

General Terms and Conditions of Purchase for Beurer-Hungaria Termelési és Kereskedelmi Korlátolt Felelősségű Társaság

1.) General Provisions, Validity

1.1 In the course of the application of these General Terms of Purchases

Customer shall be Beurer-Hungaria Termelési és Kereskedelmi Korlátolt Felelősségű Társaság (8200 Veszprém, Párna u. 1., registered under No. Cg. 19-09-500485, tax No.: 10723788-2-19, EU VAT: HU 10723788),

Supplier shall be each natural person or any association having no legal personality, which shall provide for Beurer-Hungaria Termelési és Kereskedelmi Korlátolt Felelősségű Társaság any kind of product or service (referred to hereinafter as purchase).

Customer and Supplier, vendor-purchaser shall occupy the following positions resulting from the given agreement, in the framework of these General Terms of Purchases (referred to hereinafter as Parties).

1.2 These Terms of Purchases regulate completely and exclusively the purchases of Beurer-Hungaria Termelési és Kereskedelmi Korlátolt Felelősségű Társaság (8200 Veszprém, Párna u. 1.). With regard thereto any supplier conditions with contents contrary thereto or deviating therefrom shall be valid exclusively in the case if expressly acknowledged in writing by Beurer-Hungaria Termelési és Kereskedelmi Korlátolt Felelősségű Társaság (referred to hereinafter as Customer). These Terms of Purchases shall be valid even if Customer accepts without reservations Supplier's performance with conditions contrary to these General Terms of Purchases or with conditions of contents partly or totally deviating therefrom.

1.3 The cooperation agreements, framework agreements, individual purchase orders, agreements and any amendments thereto established on the basis of these General Terms of Purchases shall only be of compulsory force if Customer has expressly laid down or confirmed them in writing.

1.4 Customer reserves the right to amend its General Terms of Purchases anytime. The amendment shall be published and the amendment shall enter into force within 15 days reckoned from publication, and Customer shall send an electronic notice thereof.

1.5. Parties shall regulate the legal relationship between each other partly in these General Terms of Purchases, partly in cooperation agreements of longer term, partly in framework o, partly in the individual purchase orders. These legal documents constitute a system built on each other. Apart from the General Terms of Purchases Parties may establish between each other anyone of the documents listed above and also more than one such documents.

1.6 The General Terms of Purchases shall set out the most important rules and regulations which shall regulate the coming into existence of the legal relationship between the Parties. In the cooperation agreement the fundamental rules of a longer contractual relationship between the Parties shall be stipulated. In the framework orders we shall lay down the individualised relationship of a higher volume and/or of a longer term between the Parties, while the individual purchase orders shall cover only and exclusively a specific legal relationship.

2.) General Rules of Conduct

2.1 Customer shall act in its contractual relationships according to the principles of juxtaposition and equal rights. It is expecting and at the same time complying – in the course of the exercise of rights and performance of obligations – with the requirements of good faith and fairness both of itself and of the Supplier.

2.2 Nobody may allege his or her imputable conduct in order to acquire advantages. Customer shall only enter into contract with a person having legal capacity and having capacity of contracting.

2.3 Customer stipulates that it shall, as customer, consider a legal relationship having come into existence only on the basis of a mutual and concordant legal declaration. It adheres to cooperation with its partner during the negotiations of contracting, upon the conclusion and the existence of the contract and also in the course of the termination thereof. Contracting Parties shall inform each other on the essential circumstances affecting the agreement.

2.4 The agreement shall come into existence with the mutual and concordant expression of the Parties' will. Customer shall determine, what is considered essential in the contract, in the failure of which the contract shall not come into existence. Essential shall be considered each understanding related to the object, contents, the place and date and method of the performance as well as each agreement related to the consideration.

3.) Conclusion of Contract, Coming into Existence and Contents of the Agreement (Date and Method of Performance)

3.1 Parties lay down that in their legal relationship existing in their internal relation a specific legal relationship may be considered having come into existence in several manners. As a main rule the agreement shall come into existence by the purchase order and the confirmation thereof. If between the Parties a confirmation shall be received upon the call for order by the Customer, this shall also be considered to be a contract. In the event if between the Parties a cooperation agreement or a framework order has come into existence, then the individual purchase order "draw-downs" shall be considered validly generated contracts without any particular measure or confirmation by the Supplier, without any other and further legal relationship. In this respect Parties shall make specific express declaration addressed to each other in the cooperation agreement or framework order.

3.2 The offers are free of charge and without obligation, they do not generate any being bound to the offer for Customer. Supplier shall undertake that he or she or it shall not, in the offer, deviate from the contents of the call for offer made by the Customer.

3.3 In the event of the means of manufacture, tools, models, patterns, materials, figures, designs, calculations and other documentation owned by Customer, the Customer shall expressly reserve his or her or its title and copyright, and it is forbidden to make them available for any third party without Customer's express written consent. The things specified above may be used exclusively for the purposes of the performance of Customer's purchase order. After the performance of the purchase order these things and any copies potentially prepared of them shall be returned without any particular call.

3.4 Supplier may not, without the express written permission of Customer, tell any information for third parties relating to the choice of products, manufacturing, process of manufacture and technology. In the event of the violation of the provisions regulated herein the Supplier in breach shall pay penalty for violation amounting to HUF 2 million in the event of any and each conduct in breach.

3.5 If Supplier expresses his, her or its intent directed to the conclusion of contract in an unambiguous manner and makes a legal declaration concerning all essential issues between the Parties, it shall be bound to its declaration. Supplier shall be bound to its offer for 30 (thirty) days. An offer made in writing may only be revoked in writing. The offer may be accepted by a legal declaration expressing consent therewith. If a confirmation with contents deviating from the purchase order in some essential issue then this shall be considered a new offer. If an amendment is made in an issue which Parties do not consider essential, then the contract shall come into existence. In the event of a declaration made belatedly the agreement shall only come into existence on the basis of Customer's express legal declaration.

4.) Prices and Terms of Payment

4.1 Parties stipulate that they shall consider essential contractual condition the price and the agreement on prices. Failing this no valid legal relationship shall come into existence. In the respect of the prices and in the method of pricing they shall agree in their cooperation agreement and/or in their framework order and/or in their individual purchase order.

4.2 Violation of the prescriptions of delivery, as well as any surplus costs and potential damages incurred in consequence of urgent delivery in the interest of compliance with the deadline of delivery agreed on shall charge the Supplier in total. The costs of replacement purchase due to violation of agreement by the Supplier shall charge Supplier.

4.3 The general turnover tax [VAT] specified in accordance with the legal rule as in force from time to time shall be indicated separately in the invoice.

4.4 Invoices shall be issued in 1 (one) original copy for Customer and this shall only be considered accepted according to the rules if they contain the article number, purchase order number and the compulsory substantial elements which are prescribed in accordance with the relevant statutory provisions in the cooperation agreement and/or in the framework order and/or in the individual purchase order. The invoice is in general constituting annex to the bill of lading / bill of delivery.

4.5 Failing any written agreement with deviating contents the customer shall settle the purchase price to an extent reduced by the value retained for the good performance guarantee, after the delivery has taken place in accordance with the contract, as set out in the cooperation agreement and/or in the framework PO and/or in the individual PO. The amount retained for the good performance guarantee shall be 10% of the value of the goods, which shall be settled after use-up, but no later than within 60 (sixty) days reckoned from the performance of the services / takeover of the goods, in the amount of performance in accordance with the contract.

4.6 The payment deadline of the receivables indicated in the invoice issued by the Supplier shall commence after delivery of the invoice for the Customer in accordance with the rules and regulations, taking into consideration the provisions above. In the event of any potential crediting the relevant date shall be the date of stipulation of the receipt of the goods. Condition of payment by Customer shall be the performance without quantitative deficiency and qualitative defect, with regard to the contents of Section 4.5. Particular regard shall be paid to the fact that the thing ordered should be in conformity with the regulation, it should be complete and it should be fit for proper use.

4.7 The advance payment based on cooperation agreement and/or framework order and/or individual order by Customer and payment of 90% of the consideration do not mean recognition of the Supplier's prices, and they do not influence the right that a claim for implied or express warranty should be enforced with regard to Section 4.5.

5.) Warranty for Requirements and Warranty of Title

5.1 Customer is operating a quality assurance system whose rules and conditions are made known in each case to the Supplier, who shall oblige himself, herself or itself that the incoming goods shall be in conformity with the rules relating to quality control. The performance of the valid and effective rules relating from time to time to the quality control of the incoming goods is, from the aspect of the acceptance of performance, compulsory.

5.2 Should the Supplier operate a quality assurance system and should this be requested by Customer, Supplier shall present certification to the Customer and certify the quality of the product by appropriate quality test proofs.

5.3 Customer shall be authorised to check anytime, for the sake of quality assurance, the manufacture, execution, the materials used and the measures taken by Supplier. For this purpose Customer shall also be authorised to have access to the area of the plant of Supplier, in the usual period of time of operations, with prior announcement. The presentation of examinations and certificates do not touch the Supplier's contractual or statutory obligations of warranty.

5.4 At the date of performance the product handed over by Supplier shall be fit for the purpose according to its destination as specified in the agreement. The Supplier shall hand over the informative descriptions of the goods and other documents. Defaulting the performance of any kind of obligation in conformity with the contract shall mean violation of the agreement having come into existence between the Parties.

6.) Setoff, Right of Retention and Assignment

6.1 Customer reserves the right to set off any kind whatsoever of monetary claim existing vis-à-vis the Supplier against the claim made by the Supplier on the basis of delivery. Customer shall be entitled to retain the payments due to Supplier quoting this fact. The obligation shall cease to be in force up to the amount of the setoff.

6.2 Customer reserves the right to make valid the retention of title against Supplier. The rules of retention or, under another title, those of good performance guarantee have been regulated in Sections 4.5, 4.6, 4.7.

7.) Deadlines of Delivery, Part Deliveries

7.1 Supplier acknowledges that the date of delivery indicated in the order is of compulsory effect. In the course of compliance with the deadline of delivery arrival of the product in accordance with the contract and without any deficiencies at the place of takeover or the place of utilisation specified by Customer shall be governing. The delivery or performance shall qualify as being in conformity with the contract and without deficiencies if they are in restless conformity with the contents of the cooperation agreement and/or the framework order and/or the individual purchase order.

7.2 Supplier shall inform Customer's collaborator acting in the given legal relationship without delay, if circumstances occur or become known to Supplier, in consequence of which the deadline of delivery laid down in the contract cannot be complied with.

7.3 If the object of a specific contract and the violation of contract occur only to a part of a divisible thing or a part of a service, the legal consequences of breach shall only incept for this part. Exception is, if the partial application of the legal consequences would violate any essential legal interest of Customer.

7.4 It shall qualify as interim breach by Supplier if he, she or it omits to take the measures or to make the declarations required for allowing the Customer to perform duly his, her or its obligations, derived from the contract.

7.5 It shall qualify as preliminary breach if prior to the expiry of the deadline of performance it becomes evident for anyone of the Parties that Supplier will be unable to perform his, her or its obligation upon due date. Same is true also for the case if it becomes evident for Customer prior to the expiry of the deadline of performance that the performance shall be defective.

7.6 In the event of belated performance Customer shall be entitled to all rights for enforcing his, her or its claim due to Supplier's default. If Supplier falls into default, Customer may claim performance in conformity with the contract or, if his, her or its interest attached to the performance of the agreement lapsed in consequence of the delay, he, she or it may withdraw from the agreement and may apply coverage item together with all of consequences thereof.

7.7 Part deliveries and part performances shall only be possible exclusively with Customer's prior express written consent.

8.) Warranty of Requirements, Examination of Shortcomings

8.1 Supplier shall be liable for the deficient delivery of the thing constituting object of the agreement, for the performance of the service, for the characteristic features of and warranty for requirements specified in the contract, as well as for that the product or service ordered should be in conformity with the purpose of the agreement (purpose of utilisation), with the relevant official prescriptions, the rules of technical safety and other relevant statutory provisions. If a thing means machines or tools or equipment, they must be in conformity with the safety prescriptions valid at the date of the performance of the agreement and they must be provided with the CE marking.

8.2 Customer shall commence examination of the thing delivered to its territory without delay, either itself or via another organ of quality control. An objection related to defective performance shall be considered reported in due time if this is made towards Supplier within 90 (ninety) days of the quantitative takeover. In the event of hidden defects or defects arising in the course of working the claim due to defective performance shall be enforced within 8 days reckoned from this date but no later than within 90 (ninety) days reckoned from the takeover of the product.

8.3 In connection with defective performance Supplier shall be obliged primarily to repair, to replace the thing, and withdrawal from the contract may be made only if this is not possible. Customer shall initiate repair and replacement by setting a deadline of no less than 5 and no more than 15 days as additional deadline.

8.4 Parties lay down in general that in addition to the enforcement of claims for warranty resulting from defective performance Customer may also enforce its claim for contractual penalty and damages too, whose specific forms and order of magnitude shall be set out in the Parties' cooperation agreement and other contractual conditions.

8.5 The liability of Supplier shall exist, over and above the framework of claim for damages, also for the losses which must be supported by another third party in connection with, or in the course of, building in of the product delivered by Supplier or which arises within the scope of interest of a third Party.

8.6 Supplier agrees to undertake express warranty of 18 (eighteen) months for the product delivered by it.

9.) Fringe Obligations Securing the Contract, Warranty of Title

9.1 Supplier shall be obliged to pay penalty in connection with defective performance, whose detailed rules shall be regulated by Parties in their cooperation agreement and/or framework order, individual order.

9.2 Bearing the risk and devolution of title shall be regulated by the rules of Incoterms, with regard to the cooperation agreement and/or in the framework order and/or in the individual purchase order.

9.3 In connection with any damages potentially occurring Supplier declares and undertakes to refund the damage arising in connection with the proper use of the thing delivered by Supplier.

9.4 Warranty of title. Supplier declares and undertakes to deliver the thing provided by him, her or it free of the right of any other third party. If the warranty of title is not realised or it is impossible to eliminate the charges or it would entail disproportionate costs, Customer shall be entitled to withdraw from the agreement and claim damages.

9.5 In the framework of the warranty of title Supplier declares that if the thing as component made available by him, her or it, shall be built into, or built together with something and this shall be re-sold by Customer, then Supplier shall release Customer from any kind of claim potentially arising against Customer.

9.6 In connection with indemnity Supplier shall also be obliged to pay any other costs arising in connection with averting the damaging events in the context of damages. In this scope Supplier obliges himself, herself or itself to take out an appropriate third party liability insurance at his, her or its own cost, for the damages belonging to his, her or its own scope of liability. The amount and conditions of insurance do not influence or restrict the Supplier's liability regulated in contract or law, notwithstanding the legal basis thereof.

10.) Making Available of Documents, Retention of Title, Protection of Secret

10.1 Customer shall hand over to Supplier in due time the technical documents, descriptions, designs, which are required for keeping the deadlines set out in the contract. In the event of the special cases of sale and purchase, made either for inspection or trial, the Supplier shall make a declaration on the thing being fit for proper use.

10.2 Any documentation potentially handed over by Customer do not touch Supplier's liability in the respect of examining such documents with the care expectable of it as a professional company and she Supplier shall undertake liability for the feasibility thereof, with regard to the purpose, object and contents of the agreement.

10.3 All information, documents, either written or oral, shall belong to the scope of business secret, if arising with the performance of the contract, independently of the quality of the data carrier.

10.4 Supplier shall handle strictly confidentially the figures, designs, calculations, documents and information received, and his, her or its obligation of secrecy shall exist even after the performance of the contract, just until the moment that the figures, designs, calculations and other manufacturing knowhow laid down in documents shall become part of the public domain.

10.5 In the course of the contractual relationship entered into by and between the Parties the price list relating to the given product(s) shall be Annex No. 1, as valid from time to time, to the cooperation agreement and/or the framework order and/or the individual purchase order, while Annex No. 2 thereto shall be the technical-technological documentation relating to the given product(s).

11.) Interpretation of, Amendment to and Termination of the Agreement

11.1 The several contractual conditions and declarations shall be interpreted in harmony with the totality of the agreement. The given framework contract, framework order or individual order may deviate from these General Terms of Purchases. A deviation may not be interpreted broadly.

11.2 Amendment to the agreement shall only be possible with the common consent of the Parties. In such case they may alter both the contents of the agreement and the legal title of their obligation. The part of the agreement which has not been touched by the modification shall remain unchanged.

11.3 Customer retains the right to assign its claim existing against Supplier to another entity. Supplier shall not be hold this right.

11.4 Parties may terminate the agreement for the future, in common consent, or they can dissolve it with effect retroactive to the date of the conclusion of contract. In such case Parties shall not be obliged to provide performance for each other, but they must settle accounts with each other in the respect of the services performed already.

11.5 The contract can be terminated by notice, or by withdrawal in connection with defective performance.

11.6 Customer may terminate the agreement by a notice addressed to Supplier and forwarded for him, her or it in a certified manner. Termination by notice with immediate effect may only take place in the event of serious breach.

11.7 It shall qualify as serious breach if Supplier is in default of deadline more than 2 times during the subsistence of the contractual relationship, failing to comply with the contents of Section 7.2, if it is stated in the course of using the goods delivered by him, her or it that the extent of the quality defects exceeds the measure stipulated in the cooperation agreement and/or in the framework order and/or in the individual purchase order, or if the product provided by Supplier violates or jeopardises the life, health and limb of another person.

11.8 If a permanent legal relationship exists between the Parties, they may, in general, terminate their agreement concluded for indefinite term by three-month notice. They may deviate from this rule in their cooperation agreement and/or in the framework purchase order.

11.9 Nothing hinders that the Parties conclude a contract with each other in the electronic way. The other Party must be informed thereon in appropriate manner. In the event of contracting in the electronic way Parties shall inform each other on the technical steps, on data recording, on the issue whether the contract shall be accessible, on the correction of any potential errors, on the language to apply etc. A written agreement shall be made in advance on the contracting in the electronic way, in the cooperation agreement and/or in the framework order and/or in the individual purchase order.

12.) Subcontractors, Performance Aids

12.1 Supplier shall be entitled to avail himself, herself or itself of performance aid as subcontractor in the course of the performance of the agreement, unless this is expressly excluded by the contract made between the Parties.

12.2 Supplier shall be liable for the subcontractor or performance aid made available for him, her or it just as if he, she or it had itself acted, Supplier may not restrict his, her or its liability in this scope.

12.3 Customer shall accept performance provided by a third party, if such third party is appointed by Supplier and the performance is not bound expressly to special expertise and capabilities. This does not touch Supplier's liability.

13.) Choice of Law, Jurisdiction, Validity, Effectiveness

13.1 Customer shall consider any contract entered into in accordance with these General Terms of Purchases valid and effective. These conditions shall mutatis mutandis apply also to the contract initiated by Customer and entered into between the Parties which do not cover or do not only cover the supply of products but also the use of other services, be it in the framework of agency, entrepreneurial agreement etc.

13.2 Should any provision of these General Terms of Purchases or of the cooperation agreement made on the basis thereof and/or of a framework order and/or of an individual purchase order be invalid, this shall not affect either the validity of the other provisions or the contents of the General Terms of Purchases or the purchase orders. In such case Parties shall make efforts for replacing the invalid parts by conditions legally valid, with regard to the aim, subject and contents of their legal relationship.

13.3 These General Terms of Purchases shall be governed, mutatis mutandis, by the relevant provisions of Act V of 2013 on the Civil Code of the Republic of Hungary.

13.4 Parties oblige themselves that they shall try to settle their disputes resulting from their legal relationship primarily in the amicable way, and they shall address the District Court of Veszprém or, failing its jurisdiction, the Tribunal of Veszprém County only if this is not possible.

1 December 2015

Customer
Beurer-Hungaria Termelési és Kereskedelmi
Korlátolt Felelősségű Társaság