

General Conditions of Delivery

for the legal transactions (contractual relations) concluded by BORSODI MŰHELY Fémmegmunkáló Korlátolt Felelősségű Társaság (H 9027 Győr, Juharfa utca 8. Cg-08-09-006060) in the course of its economic activity in a Customer position

These General Conditions of delivery are applicable and valid exclusively for the legal transactions concluded by BORSODI MŰHELY Fémmegmunkáló Korlátolt Felelősségű Társaság (hereinafter referred to as Customer) for purchase orders.

1. Introductory provisions, effect and validity

1.1 The provisions of these Conditions are to be applied if a written contract has been reached between the Parties regarding any offer, purchase order, or the confirmation of any offer or purchase order of the Customer. Unless otherwise agreed in writing by the parties, the provisions of these Conditions are to be applied for any and all legal transactions concluded by the Parties..

1.2 The Customer may terminate its legal relations with the Supplier with immediate effect at any time. The Supplier may terminate its legal relation with the Customer with 30 calendar days' notice, in case all its services are deemed to be completed.

1.3 In case any provision of these Conditions becomes invalid - in full or in part – out of any reasons, the validity of the other provisions of these Conditions is not affected.

1.4 The Supplier shall notify the Customer about any change in its company data without delay, but within 8 (eight) calendar days counted from the date of registration the latest. The Supplier is liable for damages resulting from the delay.

1.5 The Supplier shall notify the Customer without delay, but 3 (three) calendar days counted from the receipt of the applicable decision the latest, if its tax number has been suspended or cancelled, or is the subject of bankruptcy, winding-up, liquidation or compulsory winding-up proceedings. The Supplier is liable for damages resulting from the delay.

2. Purchase Order

2.1 The Customer sends a written purchase order ("Purchase Order") to the Supplier before using the services of the Supplier.

2.2 In case the Supplier does not accept the contents of the Purchase Order, it shall notify the Customer thereabout in writing within 3 (three) working days. Otherwise, the Purchase Order sent by the Customer to the Supplier shall be deemed to be a valid agreement of the Parties.

2.3 The Supplier acknowledges that the Customer has not undertaken any obligation to order any minimum quantities or services during the term of their relationship, i.e. the Customer is not obliged to purchase from the Supplier any quantity in excess of the quantity specified in the Purchase Order. The Customer is entitled to purchase similar goods and services from other suppliers.

The "Purchase Order" by the Customer is the offer of the Customer for concluding the contract. The contract is transacted by sending the "Confirmation of Purchase Order" or by concluding the "Work Contract", and is considered fulfilled upon the receipt of the ordered goods or upon the acceptance of the delivery of the project, together with the payment of its counter-value.

3. Supplier's Obligations

3.1 The Supplier shall fulfil its obligations contained in the "Purchase Order" approved by the Supplier in line with Section 2.2 above or in the Supplier's offer confirmed by the Customer, and within the time limit specified therein.

3.2 The Supplier shall perform its obligations by itself. The Supplier is entitled to use the services of subcontractors or other intermediaries only with the prior written consent of the Customer. The supplier shall inform the subcontractors and intermediaries of all obligations arising from these Conditions.

4. Remuneration

4.1 The Customer pays to the Supplier the fee established jointly by the Parties, contained in the Purchase Order accepted by the Customer according to Section 2.2 above, or in the offer confirmed by the Customer, or in another document acknowledged by the Customer, in case of contractual fulfilment. The established fee, in the lack of a different written agreement between the Parties, contains every taxes, fees and costs raised in connection with the services of the Supplier. The Supplier is not entitled to charge any lump sum or other fee over the mutually established fee on any title.

4.2 The Customer pays the mutually established price to the Supplier by bank transfer payable within 30 (thirty) calendar days following the receipt by the Customer of the Supplier's duly issued invoice.

In case of late payment by the Customer over the payment terms contained in the invoice, the Supplier may claim late payment penalty in the rate of 10 % per year.

5 Penalty

5.1 The Supplier shall pay penalty if case of fulfilment in a different time, quantity or quality compared to the contents established in the purchase order confirmation. In case of late fulfilment, the rate of the penalty is 2 % of the value of the respective items established in the purchase order confirmation for any commenced late working day, but maximum 20% of the full value.

5.2 In case of quantity or quality deviation, the Customer is entitled to make decision in connection with the elimination of the deficiencies, i.e. about having the Supplier replenish the deficiencies, or wishing to obtain them from another source. The Supplier, in case the Customer chooses other sources, shall pay to the Customer the amount certified by the Customer as having been spent for remedying the deficiencies.

Its maximum value may reach even the full value of the item involved in the deficiency as contained in the purchase order confirmation.

6. Force Majeure

6.1 When any Party of both Parties are hindered or delayed in the fulfilment of these Terms and Conditions or obligations by Force Majeure event, the obligations of the Parties will be suspended as long as the circumstance persists. Any insurmountable obstacle emerging outside the interest of the Parties and unforeseeable by the Parties, hindering the Parties in the fulfilment of the contractual obligations, including in particular, but not limited to, flood, earthquake, war, state of martial law, state of emergency, uprising, revolution, rebellion – not involving however strikes - are considered "Force majeure". Any shortage occurring on behalf of the suppliers to the Supplier out of any reason or the insufficient economic sources occurring despite the efforts of the Supplier cannot be considered Force Majeure circumstance.

6.2 The Party, prevented from the fulfilment or being in delay, shall inform the other Party about the nature of such hindering factor and its expected duration without delay.

If the obstacle persists for more than 3 (three) months, then any Party may terminate the legal relation established between the Parties at any time after establishing the fact, with 30 (thirty) calendar day notice, in its written statement addressed to the other Party.

7. Confidentiality, reference, intellectual creations

7.1 The Supplier undertakes to treat any documents, personal data, oral information and background materials constituting the basis of business secrets, brought to its knowledge and lawfully coming into its possession during the existence of the contract as confidential business secrets, and does not deliver any information thereabout without the written consent of the other party. Under the concept of a trade secret, the Parties understand the concept provided in Paragraphs (1) and (2) Section 1 of Act LIV of 2018 on the protection of business secrets:

“Trade secret means a fact, information, other data and an assembly of the foregoing, connected to an economic activity, which is secret in the sense that it is not, as a body or as the assembly of its components, generally known or readily accessible to persons dealing with the affected economic activity and therefore it has pecuniary value, and which is subject to steps made with the care that is generally expected under the given circumstances, by the person lawfully in control of the information, to keep it secret.

Protected knowledge (know-how) means a technical, economic or organisational knowledge, solution, experience or the assembly of the foregoing, classified as trade secret and recorded in an identifiable manner..

7.2 The Supplier undertakes to disclose the information specified in Section 6.1 above only to those of its employees who need it in order to achieve the objectives mutually agreed by the Parties.

7.3 The Supplier shall grant to the Customer the exclusive and full right of use in respect of the intellectual works created by the Supplier and by persons who have personally assisted the Supplier in the performance of the Supplier's obligations to the Customer.

8. Other expected compliance

8.1 In the performance of its obligations and in the exercise of its rights, the Supplier shall comply with all applicable laws and regulations, including in particular, but not limited to, international regulations, standards and rules adopted in Hungary, European Union legislation, relevant occupational safety, fire safety and environmental protection regulations, and shall continuously monitor the compliance with these rules.

8.2 In the performance of its obligations, the Supplier may only involve employees in the performance of its obligations who have an orderly legal relationship with the Supplier or any subcontractors used by the Supplier. The Supplier undertakes to compensate the Customer for any possible damages resulting from non-compliance by the Supplier or its subcontractor with the labour law and other legal provisions governing other forms of employment, and to cooperate with the Customer and the competent authorities in the investigation of such possible damages. Only persons of working age may be employed, but only those who have reached the age of 14, regardless of local laws and regulations.

Only persons aged 18 or over may be employed in work which is hazardous to health and safety at work, and they have to wear appropriate personal protective equipment during the work.

9. Control right of the Customer

9.1 The Customer is entitled to control the proper fulfilment of the Supplier and the compliance with these Conditions at any time.

9.2 The Customer is entitled to control the materials intended for use, and the procedures in the course of the fulfilment by the Supplier at any time.

For the control the Supplier shall provide all help for the Customer, and shall furthermore present the certificates of origin, quality and other certificates, requested by the Customer.

9.3 In the course of the control by the Customer, the Supplier shall provide the necessary time and professional staff for the control.

10. Insurance

The Supplier shall possess adequate liability insurance specified by the Customer, in case the Customer requests it because of the nature of the product/services.

11. Intellectual property, copyright

The Customer reserves its copyrights for its own technical solution expounded in the contractor or project offer, as intellectual property.

12. Guarantee

12.1 The Supplier declares that the Product delivered to the Customer is free of physical or legal faults.

12.2 The Supplier undertakes a guarantee to the Customer for the products delivered to the Customer **for the period of 12 months** counted from the time when the Parties signed the take-over report in the course of take-over by Customer of the fulfilment of the Supplier, or from the delivery of the Product to the Customer by the Supplier.

12.3 The Supplier undertakes to commence the guarantee services (the reply to the services) within 2 working days at most counted from the fault notification by the Customer. The Supplier performs the guarantee services on a technically justified day, based on the discussion within the Parties, and in the lack of such agreement, the Supplier shall eliminate the fault within 7 days counted from the fault notification at most.

13. Egyéb rendelkezések

The Parties shall cooperate with each other. In this context they shall inform each other about all essential questions and circumstances connected with the legal transaction between them. The legal statements, complaints, notices or information shall be put in writing by the notifying Party and given over to the representative of the other Party or sent to the seat of the Party by registered letter or sent by telefax or electronic mail. The Parties take note that they may not refer subsequently to facts or circumstances in relation to which they did not meet their obligation to provide written information, despite their better knowledge.

14. Legal remedy

In case of any legal dispute, the Parties submit to the exclusive jurisdiction of the Győr County Court or the Győr Regional Court, depending on competence.

The issues not regulated in these General Conditions of Delivery will be governed by the Civil Code and the provisions of the special legislation applicable to the case.

Győr, 1st March 2024.

The General Conditions of Delivery are to be applied for the legal transactions concluded from 1st March 2024.


Borsodi László
Managing Director