



Dear Supplier!

*The following document contains the general terms and conditions of the HC Linear Műszaki Fejlesztő Kft. simplified framework order.*

The Customer accepts messages related to the order (eg. order confirmation, request for modification, etc.), as well as all communication at [po@hclinear.hu](mailto:po@hclinear.hu)

**I. General Provision**

1. The terms and conditions of the order are included in this document. This purchase order is considered as a Framework Agreement, which consist of the cumulated components of 4600 product sets to be manufactured. We order parts according to the indicated schedule. The call-off dates and quantities for each and every part will be declared hereinafter. The delivery schedule is applicable from the first order has been issued.
2. Prices are based on price quotation(s) sent by sales representatives of Supplier in advance. If the Supplier experiences a difference in prices, the Supplier shall be entitled to notify the Customer thereof in writing within two working days, indicating the negotiated price according to the offer. In the event of failure to indicate, the prices set forth in this Framework Agreement shall apply to the legal relationship of the parties. Prices refer to the total quantity covered by the framework contract.
3. The exact specification of the parts is given in the order. If the Supplier encounters a difference in its technical specification from its offer, please indicate it within two working days by stating the valid specification.
4. If no order confirmation is received from the Supplier within two working days, the Parties shall automatically consider the order as accepted.

**II. Specification of parts**

1. Only the quoted specification, Manufacturer Part Number, Manufacturer is approved by the Customer. The parts must be new and 1st class regarding quality.
2. If the Supplier cannot provide the parts with the given specification, however substitute can be supported, Supplier must share the detailed specification about the substitute product 20 working days before the purchase approval of the upcoming Call-off. Without the prior approval of the Customer, the substitute product shall not be delivered.
3. In case of delivering substitute product without the approval of the Customer, the Supplier is obliged to replace the given product at its own expense within 5 working days.
4. The Supplier is obliged to report the following cases: any parts of the purchase order are end-of-life / withdraw from the market / has a published last-time-buy date, the availability is limited (or not assured) in long-term, any of the parts has a high rate of failure/defect in the recent time period. The Customer is obliged to report to the Supplier any failure (manufacturing defect, serial defect, etc) of the delivered products, and all liability for any defect (manufacturing or serial defect, etc) in the product shall lie with the Vendor.
5. If the ordered goods contain hazardous materials, please send the safety data sheet together with the product!
6. Please be advised that we accept only CE marked product to ensure that the product conforms to the requirements of the European Community guidelines, in particular the health and safety of users and consumers, and the protection of the environment.

**III. Fulfillment schedule and terms**

1. The listed deadlines of the delivery schedule indicate the arrival at the delivery address specified by the Customer. The Supplier is obliged to consider the factors affecting the time of shipment. The Supplier shall organize its activities in such a way as to ensure the timely delivery of every Call-off. If the Supplier is only able to deliver any of the Call-off at a time other than scheduled, it shall notify the Customer at least 20 working days in advance. Prior notification of the delay by the Supplier shall not result in loss of legal rights on the Customer's side regarding the enforcement of the legal consequences of the late performance.
2. In the event of late delivery or defective fulfilment, the Customer may also order parts - that have been called-off at a given time- from another Vendor. With these items, the Framework Agreement will be reduced proportionately. In the event of defective or delayed fulfilment, the Supplier is entitled to withdraw (citing loss of interest) the entire Framework Agreement (or from a specific part of it).
3. The Customer accepts pre-fulfilment only after prior (written) agreement and approval.
4. In each case, the delivery schedule specified in the Framework Agreement shall be confirmed in writing by the Customer to the Supplier 15 working days prior to the delivery deadline. Failure to confirmation of the Customer, however, shall not exempt the Supplier from complying with the terms of the order.
5. Supplier acknowledges that Customer reserves the right to modify the order in relation to the delivery schedule contained in the order and the quantity of parts ordered. The Customer shall not be liable for any additional costs incurred by the Supplier as a result of the modification.
6. If the Supplier is liable even for any partial failure to perform the framework agreement, the Supplier shall be liable for all consequential damages.
7. The Supplier warrants that its services comply with the specifications and quality requirements set forth in the applicable legislation and in the order and its inseparable annexes.
8. Supplier warrants full warranty for the faultless performance of its service. The warranty period is 36 months from the date of deliverance of the parts by Customer. All costs related to the warranty, including the cost of shipping defective products, shall be borne by the Supplier.
9. Upon discovery of the defect, Customer shall inform the Supplier about the defect in the product or service and shall set a reasonable time limit for rectification of the defect. Pursuant to its warranty obligation, the Supplier is obliged to correct the defect within a reasonable time period set by the Customer. The rectification of the defect shall be carried out with the least amount of damage to the Customer. For the repaired part of the service, the warranty period will begin again. The burden of proof shall lie with the Supplier, ie the Supplier shall bear the burden of proof if, in its opinion, the defect or repair of the defect is not covered by the warranty.
10. If the Supplier, for the reason for which it is responsible, fails to fulfill its delivery obligation under the order, it shall be liable for late performance penalty for the period from the date of delay to the actual date of performance. Supplier shall be liable for payment of a defective performance penalty if, for any reason for which it is responsible, it defaults if the Supplier fails to remedy the defect within a reasonable time period but not exceeding 5 (five) business days as specified by Customer. The Parties shall consider defective performance, in particular, but not limited to, if the Supplier's performance does not meet the required technical requirements, rules, regulations, or conditions specified in the order and annexes. The penalty for late and bad

performance shall be based on the total value of the products involved in the delay and / or bad performance. The penalty for late and bad performance is 0.5% of the penalty base per day of delay. The Customer is entitled to credit the amount of the penalty to the Supplier's invoice.

**IV. Financial terms**

1. In addition to the fees described in this order, the Customer will not refund any other fees and expenses. Customer does not accept the Supplier's reference to price increases. In the event of a price change, the Customer may withdraw from the framework contract.
2. The Customer shall not accept compensation transactions for financial transactions.

**V. Miscellaneous ordinances**

1. The information communicated by both Parties in written shall prevail. The Customer accepts messages related to the order (eg order confirmation, request for modification of the order, etc.), as well as all communication at [po@hclinear.hu](mailto:po@hclinear.hu). Any information shared in commercial transactions shall be treated as confidential business information by both parties and may be disclosed to a third party only with the prior written consent of the other party. The damage causing Party shall be liable for any damage resulting from a breach of confidentiality.
2. No Party shall behave in such a way as to prejudice the legitimate economic interests, reputation or business integrity of the other Party.
3. The processing and storing of personal data generated in the conduct of commercial transactions shall be carried out by both parties in accordance with the applicable data protection laws. Where such personal data are transferred outside the European Union, the prior written consent of the other Party shall be required, specifying any guarantees or arrangements that will ensure adequate protection of personal data.
4. The Parties shall co-operate closely during the performance of the Contract, for which reason they shall inform each other without delay of any information, facts and circumstances that interfere with the performance of the Contract, or mutually, and shall individually take measures to facilitate the contractual fulfillment.
5. In the event of contractual performance by the Parties, this Agreement shall terminate at the time of fulfillment. The parties may, by mutual consent, terminate this Agreement with effect for the future or terminate it with retroactive effect at the date of conclusion of the Agreement. The parties are not entitled to terminate the framework contract by termination with notice. The Parties may have right of withdraw this Framework Agreement - in their sole discretion - in whole or in part, by giving written notice to the other Party, if legally possible, or at their option, terminating the other Party by in case of material breach of contract by a party. The Parties commit themselves to settle their disputes between themselves, primarily through amicable settlement. The Parties shall regard the present legal relationship as governed by the laws of Hungary.
6. Our purchase order is governed by the general terms and conditions of the framework contract referred to above, which can be downloaded from our website or sent upon request.

Date: 1<sup>st</sup> December 2019

László MÓRICZ  
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