relevant provision then the technical handover/takeover procedure should be conducted according to the technical specification issued by the Customer (whose issue date is earlier than that of the Quotation). In the case of any inconsistency between the Quotation and the technical specification issued by the Customer the content of the Quotation shall prevail. The Customer undertakes to provide, at its own expense and in due time, the work pieces required for the adjustment of the Equipment and for preliminary and final acceptances, and ensures that the characteristics and tolerance of the work pieces complies with the specification set out in the tender announcement. The Company will not pay compensation for the costs incurred by the Customer during the acceptance processes – with particular (but not exclusive regard) to work pieces, working hours and travel and accommodation costs of Customer's employees participating in the final acceptance process.

After the final acceptance process has been completed, no additional defects or deficiencies to be eliminated on the Equipment can be included in the list of objections.

The Customer undertakes to make, at its own expense, any basic materials and devices required for assembling and commissioning available at the scene of assembling and commissioning before these processes begin, and to perform any preparatory works so that assembling and commissioning processes can be started according to the agreement and can be conducted smoothly.

If the assembling or commissioning process is delayed due to circumstances beyond Company's control, the Customer shall pay compensation for Company's all proven losses, costs or expenses incurred, directly or indirectly, as a consequence of the delay.

If the Customer violates any obligation stipulated in these GCTC or the Contract the Company is entitled to claim compensation for its proven losses and exercise its other rights arising from the breach of contract.

5.3. If the final acceptance of the Equipment does not take place for any reason attributable to the Customer within 4 weeks after delivery, the Company shall be entitled to submit a final invoice.

5.4. The Customer is not entitled to refuse acceptance of the Equipment by referring to minor defects. Any defect that has no significant influence on the intended use of the Equipment and does not affect its functionality, operation, maintenance and development is considered a minor defect. The Company shall be entitled to submit a final invoice in this case, too, on condition that the Company shall eliminate the deficiencies included in the list of defects before the specified deadline.

- 5.5. Until the final acceptance of the Equipment takes place, the Company is entitled to carry out works on the Equipment any time, to suspend or interrupt the operation of the Equipment during the working period, to modify the parameters of the Equipment at its own discretion, even if this activity hinders the Customer from performing normal manufacturing processes on the Equipment.
- 5.6. The Company may hire subcontractor(s). The Company is responsible for the activity of subcontractor(s) hired towards the Customer.
- 5.7. The risk passes to the Customer after the Company has delivered the Equipment to the Customer according to applicable INCOTERMS rules. The risk also passes to the Customer when the delivery of the Equipment is delayed for any reason attributable to the Customer or the Customer has refused to accept the Equipment without giving a well-founded reason or reporting a quality defect.
- 5.8. If the Company is responsible for transporting the Equipment to the place specified by the Customer, the Customer will insure the Equipment against general transport damages only at Customer's specific written request and expense.
- 5.9. The Company excludes its liability for such defects and deficiencies of the Equipment which have occurred because the Customer failed to provide the Company with sufficient technical information and/or the original material sample/specimen was inappropriate. Besides, the Customer is responsible for ensuring that the Equipment ordered by the Customer is suitable for its intended use and is able to achieve the objective set in the documentation provided by the Customer.
- 5.10. If at Customer's request the Equipment is delivered more than one month after a Notification of Completion has been sent, the Company is entitled to impose storage fee for each additional commenced month.
- 5.11. Unless otherwise agreed in writing by the Parties, the Customer shall, at its own expense and in due time, provide the following items:
 - lifting equipment with qualified operators required to download and handle the Equipment,
 - water and energy supply at the consumption point including connections, heating and lighting,
 - appropriate dry and lockable rooms of sufficient size in the working area where Company's tasks (e.g. assembling, commissioning) should be accomplished, and these rooms must be suitable for storing the parts of the Equipment, instruments, basic materials, tools, etc.
 - workshops, rest rooms and sanitary facilities that meet special conditions for the assembly staff,
 - any necessary protective clothing and equipment that meet special conditions specified for the specific work site.

Prior to starting commissioning works, the Customer shall, without being asked, provide any data and information concerning any concealed power cable and gas and water pipes and other similar devices, if it is relevant to the job.

Besides, the Customer shall ensure that the commissioning site and the roads leading to this place are even, smooth and unobstructed.

The Customer also shall take all necessary steps to protect its own property and that of the Company and the assembly staff.

If assembling and commissioning processes are delayed due to circumstances beyond Company's control, the Customer shall bear any reasonable costs caused by the downtime as well as any additional travel expenses of the Company and the assembly staff.

If the Company has undertaken to perform assembling or commissioning processes on an individual accounting basis, this shall be governed by the following provisions, in addition to those stipulated in this section:

- the Customer shall compensate the Company for any wages and allowances for working hours, extra works, night work, working on Sundays and public holidays and under extraordinary conditions as well as planning and supervision stipulated in the Contract.
- the following costs shall be reimbursed separately: travel expenses, transportation costs of hand tools and other devices, mission expenses related to working, working hours, rest periods, travelling time and public holidays.

5.12. The Company manufactures the Equipment to the best of its professional knowledge. The Company can meet certain special requirements only if the Customer has provided the Company with all available technical information and material samples upon placing the Order. For lack of technical information and/or original product and material samples the Company does not assume responsibility for the quality and applicability of the Equipment. By virtue of technical information and/or material samples provided belatedly or subsequently the Company shall be entitled to modify the delivery conditions and/or amend the Contract.

The Company ensures that all Equipment undergo a careful examination and specified tests before they are handed over. The Customer shall bear all costs of any other tests or examinations that have been ordered by the Customer and are not included in the Quotation issued by the Company, including test run and pilot products, but excluding technical handover/takeover protocol, as well as all costs incurred in the course of any test, trial or examination ordered by the Customer.

Life tests are not part of the Contract. When the Customer requests for these tests for the elements produced then relevant tests should be stipulated in a separate contract and their costs shall be borne by the Customer.

Concerning commercial elements the Company is not obliged to assume lifetime guarantee even within the guarantee period. When the Customer exceeds the number of operating cycles specified by the manufacturer the Customer shall replace the part in the framework of maintenance and make arrangement for its regular replacement.

6. Maintenance

6.1. The Company provides maintenance instructions and maintenance training to the Customer, based on which the operator of the Equipment has to perform any maintenance required for the operation of the Equipment delivered and keep written records of maintenance works. Maintenance includes daily inspections to be carried out according to maintenance manual/maintenance instructions, preventive maintenance at specified intervals and replacement of parts on the basis of diagnostics. The operator shall purchase and store any materials used in the maintenance process. No guarantee or indemnity can be enforced against the Company for deteriorations, damages or malfunctions caused by incorrect or defective maintenance or when shortcomings are identified in maintenance documentation.

6.2. In case of malfunction the Customer shall carry out minimum reasonable troubleshooting. If it fails to do so, the service work carried out by the Company cannot be asserted as a guarantee/warranty service.

7. Warranty (guarantee), indemnity

7.1. The Company provides warranty or indemnity on the Equipment manufactured by the Company for a period specified in this section as detailed below:

7.1.1. When operation and maintenance are carried out by following the instructions provided, for failures that may occur the length of the “implementation guarantee” period is 12 months after the Equipment has been delivered, unless otherwise provided in the Quotation.

7.1.2. The „indemnity for design” period is 24 months after the date of delivery of the Equipment.

- 7.1.3. Any „indemnity for design” may only be enforced by the Customer during the indemnity period defined in Section 7.1.2 if the failure can be clearly traced back to a design flaw or this is demonstrated by the Customer (e.g. undersized devices, faulty material selection). Any repair or modification carried out within the framework of indemnity for design is free of charge.
- 7.1.4. Concerning commercial products incorporated in the Equipment the Company offers only the guarantees provided by the distributor or the manufacturer, and in this case the guarantee period starts from the day the Company purchased them.
- 7.1.5. Both implementation guarantee and indemnity for design only apply to restoration of operability and do not cover reimbursement of indirect or consequential damages including, particularly but not exclusively, losses caused by shutdowns and defective products, product recalls and loss of profit for which the Company expressly excludes its responsibility.
- 7.1.6. The Company excludes its warranty and indemnity obligations set out in Sections 7.1.1 and 7.1.2 for the parts that has been provided by the Customer and should be used in a compulsory manner.
- 7.1.7. The Customer shall be liable for the technical solutions and subcontractors selected by the Customer and for the commercial products to be used by the Company while fulfilling the Contract.
- 7.1.8. The Customer shall immediately inform the Company in writing on any failure of the Equipment.
- 7.1.9. In the event of a failure of the Equipment, a subassembly or a part covered by guaranty or indemnity the Company, at its own discretion, may remedy the failure of the Equipment, subassembly or part or replace the faulty part or provide sub-standard services again.
- 7.2. The Customer expressly acknowledges that neither the guarantee set forth in Section 7.1.1 nor the indemnity defined in Section 7.1.2 is enforceable in the following cases:
- 7.2.1. When the Customer performs alterations or modifications on the Equipment without obtaining Company’s consent.
- 7.2.2. When the failure can be traced back to any of the following causes;
- unprofessional operation, misuse or careless operation,
 - excessive usage (e.g. by altering technological parameters specified in the Quotation),
 - the operator has used inadequate raw materials,
 - operation in improper operational environment,
 - maintenance not complying with maintenance instructions,
 - deterioration of “wear” parts, normal wear,
 - vandalism, accident, external influence.
- 7.3. Conditions for enforcing repairs under guarantee and „indemnity for design”:
- 7.3.1. For phone or e-mail reports the maximum allowable response time is 2 hours during working hours.
- 7.3.2. The technician of the Company arrives at the scene at the appointed time within 2 working days of a notification and begins to find the defect (when the work is carried out in Hungary), provided that the Customer gives him an opportunity to work and provides sufficient time. The duration of the repair depends on the availability of the Equipment, the time required to procure commercial materials and production capacity.
- 7.3.3. Periods between 8:00 a.m. and 4:00 p.m. from Monday to Friday are considered normal work hours.
- 7.3.4. The 24-hour emergency service and the telephone hotline are not part of the repair service set forth in Section 7.3.
- 7.3.5. When the repair process is commenced and completed the person who reported the fault should be present at the scene, without him the Company cannot start repair works and the period of time during which this person is not available shall not be considered as Company’s delay.
- 7.3.6. The Company will not maintain a spare parts inventory within the framework of repair services.

- 7.3.7. The Company provides 12-month guarantee or indemnity from the repair completion date on the work carried out in the repair process set forth in Section 7.3 and on the new parts incorporated. When the initial guarantee period expires later than this period then the initial period prevails.
- 7.3.8. The repair service set forth in Section 7.3 is enforceable only in the region of supply defined when the Contract was concluded.

8. Occasional provision of services beyond the warranty/indemnity period or out of warranty/indemnity

- 8.1. After the guarantee/indemnity period provided by the Company on the Equipment has expired or when a fault occurs outside the guarantee/indemnity then occasional provision of services can be requested against payment; which fee will be calculated in every case separately.
- 8.2. Conditions for occasional provision of services beyond the warranty/indemnity period or out of warranty/indemnity are as follows:
- The request for services should be submitted to the project leader.
 - At the appointed time the technician of the company arrives at the scene on the second working day of a notification at the latest and begins to find the defect (when the work is carried out in Hungary).
 - When the repair process is commenced and completed the person who reported the fault should be present at the scene. We accept failure reports only from persons entitled thereto. Any failure report constitutes an order.
 - A worksheet covering the repair completed will be prepared and, after the Customer has approved it in writing, used for invoicing (each commenced 0.5 hours will be invoiced).
 - Considering that the signed worksheet forms the basis for invoicing, the Customer shall inspect the content of the worksheet in any case.
 - Commercial materials that has been provided and incorporated by the Company will be shown as a separate item on the invoice.
 - The Company will not maintain a spare parts inventory necessary for the Equipment within the framework of repair services therefore the duration of the repair may depend on the time required to procure commercial materials.
 - The Company provides 12-month guarantee from the repair completion date on the work carried out in the repair process and on the new parts incorporated.

9. Intellectual property rights

- 9.1. The Company entirely reserves its copyright and industrial property rights with respect to intellectual properties created by the Company (and its employees) when preparing the Quotation and fulfilling the Contract including, especially but not exclusively, all documents, plans, drawings, models, technical solutions, devices and software developed. Any engineering fee or design cost included in the Quotation applies to targeted planning, and its indication as a separate item just contributes to greater comprehensibility of the Quotation but does not mean that any industrial property rights have been transferred partially or wholly.

Depending on the implementation, certain drawings, software and/or other related documents will be provided as a constituent of the Equipment or as an accessory together with the Equipment. Selling the Equipment to the Customer and handover of designs, drawings, software and/or other related documents in the selling process does not imply transferring relevant copyright and industrial property rights to the Customer.

- 9.2. The Customer is entitled to modify, convert, alter or remanufacture any intellectual properties owned by the Company or to transfer them to third parties only after the Company's written consent has been obtained. The only exception to this rule is the situation where the transfer of rights of use is included as a separate item in the Quotation and the Order.

- 9.3. The Company reserves the right to place labels VIDEOTON and TIPA on some open surface on the casing of the Equipment manufactured by the Company.
- 9.4. The Company will in any case provide CE mark / EC declaration only for modifications carried out and for subassemblies and Equipment manufactured by the Company. The Company's CE-related liability shall not extend to any other parts of the Equipment and to the associated equipment in the production line..

10. Limitation of liability

The Company shall be liable towards the Customer for the losses caused by the Company's defective or late delivery to the Customer. Neither the Company nor the Customer may exclude indemnification and its amount cannot be limited in case of damages caused intentionally or caused to human health or physical integrity and of product liability. In any other case Company's liability shall be limited to the cover provided by Company's liability insurance. Concerning harmful events not covered by Company's liability insurance Company's liability shall be limited to 10 percent of the added value of the Equipment covered by the Contract for each insurance claim made under the Contract, on condition that if this level is not reached then the remaining amount shall not be aggregated with 10 percent of the added value of the Equipment covered by the next contract concluded with the same customer. Company's liability is expressly excluded for indirect and consequential damages including especially loss of profit, loss of business, defamation, loss in output, loss of data and payment of punitive damages. The provisions of these GCTC do not exempt any of the parties from fulfilling their obligations to prevent, control and mitigate damages.

11. Force majeure

- 11.1. Any unforeseeable circumstance or event that is beyond the reasonable control of the parties (including war, uprising, strike, quarantine, exceptional natural circumstances, earthquake, flood and raw material shortage) and prevents, temporarily or permanently, one of the parties from fulfilling the contract constitutes a force majeure event.
- 11.2. Each party affected by a force majeure event shall inform the other party in writing as soon as possible about this event and the cessation of the force majeure. The party affected by a force majeure event shall make all reasonable efforts to eliminate or mitigate the effects of any force majeure event.
- 11.3. When the parties do not meet deadlines specified in the Contract on account of a force majeure event then these deadlines are extended accordingly and the fulfilment of the Contract is suspended until the hindrance is removed. The party affected by a force majeure event shall not be liable for non-fulfilment, late fulfilment or defective fulfilment and the damages suffered by the other party.
- 11.4. If a force majeure event persists for three (3) months (or if the Company reasonably considers that the delay is expected to persist for three (3) months)
- with a unilateral declaration the Company is entitled to withdraw from the entire Contract or any part thereof without bearing any liability.
 - with a unilateral declaration the Customer is entitled to withdraw from the entire Contract or any part thereof on condition that based on the current state of the design and manufacturing process the Customer shall pay a reasonable and proportional part of the price specified in the confirmed Quotation.

12. Confidentiality obligation

The Customer acknowledges that any information relating to Company's research, products, equipment, software, services, developments, creative projects, inventions, procedures, plans, drawings and engineering solutions that have become known to the Customer as well as all marketing, economic and financial data of the Company (hereinafter jointly referred to as Confidential Information) is considered as Company's business secret. The Customer declares that it will make use of Company's Confidential Information only to the extent necessary to fulfil its obligations to the Company and will not use any Confidential Information in any other way unless the company has approved it in writing in advance. The Company also undertakes to keep any Confidential Information secret and not to disclose any Confidential Information to any third party unless this information is transferred in line with this section and to prevent its disclosure to any third party. This confidentiality clause shall be binding on the Customer for 10 years after the Contract between the parties has been fulfilled or terminated.

13. Termination and cancellation of the Contract

In addition to the rights to terminate stipulated in these GCTS and in the Contract (4.6, 4.7, 11.4), the Company shall be entitled to terminate the Contract in writing with immediate effect and without any consequence if

- the Customer violates any of its obligations arising out of the Contract and fails to remedy the breach after the relevant written warning has been received and before a reasonable deadline specified by the Company expires.
- any insolvency proceedings, liquidation proceedings, a final settlement procedure or bankruptcy proceedings have been launched against the Customer.

If any of the events set forth in this section occurs, Customer's all payment obligations shall be considered expired and become due, and according to the current preparedness level of the Equipment the Customer shall pay a reasonable and proportional part of the purchase price that has not been invoiced yet.

14. Other provisions

14.1. Any notifications, declarations and communications stipulated in these GCTC shall be forwarded in writing, and the Parties accept notifications as sent in written form if they have been delivered to the official addresses of the other party by registered letter with acknowledgement or by fax with sending/receipt confirmation or sent electronically via e-mail from the e-mail address of the contact person, provided that reading of the message has been confirmed from the e-mail address of the other contact person or the message has been responded by employing one of the aforementioned methods.

14.2. The Company shall be entitled to cede or assign the Order or any part of it or any right and claim which it is entitled to on the basis of the Order or recover them by a third party .

The Company shall be entitled to conclude a contract with a third party or make such a legal statement in order to take over any obligation imposed on the Company in the Order or any part of it. The Customer shall not be entitled to transfer its rights and obligations without first obtaining the Company's written approval.

14.3. These GCTC and the Quotations and Contracts should be interpreted according to Hungarian law. Any matters not regulated in the GCTC, the Quotation or the Contract shall be governed by the Civil Code of Hungary and relevant Hungarian laws.

If the Customer and the Company fall within the jurisdictions of different states and unless otherwise agreed by the parties, the Permanent Court of Arbitration attached to the Hungarian Chamber of Commerce and Industry has jurisdiction to determine a dispute arising from the Order, in accordance with its own procedures. The place of arbitration shall be Budapest, the number of arbitrators shall be three, and the language of the arbitration shall be English. If the parties fall within the jurisdiction of the Hungarian State, by acknowledging these terms and conditions the Customer accepts that all legal disputes shall be submitted to the exclusive jurisdiction of Győr District Court and Győr Regional Court according to competency.

14.4. The Company is entitled to modify these GCTC at any time. The modified terms and conditions will become effective for the Customer from the date on which these have been sent to the Customer or the Company has made them available to the Customer in some other way.

Laszlo Székely
Managing Director

Győr, 19 September 2018.