

GENERAL PURCHASING CONDITIONS APPLICABLE TO PURCHASE ORDERS

These General Purchasing Conditions Applicable to Purchase Orders (hereinafter “GPC”) govern the content of contracts concluded by the Buyer for the purpose of fulfilling order-type tasks, 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. 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 Supplier’s general terms and conditions or any of its clauses.

1. INTERPRETATIVE PROVISIONS

- 1.1. **Buyer:** the party who orders the performance of a task under the contract.
- 1.2. **Supplier:** the natural or legal person who performs the task specified in the order.
- 1.3. **Parties:** Buyer and Supplier collectively.
- 1.4. **Purchase Order:** an individual part of the Contract, i.e. a detailed agreement between the Parties on the specific business terms and conditions of the order constituting the subject matter of the contract, the price and any deviations from these GPC. The Purchase Order is signed by both parties.
- 1.5. **Contract:** the Purchase Order signed by both parties, together with these General Purchasing Conditions and the related Annexes.
- 1.6. **Technical Completion Certificate:** a certificate of performance, delivery/acceptance document or equivalent certificate issued by the Supplier and signed by the Buyer’s representative, which must in any case include:
 - the names of the parties involved in the performance (the Supplier and the Buyer);
 - a detailed description of the tasks fulfilled within the scope of the performance and the amount of time spent;
 - if ascertainable, the consideration for the task or part of the task to be performed.
- 1.7. **Financial Completion Certificate:** In the case of specific tasks (e.g. consultancy services charged on a time basis, etc.), the nature of which does not require a separate technical completion certificate, a duly signed financial completion certificate alone certifies that the work has been performed in the quality agreed in the contract and in the order. Otherwise, a document generated in the SAP system operated by the Buyer and signed by the Buyer’s representatives after the issuance of the Technical Certificate of Performance for the Task, in possession of the Supplier’s invoice, which is sent by the Buyer to the Supplier, who shall treat it as an attachment to the invoice to be issued.
- 1.8. **Tasks:** the activities constituting the subject-matter of the Order/Contract, as defined in the Purchase Order, as ordered by the Buyer from the Supplier.
- 1.9. **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.
- 1.10. **Contributors:** The parties may use the assistance of third parties to fulfil their obligations or exercise their rights.

2. CONCLUSION OF THE CONTRACT

- 2.1. The purchase contract is deemed concluded when the Purchase Order has been signed by both parties. The Contract consists of the Purchase Order containing the specific business terms, its annexes and these GPC, which are treated and interpreted together in all cases (hereinafter referred to as the "Contract").
- 2.2. In the event of any inconsistency between the terms of these GPC and the related Annexes and the terms of the Purchase Order, the terms of the Purchase Order prevail in the legal relationship between the Parties.
- 2.3. As the contract cannot be implied from conduct, if the Supplier performs without any Purchase Order having been signed by both parties, the contract between the parties is not deemed concluded despite the start of performance, and the Buyer is under no obligation to pay the price.

3. RIGHTS AND OBLIGATIONS OF THE PARTIES

- 3.1. The Parties agree that the Supplier performs Tasks for the Buyer as detailed in the Purchase Order. The Parties' contact persons consult on a continuous basis on the Tasks to be performed under the order and the Supplier's resource and time requirements. The Supplier shall carry out the Tasks for the Buyer in accordance with the specifications set out in the Purchase Order.
- 3.2. The Supplier agrees to fulfil the Order and, by signing this Contract, expressly declares that it has the necessary qualifications, skills and abilities to fulfil the Order. The Supplier shall fulfil the Tasks within the deadline agreed by the Parties.
- 3.3. Unless otherwise provided in the Purchase Order, the Supplier provides the means necessary for the performance of the Order.
- 3.4. The Supplier shall notify the Buyer without delay of any circumstances that may jeopardise or prevent the effectiveness, quality or deadlines of the performance of the Tasks.
- 3.5. At the Buyer's request or, if necessary, even without any request, the Supplier shall inform the Buyer of its activities and the status of the fulfilment of the task.
- 3.6. Supplier shall inform the Buyer if the involvement of a contributor has become necessary, or in the event of any circumstances giving grounds for a modification of the Order tasks.
- 3.7. The Supplier shall perform the Task such as to put the Buyer in an appropriately prepared decision-making position, if necessary, ensuring that the Buyer has sufficient information and time to make a decision. Supplier shall, in cases requiring a decision by the Buyer, shall provide it with a written preparatory document explaining the circumstances of the decision, the alternatives, if any, the advantages and disadvantages of each decision and its possible consequences.
- 3.8. The Supplier undertakes that, in the event of the exercise of the rights to which the Buyer is entitled under this Contract, it will promptly and fully take the necessary steps to enforce such rights, with due diligence in accordance with this Contract. **Nothing in this Contract entitles the Supplier to make any decision on behalf of the Buyer or to make any juridical act on behalf of the Buyer.**
- 3.9. The Buyer undertakes to provide the Supplier with the information necessary for the performance of the Order at the same time as the Order is placed. Should the Supplier request additional information necessary for the performance of the Order, the Buyer shall provide the requested information within 5 (five) working days of the Supplier's request. If a longer period is required for to provide the data or a shorter period is required to complete performance within the deadline, the Parties agree in writing on a different deadline.
- 3.10. Supplier understands that any failure on its part to obtain the data and information serving as the basis for concluding the 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 Order and estimate the costs thereof.

- 3.11. The Supplier shall notify the Buyer of the execution of the order without delay. The Supplier is liable for any damage resulting from its failure to give such notice.
- 3.12. The Supplier shall return or destroy the documents, data and information provided to it for the performance of the ordered tasks within the deadline and in the manner instructed by the Buyer. The Supplier shall return to the Buyer all the documents, data and information produced in the course of the performance of the ordered tasks and these constitute the Buyer's property.
- 3.13. The Supplier shall fulfil the Order in accordance with the Buyer's instructions, in the Buyer's best interests and with the utmost care that may be expected from it. The Supplier must warn the Buyer **in writing** of any instructions that are impractical or unprofessional. If the Buyer insists on the instructions despite the Supplier's warning, the Supplier may withdraw from or terminate the Contract or perform the Task at the Buyer's risk. The Partner must refuse to comply with the instruction if its execution would lead to a breach of the law or of an official decision or would jeopardise the health or property of others. Liability and cost for any damage resulting from an impractical or unprofessional instruction is to be borne by the Buyer, **provided that the Supplier warned the Buyer in writing of the consequences thereof. If the Supplier fails to comply with this obligation, it is fully liable to indemnify the Buyer for any resulting damage suffered by it. The Supplier may not make the execution of the instruction subject to the provision of security.**
- 3.14. Buyer shall have the right to control the performance of the Supplier's obligations under this contract at any time, including inspection of the documents relating to the transaction, and requesting clarification or original documents from the Supplier. The Supplier shall at all times comply fully with the Buyer's request and is responsible for providing the Buyer with correct and complete information. The Buyer may also involve a third party in the inspection of the performance. The Buyer shall notify the Supplier in writing of the names of the persons acting on behalf of such third party, the measures which they may take on behalf of the Buyer and their powers. Until such notice has been provided, no third party may act on behalf of the Buyer. Failure on the part of the Buyer to carry out any inspection in no case relieves the Supplier of any liability for defective performance or for any defect in the materials installed or used.

4. REMUNERATION AND TERMS OF PAYMENT

- 4.1. The Price is specified in the Purchase Order. The Price may only be amended by written agreement between the Parties.
- 4.2. The Parties expressly set forth that the Supplier may not claim any advance payment of its costs.
- 4.3. **The Price includes all costs and cash expenses normally incurred by the Supplier during the performance of this Contract in relation to the fulfilment of the purchase order**, but does not include any travel and accommodation expenses or litigation costs that the Supplier may reasonably incur in the performance of this Contract. The Supplier includes in its invoice any travel and accommodation expenses reasonably incurred and certified during the performance of this Contract, as agreed and approved by the Buyer's professional representative in advance. Given that the above costs are considered ancillary services to the main service, they are treated identically to the main service in terms of VAT payment.
- 4.4. The Supplier shall maintain documentation on the costs, fees and other expenses charged to the Buyer in connection with the Tasks performed under the Contract, and shall retain all certificates related to these, in such a manner that the costs that have arisen may be substantiated through them. The Supplier must retain the records for the period prescribed by law, but for at least eight (8) years.
- 4.5. **By accepting the order, the Supplier acknowledges that, contrary to the provisions of section 6:277 of the Civil Code, it is not entitled to a statutory lien, as security for the Price and the costs, on the Buyer's assets which have come into its possession as a result of the order.**

- 4.6. A Technical Certificate of Performance must be issued for any completed works, if so required by the nature of the procurement (Annex 1). The certificate of performance must state that performance has been completed, as well as the time of performance and the price payable.
- 4.7. After the Parties have signed the technical completion certificate for the activities covered by the Contract or, if such certificate is not required due to the nature of the performance, then after the performance, the Buyer issues a financial completion certificate, in possession of which the Supplier is entitled to either submit an invoice or, if it is not legally obligated to submit an invoice, to claim the amount of the Price.

The Purchase Order must specify the VAT rules applicable to invoicing.

Invoices issued to the name of the Buyer and the address of the registered office must be submitted taking into account the following:

- 4.7.1. 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.
- 4.7.2. 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.
- 4.7.3. 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 Supplier sends the invoice thus issued to the Buyer within more than 5 days from the date of issue of the invoice, the Supplier is entitled to charge default interest in the event of a late payment only for the delay beyond the payment deadline stipulated in the Purchase Order, to be calculated from the date of receipt of the invoice.

- 4.7.4. If the Parties are both resident taxable persons and the contracted service 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 Buyer 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.
- 4.7.5. If the Supplier is a non-resident taxable person in Hungary, the Purchase Order must specify the transaction, the place of performance and the manner in which the invoice is to be issued on this basis.
- 4.7.6. If the Supplier has opted for VAT exemption or carries out an activity exempt from VAT, this must be stated in the Purchase Order and the invoice must be submitted accordingly, without VAT being charged.
- 4.8. The invoice must be issued within 8 (eight) calendar days of the issue date of the certificate of performance.

In the case of invoices received by post, the invoice must be addressed to the 7031 Paks, Pf. 152 post office box address of 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.), which is the Buyer's invoice manager.¹

¹ If the Buyer is MVM Vízérőmű Kft., to the 4450 Tiszalök, Vízérőmű address.

In the case of electronically issued invoices, the invoice must be sent to the e-mail address of MVM Services Zrt. konto-eszamlafogadas@mvm.hu.²The Buyer 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.

- 4.9. The condition for the payment of the invoice by the deadline is that the invoice:
- complies with the latest applicable statutory provisions,
 - includes the order (PO) number or contract identification number,
 - indicates the TESZOR or VTSZ number corresponding to the content of the contract,
 - contains the number of the financial completion certificate generated in SAP,
 - has as an attachment an original/duplicate copy of the financial completion certificate generated in SAP signed by the Buyer's representatives as well as detailed accounts of the contractual performance.
- 4.10. The Supplier shall attach to the invoice a detailed time sheet, indicating the tasks performed for the purpose of fulfilling the order, the name of the person acting on behalf of the Supplier, the time spent on the activity and the amount of the remuneration, as well as the name of the contact person acting on behalf of the Buyer.
- 4.11. The MVM Services Zrt./Buyer 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 Supplier shall reissue the invoice in accordance with the Agreement within 5 (five) working days.
- 4.12. The date of receipt of the invoice shall be the date on which MVM Services Zrt. registers the invoice as having been received.
- 4.13. 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.
- 4.14. 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.
- 4.15. If the Buyer fails to meet its payment obligations, it is liable to pay default interest from the first day of default. If the Party provides good reason for the delay, no default interest shall be payable.

5. WARRANTY, GUARANTEE

5.1. The Supplier represents and warrants that:

- it complies with the laws, official regulations and European and Hungarian standards, technological specifications and quality specifications stipulated in the Contract that are applicable to the performance of the Task covered by the Contract,
- there are no reasons relating to its person that would prevent the Partner from performing the Contract.
- the tasks performed are not subject to any restrictions or third-party rights and/or claims;
- it will provide the Tasks specified in the Contract with the expertise, professionalism, and diligence expected of it, at all times complying with the provisions of 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 Buyer'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 and resources for the performance of its obligations under the

² If the Customer is MVM Vízérőmű Kft., to the titkarsag@tizavizvizeromu.hu email address.

Contract and meet the deadlines set by the Buyer;

- its performance will be free from defects, deficiencies and damage and will comply with the requirements of the Contract for at least twelve (12) months from the date of issue of the Technical Completion Certificate. In the event that the applicable law provides for a longer warranty period for the services, then such longer warranty period shall apply.

- 5.2. The Supplier guarantees that the Task performed by it complies in all respects with the Contract for a period of time from the date of performance, as set out in the Purchase Order, unless a longer guarantee period is provided for by law for the activity in question, in which case the longer guarantee period prevails. Under the guarantee, the Supplier is liable for all defects in the performance of the Task unless it proves that the cause of the defect arose after performance. During the period of the guarantee, the Supplier may exercise the rights arising from defective performance under the Contract.
- 5.3. If, during the guarantee period, the Supplier fails to commence and complete the remedy of the defect after demonstrable receipt of the Buyer's notice and within the time period specified in the provisions of the Contract concerning defective performance, the Buyer may exercise its rights under section 7.6 of these GPC, at the Supplier's risk and full expense, without prejudice to any other rights of the Buyer against the Supplier under the Contract.
- 5.4. The Supplier bears all justified costs incurred by the Buyer in connection with the enforcement of the guarantee claim and notified in writing by the Buyer.
- 5.5. The Supplier is liable for any damages resulting from any failure to meet or from the non-performance of the guarantee obligation.

6. DELAY

- 6.1. If at any time during the performance of the Contract the Supplier finds itself in a situation that prevents the timely performance of the Contract, it must immediately notify the Buyer 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.
- 6.2. In the event of delayed performance by the Supplier, the Buyer may also claim damages in excess of the default penalty and proven penalty. Payment of the penalty for delay does not release the Supplier from its obligation to perform.
- 6.3. If it becomes apparent before the expiry of the time limit for performance under the Contract that the Supplier can only perform the Contract with a significant delay, which is no longer in the interest of the Buyer, the Buyer has the right to purchase the services from another source or to have the Task performed by another party. The Buyer may claim any resulting price difference from the Supplier as compensation for the damage suffered or terminate the Contract with immediate effect or rescind the Contract with immediate effect, with the right to claim penalty and damages.
- 6.4. Acceptance of late performance does not constitute a waiver of the right to enforce the claim.
- 6.5. If the Supplier's delay exceeds 20 (twenty) days from the expiry of the deadline for performance set out in the Purchase Order, the Buyer may withdraw from or terminate the Contract and, in addition to the penalty for default, may claim compensation for proven damages, including direct and consequential damages, in excess of the penalty.

7. DEFECTIVE PERFORMANCE

- 7.1. The Buyer shall immediately notify the Supplier in writing of any defective performance, specifying the defects. In the event of defective performance, the Supplier 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 it within a reasonable period of time. In the event of the Supplier's defective performance, the Buyer may claim penalty for defective performance pursuant to this Contract and damages in excess of the proven penalty.

- 7.2. If it becomes apparent before the expiry of the performance deadline that the performance will be defective, the Buyer may, after the expiry of the deadline for the repair or replacement, exercise its rights arising from the defective performance and claim penalty for the defective performance and damages in excess of the proven penalty.
- 7.3. In the case of defective performance, the Buyer may, at its discretion, choose between repair or replacement. Acceptance of defective performance does not constitute a waiver of the right to enforce the claim.
- 7.4. The repair or replacement must be carried out within a reasonable period of time and without prejudice to the interests of the Buyer, taking into account the characteristics of the goods and the intended use expected by the Buyer.
- 7.5. The Buyer may withhold a proportionate part of the consideration until completion of the repair or replacement.
- 7.6. If the Supplier does not undertake to repair or replace the item within a reasonable time or fails to do so as described above, or if the Buyer's interest in the repair or replacement ceases to exist, the Buyer has the right to have the defect repaired or replaced at the Supplier's expense without further notice or demand a proportionate reduction in the price or to terminate the Contract.

8. DAMAGES AND PENALTIES

8.1. Default penalty

- 8.1.1. In the event of any delay due to a breach of contract by the Supplier or the Supplier's contributor or to any other reason within their sphere of interest, the Buyer is entitled to enforce against the Supplier:
- a penalty and
 - damages.
- 8.1.2. The default penalty is 1 (one) percent of the net Price – or, in case of exceeding the deadline for partial performance, of the net Price payable for the relevant task – but not more than 20 (twenty) % of the total net Price for each day of the delay.
- 8.1.3. The Buyer may also assert a proven claim for damages against the Supplier in excess of the penalty, and assert any other rights arising from the breach of contract. Payment of the penalty does not release the Supplier from its obligation to perform.

8.2. Penalty for defective performance

- 8.2.1. In the case of defective performance, the Buyer has the right to claim the following from the Supplier:
- a penalty and
 - damages.
- 8.2.2. In the event of defective performance, the penalty is based on the total net Price. If the Price is payable to the Supplier in several instalments, the penalty is based on the net fee for the instalment payable for the delayed partial performance. The penalty rate is 20% of the penalty base.
- 8.2.3. The Buyer is entitled to compensation for damages in excess of the penalty for proven losses caused by the defective performance and may enforce other rights arising from breach of contract.

8.3. Penalty for impossibility of performance

8.3.1. The Supplier is liable to pay a penalty in the event of the Buyer's lawful exercise of its right of withdrawal or termination (frustration) due to impossibility of performance caused by the Supplier's breach of contract, the Supplier's refusal to perform without legitimate reason and/or the Supplier's other breach of contract. The penalty for impossibility of performance is 20% of the full net price under the Contract.

8.3.2. The Buyer may also assert a claim for damages in excess of the penalty and other rights against the Supplier arising from the breach of contract, but the penalty for impossibility of performance excludes any claim for performance.

8.4. The Buyer has the right to offset the amount of the penalty against any fee not yet paid. The invoice must be issued for the full amount. If offsetting is not possible, the Supplier shall pay the penalty to the Buyer within 10 (ten) days of receipt of the letter of demand to that effect.

8.5. If the Supplier causes damage to a third party that is not a party to the Contract by violating statutory provisions or by breaching its obligations under the Contract, and the injured third party asserts a claim for damages against the Buyer, the Supplier shall fully indemnify and hold harmless the Buyer 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 Supplier must also cover the costs incurred by the Buyer in connection with the claim for damages. The Supplier undertakes to join the Buyer as an intervener, if invited by the Buyer, in any action brought by a third party against the Buyer as referred to above.

9. LIABILITY

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

10. INTELLECTUAL PROPERTY RIGHTS

10.1. Simultaneously with the performance of this Contract, the Supplier transfers to the Buyer all intellectual property rights arising from the performance of this Contract, of which the Customer becomes the exclusive and unrestricted owner. If the transfer of the property rights is not possible under the statutory regulations in force, the Supplier shall grant the Buyer the exclusive and unrestricted licence as described above.

10.2. In order to comply with the foregoing, the Supplier 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 Buyer may use such intellectual property as the owner of the property rights or as the exclusive user of such intellectual property rights without any restrictions. At the Buyer's request to that effect, the Supplier shall identify the owner of the intellectual property rights and establish the chain of title, as evidenced by documents, until the Buyer acquires the rights. The Supplier shall provide the Buyer with documentary evidence of its own entitlement, as well as its type and content, prior to signature of the Purchase Order 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 exclusive licence is included in the Price.

10.3. The above excludes any intellectual property of the Supplier which, as certified by the Supplier at the latest upon conclusion of this Contract was created prior to the conclusion hereof and which the Supplier provides to the Buyer for the purpose of the performance of this Contract. In the aforementioned cases, the property rights are owned by the Supplier, with the proviso that the Buyer is granted an unrestricted licence, the fee for which is included in the Price.

10.4. The Contractor does not acquire any ownership rights or any licence in the Customer's intellectual property created up to and/or after the conclusion of this Contract.

11. COMMUNICATION BETWEEN THE PARTIES

- 11.1. The Parties agree that any and all measures and declarations that include a commitment and are made during the collaboration shall be made by the Parties in writing.
- 11.2. The names and contact details (e-mail address and telephone number) of the Parties' contact persons are set out in the Purchase Order.
- 11.3. 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.
- 11.4. Any change in the identity or other details of the designated contact persons, in particular their address for notices or e-mail address, must be notified to the other Party in writing without delay, but not later than 5 (five) 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.
- 11.5. In the case of communication by ordinary mail, declarations and notices sent to the delivery address(es) indicated 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.

12. CONTRIBUTOR

- 12.1. Supplier shall primarily perform the work itself; **any use of a Contributor during the course of performance shall be subject to the prior written approval of the Buyer, and shall be paid for out of the Price.**
- 12.2. Supplier shall be responsible for the conduct of the Contributor as if it had itself performed the task, and shall be liable for any damage that would not have occurred without the use of the contributor.
- 12.3. **Buyer shall be entitled to withdraw its consent to the involvement of a Contributor in justified cases. In such cases, Supplier shall ensure that the Contributor concerned ceases its contribution within a short period of time, but certainly no later than 8 (eight) calendar days following the withdrawal of consent, and shall immediately ensure that another Contributor with the required, certified qualifications and approved by the Buyer in writing in advance continues the work. This shall not entitle Supplier to delay the performance of the work beyond the performance deadline determined in the Contract or to modify the Fee fixed in the Purchase Order.**

13. TERMINATION OF THE CONTRACT

- 13.1. The Buyer has the right to rescind the 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 without giving reasons, by written notice addressed to the Supplier. The Buyer shall, however, indemnify the Supplier for any damage caused by the termination in accordance with the Civil Code, unless the termination is due to the Supplier's breach of contract.
- 13.2. The Supplier has the right to terminate this Contract at any time without giving reasons, allowing the Buyer sufficient time to ensure adequate representation. Accordingly, the standard period of notice may not be less than 30 (thirty) days. During the notice period, the Supplier must fulfil the order, and the Buyer must pay the Price due for the notice period.
- 13.3. In the case of breach of contract, the Buyer may

- terminate the Contract with immediate effect or rescind the Contract before performance has begun in accordance with the rules laid down therein;
- may claim penalty against the Supplier;
- may claim damages from the Supplier.

13.4. Without prejudice to any other rights, the Buyer has the right to rescind the Contract or part of it, or to terminate it with immediate effect, by written notice to the Supplier stating the reasons for rescission or termination, if:

- the Supplier is in default of its obligations under the Contract for more than 20 (twenty) calendar days;
- the Supplier is subject to winding-up, bankruptcy (not including the moratorium period) or liquidation proceedings;
- where the Supplier 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 Supplier's non-performance of the contract or a part thereof, the Supplier fails to start the Activity within the time limit set out in the notice to proceed given by the Buyer, or starts the Activity but fails to complete it within a reasonable time;
- the Supplier breaches its obligation of confidentiality under the Contract;
- the Supplier engages an unauthorised contributor;
- a third party or the Supplier acts as rightsholder in respect of intellectual works or rights transferred to the Buyer under the Contract;
- the Supplier commits any other material breach of contract.

13.5. If the Supplier causes damage to the Buyer by the breach of contract, the Supplier shall indemnify the Buyer under the civil law rules on compensation for damages as set out in the Contract.

14. CONFIDENTIALITY

14.1. 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.

14.2. 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.

14.3. The parties confirm that MVM Energetika Zártkörűen Működő Részvénytársaság [MVM Energy Limited] (registered office: 1031 Budapest, Szentendrei út 207-209.; company registration number: 01-10-041828; abbreviated name: MVM Zrt.) and its single-member and majority-owned subsidiaries, especially MVM Services Zrt., shall not be considered third parties for the purpose of obtaining trade secrets, that is, the Buyer is authorised to disclose to MVM Zrt. and its subsidiaries any trade secret related to the Contract, and the Buyer and its subsidiaries shall be authorised to utilise any trade secret thus acquired, even without any additional separate consent by the Supplier.

14.4. MVM Zrt. and its subsidiaries shall be bound by the same obligation of confidentiality as the Buyer in respect of data obtained and provided, and the Buyer shall be liable towards the Supplier in the event of a breach of this obligation.

14.5. Supplier 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.

14.6. Supplier may publish items (articles, lectures, etc.) on the subject of any Contract only with the Buyer's prior written consent. Supplier may use the Buyer's name as a reference only with Buyer's prior written consent.

14.7. Trade secrets shall in all other respects be governed by the provisions of Act LIV of 2018 on the Protection of Trade Secrets (Trade Secrets Protection Act).

14.8. The Supplier acknowledges to the Buyer'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 Supplier in a fiscal year, reaches the threshold value referred to in Section 2(3) of the Economical Operation Act.

15. PERSONAL DATA PROCESSING

The Buyer informs the Supplier 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 Contract and other documents are available for consultation by the Supplier and the natural persons designated as contact persons / contributors of the Parties in the Contract³ at 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.

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

16. FORCE MAJEURE

16.1. 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 includes, but is not 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.

16.2. 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.

16.3. 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 the Contract, as well as the expected date of performance due to the delay.

³Privacy 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.

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.

16.4. 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.

16.5. 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 the section of these GPC concerning settlement of disputes.

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

17. 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.

18. COMPLIANCE AND SANCTIONS CLAUSE

18.1. The Supplier represents that it has read and acknowledged the contents of the MVM Group Code of Ethics and the MVM Group Anti-Corruption Policy. The Supplier 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 18.2, 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.

18.2. Supplier 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 Buyer immediately; and
- it will cooperate with the Buyer in investigating any corruption-related fraud in connection with the Contract, and will inform the Buyer immediately in the event that corruption is suspected in connection with the Contract.

18.3. 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").

18.4. The Supplier hereby represents that:

- neither the Supplier,
- nor the Supplier's executive officers, representatives, agents, contributors and, to the best of its knowledge, employees,
- nor the Supplier'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 Supplier represents that it is not acting on behalf of or at the direction of any Persons Subject to Sanctions.

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

Supplier agrees to notify the Buyer 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.

18.5. If any of the representations contained in this section prove to be untrue, or if the Supplier 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 Buyer is entitled to terminate the Contract with immediate effect, and the Supplier shall fully and comprehensively indemnify the Buyer and exempt it from all adverse legal consequences related to this fact. The Supplier is further 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.

19. MISCELLANEOUS PROVISIONS

19.1. This contract may only be amended in writing.

19.2. 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.

19.3. 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.

- 19.4. Under Section 6:209 (1) of the Civil Code, the Supplier already consents, by signing the Contract, to the Buyer 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 Buyer, notwithstanding the foregoing, the Supplier 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.
- 19.5. The provisions of the Contract shall not restrict the Buyer from using services or procure products from any third party which are identical or similar to the services and products provided by the Supplier under the Contract.
- 19.6. The Supplier shall cooperate in all respects with other Contributors, subcontractors and service providers designated by the Buyer.
- 19.7. Unless otherwise specified, the term “day” or “days” in the contract shall in all cases mean a calendar day.
- 19.8. The invalidity of any provision of the Contract shall not affect the validity of the other provisions of the Contract, which shall remain in full force and effect.
- 19.9. 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.
- 19.10. The annexes attached hereto shall constitute an integral part of the contract.
- 19.11. The provisions of the contract, which are substantially different from those of the Civil Code, are printed in bold.
- 19.12. These General Purchasing Conditions enter into force on and apply from 01.10.2023. If, after the delivery of the amended General Purchasing Conditions, the Buyer gives the Supplier additional orders, which the Supplier accepts, then the Supplier will be deemed to have automatically accepted the amended General Purchasing Conditions as well.

Annexes:

Annex 1: Technical Certificate of Performance: a technical delivery and acceptance report

Annex 2: Financial Completion Certificate (SAP TIG)

TECHNICAL DELIVERY AND ACCEPTANCE REPORT

*Made:day month 202

Contract number at the Contractor:

*Subject-matter of the contract:

Name and address of Customer:

.....

*Name and address of Contractor:

*Description of performance:

*Date of performance:day month 202 –day month 202

Contractor's representative, phone number:

*Contractor's email address where the SAP TIG form is to be sent:

*Customer's representative, phone number:

***Order number:**

***Framework Agreement No.:**

*Invoice amount /net, expressed in HUF+VAT/: HUF + VAT

that is:HUF + VAT

The Contractor has fully completed the works covered by the Contract.
Performance can be demonstrated by attaching the SAP TIG form to the invoice, failing which the invoice will not be accepted.

Name:.....

<p>-----</p> <p>*Customer</p>	<p>-----</p> <p>*Contractor</p>
<p>Budapest,202.....</p>	

*** mandatory to fill in and sign**

CERTIFICATE OF PERFORMANCE

Certificate of Performance

Buyer:

.....
 Budapest

Supplier:

.....

Date of performance:
Number:
Accounting date:
R/3 Certificate:
Order:
Framework Agreement:
Your supplier number with us:

Period/Performance date:

.....202... –202...

Subject-matter of the Certificate of Performance:

By issuing this certificate of performance, the representatives of the Buyer declare that the following items of the referenced contract have been performed in accordance with the professional requirements set out in the contract and accept performance thereof.

Item/K.	Description	Quantity	Quantitative unit	Unit price	Net value
10/00					
Total value excluding VAT (HUF):					

On the basis of the above, the Supplier has the right to submit an invoice in the amount of

..... HUF + VAT

that is HUF + VAT
 (VAT is to be charged in accordance with the VAT Act currently in force).

The above statement by the Buyer's representatives shall not be construed as a waiver by the Buyer of any of its rights under the referenced contract, in particular the right to claim penalty and damages.

Budapest,

.....
 Buyer's representative and registration number

.....
 Buyer's representative and registration number