

General Terms and Conditions

of BORSODI MÜHELY Fémmegmunkáló Korlátolt Felelősségű Társaság (8 Juharfa str. 9027 Győr, Cg.08-09-006060), as Contractor, related to its legal transactions (contractual relations) concluded in the course of its economic activity.

1.

Scope of general terms and conditions

This General Terms and Conditions are binding for providing services regarding Design – Production - Implementation – Heat treatment – Material analysis – Hired measurement and – Calibration of measuring gauge, unless it is otherwise regulated by the specific contracts.

The Contracting Parties shall abide from the provisions of the General Terms and Conditions exclusively in their written agreement.

2.

Offer

The offer provided by BORSODI MÜHELY Kft. shall be basically free of charge, nevertheless in case of a specific request for an offer BORSODI MÜHELY Kft. shall be entitled to charge a fee for providing an offer. The appendices of the quotation – graphs, circuit diagrams, technical parameters, specifications, etc. – are provided for preliminary information purposes only. The Customer shall take liabilities for the content of the data provision. The technical solutions elaborated in the offer shall be regarded as the intellectual property of BORSODI MÜHELY Kft.

3.

Offer price

The offer prices provided by BORSODI MÜHELY Kft. are individual prices in each case. The offers are provided by BORSODI MÜHELY Kft. in the currency indicated by the Client in the data register. The price lists are provided for information purposes, individual prices shall be defined subsequently the agreement of the Parties.

In case of heat treatment services the contractor fee shall be defined based on the price list at the venue of the receipt of goods (8 Juharfa utca, 9027 Győr) or based on an individual price offer.

4.

Order

The 'Order' placed by the Customer, is the offer of the Customer to conduct a contract. The contract shall be conducted by the receipt of the 'Order confirmation' or by signing the 'Work contract' and shall be fulfilled with the takeover of the ordered goods with a delivery note, or with the handover-takeover of the project, as well as by covering the costs.

BORSODI MÜHELY Kft. is entitled to reject the order where:

- The Customer had previously not accomplished its contractual obligations regarding the takeover of the goods or the settlement of the costs of the goods.
- has otherwise violated the provisions of the General Terms and Conditions
- has default in payment towards BORSODI MÜHELY Kft.
- where the order is placed not in accordance with the conditions of the offer
- where the product provided for services does not have material specifications (history of product material), furthermore the Customer does not provide hardness values and/or does not accept the hardness values defined by BORSODI MÜHELY Kft. by taking into consideration the material quality.

5.

Completion date

The completion date shall start with the date of 'order confirmation' and shall be fulfilled on the date defined by the confirmation, inasmuch as the Parties agreed on all the technical and commercial conditions, as well as the Customer has taken all the measures required for fulfilling the completion date by the due date (e.g. order, transfer in advance, etc.). In case of unavoidable force majeure conditions – which are due to circumstances beyond the

control of BORSODI MÜHELY Kft. – the delivery deadline shall be extended with the time period effected by force majeure.

As regards Design, Production, Implementation, Heat treatment, Material analysis, Hired measurement and Calibration of measuring gauge the completion deadline shall be defined by taking into account other completions in progress.

The offer shall be valid within 30 days of the date indicated on the offer subsequently the receipt of offer by the Customer provided by BORSODI MÜHELY Kft., and where the order is placed within this time frame BORSODI MÜHELY Kft. shall be obliged to perform the completion date in accordance with the content of the offer. In case of overdue order beyond the validity of 30 days, BORSODI MÜHELY Kft. shall provide a new offer, the content of which may differ from the one in the previous offer.

6.

Performance

Unless the Parties otherwise agree, the venue of performance is the seat of BORSODI MÜHELY Kft.: 8. Juharfa str., 9027 Győr, or the address of its other site: 7. Piac str., 5310 Kisújszállás.

Performance shall be accomplished by handing over the product to a carrier or a freight forwarder or by posting the product. BORSODI MÜHELY Kft. shall be entitled to partial or pre-shipment by taking into account that such a performance shall not be more cumbersome for the Customer that the contractual performance on the due date. Subsequently the handover, the risk of damage shall be transferred to the Customer or to the carrier/ freight forwarder. BORSODI MÜHELY Kft. shall provide the consignment based on the individual request and at the expense of the Customer within the scope of risks indicated by the Customer. In order to fulfil performance BORSODI MÜHELY Kft. shall be entitled to use the services of a subcontractor. BORSODI MÜHELY Kft shall be responsible for the performance of its subcontractor as if it had performed it itself.

7.

Compliance verification

The finished orders shall be handed over to the Customer by BORSODI MÜHELY Kft. within the frames of the handover procedure with a delivery note or a proof of performance. During the handover process it shall not be required to analyse the features of the products the quality of which has been verified by the Customer.

8.

Invoices, prices

The prices shall be regarded as net HUF or net EURO, which do not include the amount of Value Added Tax.

The work of BORSODI MÜHELY Kft. regarding activities based on individual orders for the reference month is settled upon completion, in accordance with which BORSODI MÜHELY Kft. shall issue an invoice.

Financial performance

The Customer is obliged to pay the costs in timely manner indicated by the invoice in accordance with the payment terms and conditions regarding the payment method and due date indicated on the order. In case of heat-treatment work the Customer is obliged to cover the costs in accordance with the conditions indicated on the invoice.

The conditions of issuing and receiving the invoice is the compliance verification, delivery note, acceptance certificate of the package signed by the representatives of the Parties.

Bank account of BORSODI MÜHELY Kft.

The bank account is indicated on the invoice.

9.

Late payment, default interest

Where the Customer has an open (expired) account, BORSODI MÜHELY Kft. shall perform the order exclusively by advance payment or cash payment.

In case of late financial execution that exceeds 30 days, or the Customer who settles the payment late for more than three times, shall be obliged to pay 10% penalty for BORSODI MÜHELY Kft.

In case of late payment the exchange rate changes until full financial settlement - beyond the rate of 3% - shall be claimed subsequently on arrears by BORSODI MÜHELY Kft.
If the work or any of its parts is not accomplished due to any reasons of the Customer's interest by the contractual date, BORSODI MÜHELY Kft. shall be entitled to submit an invoice in proportion to performance issued on the date of the scheduled completion.

10. Right of property

Until the complete settlement of the total sum the product, the product shall be subject to the property rights of BORSODI MÜHELY Kft. (reservation of title). Exceptions to this are workpieces owned by the Customer and handed over to the Contractor for the performance of the work.

11. Liability

BORSODI MÜHELY Kft. shall not take the liability for the damage that has not been caused in the ordered product except for the case of impeachment.

A BORSODI MÜHELY shall be exempt from any liability where the contractual breach was caused by circumstances beyond its control, which was unforeseeable at the time of the conclusion of the contract and it shall not be expected to avoid this condition or prevent the damage. The liability for damages of BORSODI MÜHELY Kft. shall not exceed the amount payable to BORSODI MÜHELY Kft. based on the contract, except for the cases of intentional damage caused by BORSODI MÜHELY Kft. to life or health or intentional damage caused due to criminal offence.

Liability of BORSODI MÜHELY Kft. is excluded regarding such damages which are caused owing to inadequate quality of the material provided by the Customer – e.g. material defect, work residues, faulty manufacturing technology, etc. –, nevertheless BORSODI MÜHELY Kft. shall be entitled to receive the price of the completed performance – namely the contractual price. BORSODI MÜHELY Kft. shall be exempt from any liability for such damages which despite due diligence were caused during storage, transport, and customs clearance of goods.

BORSODI MÜHELY Kft. has business-, product- and service liability insurance.

12. Warranty, guarantee, „warranty“ conditions

The provisions of the Civil Code and the manufacturer's warranty period shall apply and be governing regarding the products manufactured and treated by BORSODI MÜHELY Kft. Improper use, repair, storage and modification of the products and all the defects related to any of them shall be beyond the scope of warranty.

13. Warranty administration

If the product gets any defect within the warranty period, BORSODI MÜHELY Kft. shall be notified by the Customer immediately, and after prior consultation – the product – if it is not an installed machinery – shall be transported to the seat of BORSODI MÜHELY Kft. personally, by courier or by post.

In case of grounded request, the transport cost of the product shall be subsequently reimbursed to the Customer by BORSODI MÜHELY Kft., up to the extent of the transport fees applied by BORSODI MÜHELY Kft. itself.

The products shall be returned in an adequate packaging, with its original accessories in order to request replacement. In case of using postal or courier service, beyond the required documents and error description, a daytime telephone contact shall be provided. The product shall be packed properly, as BORSODI MÜHELY Kft. shall not take liabilities for any damage caused during transportation.

The returned product shall be analysed, subsequently BORSODI MÜHELY Kft. shall establish the rights for a repair or a replacement. The damages caused due to improper use and all the incurred costs related to such product shall be borne by the Customer.

14. Damage beyond the scope of warranty

Product damage occurred via transport is not subject to the scope of warranty (such a damage shall be laid down in the Protocol by the Customer and the freight forwarder upon receipt).

Warranty shall be excluded in case of mechanical damage, or any damage caused due to improper use, improper installation, improper application or storage.

Furthermore, warranty shall not apply for damages caused owing to deviation from intended use, or usage that is incompatible with the users' manual, or for any damage caused by operating conditions other than the specified ones in the documentation or in the relevant operational catalogue.

Warranty and guarantee shall not apply to the natural wear and tear of sliding and wear parts.

When heat treating products with either outer or inner threads, the products to be heat treated will be covered by protecting paste before heat treatment. The protecting paste will be left out by BORSODI MÜHELY Kft. solely on the written request of the Client.

The thread protecting paste will be hardened during heat treatment, therefore it is justified and necessary to remove it subsequently in order to be able to use the threads. Removing the thread protecting paste from the heat treated product after the heat treatment is the responsibility of the Client. This removal is not involved in the heat treatment services, and BORSODI MÜHELY Kft. does not assume this removal in any case, even not against separate payment.

BORSODI MÜHELY Kft. excludes any responsibility for any damages – generally breakage, cracking and other deformation – possibly occurring owing to the lack of using thread protecting paste, based on the written request of the Client, when mounting/using threads on the threaded heat treated products.

BORSODI MÜHELY Kft. will refuse any quality objections or complaints from the Client stating non-proper quality arisen owing to the lack of thread protecting paste during heat treatment of threaded products, based on the written request of the Client. Such products will be excluded from the circle of guarantee.

15. Customer complaints

The location of the validation of complaint claim shall be the seat of BORSODI MÜHELY Kft. The objectionable product shall be returned to that location in proper packaging. BORSODI MÜHELY Kft. shall not take the liability for any damage caused due to improper or inadequate packaging.

The condition for a claim is the submission of the invoice (if it has been issued/ enclosed at the time of the purchase) and the description of the issue.

Where the claim is groundless, subsequently the error detection, BORSODI MÜHELY Kft. shall send an offer to the Customer regarding the expected costs of repair.

Where the Customer agrees to cover the expenses of the repair work, BORSODI MÜHELY Kft. shall perform the repair work or have it performed, subsequently it issues a service invoice on the related costs for the Customer to settle.

Where the repair work is not requested by the Customer, the costs incurred so far shall be invoiced to the Customer (transportation, error detection, etc.).

In case of a justified claim the transport fees shall be covered by BORSODI MÜHELY Kft. for the Customer to the address of the Customer up to the extent of the transport fees applied by BORSODI MÜHELY Kft. itself.

16.

Intellectual property, copyrights

BORSODI MÜHELY Kft. reserves copyrights for its own technical solutions as intellectual property described in the contractor or project offer.

17.

Data protection, confidentiality

Parties shall be obliged to retain and handle with confidentiality all non-public, confidential data, facts or information about the other Party of which they have become aware of during the performance of the contract.

The technical content, any related concept, any part or appendices of any product that shall be regarded as subject of the contractual agreement shall be treated as business secret.

Without prior written consent of the Parties, none of the Parties shall use any specification, draft, drawing, or other information in their possession relating to the organization and operation of the other Party, unless it is necessary for the performance of the contract or for the own use of the product. All such and similar measures shall equally apply to the subcontractors involved.

18.

References

BORSODI MÜHELY Kft. shall be entitled to refer to the conducted contract with the Customer, and to the cooperation related to the Customer as a reference, where it is expressly requested for third person competition, public procurement procedures or contract negotiations. Within the frames of the reference, BORSODI MÜHELY Kft. shall be entitled to inform a Third party - requesting reference - about the existence of the contract and the scope of the contract with the Customer (the goods subject to the contract, and the quantity of services provided) without obtaining a written consent from the Customer related to that.

19.

Order, agreements, termination of agreement

The contract of the Parties shall be valid until the duration of services provided by BORSODI MÜHELY Kft., that shall be terminated with contractual performance. The contract shall be amended by mutual written consent of the Contracting Parties.

Any of the Parties may exercise its right of immediate termination if liquidation procedures are initiated against the other Party, or the other Party seriously infringes its essential contractual obligation.

20.

Force majeure

By force majeure, the parties mean an event or occurrence which occurs independently of the will of any of the concerned Party and which the Party concerned cannot prevent or avoid. The Party that refers to force majeure is obliged to inform the other Party about the occurrence of the event without delay. The Party who fails to notify the other Party shall take liabilities for any damage caused due to the failure.

In the event of force majeure affecting either Party, the Parties shall enter into negotiations with a view to decide on the mitigation of damages or, ultimately, on the possible termination of the contract, depending on the nature of the force majeure.

21.

Other provisions

The Contracting parties are obliged to cooperate with each other. Within the frames of cooperation the Party shall inform each other about essential issues or circumstances related to the contract.

Legal notices, complaints or information concerning performance shall be recorded in writing by the Contracting Party who communicated them and hand it over to the representative of the other Contracting Party or send by registered mail, fax or electronic mail to the registered office of the Contracting Party.

The Contracting Parties acknowledge that they may not subsequently rely on facts or circumstances in respect of which they have not fulfilled their obligation to provide written information despite their better knowledge

22.

Legal remedy

In the event of any legal dispute, the Parties submit to the exclusive jurisdiction of the Győr District Court and the Tribunal of Győr.

In matters not regulated by the General Terms and Conditions herein the provisions of the Civil Code and the special legislation shall be governing.

G y ő r , 25. 10.2021.

This General terms and Conditions shall apply for legal transaction entered into force from the 25.10.2021.

Borsodi László

managing director