

**GENERAL PURCHASING CONDITIONS**  
**APPLICABLE TO CONTRACTS FOR THE SALE AND PURCHASE OF MOVABLE PROPERTY**

These General Purchasing Conditions (hereinafter "GPC") govern the content of contracts for the sale and purchase of goods specified by type and quantity and of movable property specified individually concluded by the Customer, the rights and obligations of the parties arising from such contracts, and the rules of performance of the contracts, provided that the parties conclude the contracts with reference to these GPC. These GPC contain provisions relating to the parties' legal relationship that are not regulated in or derogate from the Hungarian Civil Code (the "Civil Code"). Provisions which substantially derogate are printed in bold. The parties may deviate from the General Purchasing Conditions provided they do so in writing.

In the performance of the Contract, the Parties expressly exclude the application of the Partner's general terms and conditions or any of its clauses.

**1. INTERPRETATIVE PROVISIONS**

- 1.1. **Customer:** the person who purchases the goods specified by type and quantity or the movable property specified individually (hereinafter "Goods") in the Contract.
- 1.2. **Partner:** the natural or legal person with whom/which the Customer concludes a contract.
- 1.3. **Parties:** Customer and Partner collectively
- 1.4. **Purchase Order:** a detailed agreement between the Parties on the specific business terms and conditions of the sale and purchase constituting the subject matter of the contract / one-off purchase order, the price of the Goods and any deviations from these GPC.
- 1.5. **Contract:** A framework agreement or individual contract comprising all the documents governing the legal relationship between the Parties (hereinafter "Contract"). In the case of both one-off and long-term relationships, integral parts of the Contract are the invitation to tender and the Partner's proposal, the Purchase Order (hereinafter together the "Order"), these General Purchasing Conditions and, in the case of long-term relationships, the framework agreement together. In all cases all of the above are to be treated and interpreted together.
- 1.6. **Transportation:** storage of the purchased Goods until delivery and their carriage to the address indicated by the Customer, provided that the Parties have agreed in the Customer's Purchase Order that the Partner will provide this service. If the transportation fee is not included in the purchase price of the Goods, the Parties specify the transportation fee in the Purchase Order.
- 1.7. **Delivery Note:** a delivery note, a delivery and acceptance document or equivalent certificate issued by the Partner and signed by the Customer's representative, which must in any case include:
  - the names of the parties involved in the performance (Partner and Customer);
  - a detailed description and the quantity of the Goods supplied as part of the performance;
  - the exact time of performance;
  - the value of the Goods covered by the performance.

Intellectual Property Rights: all exclusive rights associated with intellectual works, including industrial property rights (inventions, (patents), trademarks, designs and designations of origin); and copyrights, whether or not registered in a national or international database for the registration of intellectual property rights.

- 1.8. **Contributors:** to be construed as per Section 6:129 of the Civil Code.
- 1.9. **Subcontractor:** a Contributor that has a direct contractual relationship with the Partner or its Subcontractor for the provision of a specified part of the services or transportation of goods under the contract.

## **2. CONCLUSION OF THE CONTRACT**

- 2.1. In case of a permanent legal relationship, the legal relationship is established by the signature of the framework agreement, in case of an individual contract, by the signature of the Purchase Order by both parties. If a framework agreement is in place, the Purchase Order need only be signed by the Customer.
- 2.2. If the Parties have concluded a framework agreement, the Customer places individual one-off purchase orders by sending the Purchase Order to the e-mail address specified in the framework agreement, which the Partner confirms or executes without confirmation, as agreed in the framework agreement. As the individual contract cannot be implied from conduct, if the Partner performs without the Purchase Order having been signed by both parties, the Contract between the parties is not deemed concluded despite the performance, and the Customer is under no obligation to accept the performance.

## **3. RIGHTS AND OBLIGATIONS OF THE PARTIES**

- 3.1. The Partner represents that it is the exclusive owner of the Goods listed in the Purchase Order, which are identified by a unique identifier and the designation of the Goods as well as the selling price indicated in HUF. In the Purchase Order, the Parties specify whether the Goods are purchased by the Customer in new or used condition.
- 3.2. Under this Contract, the Partner sells and the Customer purchases the Goods at the purchase price (hereinafter "Purchase Price") as estimated, mutually negotiated and agreed in advance and set out in the Purchase Order. The payment schedule for the Purchase Price is specified in the Purchase Order.
- 3.3. Partner understands that any failure on its part to obtain the data and information serving as the basis for concluding this contract, or any incorrect assessment of these on its part, shall not relieve it of its obligation to correctly appraise the terms at which it can perform the contract and estimate the costs thereof.
- 3.4. The Parties shall cooperate in good faith, with special regard to the provisions of Sections 6:62 and 6.126 of the Civil Code.
- 3.5. The Partner shall obtain any permits and approvals from the authorities that may be required for the completion of performance, organise consultations with the authorities and prepare memoranda thereof.
- 3.6. The Parties shall retain all documentation (in particular financial and technical documentation) related to the performance of the contract for a period of 8 (eight) years after the termination of the contract.
- 3.7. The scope of the financial documentation includes in particular the Parties' invoices, accounting documents and contracts that enable the costs incurred in connection with the performance of the contract and the cost structure of the contractual price/fee to be determined and that allow for a market-based comparison of these.
- 3.8. The Partner understands that if it does not comply with, or only partially complies with, the statutory obligation to retain documents, and if the deficiencies of the documentation lead to the need for involving an independent expert or for conducting an audit to meet the above objectives, the Partner shall reimburse the Customer for all the related costs.

## **4. CONDITIONS OF PERFORMANCE**

- 4.1. Performance schedules, performance deadlines and the final performance deadline are set out in the Purchase Order.

4.2. The quantity of the goods ordered by type and quantity specified in the Purchase Order is both the maximum and the minimum quantity to be supplied, and the Partner may not contractually supply more or less than the quantity specified in the Purchase Order.

**4.3. Date of performance:**

The date of delivery of the Goods to the Customer or, if the parties agree that the carrier is to be engaged by the Customer, the date of delivery to the carrier.

**4.4. Place(s) of performance:**

- The Partner shall, as a general rule, supply the ordered Goods **at the Customer's registered office or at another place designated by the Customer**.
- If the Parties agree on a different place of performance, the agreed place of performance shall also be the place of quantitative and qualitative inspection. During the period of such inspection, the Partner shall safekeep the Goods ordered by type and quantity in good condition without any extra charge and be liable for any damage caused by its breach of contract during that period.

**4.5. Transportation of the Goods, delivery and acceptance procedure:**

- The Partner shall Deliver the Goods and hand them over to the Customer in appropriate packaging, which is suitable for preserving the integrity and condition of the Goods during both transport and storage.
- When transporting the Goods, the Partner acts in accordance with and complies with any instructions of the manufacturer concerning transport. The Partner bears unlimited liability for any damage caused by failure to comply with such instructions.
- Together with the Delivered Goods, a certificate of quality and conformity in accordance with the currently valid and applicable European / international and Hungarian laws must be handed over to the Customer's representative. The Goods must also have an additional certificate in cases required by law (e.g. an MSDS for chemical products, or the manufacturer's declaration of performance for goods falling within the product group listed in Annex 1 of Government Decree No. 275/2013 (VII.16.) on the detailed rules of designing and incorporating construction products into works and on their declaration of performance, as specified in Section 5 of the Decree). The Customer is not required to accept the Goods without the appropriate quality certificate for the Goods in question.
- If the packaging is damaged upon handover of the delivered Goods, the Partner and the Customer's representatives must prepare a record of the damage and the nature of the damage. In such case, upon qualitative acceptance of the Goods, the Customer also checks whether the damage to the packaging has affected the quality of the Delivered Goods.
- The Partner has the right to use a carrier, as contributor, for the fulfilment of the Order upon prior notification to the Customer. The Partner bears the carrier's charges and the cost of transport.
- In the case of delay or damage caused by the carrier, the Partner shall, acting in accordance with the provisions of its contract concluded with the carrier, take the necessary measures to enforce the claim against the carrier and notify the Customer thereof forthwith.
- The Customer has the right to refuse acceptance of the performance of the Contract or any part thereof if it finds it defective or of unsatisfactory quality, provided that such refusal is subject to written reasoning given to the Partner. Failure on the part of the Customer to carry out an inspection in no case exonerates the Partner from any liability for defective performance or defects in the materials installed or used.

**4.6. Quantitative and qualitative acceptance of Goods:**

- During the delivery and acceptance procedure, after taking possession of the Goods by the Customer, the Customer must immediately, but not later than eight days after receipt

of the Goods, commence a quantity and quality inspection and continue to carry out such inspection for the time necessary for completion thereof.

- If the Customer detects a quality or quantity defect at the time of acceptance, it must record the defect in a report and immediately notify the Partner thereof by sending it the report.
- Any inaccurate indication of the Customer's claim against the Partner may be rectified subsequently.
- If the Partner does not agree with the content of the report, it must indicate its objection in the report and submits it to the Customer within 3 (three) days. Failing this, the Partner may not subsequently object to the content of the report.
- The Partner has the right to request an on-site inspection within 3 days of receipt of the report so as to allow the Parties to verify the shortcomings recorded in the report.
- If an on-site inspection is carried out at a time agreed between the Partner and the Customer, a record shall be drawn up of the result of such inspection and the agreement reached, which document is valid only if signed by both parties. Should the parties fail to reach an agreement on the shortcomings identified, the procedure to follow is that laid down in the rules governing dispute settlement.
- The delivery and acceptance procedure ends with the signing of the Delivery Note by the Customer, by which the Customer accepts the performance.

#### **4.7. Transfer of title and risk**

- Title to the Goods passes to the Customer upon payment of the purchase price by the Customer according to the Purchase Order. The parties agree that by taking possession of the Goods, the Customer becomes entitled to use the Goods or, if the Customer does not acquire the Goods for its own use, but in particular (though not exclusively) for the purpose of resale, incorporation, or other use, the Customer becomes entitled to resell, incorporate or otherwise use the Goods.
- The transfer of risk is regulated by the provisions of Section 6:122 of the Civil Code.

### **5. REMUNERATION AND TERMS OF PAYMENT**

5.1. The amount of the Purchase Price and/or fee payable under the Contract is specified in the Purchase Order.

5.2. The Parties expressly set forth that the Partner may not claim any advance payment of its costs.

5.3. Unless otherwise agreed by the Parties in the Purchase Order, the remuneration under the Contract includes all costs incurred by the Partner in the performance of the Contract (including but not limited to postage costs, carriage fees and environmental product charges) and any royalties payable for the use of any intellectual property provided for use in the performance of the Contract, and thus the Partner is not entitled to any additional compensation or remuneration in any way whatsoever beyond the remuneration specified in the Purchase Order.

5.4. The Purchase Order or the framework agreement must specify the VAT rules applicable to invoicing.

Invoices issued to the name and address of the Customer must be submitted taking into account the following, in light of the provisions of Section 6:48 of the Civil code:

- Pursuant to Sections 55-56 of Act CXXVII of 2007 on Value Added Tax, the date of performance on the invoice submitted shall be the date of actual performance. In this case, the payment deadline is the deadline specified on the Purchase Order, beginning from the receipt of the invoice.
- In the case of partial performance, pursuant to Section 57 of Act CXXVII of 2007 on Value Added Tax, the date of performance on the invoice submitted shall be the date of partial performance. In this case, the payment deadline is the deadline specified on the Purchase Order, beginning from the receipt of the invoice.
- In the case of periodic invoicing or payment, invoices shall be issued in accordance with the provisions of Section 58 of Act CXXVII of 2007 on Value Added Tax. In this case, the payment

deadline is the deadline specified on the Purchase Order, beginning from the issue of the invoice.

- If the Parties are both resident taxable persons and the contracted supply of goods/services is subject to the reverse charge procedure pursuant to Section 142 of Act CXXVII of 2007 (hereinafter referred to as the "VAT Act"), the Parties shall mutually inform each other of this fact. In such case, the invoice does not include any output tax or tax rate. In such case, the invoice must indicate that the Customer is liable to pay the valued added tax. In this case, the payment deadline is the deadline specified on the Purchase Order, beginning from the receipt of the invoice.
- If the Partner is a non-resident taxable person in Hungary, the transaction, the Purchase Order must state the transaction, the place of performance and the manner in which the invoice is to be issued on this basis.

- 5.5. The Partner has the right to submit its invoice in accordance with the content of the delivery notes signed and certified by the Customer within 8 (eight) calendar days following the Customer's acceptance of performance under the Contract. The invoice must be accompanied by the delivery note signed by the Customer.

For invoices sent by post, the invoice must be sent to the Customer's registered office or, if the Customer's invoices are managed by MVM Services Zártkörűen Működő Részvénytársaság (registered office: 1081 Budapest, II. János Pál pápa tér 20.; company registration number: 01-10-048351; abbreviated name: MVM Services Zrt.), to the 7030 Paks, Pf. 152 post office box address of MVM Services Zrt.

In the case of invoices issued electronically, the invoice must be sent to the [keszamlafogadas@mvm.hu](mailto:keszamlafogadas@mvm.hu) e-mail address of MVM Services Zrt., unless otherwise provided for in the Purchase Order. The Customer must accept and process electronic invoices that comply with the European Standard EN 16931-1:2017 and the syntax list published by the European Commission in the Official Journal of the European Union for this standard.

If the Partner sends the invoice to the Customer more than 5 days after the invoice is issued, the Partner is entitled to charge default interest on any late payment only for the days of late payment beyond the payment deadline set out in the Purchase Order, to be calculated from the date of receipt of the invoice.

- 5.6. The condition for the payment of the invoice by the deadline is that the invoice complies with the latest applicable statutory provisions, the invoice contains the Purchase Order number, the invoice contains the name, tax number and registered office of the Partner and the Customer, the invoice indicates the TESZOR or VTSZ number corresponding to the content of the Purchase Order, the signed delivery note(s) are attached as an annex.
- 5.7. The Customer and MVM Services Zrt. shall be entitled to return an invoice not submitted in accordance with the Contract without any legal consequences of late payment, in which case the Partner shall reissue the invoice in accordance with the Contract within 5 (five) working days.
- 5.8. The date of receipt of the invoice shall be the date on which the Customer and MVM Services Zrt. registers the invoice as having been received.
- 5.9. The invoice is paid by bank transfer in accordance with the payment terms set out in the Purchase Order. The invoice amount shall be transferred to the bank account indicated in the Purchase Order or to the bank account specified on the invoice, which should be verifiable in the valid company information database. In all other cases, payment of the invoice may be suspended until the supplier returns a bank confirmation regarding the bank account number concerned. The Purchase Price is deemed paid when the full amount of the Purchase Price has been credited to the Seller's bank account.
- 5.10. If the due date falls on a non-working day, a bank holiday or a public holiday, payment is due on the following working day thereafter.

## **6. WARRANTY, GUARANTEE**

- 6.1. The Partner represents and warrants that:  
it complies with the laws, official regulations and European and Hungarian standards, technological specifications and quality specifications stipulated in the Purchase Order that are applicable to the Goods and the carriage of the Goods covered by the Contract;  
there are no reasons relating to its person that would prevent the Partner from performing the Contract;  
in the performance of its obligations under the Contract, it shall not involve, either in the context of an employment relationship or any other work-related relationship, the Customer's employee or any member of his/her family or any business entity in which such person has an ownership share;  
it will provide sufficient time, manpower and resources for the performance of its obligations under the Contract and meet the deadlines set by the Customer.
- 6.2. The Partner undertakes a warranty for the delivered Goods in accordance with the relevant provisions of the Civil Code (Sections 6:159 - 6:167, 6:175 - 6:176).
- 6.3. Unless otherwise agreed by the Parties, the Partner provides a guarantee of 18 months for the delivered Goods, the duration of which is set out in the Purchase Order / framework agreement. In the event of a statutory guarantee – if longer – the Partner shall provide a guarantee for the period stipulated therein, even if this is not specified in the Purchase Order / framework agreement.

## **7. DELAY**

- 7.1. If at any time during the performance of the Contract the Partner finds itself in a situation that prevents the timely performance of the Contract, it must immediately notify the Customer in writing of this fact, as well as the expected duration of and reasons for the delay and shall at the same time undertake an extended deadline.
- 7.2. In the event of late performance by the Partner or if it becomes clear before the expiry of the deadline agreed in the Contract that the Partner can only perform with a considerable delay, the Partner is liable in accordance with the relevant provisions of the Civil Code, in particular Sections 6:151 - 6:155 and 6:140. If the Partner's delay exceeds 10 (ten) days from the expiry of the deadline for performance specified in the Purchase Order, the Customer may rescind or cancel the one-off purchase order affected by the delay and terminate the Contract with immediate effect and, in addition to the penalty for impossibility of performance, may claim proven damages, including direct and consequential damages, in excess of the penalty.
- 7.3. Acceptance of defective or late performance does not constitute a waiver of the right to enforce the claim.

## **8. DEFECTIVE PERFORMANCE**

- 8.1. The Partner is in default if, at the time of delivery, the quantity or quality of the Goods does not correspond to the quantity and quality specified in the Purchase Order or if it does not meet the quality requirements of the standard or other legislation applicable to them.
- 8.2. The Customer shall immediately notify the Partner in writing of any defective performance, specifying the list of defective goods and the defects found. In the event of defective performance, according to the statement of the Customer, the Partner shall, at its own cost (including repair and other costs), start to remedy the defect as soon as possible, but not later than within 2 (two) working days, and complete the repair within a technically reasonable time. In the event of defective performance, the Customer may claim penalty for defective performance, as well as proven damages in excess of the penalty.
- 8.3. In the event of defective performance, or if, during the performance of the Contract, circumstances indicate that the performance will be defective, the Customer may exercise the rights to warranty for latent defects, the right of retention and the right to claim damages under the Civil Code.

## 9. DAMAGES AND PENALTIES

In the event of any rescission or termination lawfully exercised by the Customer on grounds of any delay, defective performance or impossibility or refusal to perform due to a breach of contract by the Partner or the Partner's contributor the Partner shall pay the penalty under Sections 6:186 - 6:189 of the Civil Code, and shall also compensate the Customer for any damage exceeding the penalty in accordance with Section 6:174 of the Civil Code.

### 9.1. Default penalty

The basis for the penalty is the total net Purchase Price of the Goods affected by the delay. The penalty rate is 1% of the basis of the default penalty for each day of delay commenced, up to a maximum of 20% of the net Purchase Price.

### 9.2. Penalty for defective performance

In the case of defective performance the penalty is calculated for the period from the notification of the defect until its remedy at the same rate as the default penalty, and the basis of the penalty for defective performance is calculated in the same way as that of the penalty for late performance.

### 9.3. Penalty for impossibility of performance

The penalty for impossibility of performance is based on the total net Purchase Price; its rate is 20% of the base of the penalty.

9.4. The Customer has the right to offset the amount of the penalty against any fee not yet paid in accordance with the Purchase Order. The invoice must be issued for the full amount. If offsetting is not possible, the Partner shall pay the penalty to the Customer within 10 (ten) days of receipt of the letter of demand to that effect.

9.5. If the Partner causes damage to a third party that is not a party to the Contract by violating statutory provisions, in particular but not exclusively intellectual property law, or by breaching its obligations under the Contract, and the injured third party asserts a claim for damages against the Customer, the Partner shall fully indemnify and hold harmless the Customer against liability for damages by compensating the injured third **party** for any damages directly and without limitation. In such case, the damages paid by the Partner must also cover the costs incurred by the Customer in connection with the claim for damages. The Partner undertakes to join the Customer as an intervener, if invited by the Customer to intervene in any action brought by a third party against the Customer as referred to above.

## 10. LIABILITY

10.1. **The Partner has unlimited liability for any damage caused to the Customer by defective or delayed performance or otherwise. The Partner's liability covers both direct and consequential damages.**

By signing the Purchase Order, the Partner represents that it has been made aware of and acknowledges the consequences of any breach of contract and the extent of the damages.

10.2. The Partner is liable for any adverse changes in the goods, their condition and usability for the entire duration of the delivery, safekeeping and storage of the delivered goods at the Partner's premises.

## 11. INSURANCE

The Partner must take out insurance to cover any direct or consequential damage that may occur to the Delivered Goods up to the time of delivery to the Customer as well as any direct or consequential damage caused to the Customer or any other third party.

## **12. INTELLECTUAL PROPERTY RIGHTS**

- 12.1. The provisions of this section become part of the Contract if any intellectual property rights are attached to the Goods.
- 12.2. Simultaneously with the performance of the Contract, the Partner ensures that the Customer acquires or licences the intellectual property rights necessary for the proper use of the Goods for the purposes set out in the Contract. The Parties stipulate that, unless otherwise agreed by the Parties, use for the purposes set out in this Contract also means that the Customer transfers the Goods to sole or majority-owned subsidiaries of MVM Zrt., in which case it also has the right to transfer or licence the intellectual property rights connected to the Goods to such subsidiaries.
- 12.3. In order to comply with the foregoing, the Partner shall make all the necessary declarations and take all the necessary measures in advance concerning the transfer of this Contract and the intellectual property created, so that the Customer may use such intellectual property as the owner of the property rights or as the user of such intellectual property rights without any restrictions. At the Customer's request to that effect, the Partner shall identify the owner of the intellectual property rights and establish the chain of title, as evidenced by documents, until the Customer acquires the rights. The Partner shall provide the Customer with documentary evidence of its own entitlement, as well as its type and content, prior to signature of the Contract by the Parties. The Parties represent that they have entered into the Contract with the understanding that the consideration for the transfer of the aforementioned property rights or the exercise of the licence is included in the Price.

## **13. COMMUNICATION BETWEEN THE PARTIES**

- 13.1. The names and contact details (e-mail address and telephone number) of the Parties' contact persons are set out in the Purchase Order / framework agreement.
- 13.2. The designated contact persons may proceed in all matters related to the performance of the Contract. The contact persons are not entitled to approve the amendment or termination of the Contract unless they are duly authorised to do so and have the powers to represent the company.
- 13.3. Any change in the identity or other details of the designated contact persons or in the notification address of either Party specified in the Order must be notified in writing to the other Party within five (5) working days and takes effect when confirmed in writing by the other Party. The defaulting Party shall be liable for any damage resulting from a failure to comply with the above.
- 13.4. Measures taken and declarations made in the course of the collaboration shall in all cases be made in writing by the Parties. The Parties stipulate that during the performance of the Contract, communication by electronic means is considered as made in writing. The Parties agree that any juridical act sent to the contact e-mail addresses provided under this section shall be deemed to be delivered at the time it is sent to the e-mail address.
- 13.5. Declarations and notices sent to the delivery address(es) specified in the Purchase Order are deemed to have been delivered even if the postal service returns them to the sender with the indication "unknown recipient", "unclaimed", "refused receipt" or other similar indication. In such cases, the postal item shall be deemed to have been delivered on the fifth business day following the day of the attempt at postal delivery.

## **14. CONTRIBUTORS, SUBCONTRACTORS**

- 14.1. Partner shall primarily perform the work itself; any use of a Contributor and/or Subcontractor (not including the carrier) during the course of performance shall be subject to the prior written approval of the Customer, and shall be paid for out of the Partner's own fee.
- 14.2. The Partner is liable for the conduct of the Contributor and/or the Subcontractor in accordance with the provisions of Section 6:148 of the Civil Code.



## 15. RIGHT TO CONTROL

- 15.1. Customer shall have the right to control the performance of the Partner's obligations under the contract at any time, including inspection of the documents relating to the transaction, and requesting clarification or original documents from the Partner. The Partner shall at all times comply fully with the Customer's request and is responsible for providing the Customer with correct and complete information.
- 15.2. The control carried out by the Customer shall in no way and to no extent relieve the Partner of its legal, financial and other obligations or responsibilities under the contract or applicable law.

## 16. TERMINATION OF THE CONTRACT

- 16.1. The Customer has the right to rescind both the one-off purchase order and the individual Contract at any time before the start of performance thereof as well as to terminate the Contract at any time after the start of performance. **In the case of both rescission and termination, the Customer is liable to reimburse the Partner for its justified and accepted costs (damage), which, however, together with the Purchase Price instalments already paid by the Customer under the Contract, shall not exceed the Purchase Price/Fee specified in the Contract in proportion to the degree of completion at the time of receipt of the notice of rescission or termination. If the Customer rescinds or terminates the Contract, the Partner does not have the right to claim damages in excess of this amount.**
- 16.2. If the Partner fails to perform the Contract or performs it not in conformity with the terms and conditions thereof (i.e. defectively), or violates other provisions of the Contract, the Partner is liable for the breach of contract as provided in the Civil Code and the Contract. The Partner further acknowledges that if it fails to perform the Contract in whole or in part or fails to perform it in conformity with terms and conditions thereof, it is not entitled to the part of the Purchase Price/Fee proportional to the non-performance or defective performance.
- 16.3. Without prejudice to any other rights, the Customer has the right to rescind the Contract or part of it, or to terminate it with immediate effect, by written notice to the Partner stating the reasons for rescission or termination, if:
- the Partner is in default of its obligations under the Contract for more than 20 (twenty) calendar days;
  - the Partner is subject to winding-up, bankruptcy (not including the moratorium period) or liquidation proceedings;
  - where the Partner performs defectively, it fails to start correction of the defect within the time limit set out in the notice to correct the defect, or starts the correction of the defect but fails to complete it within a reasonable period;
  - in the event of the Partner's non-performance of a Service, the Partner fails to start it within the time limit set out in the notice to perform the Service concerned given by the Customer, or starts performance but fails to complete it within a reasonable time;
  - the Partner breaches its obligation of confidentiality under the Contract;
  - the Partner engages an unauthorised contributor;
  - a third party or the Partner acts as rightsholder in respect of intellectual works or rights transferred to the Customer under the Contract,
  - the Partner commits any other material breach of contract;
- 16.4. If the Partner causes damage to the Customer by the breach of contract, the Partner shall indemnify the Customer under the civil law rules on compensation for damages as set out in the Contract.

## 17. CONFIDENTIALITY

- 17.1. The following constitute trade secrets without any time limitation: the Contract and its annexes, the parties' communications relating to the Contract, all facts, information, data and protected know-how obtained by the Parties in the course of, and in connection with, the performance of the

Contract. Subject to the following, trade secrets are governed by the provisions of Act LIV of 2018 on the Protection of Trade Secrets (hereinafter the "Trade Secrets Protection Act").

- 17.2. The parties agree to treat in confidence any information that they become aware of in connection with the Contract that constitutes a trade secret as well as the documentation prepared in the course of the performance of the delivery, and they commit not to disclose any trade secret to third parties.
- 17.3. The Parties set forth that MVM Energetika Zártkörűen Működő Részvénytársaság (registered office: 1031 Budapest, Szentendrei út 207-209.; Company registration number: 01-10-041828.; abbreviated name: MVM Zrt.), member of the MVM Group of Companies in Hungary, and its single-member and majority-owned subsidiaries, in particular MVM Services Zártkörűen Működő Részvénytársaság (registered office: 1081 Budapest, II. János Pál pápa tér 20; Company registration number: 01-10-048351; abbreviated name: MVM Services Zrt.) are not considered as third parties in terms of the acquiring of trade secrets, that is, the Customer is authorised to disclose to MVM Zrt. and its subsidiaries any trade secret related to this Contract, and MVM Zrt. and its subsidiaries are authorised to utilise any trade secret thus acquired (including data on the other Party's willingness to pay), even without any additional separate consent by the Partner.
- 17.4. Contractor may use the information obtained in the course of the performance of the contract only for the purpose of the performance of the contract, and may disclose it only to persons and entities involved in the performance of the contract and only to the extent necessary for the performance of the Contract.
- 17.5. Partner may publish items (articles, lectures, etc.) on the subject of any Contract only with the Customer's prior written consent. Partner may use the Customer's name as a reference only with Customer's prior written consent.
- 17.6. The Partner acknowledges to the Customer's publishing, or, if both contracting parties are publicly owned companies, the Parties mutually acknowledge to the other Party's publishing, its data included in this Contract and that are specified in Section 2(3) of Act CXXII of 2009 on the more economical operation of publicly owned companies (hereinafter: Economical Operation Act), where the value of the Contract, or the combined value of all contracts on the same matter entered into with a contractual Partner in a fiscal year, reaches the threshold value referred to in Section 2(3) of the Economical Operation Act.

## 18. PROCESSING

The Customer informs the Partner and the natural persons designated as contact persons/contributors of the Parties in the Contract that detailed information on the processing of personal data of the natural persons designated as contact persons/contributors in the<sup>1</sup> Contract and other documents\* are available for consultation by the Partner and the natural persons designated as contact persons/contributors of the Parties in the Contract at [mvm.hu/Rolunk/KozerdekulInformaciok/AdatkezelesiTajekoztatok](http://mvm.hu/Rolunk/KozerdekulInformaciok/AdatkezelesiTajekoztatok) Privacy Notice on Procurement – MVM Group.

Parties are obliged to inform the natural-person contact persons/contributors named in the Contract about this fact, and to ascertain in a verifiable manner that these natural persons have read the above documents.

Partner represents that they shall be liable for the consequences of any breach of their obligations under this section and agree to hold the Customer harmless for any claim or demand against the Customer arising out of their breach of obligations and to assume full liability for any such claim or demand vis-à-vis third parties.

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<sup>1</sup>Privacy Notice on the processing of personal data of natural persons designated as contact persons in contracts or other documents concluded by the member companies of the MVM Group of Companies as set out in Annex 1, and of natural persons acting as contact persons on behalf of other partners of the member companies.

## **19. FORCE MAJEURE**

19.1. Force majeure shall mean any extraordinary event unforeseeable at the time of the conclusion of the contract, which cannot be avoided by the parties, is not attributable to the conduct or omission of the parties and makes impossible, or delays, the performance of the contract.

Subject to the foregoing, force majeure shall include, but not be limited to:

- natural disasters;
- fire, explosion, mass disease (epidemic);
- war, acts of war (whether or not a state of war exists);
- revolution, insurrection, riot, civil war or acts of terrorism;
- strike;

19.2. It does not mean a breach of contract if the contractual performance of the obligations is directly and demonstrably prevented or limited by force majeure. In the event of force majeure, the contractual performance deadlines shall be extended by the period of time during which the parties are unable to perform due to the event constituting force majeure. A contracting party may not invoke force majeure if it is able to perform its contractual obligations despite the force majeure event.

19.3. In the event of force majeure, the party who becomes aware of it must immediately notify the other party in writing. Such written notice must include the characteristics of the event and its effect on the performance of this contract, as well as the expected date of performance due to the delay. If the expected date of performance cannot be determined, or if the force majeure persists beyond the date fixed in advance, the parties shall consult each other as soon as possible to agree on the continuation of performance of the contract. In the course of this, the Parties shall agree on the date of completion of the performance and on any other matters deemed essential by either Party. The Party that becomes aware of a case of force majeure shall be liable vis-à-vis the other Party for any damage resulting from its failure to provide the above information.

19.4. If the Parties fail to reach an agreement within 10 days of the start of the consultation, either party shall be entitled to terminate the contract by giving 30 days' notice in writing to the other party. The contract shall be terminated if performance of the contract has become impossible as a result of force majeure.

19.5. In the event of a dispute between the Parties as to whether force majeure has occurred in a particular situation or whether a specific Party has failed to comply with the contract due to force majeure or for some other reason, the Parties shall in the first instance consult an independent expert to resolve the dispute. If this is unsuccessful, the Parties shall proceed in accordance with section 20 of the GPC.

19.6. After the force majeure, the party in default shall resume performance without delay.

## **20. DISPUTE RESOLUTION**

The Parties agree to attempt to resolve any disputes arising between them in connection with this Contract amicably, through negotiation. If this does not result in a positive outcome within 30 calendar days from the start of the conciliatory negotiations, and the Central District Court of Pest, the Metropolitan Court, or the Budapest Environs Regional Court is not competent to settle the dispute between the Parties under the applicable legal regulations, the Parties shall submit the matter to the exclusive jurisdiction of the Central District Court of Buda or the General Court of Székesfehérvár, depending on the subject-matter of the suit and the value at stake in the litigation.

## **21. COMPLIANCE AND SANCTIONS CLAUSE**

21.1. The Partner represents that it has read and acknowledged the contents of the MVM Group Code of Ethics and the MVM Group Anti-Corruption Policy. The Partner undertakes the obligation and responsibility to comply with the provisions of the MVM Group Code of Ethics and the MVM Group Anti-Corruption Policy in the performance of the Contract and, subject to the provisions of section 21.2, to ensure that its employees and any third parties (subcontractors, consultants, agents and

other contributors) involved in the performance of the Contract are also familiar with and fully comply with the provisions set out therein.

21.2. Partner represents that

- -the amount of money paid to it by the Customer will not be used for illegal purposes, in particular for purposes that are contrary to anti-corruption or public integrity legislation;
- it will not give or promise any undue advantage or make an offer related to an undue advantage, directly or indirectly, to any official person/organisation or private individual with the intention of breaching the obligations of that person;
- it will involve a third party (e.g. subcontractor, consultant) in the performance of the Contract only if it has investigated that third party, its reputation and integrity in a documented manner, and that such investigation has not raised any concerns about the integrity and good repute of the third party;
- it will not involve in the performance of the Contract any third party (e.g. subcontractor, consultant) who does not comply with anti-corruption or public integrity laws and, if it becomes aware of such a case, it will inform the Customer immediately; and
- it will cooperate with the Customer in investigating any corruption-related fraud in connection with the Contract, and will inform the Customer immediately in the event that corruption is suspected in connection with the Contract.

21.3. For the purposes of this provision, a sanction means any law, measure, enforcement order or other sanctioning requirement that imposes economic, financial or trade sanctions or restrictive measures issued, imposed or published by

- (i) the United Nations, or
  - (ii) the European Union, or
  - (iii) the United States of America, or
  - (iv) the United Kingdom,
- or the governments, official bodies, authorities and/or agencies of the above (hereinafter "Sanction").

For the purposes of this provision, a Country Subject to Sanction means any country or territory that is or whose government is subject to a Sanction that broadly prohibits doing business with such countries, territories, governments, including, but not limited to, North Korea, Cuba, Iran, Syria, Sudan and the Russian-occupied territories of Ukraine ("Country Subject to Sanction").

For the purposes of this provision, a Person Subject to Sanction means any natural or legal person or entity without judicial personality, who or which is subject to a Sanction or is majority owned or controlled by a Person Subject to Sanction ("Person Subject to Sanction").

21.4. The Partner hereby represents that:

- neither the Partner,
  - nor the Partner's executive officers, representatives, agents, contributors and, to the best of its knowledge, employees,
  - nor the Partner's subsidiaries
- a) are considered as Persons Subject to Sanctions; and  
b) are citizens of a Country Subject to Sanction, are established in a Country Subject to Sanction or are registered or incorporated in a Country Subject to Sanction.

The Partner represents that it is not acting on behalf of or at the direction of any Persons Subject to Sanction.

The Partner represents that the performance of the obligations covered by the Contract is not subject to any Sanctions.

Partner agrees to notify the Customer in writing without delay if it becomes aware that, as a result of any event, the contents of the above declarations are incorrect or untrue in any respect or to any extent.

21.5. If any of the representations contained in this section prove to be untrue, or if the Partner breaches any of its obligations under this section, or otherwise for any reason the performance or continuation in force of the Contract would be in breach of a Sanction, the Customer is entitled to terminate the Contract with immediate effect, and the Partner shall fully and comprehensively indemnify the Customer and exempt it from all adverse legal consequences related to this fact. The Partner shall further be liable to compensate the Customer for all damages (including direct and indirect consequential damages and loss of profit) suffered by the Customer as a result of the foregoing. The above provision also applies if the Sanctions enter into force after the effective date of the Contract.

## 22. MISCELLANEOUS PROVISIONS

22.1. This contract may only be amended in writing.

22.2. The Parties represent that they are legal entities registered in Hungary that are not subject to bankruptcy, liquidation or winding-up proceedings or other kind of dissolution / compulsory strike-off.

22.3. Parties represent that the Contract comprehensively addresses the agreement entered into between the Parties, contains all the terms and conditions of the agreement between the Parties, and supersedes any prior oral negotiations or written agreements or declarations made between them on the subject. **Parties confirm that the Contract does not include any custom or practice which the parties may have agreed to apply in any previous business relationship of theirs, or any practice which they may have established between themselves. Parties confirm further that this contract shall not include any custom widely known and regularly used by the parties to a similar contract in the business sector concerned.**

22.4. Under Section 6:209 (1) of the Civil Code, the Partner already consents, by signing the Contract, to the Customer assigning its rights and obligations under this Contract to MVM Zrt. or to its wholly-owned or majority-owned subsidiary (or subsidiaries), at its sole discretion, either in whole or in part, in accordance with the provisions Section 6:208 of the Civil Code. In the event of a written request to this effect by the Customer, notwithstanding the foregoing, the Partner undertakes that it shall immediately, but no later than 5 (five) days from the request, make all necessary declarations and measures to ensure that the change of legal entity can take place without any disruption or unnecessary delay.

22.5. The provisions of the contract shall not restrict the Customer from using services or procure products from any third party which are identical or similar to the services and products provided by the Partner under the contract.

22.6. The Partner shall cooperate in all respects with other Contributors/Subcontractors and service providers designated by the Customer.

22.7. Unless otherwise specified, the term "day" or "days" in the contract shall in all cases mean a calendar day.

22.8. In matters not regulated by the Contract, the laws of Hungary in force at any given time, in particular the provisions of the Civil Code, shall prevail.

22.9. The annexes attached hereto shall constitute an integral part of the contract.

22.10. These General Purchasing Conditions enter into force on and apply from 01.10.2023. If, after the provision of the amended General Purchasing Conditions, the Customer orders services/goods from the Partner, which the Partner supplies, the Partner will be deemed to have automatically accepted the amended General Purchasing Conditions.