

TERMS AND CONDITIONS OF SALE, DELIVERY AND PAYMENT OF EA GROUP LTD

I. GENERAL

All contracts regarding supplies of goods and services are subject to these Terms and Conditions. In placing his order, Customer acknowledges them as legally binding part of contract for our entire business relationship. Oral side-agreements do not exist and not considered as legally binding agreement.

Any contrary terms and conditions or modifications shall only be binding upon us if expressly confirmed in writing or to the extent that they are compelled by law.

II. OFFERS AND PRICES

1. Offers:

All offers by Vendor are subject to alteration without notice. Orders are only binding upon us if confirmed in writing. Missing confirmations are being replaced by our invoices. Only the Vendor's confirmation of an order shall define the scope of the contractual performance due.

Catalogue descriptions, pictures and manufacturers' parts reference numbers are quoted for product identification purposes and should only be taken as approximations. We shall not be bound as to appearance or dimensions, nor to delivery of a specific brand.

We reserve all rights, especially all owner and copyrights, in regard to descriptions in catalogues and price-lists, calculations and other materials or documents. This relates also to all paperwork marked as "confidential". Passing on of any protected information to a third party requires our written consent.

2. Prices:

Our prices remain subject to alteration without notice and are given in € (EUR) if not specified differently, exclusive of Hungarian domestic value-added tax. The prices applicable at the delivery date shall be the prices charged.

III. DELIVERY

1. Shipping:

We ship ex warehouse Hungary or ex works, excluding packaging. Merchandise is transported at Customer's risk and expense. Purchaser assumes all risks upon despatch of the goods for delivery. This applies irrespective of the fact to whom the shipping costs are charged.

We shall specify the carrier. We shall arrange for appropriate packaging according to way of transport. Should Purchaser request an alternative carrier or an alternative form of packaging, Purchaser shall bear any additional costs arising in consequence.

Insurance against loss or damage in transit shall be arranged only at the Purchaser's request and expense.

2. Quantities:

We reserve the right to make minor adjustments to the quantities ordered and to adjust for packing units within limits customary in the industry, and to make reasonable part-shipments to the Purchaser.

3. Time of Delivery:

Our quotes are approximate and subject to alteration without notice. We shall endeavour to adhere to delivery dates advised to the Customer. The time for delivery shall be extended if the Customer delays or fails to take necessary or agreed steps in cooperation.

4. Availability:

The time of delivery shall also be extended in case of industrial disputes, in particular strikes and lock-outs, and in the event of unforeseen impediments outside the Vendor's control, e.g. delays in delivery by the Vendor's supplier, disruption to transport or production, shortages of raw materials or power, etc. Changes by the Purchaser to the goods and/or amount of goods to be delivered shall also lead to an appropriate extension of delivery times.

Where merchandise fails to be supplied over a long period and where the delivery period is unreasonably exceeded, the Purchaser shall have the right to set a further time limit and, where that time limit is exceeded, may cancel the contract. In such cases, we reserve the right to cancel contracts ourselves.

5. Returns of merchandise:

All sales of duly ordered merchandise are final and the merchandise cannot be returned. In exceptional cases and only with our written authorization we are ready to accept returns under the following conditions:

- All shipping costs on returned goods to be paid for by returnee.
- All items returned must be of saleable condition (i.e. packing must be unmarked)
- Original invoice details has to be indicated
- A handling charge on acceptable returns will be levied at 25% of original cost.
- Credit monies raised, will be exclusively set against outstanding account invoices, of returnee, no other form of credit is possible.

IV. PAYMENT

1. Period for Payment and Payment Terms:

Domestic: Invoices to Credit Customers shall be paid in full within 14 days of the date of the invoice. Where the invoice is settled within 7 days of the date of the invoice, the Customer shall receive a cash discount of 1%. Additional 1% cash discount is also applicable if payment is made by Direct Debit or by Cash in advance. No cash discounts are being granted in case customer has not settled previous payments that became due. Invoices for genuine parts must be paid immediately net without any reduction.

Export: Default payment at the beginning is Cash in advance. Credit Customers must settle invoices in full within 7 days following receipt of the merchandise. Payment shall otherwise be effected by Cash in advance, Cash against Documents or by irrevocable, confirmed and divisible Letter of Credit.

2. Payment Default:

In the event of unjustified delay in payment beyond the due date, payment of interest is required at the rate of 8% above the base-rate currently applied by the European Central Bank (ECB), without prejudice to the Vendor's right to pursue additional claims. Should several payments of Customer be due, any payments made shall be off-set against the oldest existing claim.

Should the Purchaser delay in making payment in respect of more than an insignificant amount, or should the Purchaser's cheque or bill of exchange be returned or should the conditions for grant of credit to the Customer lapse, the Vendor shall be entitled to immediate payment in respect of all sums due from the Customer. This shall also apply to invoices whose payment terms had originally been extended and to bills of exchange and cheques due for payment at a later date.

3. Authority to collect payment:

Representatives require a specific power of attorney by way of authorisation to collect payments on our behalf.

V. WARRANTY

Regular merchandise is being warranted for one year. Complaints as to incomplete or incorrect deliveries, as well as complaints regarding apparent defects, must be made and clearly expressed immediately and at the latest within 8 days following receipt of the merchandise. Concealed defects must be reported immediately upon discovery.

There is no warranty for any used products sold.

Justified claims shall be settled at our option by either replacement of the merchandise or refund.

In case merchandise had been installed prior to Customer's complaining about defects, claims shall only be justified if installation was performed using professional workmanship. The burden of proof is upon the Customer.

No claims concerning payment of compensation can be made by Customer in regard to negligence of contractual performance or any other legal arguments.

This is not applicable if liability is compulsory by law, e. g. in accordance to Product Liability Legislation or by reason of intentional default or gross negligence or in regard to injury of life, body or health, or in case of breach of essential contractual obligations. In the latter case, indemnity shall be limited to contract-related and foreseeable damages. In regard to installation and dismantling cost, it is limited to the rates of the valid Hungarian Audatax/Audacon reference price-lists.

All claims become invalid by prescription after one year or according to the provisions of the Product Liability Legislation.

All claims relating to damage in transit must be notified by the recipient to the carrier and confirmed in a damage report. Where insurance has been obtained, the insurers must be notified immediately.

VI. RIGHT OF RECOURSE

If Customer's business sells a product to a private individual and if Customer has to take back such merchandise or if the individual reduces his payment, Customer has the Right of Recourse against us only

to the extent he had to grant to Consumer, and only in case the Consumer's claim concerns defects or imperfections of goods that were existing at time of sale to Customer.

VII. RESERVATION OF PROPERTY RIGHTS

All goods supplied by us remain our property until payment has been made in full. Retention of title shall continue to apply in legal business dealings until all claims, including future and conditional claims arising from the business relationship between the Vendor and the Purchaser, have been met.

The Customer may accordingly not pawn or mortgage merchandise subject to retention of title. We must be notified immediately of actions by Third Parties in respect of such goods, and in particular enforcement proceedings.

The Customer may only dispose of goods delivered by us in the ordinary course of business if the Customer assigns to us all rights arising from such disposal. We shall accept such assignment. Authority to make such disposal may be revoked by us should the Purchaser fail to meet his contractual obligations.

Should the merchandise be worked on or adapted by the Purchaser, retention of title shall extend to the whole of the new product. The Purchaser shall acquire joint ownership of the part of the goods equivalent in value to the goods delivered by the Vendor.

Should the value of the total security available to us exceed subsisting claims by more than 10%, we shall release security at the request of the Purchaser at our absolute discretion.

VIII. CONCLUDING TERMS

1. Validity:

Should individual provisions contained in these General Terms and Conditions be ineffective, this shall not affect the validity of the remaining provisions. The parties to the contract are under an obligation to act in good faith and to take all reasonable steps to substitute an effective term for an ineffective term, whose economic effect is as close as possible to that of the original term, so that no substantial change to the contract is made. The same applies in respect of the omission of any term which should have been expressly included.

2. Applicable Law:

All contracts and sales are subject to Hungarian law with reference to INCOTERMS, in their latest version.

3. Place of Performance and Jurisdiction:

Where the Purchaser is in business within the meaning of the PTK (Hungarian Civil/Commercial Code), or has no specific jurisdictional venue within Hungary, place of performance of goods and services delivered under the contract shall be the Vendor's head office, that is to say Gödöllő, Hungary. Place of performance of payments shall be Gödöllő, Hungary. The place of performance may otherwise be agreed upon in accordance with the current version of INCOTERMS.

The jurisdictional venue for all disputes arising from the contract, including those relating to cheques, Bills of Exchange and documents, shall be the relevant court with jurisdiction for the Vendor's head office. The Vendor shall also have the right to lodge proceedings in a court with jurisdiction for the Purchaser's head office or branch or in the capital of Purchaser's country.

4. Data Protection:

Please be informed that all Customer and Supplier related data will be stored and processed by means of electronic data processing.

The Purchaser shall not have the right to pass on information and data which he experienced in the course of purchase contract settlement to a third party. This particularly applies to shipping information.

Valid as of 1st December 2017,

EA Group Ltd. • H-2100 Gödöllő, Pest Megye, HUNGARY