

# **GENERAL TERMS AND CONDITIONS OF SALE**

## **1. Definitions**

The following capitalized terms shall have the meaning set out below:

- GTCS means the following General Terms and Conditions of Sale.
- The Seller means Silvestris & Szilas Ltd.
- The Buyer means any individual or legal entity ordering or purchasing Products from the Seller.
- Products means the set of products and/or services proposed or supplied by the Seller to the Buyer.
- Information means commercial, financial, technical and/or scientific information whatsoever disclosed by the Seller to the Buyer within the framework of the sale of the Products, including but not limited to technical specifications, formulae, samples, methods and know-how.
- Party(ies) means the collective or individual designation of the Buyer and the Seller.

## **2. Applicability of the GTCS**

The GTCS apply to all sales of Products by the Seller and set forth the terms and conditions under which the Seller accepts to supply the Products to the Buyer. The Buyer's general terms and conditions of purchase are expressly excluded. No specific condition issued by the Buyer which may appear on the purchase order or on any document communicated by the Buyer, shall prevail over the GTCS, unless approved in writing by the Seller. Unless anything to the contrary is expressly set out, the Products offers issued by the Seller are valid for a duration of 7days.

### **3. Orders**

Any order placed by the Buyer with the Seller implies the acceptance of the GTCS without any reservations. The orders are only binding on the Seller subject to prior acceptance in writing from the Seller. The products are not reach registered unless the Seller expressly declares otherwise. No order modification shall be made without the prior written consent of the Seller. Every product dispatched by the Seller to the United States of America will be delivered without an fda registration number on the shipping documents. Fda registration number on the invoice is only represented at the explicit request of the Buyer and after the confirmation of the Seller. Prices and delivery dates shall be revised accordingly. Orders are not subject to cancellation.

### **4. Delivery and transfer of risks**

Delivery dates are specified by the Seller on the order confirmation for mere guidance without any guarantee. Late delivery shall not allow the Buyer to cancel the order, reject the Products or claim damages. Except otherwise stated on the order confirmation as per the Incoterm or approved in writing by the Seller, the Products are delivered Ex Works (Incoterms® ICC 2010), and notwithstanding any terms of delivery or payment of the transportation costs agreed between the Parties, the risks of loss or damaging shall pass to the Buyer upon collection of the Products by the first carrier at the Seller's premises, plants or warehouses.

### **5. Reception of the Products and Claims**

Upon receipt of the Products, the Buyer shall examine carefully the conformity of the Products. Remarks concerning shortages, excess, alteration or apparently damaged Products must immediately be clearly indicated on the transport documents. All claims relating to the Products must be notified in writing to the Seller within 5 (five) days from delivery. In case the Buyer fails to notify the claim within the above prescribed time, the Products shall be deemed to have been irrevocably accepted by the Buyer and no subsequent claim for non-conformity of the Products or for obvious defects shall be valid. For any defect not reasonably noticeable by the Buyer upon receipt, despite a

careful inspection, the Buyer shall, in order for the claim to be valid, give notice to the Seller within 5 (five) days following the discovery of the defect, and no later than 3 (three) months after delivery of the Products. The Products may not be returned to the Seller without its prior written approval. The Buyer must justify the claim and grant the Seller a reasonable opportunity to inspect the Products (directly at the Buyer's premises or by means of samples). The Buyer shall communicate to the Seller any element or information necessary to verify the claim. No claim will be valid once the Products have been transferred, resold to a third party or have undergone any treatment or processing.

## **6. Prices**

All prices are net and exclusive of VAT or any other tax, customs duties, delivery and insurance costs. Unless otherwise agreed, prices are quoted in euros EX WORKS (Incoterms® ICC 2010). Regarding staggered deliveries related to a single order or prices offers including a limited duration of validity, the Seller reserves the right to revise prices previously agreed upon, at any time in case of a substantial rise in the price of labour or raw materials.

## **7. Payment**

The invoices are payable without discount to the Seller's invoicing address, by bank transfer in euros and within 30 (thirty) days from invoice date, unless otherwise agreed in writing by the Seller or stated on the invoice. No payment shall be made by compensation. Should the Buyer fail to settle one or several invoices, the Seller reserves the right to suspend further deliveries or to require security to be given.

## **8. Retention of title**

The products remain the entire property of the seller until full payment of the purchase price and all ancillary costs. In case of overdue payment, the Seller is entitled to recover

possession of the Products at the Buyer's expense at any time until complete payment, without prejudice to claim damages.

## **9. Warranty**

The Seller warrants that the Products comply with the technical specifications provided by the Seller. All warranties other than those set forth in the GTCS, whether express or implied, including implied warranties of merchantability and fitness for a particular purpose, are expressly excluded. The warranty shall not apply to the extent that: - the claim has not been submitted in accordance with clause 5 above - the claim is not admissible due to the transfer, resale, treatment or processing of the Products by the Buyer or a third party. - the Buyer has breached its duty of care and made an improper use of the Products or failed to preserve or store the Products according to the Seller's instructions. In case of non-conformity or proven defect acknowledged by the Seller, the latter may, at its sole discretion, replace the Products at its own expense or reimburse the defective Products. If one of these corrective actions is taken, it shall be the sole compensation for the defectiveness of the Products and be exclusive of any other compensation or damages in respect thereof.

## **10. Purpose and preservation of the Products**

The Products are exclusively intended to be integrated into the Buyer's final products. The Buyer is not allowed to resell the Products "as is" or to repackage the Products in order to distribute the same to third parties without the prior written approval of the Seller. It is the Buyer's responsibility to ensure that the said final products comply with all applicable laws and regulations of the country in which the same are marketed. The Seller shall not be held liable for the Product's suitability to the use intended by the Buyer, notwithstanding any information given by the Seller. The Buyer undertakes to handle, preserve and store Products in compliance with the Seller's recommendations and in a proper manner in consideration of the nature of the Products.

## **11. Liability**

In no event shall the Seller be held liable for any special, indirect, incidental, punitive or consequential damages of any kind, including, without limitation, loss of use, loss of profits or revenues or other economic loss. **THE SELLER'S AGGREGATE LIABILITY, IN RESPECT OF THE SALE OF THE PRODUCTS TO THE BUYER, SHALL NOT EXCEED THE AMOUNT OF THE ORDER OF THE PRODUCTS HAVING GIVEN RISE TO THE CLAIM.**

## **12. Intellectual Property**

All intellectual property rights related to the Products, including but not limited to patents, know-how, trademarks, copyrights and any intellectual property right whether registered or not, are and shall remain the exclusive property of the Seller. No intellectual property right is either assigned or granted to the Buyer as a result of the sale of the Products. The Seller grants the Buyer a right to use the Products for the sole purpose of manufacturing and marketing the Buyer's products. The Buyer undertakes not to apply for any intellectual property title or seek protection in respect of the Information disclosed by the Seller or the inventions, know-how or technologies developed by the Seller and related to Products.

## **13. Confidentiality**

The Information shall be considered strictly confidential by the Buyer. The Buyer undertakes to hold the Information in confidence and not to disclose the same to third parties nor to use the same for any purpose other than expressly authorized by the Seller. This confidentiality obligation shall remain applicable for an unlimited period of time. The Buyer shall not perform directly, or indirectly by way of a third party, any analysis of the Products samples, in order to determine their chemical structure or composition and/or manufacturing process. Samples are supplied by the Seller for the exclusive purpose of evaluation and shall not be subject to commercial use.

## **14. Force Majeure**

The Seller shall not be held liable for the non-performance of any of its obligations when directly or indirectly due to an event of force majeure including but not limited to strike, lock-out, equipment breakdown, defect of raw materials or delays caused by a subcontractor or a supplier, inability to pass the cost of a substantial rise in the price of labour or raw materials. The event of force majeure suspends the performance of the Seller's obligations for the duration of the event. In case of an event of force majeure exceeding 1 (one) month, each Party shall be entitled to terminate the unperformed part of the order.

## **15. Assignment or Transfer**

The Buyer shall neither transfer nor assign all or part of its rights and obligations hereunder without the prior written consent of the Seller.

## **16. Miscellaneous**

Failure by the Seller to exercise any of its rights shall not be deemed to be a waiver of any such right in the future. If any of the provisions contained in these GTCS shall be illegal or unenforceable for any cause or reason whatsoever, such illegality or unenforceability shall not affect the other provisions hereof.

## **17. Languages**

In the event of any conflict between the English version of the GTCS and any translation into another language, the English version shall control.

## **18. Applicable Law and Jurisdiction**

The GTCS and all sales hereunder are governed by Hungarian laws. Any dispute arising out of or in connection with the execution and/or interpretation of the GTCS shall be subject to the exclusive jurisdiction of the **Civil Code of Hungary**.