

General Terms and Conditions of Sale of Products Produced By Szeplast Zrt.,
SZEPLAST Zártkörűen Működő Részvénytársaság, short name: SZEPLAST Zrt.; hereinafter referred to as
Szeplast

1. GENERAL

Szeplast business activities: Szeplast develops, produces and sells (in Hungary and for export) PVC-based granules and blends (hereinafter referred to as the Product) of different compounds and for different purposes.

Product: PVC-based granules and blends of different compounds and for different purposes, to be used as raw material for the plastic industry.

Company details

- **Company name:** SZEPLAST Zártkörűen Működő Részvénytársaság, short name: SZEPLAST Zrt.
- **Seat of the Company:** 6728 Szeged, Vass Mátyás út 7., Magyarország (Hungary)
- **Site:** 6728 Szeged, Vass Mátyás út 5., Magyarország
- **Postal address:** 6728 Szeged, Vass Mátyás út 7., Magyarország (Hungary)
- **Community tax number:** HU23043732
- **Trade register number:** 06-10-000395
- **E-mail:** pvc@szeplast.hu
- **Website:** www.szeplast.com

Customer

- **Customer:** is a legal entity that purchases products from Szeplast either for own use for production or with intent to resell.
- **Distributor:** Customer may resell Product purchased from Szeplast only if the Customer has a Distributor Contract valid and in effect with Szeplast, therefore the Customer is Szeplast's Official Distributor. In case of a Distributor partnership, the Official Distributor partner is Szeplast's Customer; therefore the provisions of these general Terms and Conditions apply to the Customer without changes.
- **Violation of distributor rights:** If a Customer who is not a Szeplast Distributor resells the Product, the Customer shall bear all financial and legal liabilities for possible damages and legal consequences, market-related damages and other injury caused to Szeplast.

The purpose of these General Terms and Conditions: the purpose of the General Terms and Conditions is to regulate the conditions of purchasing Szeplast products (between Szeplast and the Customer), and the rights and obligations of both Szeplast and the Customer.

2. CONTRACT, OFFER and PRICING

Offer and Contract

The scope, name and packed units of products to be purchased, the Customer's special basic price, delivery and payment terms, and the possible individual discounts are specified in the **offer** issued by Szeplast and accepted by the Customer. The current, valid offer accepted by the Customer shall be deemed an individual **Contract** between the Customer and Szeplast. Thus the Sales **Contract**, the **Offer** and these **General Terms and Conditions** together regulate the conditions of the business relationship between the Customer and Szeplast, on the stipulation that Szeplast shall reserve the right to unilaterally change the conditions of individual discounts, except for basic prices, delivery and payment terms and rebate on quantity.

Any written document or email from a SZEPLAST representative that contains at least the following information: the article number, product name, unit price and type of packaging of the products that are the subject of a potential order is considered an offer.

By signing the Sales Contract, the Buyer accepts that the e-mail containing changes to the price, delivery and payment conditions or individual discounts (collectively: order conditions) included in the offer sent by Szeplast is accepted as a legal declaration, and does not object to it.

Modification of individual order conditions

The terms and conditions of the Contract were based on the conditions of the economy, the industry, logistics and the market, prices of raw material and base material and production costs current at the time. Thus Szeplast shall be **entitled to change** the terms and conditions of the Contract **unilaterally** if these conditions change.

Szeplast shall indicate the specific order conditions to the Customer in the Offer sent to the Customer's contact e-mail address provided by the Customer during the customer registration every month or, if justified, at other intervals. The Offer describe the scope of products to be purchased, product names and amount, the new, Customer-specific basic prices, payment and delivery terms, and possible individual discounts.

Modifications shall come into effect upon confirmation of the e-mail containing the modification of the contract being sent, therefore Szeplast shall be entitled to apply the modified terms and conditions for Products ordered by the Customer after the modifications came into effect and may act accordingly. By having signed the Sales Contract the Customer accepted that the e-mail containing the specific order conditions sent by Szeplast is a legal statement and does not object to it.

The right to unilaterally change the conditions of annual rebate on quantity if listed in the Sales Contract shall only apply with the condition that Szeplast may modify the applicable conditions unilaterally only in favor of the Customer.

If the Customer cannot accept the specific order conditions, the Customer may contact its sales representative to initiate a negotiation of the terms and conditions and request a new, unique offer. However, until there is no new offer dated later than the date of sending the offer, the conditions of current offer shall apply for orders placed after sending those specific order conditions.

3. PRODUCT COMPLIANCE and DOCUMENTATION

TDS: The **Technical Data Sheet (TDS)** describes the technical and mechanical parameters of a product. TDS for a Product is available upon request via pvc@szeplast.hu or from Szeplast's sales representative.

SDS: The Safety Data Sheet (SDS) contains safety details of the Products in accordance with REACH regulations. Szeplast shall provide the Customer free of charge with the SDS of a Product within five (5) working days of the Customer's written request. The Customer may request the SDS via pvc@szeplast.hu or from Szeplast's sales representative.

REACH: All Szeplast Products are produced, registered and sold in accordance with the **Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of 18 December 2006** concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). Szeplast shall provide the Customer with its REACH declaration within five (5) working days of the Customer's written request. The Customer may request the SDS via pvc@szeplast.hu or from Szeplast's sales representative.

RoHS: Certain Szeplast products manufactured and sold for the electronics market also comply with **Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011** on the restriction of the use of certain hazardous substances in electrical and electronic equipment. Please contact your sales representative or pvc@szeplast.hu for further information on the Product's RoHS compliance and to request a declaration free of charge.

Requesting further unique quality-related documents: Szeplast shall decide regarding each individual written Customer request for any other quality-related documents besides TDS, SDS, RECAH and RoHS declarations and shall decide on whether to issue and provide it. The Customer shall send its request for unique quality-related document to pvc@szeplast.hu or to the competent sales representative's email address.

Documents for second-rate products: **Szeplast shall not be obliged to** issue and provide Technical Data Sheet (TDS) or any other quality-related document or declaration not compulsory under European Union or Hungarian legislation for second-rate products.

4. PRODUCT TESTING and ACCEPTANCE

Product testing: Szeplast shall offer the Customer products for testing (optional). Upon the Customer's request Szeplast provides for testing maximum 100 kg **product sample** free of charge, or above 100 kg for special discount price so the Customer can try the chosen Product in manufacturing/production process. In case of free or discount price test products the Customer shall be obliged to 1.) fill in, sign and send back to Szeplast or give to the Szeplast sales representative the **Customer test report** available from the Szeplast sales representative; 2.) provide the opportunity for Szeplast's sales and/or technical representative **to be present** at the product testing **in person**.

Accepting the product: By accepting the offer and submitting an order the Customer declares that the Customer fully knows the Products produced by Szeplast and listed in the accepted offer, and their proper use; and that the Customer shall request additional information from Szeplast in writing, or try out test products when necessary. Should the Customer fail to do so, all resulting damages and legal consequences shall be the Customer's liability, and the Customer shall not have any claims towards Szeplast in this matter. During the product test, the buyer is obliged to make sure that

the product meets all the criteria he considers important (mechanical, technical, processing, as well as standardized and chemical content, restrictions or prohibitions), which he confirms by signing the test report. In the absence of a product test supported by a signed customer test report, any order placed and fulfilled is considered a product purchase that has not been officially accepted for normal production, in which case Szeplast expressly rejects all subsequent objections related to the product's processability and/or rheology, as well as mechanical, technical and chemical content.

5. ORDERS

How to order

The Customer shall order from Szeplast through the following means ONLY: at Szeplast sales representative, or order (*hereinafter referred to as Order*) sent via pvc@szeplast.hu

Szeplast shall be required to register and manage orders sent through these channels only.

Contents of the Order

The Order –in accordance with and referring to the current, valid offer shall always contain the **name of Product** and **item number**, the ordered **quantity**, the **requested delivery date**, and requests (if any) related to terms of delivery and place of delivery different from the conditions set in the current, valid Sales Contract.

Any official SZEPLAST email sent from the email address provided for contact during customer registration or from any email address proven to be connected to the customer (or its representative) is considered to be an order and the acceptance of the offer.

Minimum order quantity

Due to the unique nature of the product it manufactures, Szeplast is only obliged to accept customer orders equal to or exceeding the current minimum order quantity, which, depending on the packaging and the type of the given product group, is an amount equal to the weight of 2 tons or 2 BigBags.

Delivery date and partial delivery

Szeplast shall inform the Customer on the expected delivery date in the order confirmation, and Szeplast is not obliged to deliver by the Customer's requested delivery date. Szeplast shall reserve the right to deliver partial delivery and issue partial invoices on the deliverable part of the order.

Order confirmation

Szeplast shall confirm (*hereinafter referred to as order confirmation*) properly placed orders **within three (3) working days as per the working days calendar in effect in Hungary**. The delivery date specified and confirmed by Szeplast in the order confirmation shall always mean the date when the ordered product or the confirmed part of it is available and ready for taking over at Szeplast's site (**6728 Szeged, Vass Mátyás út 5.**). That date is not the same as the date of shipping to the site or other destination requested by the Customer, as that date may vary due to shipping method.

After SZEPLAST's confirmation, in relation to the given quantity, the legal transaction is established between the parties without any further separate legal acts, with the contractual content of the Offer, the Sales Contract, the General Terms and Conditions and the Confirmation, resulting from this legal relationship between the parties hereafter against them, they can enforce legal claims.

Packed unit and packaging

Szeplast shall be obliged to register, confirm and perform orders only as per the Product's **standard packed unit**, Szeplast shall not be obliged to perform in other packed units, however, Szeplast shall, in certain individual cases but always informing the Customer, reserve the right to perform an order in packed units different from the previously specified standard packed unit.

Different products may have different packed units, and the Customer shall be entitled and obliged to contact the sales representative for further information on the units.

Due to the unique nature of the products manufactured by Szeplast and the production technology, Szeplast is also entitled to deliver and invoice the customer for the entire quantity produced in connection with the customer's order, by informing the customer of the actual quantity to be delivered before organizing the transport. The customer is obliged to accept the products manufactured in this way with a deviation of +/- 100 kg per product from the order quantity, with Szeplast billing the actual delivered quantity in all cases.

6. DELIVERY

Place of delivery

The place of delivery shall always be the **Szeplast site (6728 Szeged, Vass Mátyás út 5.)** where the ordered Product shall be loaded under Szeplast's liability. The risk of damage shall pass onto the carrier and/or Customer when loading the goods is finished.

Delivery date

The delivery date shall be the same as the Invoice performance date, and that is the date when the goods are loaded onto the transport vehicle, regardless of the means/method of transport.

Terms of delivery:

- a.) **FCA:** The Customer shall arrange carriage and bear full shipping cost. Loading the goods at Szeplast's site shall be Szeplast Zrt's liability.
- b.) **CPT:** Szeplast Zrt. shall be responsible for arranging carriage. Shipping costs are included in the basic price. Performance date (of the Invoice) shall be the date when the goods are loaded onto the carriage.

The Customer's chosen term of delivery, in accordance with the abovementioned, shall be laid down in the offer and Sales Contract. Should the Customer in the order request a term of delivery different from the one previously registered, that may be fulfilled only upon Szeplast's confirmation, in certain individual cases, however, in that case the Customer shall acknowledge that the basic prices as per the offer and as in effect between the Parties, may change due to the additional costs of the different term of delivery.

Handover-acceptance

Handover-acceptance of the Products shall take place **at the place of delivery, upon issuing a delivery note (bill of lading) and/or the Invoice** to the authorised person. The Customer or carrier shall verify the acceptance by stamping the delivery note (bill of lading) and the Invoice. That shall be considered as acceptance of quality and quantity. Thus all risks of loss of or damage to etc. the goods occurring after handover-acceptance shall be borne by the Customer or the carrier, because the risk shall be transferred to the carrier upon finishing loading to goods at the place of performance, and to the Customer upon starting unloading at the Customer's.

Accordingly, Szeplast shall not accept complaints regarding the Products' quality or quantity or the related documents and other additional materials after handover-acceptance, and neither the Customer nor the carrier shall be entitled to claim damages or any other compensation under any title. However, the quality acceptance only applies to visually recognisable defects and other quality defects or faults, which the Customer's representative or the carrier shall communicate to Szeplast, simultaneously with recording those defects or faults in a written report and taking photos of them, if necessary. Failure to do so shall exclude the possibility of any further assertion of claim by the Customer or the carrier.

Acceptance and payment obligation

The transaction regulated herein is established by Szeplast's confirmation of the Order at the current, valid sales price in effect between the Parties, stipulating that the Customer has an acceptance and payment obligation with respect to the confirmed Products ordered. Any damages and additional costs arising from the Customer's failure to comply with the acceptance and payment obligation shall be the Customer's sole liability. In accordance with this, Szeplast shall be entitled to charge or pass on to the Customer all extra shipping, storage or other costs arising from or in connection with the Customer's delay or non-compliance or improper compliance with the provisions of the individual contractual terms and the General Terms and Conditions, or otherwise attributable to reasons within the Customer's sphere of interest.

If the Customer does not accept or collect the ordered Product within 15 (fifteen) days from the confirmed date of the Order or from the date on which the ordered Product becomes available, whichever occurs later, for reasons not attributable to Szeplast, Szeplast shall nevertheless be entitled to claim from the Customer a contractual penalty in an amount equal to the value of the unaccepted Product, together with any additional costs incurred.

7. QUALITY and CLAIMS

Quality requirements

For orders placed by the Customer and confirmed by Szeplast, Szeplast has a quality obligation (besides European Union and Hungarian legal requirements) that regarding the Product's colour and technical/mechanical parameters as per the TDS, so Szeplast is required to perform the order with the Product in suitable quantity, packaging and free of impurities with a Product

- **the technical parameters** and characteristics of which are in accordance with the technical details in the Product's TDS;
- **the colour** of which deviates by a maximum of $\pm 1.5 \Delta E$ from Szeplast's quality control master profile/standard. The master profile/standard is part of the quality management protocol formed based on ISO standard quality management system used by Szeplast.

Second-rate and/or off-grade products

Sometimes second-rate Products (might) form a part of the Szeplast portfolio. Second-rate products cannot be guaranteed to completely adhere to any pre-stated technical or mechanical parameter, and an unplanned composition, colour or the presence of impurities cannot be excluded. Second-rate and/or off-grade products are sold in all cases with the Customer's prior information. SZEPLAST warrants that second-rate products do not contain toxic contamination or any additives prohibited under European Union or Hungarian regulations. By placing the order, the Customer accepts that Szeplast does not undertake any quality obligations regarding the purity or homogeneity of the Product or its technical or mechanical properties, and that no quality objection can be asserted against Szeplast under any legal title.

Deadline for claims

The Customer shall inform Szeplast in writing regarding quality related claims (*hereinafter referred to as claim*) for defects not discoverable by visual inspection by **12 (twelve) months within** handover and acceptance the latest. Szeplast is not obliged to take the claim after that time period, and the Customer shall hereby acknowledge this term of preclusion by accepting the offer and these General Terms and Conditions.

Terms and conditions of taking the Customer's claim

- the Customer's representative must completely fill Szeplast's **claim report** –it can be acquired from Szeplast's representative–, sign with authorised signature and stamp, and send it to Szeplast;
- send or give to Szeplast **a sample of minimum 5 kg** per batch of the PVC-based **blend or granules** subject to the quality complaint;
- send or give to Szeplast **a sample of the final product manufactured** using the PVC-based blend or granule subject to the complaint;
- a lot may be the subject of claim only if the amount used from the lot by the Customer is not more than the amount **produced** by the Customer **during two (2) hours of production (maximum used quantity)**.

Szeplast is not obliged to take the claim if any of the abovementioned conditions are not fulfilled, and no demands can be asserted towards Szeplast arising from such claims.

Szeplast **shall not take** subsequent complaints and quality claims regarding technical, mechanical characteristics and processability of **second-rate products**, Szeplast shall not undertake guarantee for those products and explicitly refuses the possibility of claims, and the Customer shall acknowledge this stipulation by accepting the Offer and these General Terms and Conditions.

Method of investigating a claim

The **quality investigation** (if necessary) regarding the Customer's claim and the received sample(s) shall take place at Szeplast's site or other place determined by Szeplast. In order to determine the cogency of the claim, the Customer is obliged within 30 days from the notice to fully provide all information and data necessary or possibly necessary for investigating the claim and carrying out the quality investigation.

The quality investigation carried out as described above shall be recorded in the investigation report. The investigation report shall include the description of the product subject to the claim, the method and results of the investigation, and the Parties' related statements and observations.

If an outside expert is needed for the quality investigation, Szeplast shall advance the related costs, with the stipulation that after the investigation the Party whose views are not proven by the expert investigation shall bear the cost related to the involvement of the expert, or the Parties shall pay that cost to the extent their views were only partially proven.

Product replacement

If the quality investigation proves the complaint to be well founded, Szeplast undertakes to return and replace the product that was the subject of the complaint by a mutually agreed deadline. The return and replacement of the product is subject to the condition that the customer hands over the product to the carrier in its original packaging, free of contamination. Szeplast is not obliged to take back any product that would be returned in other than the original packaging or that contains any substance (additives, pigments, etc.) subsequently added by the buyer. In addition, Szeplast's obligation to compensate only extends to the value of the product affected by the complaint.

Obligations of the Distributor regarding quality and claims

When reselling of the Product Szeplast's official Distributors shall undertake to fully and verifiably inform their customers on Szeplast's (as manufacturer) terms and conditions related to product quality, documentation, and the managing of claims. The Distributor shall be fully liable to bear all legal consequences arising from failure to inform, or failure to inform suitably or fully its customers on the abovementioned matter.

Other conditions for claims

In the event of a claim related to the quality of the delivered product, Szeplast is entitled to suspend the recording and delivery of further orders for the type of product affected by the claim while the case is being investigated. At the same time, the fact of submitting a claim does not exempt the Customer from the fulfillment of payment obligations incurred in connection with the products already received (completed deliveries/orders). The Customer is entitled to claim any compensation or payment discount related to a claim only after the case has been officially closed.

8. FINANCIAL TERMS and CONDITIONS

Payment terms and due date of payment

The purchase price shall always be paid via bank transfer, by the due date determined in accordance with the Contract. The following payment terms (methods) are accepted with regards to that due date:

- a.) **Advance payment via bank transfer:** The Customer pays the Product's price before taking the Product over. Szeplast shall be obliged to hand over or release Products only after the Customer has paid full purchase price of the ordered and confirmed Products, and the amount has been credited to Szeplast's bank account. The proforma invoice necessary for advance payment shall be sent to the Customer at order confirmation via pvc@szeplast.hu
- b.) **Deferred payment:** The Customer pays the Product's price after accepting the Product, within a deadline determined in accordance with the Contract. Szeplast reserves the right to limit the value of Products purchasable by deferred payment and not yet paid –with regards to the Customer's debts, both overdue and within due date– to the extent of a credit limit unilaterally determined by Szeplast. The Customer's payment obligations (debt) overdue and within due date cannot exceed the determined credit limit. With regard to the fact that Szeplast usually has the credit limit at its financial partners specializing (among others) in credit insurance and managing outstanding debts, by accepting the offer and these General Terms and Conditions the Customer irrevocably agrees to the assignment of its debts regarding Szeplast to a third party.

The current, Sales Contract describes the Customer's **payment term and due date of payment**. Occasionally the Customer may request a payment term different from the one described in the Contract, upon an inquiry made in advance, and Szeplast's confirmation, however, the Customer shall acknowledge that with regard to the different payment term the payment conditions and discounts described in the valid Contract may be modified regarding that order. Szeplast shall be entitled to depart from the original payment terms and conditions of the Contract in favour of the Customer as a special discount, or to the disadvantage of the Customer as a sanction.

Currency

Between Szeplast and the Customer the currency for accounting shall be **Euro (€)**, thus the currency of the invoices and the bank transfers shall always be Euro (€). Szeplast shall not be obliged to use any other currency for settling, invoicing or carrying out transactions. Occasionally the Customer may request using other currency, upon an inquiry made in advance, and Szeplast's confirmation, however, the Customer shall acknowledge that with regard to the different currency the payment terms, prices and discounts described in the valid Contract may be modified for that order.

Sconto for prompt payment

For Contracts stipulating deferred payment Szeplast may provide the Customer a sconto for prompt payment upon Szeplast's own decision and in cases based on business policy. The current, valid Contract (accepted offer) or the modification of the Contract shall specify the amount and conditions of the sconto for prompt payment.

Rebate on annual quantity

Based on business policy Szeplast may provide the Customer a rebate on annual quantity of purchase. In that case the Customer shall be eligible for a set amount of rebate (crediting) **in Euro (€) per kilograms based on the quantity purchased** in one year from Szeplast (and paid). The rebate on annual quantity of purchase shall be calculated and accounted annually, based on the quantity of Products the Customer ordered and paid for, in the following way: Szeplast shall credit the amount of rebate for the next order in the year following the financial year as compensation. The Customer shall not request the amount of the rebate for annual quantity (crediting) in any other form; it can be used only in the form described herein, as compensation.

The current, valid Contract (accepted offer) or the modification of the contract specifies the exact amount/extent of the rebate with the stipulation that Szeplast shall not unilaterally change for the Customer's disadvantage the amount and conditions of rebate already accepted by the Customer.

Default in payment or exceeding the credit limit

When the Customer has an overdue payment or is in default in payment, or when the total amount of the current Order exceeds the credit limit determined for the Customer, Szeplast shall not be obliged to accept, confirm or perform any new orders and shall be entitled to withhold Products until the Customer fully settles and performs its payment obligation towards Szeplast, including any related costs and interest (if any).

In the event of overdue Customer receivables, Szeplast shall be entitled, on the first day following the due date of the relevant invoice or other payment obligation, to report the outstanding debt to a credit insurer or other debt collection partner and to assign or transfer the debt for collection or debt management.

Additionally, the Customer acknowledges that if the Customer has an overdue payment and is in default in payment for longer than 15 (fifteen) days, Szeplast shall also be entitled to unilaterally withdraw, with immediate effect, any discount granted to the Customer under the invoice affected by the payment default, regardless of the legal title thereof (including payment discounts, payment terms and credit limits), and to subsequently invoice and claim from the Customer the amount of such discount or credit.

If the Customer is in default with regard to the performance of any payment obligation towards Szeplast at least 2 (two) times in a given calendar year, Szeplast shall be entitled to unilaterally and automatically withdraw any discounts or other benefits granted to the Customer (including, but not limited to, prompt payment discounts, quantity rebates, payment discounts and payment terms, credit limits, etc.), regardless of the provisions of the sales framework agreement or the confirmation of the relevant Order.

In the event of payment default, regardless of the legal title of the payment obligation, Szeplast shall be entitled to charge and claim from the Customer default interest at a rate of 8% per annum, as well as any additional costs incurred in connection with the management and administration of overdue payments. The Customer shall be obliged to pay such default interest and additional costs within 8 (eight) days of Szeplast's notice and statement of claim. The order of crediting the Customer's payments

Szeplast shall use the amounts paid by the Customer as per the Contract to fulfil the Customer's existing payment obligations (arising from contractual relationship) in the following order:

- 1) paying for Szeplast's unpaid expenses, costs, fees and for damages to Szeplast proportionately;
- 2) paying for due but unpaid interests on overdue payments arising from contractual relationship;
- 3) paying any due but unpaid purchase price proportionately; and
- 4) paying for any due but unpaid amount arising from the contractual relationship.

Upon prior notice to the Customer, Szeplast shall be entitled to depart from this at any time at its own discretion; however, the Customer shall not instruct Szeplast to deviate from this.

Szeplast shall also be entitled, without the Customer's consent but upon prior notice to the Customer, to involve third parties in the management, financing and collection of its financial claims.

9. CONFIDENTIALITY

Customer and Szeplast hereby undertake the mutual obligation to regard all facts, data, information, prices, and price lists acquired during their cooperation as trade secret and confidential. They shall not use them for their own advantage nor for the other's disadvantage, shall not transfer, publish or give away in any other way and shall not make them available for third parties.

Trade secret means especially a fact, information, solution, other data and an assembly of the foregoing, connected to Szeplast's and the Customer's 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 the publishing, or acquiring or using by unauthorized persons of which would infringe or endanger the affected Party's financial, economic or market interests. In accordance with and exceeding this, the Customer is also obliged to treat the following confidential: specifications, ingredients/composition, manufacturing process of Szeplast products, the idea, principle, concept, operating method or know-how the products are based on, and technical documents, databases, samples, information, operating principle provided, shared or in other way made accessible by Szeplast, and other knowledge base used as a basis of or for development.

The obligation of confidentiality shall be applicable during any existing legal relationship between the Customer and Szeplast and even after the expiry or termination of that legal relationship, regardless of the reason, without temporal or territorial limitations.

In the event of infringement of the obligations of confidentiality –either due to negligence or wrongfully– the Party at fault shall be liable for full compensation and, depending on the contents of the infringement, shall bear criminal liability.

When Szeplast assigns an existing valid financial claim to a third party providing financial collection services of any type for lawful claims, the provision of confidentiality shall not apply to the information necessary for the assignee to enter into and perform the contract of assignment. Also, confidentiality shall not apply to Szeplast providing information to a third party necessary to enter into and perform the credit insurance agreement in connection with the credit limit provided for the Customer.

10. DATA PROCESSING AND MANAGEMENT

Szeplast shall process personal data acquired in connection with performing the Contract in accordance with the GDPR provisions.

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| • The Controller company: | Szeplast Zrt. (please see above for details) |
| • Legal grounds of processing the data: | Consent of the Customer (GDPR Article 6. (1) a)) |
| • Purposes of data processing: | Performance of Contract, business communication |
| • The recipients of the personal data: | Szeplast's customer service employees, agents, marketing employees and processors |
| • The period for which personal data will be stored: | Five (5) years after the existence of business relationship or the capacity of representation |
| • Personal data: | name, address, phone number, e-mail address |

The data subject has a right to request from the controller (Szeplast Zrt.) access to and rectification or erasure of personal data or restriction of processing concerning the data subject or to object to processing and has the right to data portability and the right to lodge a complaint with a supervisory authority.

The data subject has the right to withdraw consent at any time, without affecting the lawfulness of processing based on consent before its withdrawal.

I give my consent to Szeplast to share my data controlled under this Contract with the financial institutions financing the credit limit or with other financing organisation for processing.

For further information on data processing please visit <https://szeplast.com/en/privacy-policy/>

FORCE MAJEURE

There shall be no legal consequences applicable for non-compliance with liabilities towards each other or failure to perform in conformity with the Contract if the reason for non-compliance is an event not foreseeable and outside the sphere of influence of the Parties (Force Majeure) such as war, revolution, environmental disaster, pandemic, permanent problem with utilities (e.g. power outage) or with shipping, an act of state that makes performance impossible etc. The Parties shall inform each other in writing immediately at the occurrence of such event, stating the expected timeframe for the delay.

The Customer shall not refuse to fulfil payment obligation as per the Contract for orders already performed for the Customer, but the Customer shall be entitled to get a delay of the original due date +15 days in payment. If the Customer has any other equity claims he/she shall send the request to pvc@szeplast.hu

11. PROHIBITION OF EMPLOYING SZEPLAST EMPLOYEES

The Customer undertakes that it shall not employ or engage Szeplast employees in an employment-related relationship or in a relationship under civil law, and will not enter into business relationship with any business associations where the employee or the employee's close relative is involved directly or indirectly in operating the business association or having a majority control in it during fulfilment of the Contract.

12. GOVERNING LAW and JURISDICTION

The Customer and Szeplast hereby acknowledge that in case of any disputes concerning interpretation of this document or lawsuit arising in connection with this document or the Parties' legal relationship the Hungarian law shall prevail and be applicable for the full legal relationship between the Parties (chosen law). With regard to this, if this Contract is drawn up in other languages besides Hungarian, the Parties agree that the Hungarian version shall always rule. With regards to this, the Parties hereby agree that they shall first try to settle their disputes arising from this Contract out of court through negotiations, however, if that does not lead to suitable results the Parties hereby stipulate the exclusive jurisdiction of –depending on the value of the subject matter in action or material jurisdiction– Szegedi Járásbíróság [Szeged District Court]) and Szegedi Törvényszék [Szeged Regional Court] (material and territorial jurisdiction).

13. MODIFICATION OF THE GENERAL TERMS AND CONDITIONS

Szeplast is entitled to unilaterally modify these General Terms and Conditions in any ways, at any time, especially in consideration of changes in the relevant legislation. Szeplast shall notify the Customer of the modification at least 15 days prior to the modifications coming into effect by sending an electronic mail to the Customer's contact address listed at the registration process, with the modified General Terms and Conditions attached. The Customer has a term of preclusion of 15 days within receiving the notice to protest the planned modification of the General Terms and Conditions by sending a recorded delivery if the modification concerns the Customer's significant rights or obligations. The protest –unless Szeplast specifically accepts it within 30 days of receiving it– shall be considered as a normal termination by the Customer, with an obligation of the Parties to settle their accounts with each other. In case of no objection to the modifications, the modified General Terms and Conditions shall come into effect for the Customer after the abovementioned term of preclusion.

14. MISCELLANEOUS

All statements made in accordance with the Contract and the General Terms and Conditions shall be considered delivered even if the recipient refused to take delivery or cannot be found at the address stated in the Contract, the statement is undeliverable or address is unknown, and in case of electronic address even if the sender receives an automated out-of-office message, as of the date of refusing delivery, or in all other cases on the fifth (5) day of sending the consignment.

Should any parts of these General Terms and Conditions become invalid, the validity of the remaining clauses or parts thereof shall not be affected. The Parties shall replace the invalid provision with another, valid provision as close to the original's economic purpose as possible, and the most suited to the Parties' intent.

The Parties shall settle any disputes arising in connection with the Contract or the General terms and Conditions amicably, through negotiations. If they are unable to resolve the dispute through negotiations, the Parties hereby agree that they shall bring the matter to the competent court with jurisdiction at Szeplast's seat and with material jurisdiction in accordance with the value of the subject matter.

I, the undersigned Customer hereby declare that I know, understand and accept these General Terms and Conditions.

Date,

Official signature of Customer