

ipox chemicals Kft.

GENERAL TERMS AND CONDITIONS

I. Validity of the conditions

1. The present general terms and conditions shall be exclusively applicable – besides the respecting laws and considering the applicability of these general terms and conditions in accordance with those - for our deliveries at all time. Further demands or requests and other general terms and conditions shall be disregarded without the explicit declaration of commitment made by ipox chemicals Kft. (hereinafter referred to as the “Company”).
2. Deviation from these conditions shall be made only with the written approval of either the managing director or the manager who have signing authority at the Company.

II. Offer and concluding contracts

1. We shall not be bound by the offers sent out to clients. Contracts shall come into existence if the Company explicitly accepts the order of the client.
2. Our prices - in accordance with the effective laws at all time – shall be burdened by VAT. Our prices shall include the commercially standard costs of packaging. The prices shall be applicable only for acceptance of goods at the Company’s seat, all costs of delivery (including taxes/duties, and the expenses of further storage) shall be borne by the clients.
3. Keeping in line with the performance deadlines undertaken in the concluded contracts depends on whether our company is provided with basic material on time and enough quantity thereof by its suppliers. We inform the clients without any delay in case we were delayed in performance because of supply difficulties. Should we fail to delivery considering the afore-mentioned reason, we shall reimburse the service fee to the client. Company shall not be liable for any damages arising out of the delay/failure of delivery because of the insufficiency or the deficiency of the basic material supply.

III. Delivery obligation and deadlines

1. For unforeseen and unexpected hindrances and for those that are out of our responsibility and authority causing delay, deficiency in performance, we reserve the right to extend the indicated deadlines with the period of hindrance or to terminate the contract regarding the services the Company has not performed yet. Company shall not terminate the contract if the hindrance is only provisional lasting a short time. In case of strike or work stop that cause huge delivery difficulty for us, we reserve the former right, regardless that these events occurred at the company of ours or our supplier’s.
2. In case of delayed delivery, the damage claims due to that, shall be enforced only to the extent set forth in Subsection 5 of Section VI of this agreement. The highest amount of the damages arising out of the delay – after every week during the delay - shall be determined in 0.5%, but maximum in 5% in accordance with the fee indicated on the respective invoice. The afore-mentioned exclusion of liability shall be disregarded in case the delay in delivery is a result of gross negligence or caused wilfully.
3. Should we not keep the deadlines undertaken by explicit declaration, the client shall invite the Company to perform providing time limit extension. In case we fail to comply with the afore-mentioned peremptory term, the client shall rescind the contract. The client shall enforce damage claim instead of performance only if the breach of contract is a result of intentional and gross negligent conduct, or the Company breached its fundamental obligations by negligence. In case the former event, the damage claim shall cover only the direct and foreseeable losses considering the nature of the legal relation.

IV. Partial performance

Company shall perform partially and the client shall accept it if the partial performance complies with the respective legal regulations or the quantity and/or quality characteristics of the good requires it.

V. Performance and transfer of risk of damages

1. The place of performance shall be the registered office (place of business) of the Company.
2. All the deliveries shall be carried out at the clients' risk. The risk of loss shall be transferred – unless otherwise agreed - to the client at latest when Company or any authorized person conveys the good to the carrier, consignor or the forwarding agent. Should the delivery/forwarding of the good is the duty of Company, or it assumes the costs of carriage, the risk of losses shall be transferred to the client by the conveyance of the good to the collaborating person. Company shall conclude property insurance contracts regarding the delivery only for the request and at the cost of the client.
3. In case the client personally or its representative takes over the good, the risk of losses shall be transferred to the client by the commencement of unloading. In the former event, the client shall take all the necessary measures for the safe and professional loading and unloading. The Company's participation in loading and unloading shall be executed only upon the client's request and at the client's responsibility and risk. Company shall not be liable for damages arising out of the insecure or unprofessional loading and unloading. The client shall release Company completely from the fulfilment of such damage claims that are due to the breach of conveyance (e.g. transport of goods) obligations by the forwarding agent of the client.
4. The client shall enforce any damage claims occurred during the carriage (transportation/conveyance) directly the carrier and consignor, taking into account the respective deadlines. The copy of the document containing the claim shall be sent to the Company as well.
5. The risk of losses shall be transferred to the client simultaneously with the delivery of the carriage notice in case of default of the obligee occurred at the client's side.

VI. Warranty/liability

1. Company shall guarantee that the quality (characteristics) of its products is in conformity of the specification set out in the data sheet. These characteristics shall comply with the standard good quality of the commercially available things in accordance with Article 288 of the Civil Code of the Republic of Hungary. The delivered good may differ from the afore-mentioned characteristics in shape, colour, and/or weight to a small extent. Company shall deliver such goods that are different from the ones on the data sheet only if the managing director or the company manager - having signing authority – approved the disparity in writing. All information or instruction provided in accordance or in conformity with the data-sheet or in connection with that comply with our experience and best knowledge. However, the formers – without prior written approval – shall be considered only informing types and it shall not form the basis of any claim against Company.
2. The client shall inspect the good immediately after the delivery. Any warranty claim shall be reported within 8 (eight) (calendar) days from the receipt of good, and immediately when any discrepancy is noticed only in writing and by indicating the discrepancy and the warranty claim the client intends to enforce. The good shall be considered otherwise to be received. Should the client report any warranty claim, it shall provide Company with a sample, hence it may be examined by an expert and may be compared with the sample taken from the same type of good stored and delivered to the client by Company and also to compare its characteristics with the obligatory data sheet. If the sample the client intends to enforce warranty claim thereon differs from the one stored by Company because of inappropriate conveyance, maintenance or storage, the warranty claim may not be enforced against Company. The burden of proof shall be incumbent on the client after the delivery of the good – and after the transfer of risk of losses – in connection with the professional conveyance, maintenance and storage.
3. In case the default performance is proved, Company shall repair or replace the good if this is possible. Should Company refuse to provide repair or replacement or Company is not able to do that within a reasonable time and without any significant inconvenience to the client, taking into account of the nature of the good and the purpose for which the client required the good, it may

require an appropriate reduction of the price or have the contract rescinded. The client may not have the contract rescinded if the lack of conformity with contract is minor.

4. Any warranty claim to be enforced against the Company shall become forfeited within one year from the conveyance of the product. In case the conveyed product is used in the course of erecting a building through a customary method that we are acquainted with and the defect of the product causes a deficiency of that establishment or causes damage related to life, bodily integrity or health, the related legal provisions shall be applicable instead of the general one-year forfeit deadline.
5. In case of deficient performance, the enforcement of any compensation claim against the Company not expressly mentioned herein shall be excluded. The exclusion of liability shall not be applicable for damages caused wilfully or by gross negligence and also if damages are related to life, bodily integrity or health. In case of simple negligence, a compensation claim may exclusively be enforced if the conveyance of products has been undertaken by us with the express confirmation of the respective deadline or in case we have undertaken to provide guarantee in respect of the fulfilment of our obligations and also if an obligation being significant in respect of the fulfilment of the goals of the contract is improvidently breached by us. Our liability related to compensation claims shall be limited to the events of gross negligence and wilful conducts and to the reimbursement of – notwithstanding the damages caused to life, bodily integrity or health – foreseeable damages or damages directly arising out of the nature of the contract to an extent of the consideration of the respective conveyance.

VII. Reservation of ownership right

1. The Company shall be entitled to the ownership right of the products conveyed until all claims arising out of the legal relation between the Company and the client is settled completely by the client. In case of effecting payments by cheque, the Company is entitled to reserve the ownership right until the sum stipulated on the cheque is credited by the Company.
2. The re-selling by the client of the products falling under the scope of ownership right reservation shall be enabled in the course of normal business activities. Products falling under the scope of ownership right reservation must not be put in pawn or be given as a security and any other disposal of same regarding the ownership right of the Company shall be prohibited and invalid. The client hereby assigns to the Company all of its claims to arise out of the re-selling of products in the course of its normal business activities by accepting the conditions hereof. The client shall be entitled and obliged to collect the claims assigned for the Company and it shall only be entitled to handle such sums in accordance with the regulations related to escrow management. In case of default payment, the Company shall be entitled to unilaterally withdraw the mandate given for the collection and handling of the claims assigned.
3. Joint ownership right is developed in the ratio of the invoiced value of the products pursuant to the related provisions of the Civil Code of the Republic of Hungary in case of the processing and assembling of the products falling under the scope of ownership right reservation.
4. The client shall be obliged to handle the products falling under the scope of ownership right reservation with due care.
5. In case of a breach of contract – in particular: default payment – the company shall be entitled to terminate the contract and reclaim the product in its initial status.
6. In case of conveyance to foreign countries, the legislation of which does not support the sales of products secured by the reservation of ownership right with a security level being at least equal to that of the Hungarian legal provisions in the same regard, the client shall be obliged to provide the Company with securities being closest to the abovementioned security level. In the course of the enforcement of such security rights, the client shall be obliged to co-operate with the Company in good faith.
7. In case of issuance of a related notice, the client shall be obliged to effect and maintain a proper insurance in respect of the products falling under the scope of ownership right reservation.

VIII. Payments

1. Our invoices shall become due 30 (thirty) days after their issuance unless otherwise agreed. In case of default payment, the client shall pay a default interest in accordance with the provisions of the Civil Code of the Republic of Hungary.

2. Should the current client fail to fulfil any payment obligation thereof, all the other unpaid obligations that are not due may be regarded as overdue and as debts by the Company. The client may offset its claims

IX. Closing provisions

1. These contractual conditions and the entire legal relationship between the Company and the client shall be governed by the applicable laws of the Republic of Hungary.
2. Any claims arising out of these general terms and conditions and the entire legal relationship between the Company and the client shall be exclusively decided – based on the value of the claim – by the Central District Court of Buda or the Metropolitan Court.
3. The partial invalidity of the provisions of these general terms and conditions shall not affect the application of the provisions not being invalid.