

## Terms and Conditions of Purchase

### **§ 1 Scope of application**

1.1) The Terms and Conditions of Purchase of Rheinmetall Hungary Zrt (hereinafter referred to as "Buyer") apply exclusively. Terms and conditions of the Seller that conflict with or deviate from these Terms and Conditions of Purchase shall not apply unless the Buyer has expressly agreed to their validity in writing on a case-by-case basis.

1.2) These Terms and Conditions of Purchase shall also apply if the Buyer accepts or pays for the delivery of the Seller without reservation in the knowledge of contrary terms and conditions of the Seller or those that deviate from the Buyer's Terms and Conditions of Purchase. These Terms and Conditions of Purchase constitute a part of all orders of the Buyer.

### **§ 2 Offer – Contract documents**

2.1) Offers of the Seller must be submitted in writing. Cost estimates are not subject to remuneration.

2.2) The Buyer reserves the right to ownership and copyright of illustrations, drawings, calculations, models, samples, and other documents that were provided to the Seller by the Buyer for the preparation of the offer or for the execution of the contract. The Seller grants the Buyer an unlimited, irrevocable, and non-exclusive right of use to illustrations, drawings, calculations, models, samples, and other documents of the Seller for all types of use, including the right to change them.

2.3) The documents and items described in Clause 2.2, sentence 1, may not be made available to third parties unless the Buyer has agreed to the transfer in writing in advance. The documents and items are to be used exclusively for the processing of the order and the execution of the contract and, after the required processing, are to be returned to the Buyer or irrevocably destroyed without request.

### **§ 3 Orders of the Buyer**

3.1) If an order that is legally deemed an offer of the Buyer is not confirmed in writing by the Seller within ten days, the Buyer is entitled to revoke the order within a further 14 days. The Seller shall not be entitled to any claims arising from such a revocation.

3.2) If the confirmation of the Seller deviates from the order, the Buyer must be expressly informed of this. In this case, a contract shall only come into being with the written consent of the Buyer to the deviations. The silence of the Buyer regarding a confirmation in deviation from the order shall be deemed a rejection.

3.3) Orders are only binding for the Buyer if they are made or confirmed in writing by the Buyer. The same is true for additions or amendments of the offer. The Buyer may refuse acceptance of and payment for deliveries that are not performed on the basis of a proper written order. Printouts made in the course of data processing shall not require a personal signature in order to be binding. If anything is unclear in the order, this must be clarified by written inquiry from the Seller.

### **§ 4 Prices – Payment terms**

4.1) The statutory VAT is not included in the prices.

4.2) An assignment of the invoice claims to third parties is not permitted.

4.3) Price changes due to subsequently incurred cost increases are excluded, irrespective of the reason.

4.4) If, by way of exception, prices are agreed ex works or ex warehouse of the Seller or a third party, all costs incurred up to the handover to the transport company, including loading, shall be borne by the Seller.

4.5) The payment of the goods does not constitute recognition of their contractual conformity.

4.6) The Buyer is entitled to offset receivables against receivables of the Contractor.

### **§ 5 Deliveries – Delay**

5.1) The delivery dates specified in the order are binding. Timeliness shall be governed by receipt of the goods at the destination.

5.2) The Seller is obligated to inform the Buyer immediately in writing if circumstances occur or become apparent to the Seller that indicate that an agreed delivery date cannot be met. If the Seller breaches this notification obligation, it shall also be liable for any delays in delivery for which it is not responsible. Lack of response by the Buyer to such a notification does not constitute recognition of a new delivery date specified by the Seller.

5.3) In the event of delivery delay, the Buyer is entitled to demand 0.5% of the pro rata contractual sum for the outstanding part of the delivery as lump-sum delay damages for each week or partial week of the delay, but not more than 5% in total. The Seller is entitled to prove that no damage or significantly less damage has occurred as a result of the delay. Further statutory claims remain unaffected by this provision; in particular, the Buyer remains entitled to demand further compensation and to withdraw from the contract.

5.4) If the Buyer is prevented from accepting the delivery due to force majeure or circumstances that the Buyer cannot avert despite reasonable care (e.g. labour disputes, disruptions to operations, and other circumstances resulting in a reduction or temporary removal of the need), the Buyer may request the delivery at a later date; such a request shall not give rise to claims by the Seller against the Buyer.

5.5) Partial deliveries are only permitted with the express written consent of the Buyer.

5.6) If (partial) deliveries are made before the agreed date without the express written consent of the Buyer, the Buyer reserves the right to send the goods that have been delivered too early back to the Seller or to store them at the risk and expense of the Seller.

5.7) A delivery slip in duplicate must be attached to each shipment. The delivery slips must contain information about the content as well as the Buyer's order number.

### **§ 6 Invoices**

6.1) Invoices must be sent in a single copy, separate from the delivery.

6.2) Only the dimensions, weights, and quantities determined by the Buyer are decisive for the settlement of the invoice.

6.3) Invoices may only be processed by the Buyer if they contain the order number and the necessary tax information in accordance with the specifications in the order; the Seller shall be responsible for all consequences resulting from non-compliance with this obligation, unless it proves that it was not responsible.

### **§ 7 Quality and liability for material defects**

7.1) The goods must have the characteristics or features specified by the Buyer as agreed qualities. The Buyer must be informed immediately in writing of any concerns of the Seller regarding the characteristics or features specified by the Buyer.

7.2) The goods must comply with the applicable statutory accident prevention regulations, the recognised rules of technology, and other statutory regulations.

7.3) In the case of material defects, the Buyer has the right to choose between rectification and new delivery. The place of the supplementary performance obligation corresponds to the place of performance.

7.4) The Buyer is entitled to withdraw from the contract, to reduce remuneration, and to demand compensation instead of performance if the Seller has not successfully carried out the supplementary performance within a reasonable period of time set. Even in the case of insignificant material defects, the Buyer is entitled to demand a reduction of the remuneration and compensation for damages instead of performance and to withdraw from the contract.

7.5) The Buyer's claims arising from liability for material defects shall lapse within three years after the handover of the goods.

7.6) In all other respects, the Buyer is entitled to the statutory claims against the Seller without restriction.

7.7) The Buyer is obligated to check the delivered goods for identity, quantity, and obvious external transport damages; there are no further obligations regarding inspection of incoming goods. The complaint shall be deemed timely if it is received by the Seller within ten working days calculated from the receipt of the goods or, in the case of hidden defects, from the time of discovery. A complaint declared by the Buyer shall always refer to the entire delivery, unless only individual parts are clearly affected.

### **§ 8 Withdrawal from the contract – Compensation for damages**

8.1) If the Seller does not fulfil the obligations assumed or does not fulfil them in accordance with the contract, the Buyer may withdraw from the contract after a reasonable period has expired without success and may demand compensation for damages instead of performance.

8.2) In particular, the Buyer is entitled to withdraw from the contract if the Seller violates its obligations pursuant to Clause 2.2 and 2.3.

8.3) The right to withdraw from the contract also exists for the Buyer if the Seller suspends his payments or requests the opening of insolvency proceedings.

8.4) The right to extraordinary termination for good cause - also of continuous obligations - remains unaffected.

8.5) If claims are made against the Buyer by third parties for damages arising from mandatory law, the Seller must indemnify the Buyer upon first request to the extent to which it is also directly liable and is obligated to compensate the Buyer within the internal relationship.

8.6) The Seller undertakes to maintain a business and product liability insurance policy with a coverage sum of at least 10% of his annual revenue and to provide proof thereof upon request. If the Buyer is entitled to further claims for damages, these shall remain unaffected.

### **§ 9 Prohibition of assignment – Subcontractors**

9.1) Rights and obligations of the Seller arising from the contract cannot be assigned or transferred without the consent of the Buyer.

9.2) The engagement of a subcontractor shall require the prior written consent of the Buyer.

## **§ 10 Infringement of property rights**

The Seller guarantees that the goods delivered by it do not infringe upon any commercial or other domestic or foreign property rights. The Seller shall indemnify the Buyer against all claims for damages or other claims asserted against the Buyer in this respect on first request in the internal relationship due to the breach of this obligation.

## **§ 11 Compliance clause**

11.1) The Seller undertakes to comply with the Buyer's Supplier Code of Conduct.

11.2) In particular, the Seller guarantees that it shall not engage in any illegal practices, such as financial contributions or other gifts to employees of the Buyer or their relatives, in order to receive orders from the Buyer.

11.3) The Seller guarantees that all environmental protection regulations of the countries in which the goods are manufactured as well as the countries in which the Buyer has its registered office are observed.

11.4) The Seller undertakes to comply with the requirements of the European Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (Regulation (EC) No 1907/2006; "REACH" Directive), the EU Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (Directive 2011/65/EU; "RoHS" Directive). Goods that do not fully meet these requirements shall not be delivered to the Buyer.

11.5) The Buyer is entitled to extraordinary termination if employees or agents of the Seller commit a violation of the above provisions. This shall apply irrespective of the attributability of the violation to the Seller's company. In addition, the Seller is obligated to compensate the Buyer for any resulting damage.

## **§ 12 Confidentiality**

12.1) The Seller undertakes to treat as trade secret all non-public commercial or technical details that become known to it through the business relationship.

12.2) The Buyer reserves all copyright and ownership to images, drawings, calculations, samples, models, and similar documents and items as well as data carriers. They must be kept secret from third parties and used exclusively for the Buyer; after processing of the order, they must be returned to the Buyer without request and free of charge.

12.3) Sub-suppliers must be obligated accordingly.

12.4) The Seller may only advertise the business relationship with the prior written consent of the Buyer.

## **§ 13 Miscellaneous**

13.1) The place of performance for deliveries is the place specified by the Buyer or, in the absence of such information, the registered office of the Buyer.

13.2) For legal disputes arising in regard of agreements concluded based on the present Purchasing Terms & Conditions, Parties agree to appoint the competency of the Permanent Arbitration Court attached to the Hungarian Chamber of Commerce and Industry with binding decision for the Parties.

13.3) Hungarian law applies exclusively to the processing of contracts on the basis of these Terms and Conditions of Purchase, to the exclusion of international private law and the UN Convention on Contracts for the International Sale of Goods.

13.4) Should one or more of the above provisions be invalid in whole or in part, the validity of the remaining provisions shall remain unaffected. The invalid provision shall then be replaced by a legally permissible provision that most closely approximates the meaning and purpose of these Terms and Conditions of Purchase.

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