

GENERAL TERMS AND CONDITIONS

I. Validity

These General Terms and Conditions (hereinafter referred to as "GTC") shall be applicable for all the forward purchase and sales transactions specified by type and quantity (hereinafter referred to as "product, products or goods") of the chemical and plastic business of Novochem Kft. (registered office: 1089 Budapest, Orczy út 6, company registration number: Cg. 01-09-169633, tax number: 10793248-2-44) in which Novochem Kft. participates as a Supplier (hereinafter referred to as "Supplier"). The delivery note or receipt of the goods means the acceptance of the present GTC, even if the Purchaser has previously disputed a provision thereof. Any other conditions apart from the GTC are only valid if the Parties prepare a separate written agreement in this regard. In the GTC, "Parties" mean the Supplier and the Purchaser.

II. Ordering of goods, confirmation of order, conclusion of contract

1. The Supplier shall accept the Purchaser's order in writing. The written order of the Purchaser must include the specific conditions of the transaction, in particular the name, quantity, quality, price, packaging, delivery- and payment terms of the goods.

2. The sales and purchase contract shall only be deemed concluded, i.e. the obligation of delivering the product shall only be considered established, when the Purchaser's order has been confirmed in writing by the Supplier. The contract between the Parties shall be concluded in accordance with the content of the Supplier's written confirmation. The order cannot be considered a contract without written confirmation. Confirmation can be made by validating (confirming it by adding a note, signature and a date) the Purchaser's order, by adding the Supplier's signature to the individual contract sent by the Purchaser, or by a written confirmation released by the Supplier (Sales and purchase contract), which can also be a Delivery Order. According to the GTC, the Parties acknowledge that the orders and individual written sales and purchase contracts concluded pursuant to a confirmation sent through an electronic mailing system shall be considered as a form of written communication and the Parties may not plead before any court or other authority that such communications do not meet the requirements of written documents created on behalf of the company. If the order cannot potentially be fulfilled in its entirety (especially if there is a difference in price, quality, quantity, delivery due date), then the contract will be concluded if the Purchaser has accepted the deviation specified on the Supplier's confirmation.

3. The condition of contract (hereinafter including the individual written contracts, contracts concluded pursuant to an order and its confirmation or any other contracts concluded between the Parties) fulfilment is that the Purchaser, at the Supplier's request, must provide credible proof of, in particular, the availability of official licenses (such as excise licence or other licences), the financial collateral and the provision of securities as specified by the Supplier. Notwithstanding the mutually confirmed orders, the Supplier is not obliged to fulfil the contract, i.e. to deliver and hand over the goods, until the Purchaser fails to fulfil their obligations set out in the present paragraph. Pursuant to the agreement, the Supplier provides and the Purchaser purchases the ordered goods. The services are completed depending on the ability of the Supplier to deliver the ordered products. In this respect, the Parties shall not apply the stipulations of § 6:231 (1) - (2) of the Civil Code.

III. Acceptance of the quality and quantity of the delivered goods

1. Upon receipt of the goods the Purchaser is obliged to verify that the goods are free from any damages, obvious defects, and have been delivered in full. The Purchaser cannot raise an objection regarding the quantity after the acceptance or cite any defect, damage, or quality problem that could have been detected by carefully inspecting the goods upon delivery. The acceptance of the quality and quantity of the delivered goods takes place at the location of the delivery upon the receipt of the goods by the Purchaser. The risk of damage is transferred to the Purchaser at the delivery location upon the receipt of the product. The Purchaser must submit any quantitative objections they may have in writing at the time of delivery. In case of discovering a quantity mismatch (surplus/deficit) upon receipt, the Purchaser shall, in addition to notifying the Seller immediately, prepare a protocol signed by the representative of the transport company (shipper) to document the mismatch in a verifiable manner, appropriately indicate the quantitative deviations on the delivery note in every case and send these documents to the Supplier without delay. The Supplier is obliged to settle the quantitative mismatch immediately after becoming aware of the legal objection. If it is not possible to make up the deficit, the Supplier is entitled to cancel the order of the missing quantity, i.e. to cancel the sale of the missing quantity. Upon cancellation of the order by the Supplier, the payment obligation of the Purchaser for the missing quantity shall also be terminated. In case an invoice has already been prepared, the Supplier shall issue a credit note for the invoiced amount to the Purchaser. Should the Purchaser submit an objection after the delivery and/or fail to submit any of the documents specified in the present paragraph, the Supplier shall not accept a complaint, as quantitative complaints cannot be enforced after the delivery of the goods has taken place.

2. The quality of the goods distributed by the Supplier are in accordance with the specifications provided by the Supplier to the Purchaser, the values indicated in the quality certificate attached to the shipment or the parameters described pursuant to the professional standard. In the event of a complaint, the Purchaser shall immediately forward the documents verifying

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the deviation to the Supplier. Thereafter, the Parties shall endeavour to remedy the complaint to the best of their abilities. The Parties agree that should they be unable to reach an agreement regarding qualitative complaints, they shall appoint an independent expert proposed by the Supplier to settle the dispute with regards to the legitimacy of the complaints, and they shall both take note of the expert's decision. The cost arising in connection with the expert's assessment shall be borne by the Party responsible for the error. If both Parties are responsible for the error, then Parties shall bear the cost of the expert's assessment in proportion to their responsibility and, if the responsibility cannot be established, then Parties shall split the cost equally. The Parties shall prepare minutes in writing with regards to the management of the qualitative objection and shall make all their statements in the matter in writing. The Supplier shall accept legitimate complaints regarding quality within 30 calendar days of the delivery. This is a limitation period, in the event of failing to observe it and/or failing to provide any of the documents referred to in the present paragraph, the Purchaser shall lose the right to file a complaint. Submitting a quantitative or qualitative complaint does not in itself have a suspensory effect on the payment.

IV. Transportation of goods, packaging

1. The transportation may be organised by either the Supplier or the Purchaser. Goods from the warehouse of the Supplier – in case of delivery organised by the Purchaser – shall only be handed over to the person (e.g. shipper) acting on behalf of the Purchaser if the means of transport complies with the legal requirements (in particular: equipment required by the ADR, adequate cleanliness of the transport vehicle and packaging, etc.). Any delays or expenses arising as a result of non-compliance or inadequate compliance with these requirements shall be borne by the Purchaser. The Supplier shall not take any responsibility for such events.

2. In case of rail transport, the Supplier shall prepare the goods for transport at the specified railway station (siding). If the goods are not collected within the set time limit, the Purchaser shall be liable to pay all related charges and fees (overstay fees), which shall be billed on a case-by-case basis, depending on the relation.

3. The Supplier may sell the container or barrel ("one-off purchase price"/one-way) to the Purchaser. After the payment of the price, the Purchaser shall have the right of free disposal over these items. The Supplier may also deliver the Product at the Purchaser's risk in the packaging (packings) provided by the Purchaser, on the condition that the Purchaser's name is indicated on the packaging (packings), and the packaging (packings) complies with the requirements of the ADR and is labelled according to the CLP. In this case – after the acceptance – the Supplier shall not accept any quality complaint and shall not take responsibility for the quality of the goods after it has been packaged. Responsibility for the quality and cleanliness of or any defects in the packaging shall be borne by the Purchaser, however, the Supplier may refuse to load the packaging or perform the packaging service if it is not in compliance with the ADR's requirements. The loading and servicing will take place within 3 working days of receiving the packaging material.

4. Conditions for the use of the exchanged packaging, which will be returned later: The Purchaser may use the exchanged packaging handed over to them free of charge for 60 days. From the 61st day, the Supplier will issue an invoice for an one-time fee of **EUR 195 + VAT** in the case of an EX and ADR-rated container, and an invoice payable within 8 days for a one-time fee of **EUR 75 + VAT** in the case of a barrel, upon settlement of which the container or barrel becomes the property of the Purchaser. If the delivery was arranged by the Supplier, the containers and barrels will be returned by the Supplier based on the notification of the Purchaser (in this case, the Supplier will not issue an invoice due to late delivery). If the delivery was arranged by the Purchaser, the return of the containers and barrels is the responsibility of the Purchaser. The Purchaser, as the user of the packaging equipment, is liable for the cleanliness and technical condition of the containers and barrels to be returned. Containers and barrels will only be taken back and / or returned by the Supplier if they are in good technical condition, clean and labeled. The Supplier only takes back their own container or barrel issued by them and listed in their own register. No other material may be stored in the packaging materials (packaging) of the Supplier, the Purchaser is not entitled to mix or transport any other material. If the labeling and technical condition of the containers and barrels are not adequate, the Supplier is entitled to refuse to take back and / or return the containers and barrels. The Purchaser shall be liable for all damages and costs incurred in this way, and in case of the cleaning of the container or barrel by the Supplier, the Supplier shall invoice the Purchaser for the cleaning cost with an 8-day payment deadline. If the container or barrel is classified as hazardous waste, the cost of disposal will be passed on. If the delivered replacement containers are returned to the Supplier's premises within 90 days after the free period, they may be repurchased by the Supplier based on Purchaser's invoice in the case of a container for **EUR 40 + VAT**, in the case of a barrel for **EUR 25 + VAT**.

5. In the case of delivery organised by the Supplier, should the Purchaser give an erroneous or incomplete address to the Supplier, or refuse to accept/fail to receive the ordered goods, or if the delivery of the order suffers a delay or fails due to a reason under the Purchaser's control, the Supplier shall not be held liable in connection with the delay or failure of the delivery and handover. At the same time, the Purchaser shall reimburse the Supplier for any damages and expenses that would not have occurred should the delivery and acceptance have been executed correctly.



V. Product price, payment method and terms

1. In the Supplier's pricing system, the sales prices are reviewed and determined once a month, but if justified by the market situation, the Supplier reserves the right to review and modify its prices more frequently. The Supplier shall not automatically notify its partners of changes in their pricing, thus the Parties agree to carry out separate and individual consultations with each other with regards to the price modifications. The Supplier is allowed to specify its prices in HUF or in a foreign currency. In the case of an agreement in foreign currency, the payment may be made in the agreed currency or the HUF value of the currency converted at the average exchange rate of the Hungarian National Bank, specified in the contract and valid on the day of settlement. All such information shall be recorded by the Parties in the sales contract (order confirmation). If the Purchaser does not pay the purchase price in the agreed currency, the Purchaser shall bear any additional costs arising therefrom. If the selected method of payment is a wire transfer, then the due date shall be the deadline set in the sales contract, confirmed order. In the absence of a due date set by the Supplier, the payment must be made until the delivery date of the goods at the latest. The commencement date for calculating a longer-term (deferred) payment is always the date of receipt of the goods, regardless of the issue and receipt date of the invoice. **In case of late payment by the Purchaser, the Supplier shall charge a default interest according to Section 1, Paragraph 6:155. of Hungarian Civil Code.**

2. If the Purchaser becomes late with the payment of the invoices for the continuous delivery of goods, the Supplier shall have the right to suspend the execution of any further contracts that might be due and the delivery of the goods – without any legal consequences – until the Purchaser has settled their dues in full. In this case, the Supplier is entitled to initiate the amendment of the contractual terms for the suspended items or to withdraw from the contract at their discretion.

3. If the Purchaser's payment did not cover their entire debt, the Supplier shall be entitled to allocate the incoming payment (in the case of several outstanding debts by the Purchaser) to the invoice or invoices with the earlier due date(s). The Supplier is entitled to deviate from § 6:46 of the Civil Code at their own discretion. Thus, the Supplier is entitled to use the amount paid by the Purchaser to the principal debt, to the expenses, to the interest – in that order – or to settle the accounts in a different order.

4. Pursuant to § (1) 6:216 of the Civil Code, the Supplier shall retain ownership of the goods until the full payment of the purchase price under the following conditions, even if the goods have been processed or used in the meantime. The Purchaser shall be held responsible for any damage that might occur in the consistency and condition of the goods in the period between the date of delivery to the full payment of the purchase price. In the event of late payment, Supplier reserves the right to recover the goods delivered to the Purchaser under the present GTC without any legal consequences. If the goods have already been used, the replacement goods shall become the property of the Supplier.

VI. REACH and Safety Data Sheets

The Safety Data Sheets of the goods distributed by the Supplier can be downloaded from the Supplier's website (www.novochem.hu) or the Safety Data Sheets in relation to the goods to be delivered can also be sent individually by email or regular mail to the Purchaser, at the Purchaser's request. The Purchaser shall be solely responsible for the availability of the valid and effective safety data sheets of the goods at the Purchaser's premises (warehouse), the Supplier shall not be held liable for the lack thereof.

VII. Liability, warranty

1. At the Supplier's request, the Purchaser must provide the documents to the Supplier regarding the financial situation of the Purchaser. Should any of the commitments of the Purchaser stipulated by section VII of these GTC be proven incorrect, or should they breach any of their obligations, furthermore, should they fail to fulfil or inadequately fulfil any of their payment or other type of obligations set out by these GTC, or should the Purchaser's financial situation deteriorate to such an extent that it compromises the fulfilment of their obligations, the Supplier shall have the option to cancel the long-term (deferred) payment due date at their discretion (apart from other options included in these GTC) and/or unilaterally cancel the Purchaser's outstanding orders (withdraw from selling the goods); and/or refuse to fulfil further orders; and/or to cancel the sale of the not-yet-paid goods delivered to the Purchaser and retrieve the goods concerned; and/or claim compensation for total damage; and/or require the provision of an appropriate security from the Purchaser.

2. The assertion of a warranty claim against the Supplier shall be precluded if the claim for warranty is based on a fact that should have been objected to upon delivery. The Purchaser shall immediately notify the Supplier of their warranty claim. Any damage resulting from the delay of such a notification shall be borne by the Purchaser. The warranty claim notice must include a detailed description of the defect, including, in particular, the goods' circumstances of usage and the name of the user of the goods. The Purchaser is obliged to cooperate with the Supplier in the investigation of the warranty claim, thus enabling the Supplier to examine the goods concerned and the circumstances of their storage, movement, transportation,

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distribution and usage. If the Supplier finds the warranty claim justified, then they shall replace the defective goods or, if replacement goods are not available, shall take back the defective goods and refund the purchase price to the Purchaser. The Supplier shall not undertake any other warranties. The Parties agree that the Supplier shall not bear further liability or obligation for defective goods, and the Supplier's liability shall be limited to the purchase price of the defective goods. In addition, the Purchaser shall not be entitled to enforce any other claim, such as, in particular, claims for consequential damages, expected results or loss of profit against the Supplier.

VIII. Confidentiality

The Parties agree that all non-public information (hereinafter: confidential information) that was disclosed to them by the other Party in the course of their negotiations, consultations and contractual relationship, shall be treated as business secrets and shall not be made available or disclosed to any third parties without the prior written consent of the other Party. Either of the Parties may only disclose confidential information to a third party if they are obliged to do so by law or by a final judicial or regulatory decision. Even after the termination of the contract, the duty of confidentiality shall remain in place without limitation.

IX. Force majeure


If either of the Parties' performance of any of their obligations pursuant to the present agreement is prevented or delayed by a force majeure (in particular: war, insurrection, terrorism, strike, natural disaster, emergency action by any public authority), they shall immediately notify the other Party of such an event, and shall thereafter be exempt from the consequences of breach of contract but only for the period affected by the force majeure and to the extent justified by the force majeure. An event of force majeure shall not relieve the Purchaser of the obligation to pay for the delivered goods. In the event of a force majeure lasting beyond 30 days, the Supplier reserves the right to modify the prices of their goods, of which they are obliged to inform the Purchaser. In the absence of a communication by the Purchaser regarding the acceptance of the modified prices within 24 hours of becoming aware of the modification or if the Purchaser declines to accept such a modification, the contract for the goods ordered but not delivered or handed over due to force majeure shall be terminated. The Supplier shall regard as force majeure the following events: loss of production caused by technical failures of the manufacturer of the affected goods, production shutdowns for any reason or loss of production capacity.

X. Other provisions

The Purchaser declares their acceptance of and adherence to the principles and practices of Corporate Behaviour (Compliance) Policy published on the Supplier's website. The GDPR Privacy Statement is available on the Supplier's website www.novochem.hu under the menu item "for our partners/downloadable documents". The Parties must notify each other of any changes to the contact people. The present GTC forms an integral part of the legal relationship between the Parties. All provisions of the GTC were expressly accepted by the Parties by signing the individual contracts, confirming the order and confirming the deviation. Should any of the provisions of the GTC become invalid due to changes in legislation or other reasons, this shall not affect the other provisions of the GTC. The parties shall endeavour to settle their disputes arising from the agreement and the GTC amicably, out of court. If this is not possible, then depending on the value of the subject-matter of the dispute, the Parties stipulate the exclusive jurisdiction of the Courts of Districts II and III of Budapest and the Tribunal of Székesfehérvár. The present GTC shall be effective as of 1st January 2023, provided that a subsequent amendment of any of the provisions shall enter into force on the date of publication of such an amendment. Publication means publication on the Supplier's website, www.novochem.hu. Issues not regulated here are governed by Hungarian law, in particular the stipulations of the Civil Code.

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