

GENERAL TERMS AND CONDITIONS OF THE CONTRACT

I. Effect and terms

1. These General Terms and Conditions (hereinafter referred to as „**General Terms**”) shall remain in force until its withdrawal.

2. In these General Terms Bosch Rexroth Ltd. will be referred to as the **Entrepreneur**, while the party entering into a contractual relationship with it will be referred to as the **Principal**. Entrepreneur and Principal will be jointly referred to as the **Parties**. The person using the Web-shop service specified in a separate regulation shall also qualify as Principal. For the purpose of these General Terms, the Supplier carrying out the activity shall also qualify as Entrepreneur with special regard to the service activity specified in the separate regulation.

A representative may proceed on behalf of the Principal however the Entrepreneur will not be obliged to examine the content and the extent of the authorisation entered into by the Principal and its representative. If the Principal is represented by a representative and any of the documents mentioned in these General Terms is signed by the representative of the Principal, the Entrepreneur shall not be liable in any way if the Principal fails to accept the content of the handover protocol signed by its representative.

The Contractual Declaration of the Parties and these General Terms shall jointly constitute the Contract of the Parties (hereinafter referred to as the **Contract**).

The goods and service ordered by the Principal and supplied or performed by the Entrepreneur shall be referred to as the **Product** in these General Terms.

Machines and machine units to be serviced by the Entrepreneur according to the service activity specified in the separate regulation shall qualify as **Instruments**.

The handover protocol, the delivery note, the consignment note and the service worksheet shall qualify as **Shipping certificate**.

The **Service Customer Worksheet** is a report on defect revelation drawn up by the Entrepreneur in relation with these General Terms, it comprises a report on the defects of the Tool observed by the Entrepreneur and the carried out activity.

3. The aim of this document is to determine the contractual rights and liabilities of the Entrepreneur and the Principals who enter into a contractual relationship with it, the conditions of settlement and payment and all other general contractual conditions. The Principal takes notice of the fact that unless otherwise agreed by the Parties its order shall also mean the acceptance of these General Terms written by the Entrepreneur without any other specific declaration relating to this fact.

The Entrepreneur is entitled to modify these General Terms, with special regard to the changes in legal rules and the modifications of its business policy.

II. Contractual Declarations

1. Enquiries, offers, orders, after sales worksheets, service worksheets, supply drawdown, their confirmation or acceptance as well as individual or named contracts and their amendments or complements (hereinafter jointly referred to as **Contractual Declarations**) shall be valid primarily if made in writing. Contractual Declarations may be sent via mail, telefax and e-mail as well as in person according to the relevant legal rules. Contractual Declarations sent otherwise than specified above shall not create a contractual relationship. In this case the Entrepreneur will be liable for the performance only if the Principal expressly accepts the Entrepreneur's offer.

2. These General Terms and the offer of the Entrepreneur shall be deemed accepted if the Principal places the order after accepting the offer of the Entre-

preneur or does not make any remark to the content of the order confirmation in any written form within 3 (three) days, or expresses its acceptance by any other referring behaviour or by receiving the Product.

The Entrepreneur shall be bound by the offer for 10 (ten) days, after this period of time it shall expire and the Entrepreneur may become exempt from its contractual obligation. The offer and performance of the Entrepreneur shall be governed solely jointly by the confirmation of order and these General Terms even if the original order of the Principal contains other prescriptions.

3. The Entrepreneur expressly reserves the ownership right and the copyright of all and any documentation (connection drawings, list of pieces etc.) handed over by it to the Principal, and the Principal cannot make them available for third parties without the prior written consent of the Entrepreneur. The Entrepreneur undertakes to treat confidentially all documentation made available for it by the Principal. The Entrepreneur will not be obliged to examine whether the protection right of the third party covers any product affected by the order of the Principal but not owned by the Entrepreneur, and the Entrepreneur excludes all liability arising from this.

4. The first offer of the Entrepreneur is normally free of charge, further offers, plans etc. will be free of charge only if the Principal orders the Product and the Entrepreneur confirms it.

5. The official language of the Contractual Declaration shall be Hungarian, including all oral and written communication relating to the performance of the contract with special regard to plans, approvals, technological descriptions, invoices, reports and all other documents.

III. The rights and obligations of the Principal and the Entrepreneur

1. The Principal shall declare in writing to the Entrepreneur all changes and

modifications arising in its company data during the period of time of the performance by the Entrepreneur (with special regard to, but not exclusively, the change in tax number, company name, company seat, main activity, person authorised to sign for the company) within 5 days from registration in the Companies Register. It will be the obligation of the Principal to fulfil this declaration obligation within the specified deadline. Should the Principal fail to fulfil this declaration obligation or fail to authentically prove the fact of declaration, it may not refer to its own failure towards the Entrepreneur in order to exempt itself from liability, and the Entrepreneur may consider the company data specified in the Contract as effective and valid until the declaration is made.

2. By accepting the terms and conditions of this Contract, the Principal declares not having any expired public debt or liquidation procedure ordered by a legally binding decision relating to the company's wealth, and no bankruptcy or final settlement had been ordered by legally binding decision, or final settlement had not been denied due to the lack of financial cover. The Principal shall forthwith inform the Entrepreneur if a liquidation procedure is initiated against its company's wealth, or bankruptcy or final settlement has been initiated against it, or the final settlement has is due to the lack of financial cover.

3. The Parties state with common consent that joint damage liability specified in Section 6:541 of the Hungarian Civil Code and damage liability specified in Section 3:118 of the Hungarian Civil Code will be excluded in respect of the Entrepreneur's leading officer. By signing this Contract, the Principal takes notice of the fact that it will not be entitled to enforce damage claim or reimbursement claim towards the leading officer of the Entrepreneur according to section 6:541 of the Hungarian Civil Code or section 3:118 of the Hungarian Civil Code. By accepting these contractual terms and conditions, the

Principal expressively and irrevocably waives its right to damages specified in this point.

4. The liability of the Entrepreneur shall not exceed the net amount of the contractual price performed by it if the Principal enforces any claim.

IV. Price and payment

1. Unless otherwise agreed by the Parties, the agreed price shall contain the cost of transport and package except for cases of special transport or package on which the Parties shall agree in their Contractual Declarations. The Entrepreneur declares that it will charge HUF 3000 i.e. EUR 10 transport charge for product orders not exceeding net HUF 35,000 i.e. EUR 100.

2. Payment will be made by banking transfer within 10 (ten) days from the date of performance by the Entrepreneur except if otherwise agreed with the Principal. In the case of high value products or products manufactured (purchased) in a special way according to the buyer's needs, one third of the purchase price shall be paid (as advance money) within ten days from acceptance of the order, the second third of the price shall be paid within ten days from reception of the declaration on readiness of the Entrepreneur and the last third will be paid within ten days from reception of the Product by the Principal unless otherwise agreed.

3. Payment will be considered fulfilled when the amount of the invoice issued by the Entrepreneur is debited on the bank account of the Entrepreneur without any deduction. Retaining the payment or including any claims such as warranty claim on the basis of lapse of interest, or decreasing the purchase price shall be unacceptable unless approved in advance by the Entrepreneur in writing.

4. In the case of delayed payment, the Entrepreneur may charge delay interest from the due date of the payment, up to the amount specified in Section 6:155

of the Hungarian Civil Code on economic organisations, and may charge all its costs arising in relation with delayed payment with special regard to the content of Directive no. 2011/7/EU.

The Entrepreneur may claim the financial cover for the entire purchase price in advance if the performance on time of the counter-service is endangered, or if circumstances which reduce the credit liability of the Principal arise after the confirmation of the order by the Entrepreneur. In such cases the Entrepreneur may withhold the performance until the financial cover is ensured or may withdraw from the Contract and may also claim the reimbursement of its arising damages.

5. The Principal shall not be entitled in any way to deduct anything from the Entrepreneur's invoice.

V. Method and time of performance

1. The Entrepreneur shall perform according to the contract and DAP transport parity with the exception of service activities ruled in a separate regulation. The Entrepreneur reserves the right of partial and advanced supply without the consent of the Principal. In the case of forwarding and transportation, the Entrepreneur will contract insurance for the Products only if requested by the Principal and for the costs of the Principal solely for the risks specified by the Principal.

2. If the handover of the Product is delayed for any reason not attributable to the Entrepreneur, the risk shall be assigned to the Principal from the day of the declaration on readiness for delivery however the Entrepreneur will conclude an insurance contract upon the request of the Principal as specified by the Principal.

3. The Principal cannot refuse to receive the Product due to damages arising during transportation and not hindering the utilisation of the Product or due to some quantitative lack. The Principal shall receive the Product even

if insignificant lacks are observed and shall inform the Entrepreneur in writing of the observed defect or lack within 5 days from reception, after this period the complaint shall be considered as late complaint with all its legal consequences.

4. The Product shall be handed over and received when the Principal signs the delivery note or any other document (e.g. after sales worksheet). An employee/subordinate/commissioned person/subcontractor/any other assistant in the performance may also sign the delivery note or other document on behalf of the Principal.

5. The deadlines indicated in the offer of the Entrepreneur are only for informative purposes. The Entrepreneur will indicate the valid performance deadline in the confirmation of the order after clearing all technical and transportation details with the Principal and obtaining the advance money paid by the Principal if the Entrepreneur requests it. The declaration on readiness of the Product for delivery or of the service for provision shall also mean fulfilment within deadline even if the transportation, the delivery or the handing over is impossible for any reason.

6. In the case of vis maior or any other event falling out of the Entrepreneur's competence and hindering or delaying the normal process of performance (or the termination of existing delays), the deadline of performance shall be prolonged by the period of time of the obstacle. In exceptional cases, when the circumstances exclude without any doubt the culpability of the Entrepreneur, it may be entirely or partially exempted from its obligation of performance. The Entrepreneur shall forthwith inform the Principal when such obstacle arises. In the event of vis maior, the Entrepreneur will be entitled to entirely or partially withdraw from the Contract without affecting any other rights if these events do not last for an insignificant period of time and/or lead to a significant reduction of its needs, and/or maintaining the Contract

would be significantly harmful for the other interests of the Entrepreneur.

7. If the Entrepreneur performs with delay due to any reason not attributable to it, this fact alone will not entitle the Principal to terminate the contract or withdraw from it, and in such cases it may not claim damages due to delay or non-performance.

8. If the performance is delayed upon the request of the Principal, the Entrepreneur will charge warehousing costs after 1 (one) month from the declaration on readiness of the Product, it shall amount to at least 12 % of the invoice amount in the case of own storing. If the performance cannot be carried out within the reasonable supplementary deadline communicated in writing, the Entrepreneur may dispose with the Product instead of continuing to store it or may indicate a new deadline of delivery. Section VII.3.7. relating to services contains different provisions.

In such cases, the Entrepreneur will be entitled to enforce all its costs arising in relation with this situation towards the Principal.

VI. Maintaining the ownership

1. The Entrepreneur shall maintain the ownership of all Products supplied to the Principal until the purchase price and all other complementary costs relating to the performance are paid, and until the date when all obligations arising from this Contract are fulfilled by the Principal towards the Entrepreneur. During the period of this ownership all and any assignment to third parties, charge with mortgage, rent, use or utilisation by third party shall be invalid without the Entrepreneur's prior written consent.

2. The Principal will be entitled to connect (combine), work or use the supplied Product to products made by other trademarks and use it during its normal business activity even if Section 1 is relevant with the limitation that the maintenance of ownership will relate

also to objects coming into being in this way i.e. it shall create co-ownership on them. The Principal shall preserve the Product for the Entrepreneur without any charge during the period of time of the maintenance of the ownership of the Entrepreneur.

3. If the Product or the new product coming into being as a result of its use is sold, the Principal shall settle from the income first of all the remaining part of the purchase price or any other debt existing towards the Entrepreneur.

4. If the Principal violates any of the provisions of this chapter, the Entrepreneur will be entitled to charge delay penalty up to 30 per cent of the net purchase price of the Product.

VII. Warranty and guarantee

1. During the warranty period, the Entrepreneur shall be liable for defective performance according to the terms of this Contract. It will be exempt of the warranty obligation if it proves that the cause of the defect came into being after the performance.

If the ownership of the Product is assigned, the new owner may enforce the rights arising from warranty towards the Entrepreneur undertaking the warranty.

2. The warranty claim may be enforced during the warranty period. The warranty period will start on the date of reception of the Product by the Principal.

3. The Entrepreneur undertakes 1 (one) year warranty for Products and 6 (six) months warranty for services in the event of operation in one shift unless otherwise agreed in a casual agreement or otherwise ruled by contract. In the case of Products supplied by the Entrepreneur but considered as foreign, the Entrepreneur will provide a warranty period equalling to the warranty period provided by the manufacturer. The warranty of the Entrepreneur will relate only to Products becoming

defective during appropriate use. Its warranty obligation will cease to exist if the Principal opens the Product or uses it in an unprofessional way.

4. The warranty obligation of the Entrepreneur shall be 1 year.

5. The Entrepreneur will first of all repair or, if repair is impossible, change at its premises the Product which is proved to be defective due to any reason existing before the assignment of damage risk, with special regard to construction, raw material or execution defect. Furthermore, if repair or change is impossible or the Entrepreneur does not undertake it, it may repurchase the defective Product for the purchase price or if the defective parts are resent free of charge, it may send free of charge new parts complying with the original order. The Product may be resent only upon the prior consent of the Entrepreneur, otherwise the Entrepreneur will not be obliged to receive the resent Product, to bear its costs or to send a replacing product, and the risks and costs of storing shall be born by the sending party.

The Entrepreneur will be obliged to fulfil its warranty obligation exclusively at its premises with the exception of service and repairing tasks on the site in which cases the place of performance will be the place of warranty. Warranty liability may be fulfilled elsewhere than the premises of the Entrepreneur only on the basis of the separate relevant written agreement of the Principal and the Entrepreneur; nevertheless the Principal shall bear all extra costs arising for the Entrepreneur.

6. Warranty and guaranty shall not cover unprofessional operation or negligent handling (with special regard to excessive utilisation, inappropriate operational environment, mechanical damages, inappropriate repairs etc.) i.e. changes and defects arising from any reason attributable to the Principal. The Entrepreneur will be exempt from its warranty and guarantee obligation if the Principal fails to ensure

the time and opportunity required for the repair and/or part change in spite of a relating notice sent to it, and if the Principal or any third party carries out changes or maintenance tasks on the Product without the prior consent of the Entrepreneur.

7. The Principal will be entitled to repair the defect itself or have them repaired by a third party and require reasonable cost settlement from the Entrepreneur only if the case is urgent and threatens the security of operation, or if the Entrepreneur delays with the repair of the defect without any justification and simultaneously a prior notification is sent to the Entrepreneur in writing.

8. Entrepreneur shall bear the direct costs of repair, complementary transport, spare parts and their delivery costs in the territory of Hungary if the complaint proves to be well founded.

9. The original period of warranty and guarantee will be prolonged by the period of repair or change.

10. In addition to the abovementioned, the Principal may not express any other claim especially not in respect of costs for consequential damages (e.g. interruption of production, damage of the machine).

11. The Principal may claim damages arising in relation with defective performance or service if the repair or change is impossible, if the Entrepreneur does not undertake the repair or the change or cannot fulfil this obligation or if the Principal is not interested in the change or repair any more. This claim for damages will lapse within the period of time specified for the enforcement of implied warranty rights.

12. If it is proved that the repair of the Product does not fall under the Entrepreneur, the Principal will reimburse to the Entrepreneur all its attested costs arising in relation with the repair.

13. If the Product performed by the Entrepreneur becomes defective dur-

ing the warranty period, the service department of the Entrepreneur must be contacted in order to professionally detect and repair the defect, its contact data are the following: service@boschrexroth.hu

VIII. Withdrawal from the Contract or termination of the Contract

1. The Parties may withdraw from the Contract at any time before the Entrepreneur starts the performance, after this date they may terminate the Contract until the date of performance.

2. The Entrepreneur may withdraw from the Contract or terminate it with immediate effect partially or entirely, with the indication of a reasonable deadline, in the following cases:

- The court states in a legally binding decision the insolvency of the Principal during a liquidation procedure, or a legally binding bankruptcy proceeding or final settlement is initiated.
- The Principal delays with its payment obligation and fails to fulfil it despite the written warning of the Entrepreneur;
- The Principal violates its obligations specified herein or any other agreement separately concluded between the Parties, and fails to respect these provisions in spite of the relevant written warning of the Entrepreneur.

3. The Entrepreneur may unilaterally withdraw from the Contract or terminate it in the case of unforeseeable events mentioned in Section V.7. if they seriously influence the performance or render it significantly harder, and if the partial or entire performance subsequently turns out to be impossible, and no damage or any other claim may be enforced towards the Entrepreneur as a consequence of this.

4. The Entrepreneur may exercise this right of withdrawal or termination upon the condition that it shall forthwith inform the Principal. It may also withdraw from the Contract even if earlier

they had agreed to prolong the supply deadline.

5. The Party entitled to terminate the Contract on the basis of the Contract or any legal rule may exercise this right by sending a declaration to the other Party's company seat by mail. Delivery shall be governed by Section IX.7.

IX. Miscellaneous conditions

1. The Entrepreneur shall not be liable in any way for any direct or indirect, material or non-material damages arising from the use or ignorance of the provided information until it is clearly proved without any doubt that the damage was caused by the organisation of the Entrepreneur, by the intentional or serious negligence of any of its leading employees, by culpable threat to life, physical integrity or health, by the reception of quality guarantee, the malicious non communication of a deficiency or the violation of a material contractual obligation. However damages due to the violation of material contractual obligations shall be limited to typical reasonably foreseeable damages in respect of the Contract.

2. All and any declaration deviating from, completing or modifying these General Terms may be enforced solely if confirmed in writing by the Entrepreneur. Written form shall include communication sent via fax or e-mail as well.

3. The invalidity of any of the provisions of the Contractual Declarations or these General Terms shall not affect the validity of the remaining provisions. The Parties shall replace the invalid provision with another provision which is the closest to the intention of the original Contract.

4. The Parties shall treat confidential all technical or business information obtained in relation with the offer, the Contract or its performance in respect of each others' activity even after termination of the Contract as long as such information becomes publicly known except if the Parties cancel ear-

lier this requirement of confidentiality. The Parties' employees, collaborators and their employees shall also treat all such information confidential. The Parties shall be liable for enforcing these obligations towards their own and their collaborators' employees. The Contractual Declaration, its details and any data relating to the performance may be published only upon the Parties' prior written consent. This rule shall also apply to the indication as reference.

5. Regarding the rights and obligations of the Principal arising from this Contract, the right assignment specified in Section 6:202 of the Hungarian Civil Code may take place solely if the Entrepreneur approves and signs the written contract.

6. This Contract may be modified or completed only in writing by the signature of the representatives of the Parties authorised to sign for the company. The requirement of written form may be modified solely in writing.

7. The Parties agree to consider delivered all mail consignments sent to each other's address in relation with their contractual relationship by official acknowledged mail consignment even if the consignment could not be delivered or the other party did not learn about it, from the date of the first mail delivery attempt or if it is unknown from the fifth day from the second mail delivery attempt, if it is unknown also or the delivery is not attempted a second time, on the day when the post sends back the undelivered consignment to the sender. The Parties agree that they accept the email correspondence as the basic form of all written communication relating to the daily activities with the exception of cases specified by legal rules.

8. These General Terms and Conditions are of exclusive nature, the Entrepreneur does not recognise the contractual or general terms and conditions of the Principal opposing or deviating from these General Terms unless it expressly approves their validity in writing. These General Terms shall be governing even if the Principal accepts

the performance of the Product or pays its purchase price to the Entrepreneur being aware of the terms and conditions opposing or deviating from these General Terms. The Contracting Parties exclude the application of paragraph (5) of Section 6:63 of the Hungarian Civil Code.

9. The Contractual Declarations and these General Terms and Conditions shall contain all conditions relating to the Contractual Relationship of the Parties and all previous agreements not included into the Contractual Declarations or These General Terms shall become invalid. The oral agreements concluded after the date of this Contract, especially the subsequent amendments of these General Terms and Conditions and all other supplementary agreement shall be valid only if confirmed in writing by the Entrepreneur.

10. The Parties shall try to settle all disputes in a friendly way by way of negotiation. If they fail to reach an agreement, they shall firstly initiate mediation procedure for settling the disputes. Unless otherwise agreed, the Parties shall submit their disputes to the exclusive competence of the District Court of Székesfehérvár or the Courthouse of Székesfehérvár depending on the value limit.

11. The Parties wish to deviate from Section 6:25 of the Hungarian Civil Code and shall rule the warning relating to the performance of payment as a circumstance interrupting the lapse.

12. Solely the Parties or third parties expressly authorised in a contractual relationship will be entitled to claim the service specified in the Contract. Third parties not expressly authorised in a contractual relationship will not be entitled to claim the service specified in this Contract.

13. All questions not regulated herein or in the Contractual Declarations shall be governed by the current Hungarian Civil Code in force and the provisions and prescriptions of all other relevant Hungarian legal rules.