



## GENERAL TERMS AND CONDITIONS OF DELIVERY

1./ The General Terms and Conditions of Delivery (hereinafter referred to as GTCD) shall be applied with regard to the sale and transport transactions concerning each product manufactured by the Supplier between the „D&D” Drótáru Ipari és Kereskedelmi Zrt. (HU-3527 Miskolc, Sajószigeti utca 4., company registration number: 05-10-000311) as the Supplier and the Customer with full consideration of the rules for product liability. All orders, including those which have been received or taken by the representatives or agents of the Supplier are binding for the Supplier only if those had been approved in a written form of an order confirmation by the Supplier. The order confirmation signed by the Supplier is the valid contract binding for both parties that contains the main parameters of the delivery. The GTCD is an integral part of the order confirmation. The GTCD is available on website [www.drotaru.hu](http://www.drotaru.hu) for every Customer. If there is any agreement between the Supplier and the Customer conflicting the GTCD, then that agreement shall be given precedence over this GTCD. In case of a legal dispute, both the GTCD and the order confirmation shall be taken into consideration. The GTCD shall be accepted by the Customer either by signing and returning it to the Supplier or by tacit acceptance, if the Customer both, does not send it back to the Supplier within 7 days and has got no objections against its content during this period, or the Customer's statement to that effect is expressly included in the framework contract. These methods of acceptance mean that the Customer acknowledges that it had learnt the whole content of GTCD and accepted it as a part of the order confirmation. The aforementioned rules shall also be applied in case of modification of the GTCD. The GTCD is valid from 1<sup>st</sup> of January 2020 until its withdrawal or modification.

2./ **Delivery, cancellation, indemnity:** Unless otherwise agreed, the Supplier meets its obligation to the Customer by delivery of goods in accordance with the contents of the agreed delivery clause pursuant to INCOTERMS 2010. The risk of loss and damage of goods passes to the Customer in accordance with the contents of the agreed delivery clause pursuant to INCOTERMS 2010. The Supplier will send a report of readiness or give a notice by telephone only in that case when the Customer itself wishes to carry out the delivery of the product. The time of delivery is the deadline indicated in the order confirmation. The delivery of the goods by the Customer shall be taken place within 7 working days after the report of readiness. In case of Customer's default the storage surcharge is 0,5% per day but maximum 15% of the net invoice value. If the amount of the storage surcharge reaches the 15% and the Customer fails to take action to deliver the goods despite the Supplier's notice, the Supplier can sell the goods after the expiry of the extended deadline without breaching the contract. If the customer does not take over the goods, unless there is an apparent quality imperfection or if the order is not canceled after confirmation, the supplier may apply to the customer up to 30% of the total value of shipments. The Supplier is entitled to deliver the goods ahead of schedule unless such delivery is refused by the Customer after having been notified by the Supplier about readiness of goods. The Supplier reserves its right to deliver the ordered goods with quantitative tolerance due to the production technology. The Supplier can require a guarantee as a precondition of the sale when justified. In case of a possible delay in delivery the Supplier sends notice indicating the reason and the foreseeable duration of the delay. In such cases the Supplier is entitled to fulfil the given order – in favor of the Customer - in partial deliveries without legal consequences.

3./ **Performance, qualitative, quantitative receipt, complaint:** The goods have to meet the parameters fixed in the order confirmation and in the quality certificate handed over to the Customer at the time of the performance. The

quality-quantity inspection must take place without delay after the delivery. The visible defaults shall be fixed in the transport document in every case. The other defaults shall be indicated immediately after their arising but within the guarantee period to the Supplier. Unloading and storage of the goods can be performed only in a dry, covered place, in case of raining the unloading can be performed exclusively in a covered area. Defaults arising from improper handling and storage of the goods during technology used in further processing cannot be subject of a complaint. **The Supplier shall provide the Customer with a guarantee for goods quality for the period of 12 months.**

**Conditions of investigation of a quality claim:**

Any complaints regarding defect of the goods must be done in writing and must include identification data of the delivery under complaint. The Customer shall be obliged to make the goods under complaint available to the Supplier for the purposes of verification of rightfulness of the complaint. If the goods under complaint are missing, then the Supplier is entitled to reject the complaint.

**Method of settlement of a quality claim:**

In the case of a justified complaint the Supplier shall be obliged, at his discretion, either to remove the faults or to provide new faultless fulfilment under the originally agreed conditions or to provide a price reduction. The Supplier sends notice about the method and the deadline of the settlement of complaint. If there isn't any response by return of post then the method of settlement of complaint is regarded as accepted. The Supplier is about to settle the quality claim until the due date of the relevant invoice. The Customer cannot enforce a quality claim in case the goods has been purchased as second-class product or with known qualitative differences. Unless explicitly agreed the Supplier does not guarantee that the goods meet the requirements of any specific application or process. The Supplier does not take the responsibility in respect of additional damage due to loss in production, and loss of profits of the Customer. Any complaint of a defect of goods shall not authorize the Customer to suspend (withhold) the payment of purchase price. Unless otherwise agreed, the Supplier obligation for compensation does not exceed the value of the consignment.

4./ **Price, terms of payment:** The price, method of payment and payment term are determined in the order confirmation. In the case of delayed payment the general rules of the Civil Code on economic organizations, furthermore in the case of foreign transactions the provisions of European Directive 2011/7/EU shall be applied. In the case of Customer's delay in payment the Supplier reserves the right to stop the delivery of the rest of confirmed orders. The Supplier reserves its proprietary right in respect of the goods until the full payment of the purchase price. A written request for payment shall fix new date break of term of limitation.

5./ **Further provisions:** The representatives of the Supplier in different countries do not have independent power of decision and independent contractual right, they cannot dispose of the goods, thus it is the Supplier who is entitled to decide directly and exclusively in any substantial questions. The assignment of liabilities arising from legal transactions to a third party can exclusively happen by the prior approval of the Supplier. If such event occurs which might not have been foreseen and will create a partial or full obstacle to fulfillment of its contractual obligations to either of the contractual parties, the contracting parties undertake, without undue delay, to notify each other of such obstacles and discuss further measure. (Obstacles can include events such as natural disasters, breakdown, strike, war, governmental actions etc.) The contracting party facing circumstances of force majeure shall not be responsible for failure to fulfil contractual obligations. No further specifications or conditions can be demanded from the Supplier unless included in the order confirmation or in a written agreement signed by the Customer and the Supplier. Any agreement between the parties shall be valid only if it is concluded in writing. With regard to any legal dispute which cannot be settled by the parties themselves the exclusively competent court is the court local to the headquarters of the Supplier. The Hungarian law, primarily the provisions of the Hungarian Civil Code shall be applied during their proceedings.