

**Conditions of Purchase and Services of Duna-Dráva Cement Kft. [LLC]**

**I. General Provisions**

The following conditions form the permanent contents of the contracts of purchase and services concluded by Duna-Dráva Cement Kft. as Customer. The parties may deviate from any provision of the present system of conditions by common consent, in writing.

These contractual conditions shall also cover all future agreements to be entered into with the Supplier.

Special conditions shall cover the installation, maintenance, inspection and commissioning.

The written form is compulsory in the event of application, order, agreement, amendment to and termination of contract.

**II. Performance and Prices**

The prices defined in the order are fixed prices, and they include the costs of all ancillary services required for the performance.

The Supplier shall take out, at its own cost, an appropriate third party liability insurance in respect of any damage caused by itself, by its employee, agent, by the thing supplied or by the service provided. The extent of the amount of coverage shall be certified by a copy of the policy upon the conclusion of contract.

The Supplier shall select the means of transport the most favourable and appropriate for the Customer.

The place of performance shall be the Customer's premises.

In case of belated performance the Supplier shall pay penalty at the rate of 3 per mille per day as of the first day of the delay.

**III. Warranty**

The Supplier shall warrant that the object of the supply (service) has the properties specified in the contract, complies with the technical standards, legislative and authorities' prescriptions, including the prescriptions of environmental and accident protection, labour safety and fire protection, and it has no defects which would diminish its value or aptitude for usual utilisation or for the utilisation presumed in accordance with the contract.

The Customer shall be entirely entitled to the legal rights of warranty, it may, at its option, claim from the Supplier to eliminate the deficiency, to repair the defect or to replace the goods, it may, furthermore, claim the refund of its damage.

**IV. Others**

The Supplier shall warrant that no third party has any right over the object of supply (service), which would exclude the acquisition of ownership title by the Customer or restrict the use. Should a third party, alleging his rights, make any claim against the Customer, then the Supplier shall keep the Customer harmless from such claim upon the first written notice.

The patterns, drawings, models, profiles, data carriers and other materials made available by the Customer remain in the Customer's ownership, and they are subject to copyright or industrial right protection; they may not be exploited and used for the purposes of promotion without the written consent of the Customer. In case of the breach of this provision the Customer will be entitled to cancel the contract in whole or in part.

**V. Invoicing, Payment**

The invoices shall be submitted to the Customer's address in duplicate, after the performance of the supply (service).

On the invoice, the bill of delivery and each other document the number, item number, object, unit price of the purchase order and the extent of performance shall be indicated.

The payment deadline shall commence as laid down in the contract, but not earlier than on the business days following the performance of the service and receipt of the appropriate invoice.

Payment does not mean the recognition of conditions or prices deviating from the contract.

The date of payment shall not affect the conditions of warranty and the Customer's right to enforce its claims for damages.

Unless otherwise agreed, deadline of the performance of payment shall be 45 days.

**VI. Force Majeure**

Any events beyond the will of the parties, which cannot be influenced by them (e.g. war, acts of God, breakdown, strike, etc.), and which hinder them in the performance of their obligations, entitle the Customer to delay its obligation resulting from the contract or to cancel the contract in whole or in part without that any claim for damages could be made against it.

**VII. Applicable Law, Jurisdiction**

In disputed issues the parties shall reconcile. Any legal dispute may be initiated — in the absence of exclusive jurisdiction — at the Court competent in accordance with the place of performance.

The contract, as well as the special legal prescriptions relating to the object thereof, the general contractual conditions and the provisions of the [Hungarian] Civil Code shall be governing as between the parties.

**Commencing to perform the order shall mean the acceptance of the above conditions.**