

## DAAL-CON KFT. GENERAL TERMS AND CONDITIONS OF CONTRACT ("GTC")

### I. Application of the GTC

1. The scope of Chapters I-X of the present GTC covers the sale of all textile air ducts (the "**Product**") by DAAL-CON Ltd (the "**Seller**"). The scope of Chapter XI covers the case where, in addition to the sale, the installation (construction) of the Product is also carried out by the Seller. Chapter XII covers the provision of textile duct maintenance services by DAAL-CON Ltd. as the contractor (the "**Contractor**").

The seller/contractor details are as follows:

Name: DAAL-CON Ltd.

Registered office: 2142 Nagytarcsa, Felső Ipari körút 9. Company registration number: 13-09-193560

Tax number: 24392682-2-13.

Community tax number: HU24392682

Statistical reference number: 24392682-7112-113-13.

Organizational representative: Dániel Kálmán Sándor Managing Director

E-mail address: [exandair@exandair.com](mailto:exandair@exandair.com)

2. The provisions of the individual contract containing the Product specification (the Offer signed by both Parties) and the GTC apply jointly to the legal relationship of the Parties. In the event of any discrepancy between the provisions of the Specific Contract and the GTC, the provisions of the Specific Contract shall prevail.

3. The Seller shall allow the Buyer to familiarise himself with the contents of the GTC prior to the conclusion of the individual contract. The GTC shall become part of the contract of the Parties upon acceptance by the Buyer.

4. These GTC shall enter into force on 01 February 2024 and shall apply to individual contracts concluded after that date.

### II. Amendment or repeal of the GTC

5. The Seller is entitled to unilaterally amend or repeal the GTC at any time.

6. The amendment or repeal of the GTC shall not affect contracts concluded prior to the amendment or repeal, and the provisions of the GTC in force at the time of the conclusion of the individual contract shall apply unchanged.

### III. The procedure for concluding a contract

7. The Buyer shall, after giving notice of his intention to purchase, provide all information and data requested by the Seller and deliver all documents requested by the Seller, on paper or in electronic form. Any damage or additional costs resulting from failure to comply with the above obligation or from incomplete information shall be borne by the Buyer.

8. If the Seller carries out the construction, or if the Seller deems it necessary for any other reason, the Seller shall carry out a preliminary technical survey on site at a time agreed by the Parties in advance. The Buyer shall provide the conditions for carrying out the preliminary on-site technical survey. During the preliminary on-site technical survey, the Buyer's representative or a person authorised by the Buyer shall be present and shall provide the Seller with the requested information.

9. The Seller shall send the Customer the signed Quotation and potentially the GTC upon receiving the requested data and documents and upon any preliminary on-site survey. The Quotation signed by Seller shall be deemed to be Seller's Quotation in accordance with the provisions of Sec. 6:64 of the Civil Code, which contains a detailed specification of the Product (technical and quality parameters), the net purchase price, the payment schedule and payment term, the place of performance, the performance deadline and other matters deemed necessary by Seller which are not contained in the GTC or on which the Parties wish to deviate from the GTC. The purchase price under the Quotation is the net purchase price, exclusive of value added tax / VAT or other taxes and any customs duty payable. Buyer shall be

liable for these items (taxes, duties). Should Seller arrange the delivery of the Product to the place of delivery, his Quotation shall be also inclusive of the delivery fees.

10. During the preparation of the Offer, the Seller may request additional information or documents from the Buyer, which the Buyer shall send to the Seller without delay.

11. The seller's offer period is set at 15 days. Acceptance by the Buyer shall be deemed to be the return of the Offer, duly signed by the Buyer, to the Seller by post. The date of conclusion of the contract shall be the date on which the Seller receives the Offer, duly signed by the Buyer, except as provided in clause 12.

12. If the Buyer communicates the acceptance of the Offer after the expiry of the Seller's obligation to make an Offer, i.e. after 15 days, the contract between the Parties shall only be concluded if the Seller expressly so declares. In such a case, the date of conclusion of the contract shall be the date of receipt by the Buyer of the Seller's declaration.

**13. The specific contract referred to in the GTC is the Offer accepted by the Customer.**

14. The Seller shall send the flow and design documentation to the Buyer within 10 working days of the conclusion of the contract. Within 10 working days of receipt, the Buyer shall declare its approval of the design documentation by returning the duly signed design documentation by post or electronically.

15. The Parties stipulate that in the event that the contract between the Parties fails for any reason, the Customer shall not be entitled to use the flow and design documentation.

16. If the Parties have agreed on the payment of an advance, the Seller shall send the advance invoice to the Buyer together with the design documentation. In the case of payment of an advance, the time limit for performance set out in the Offer shall commence on the day following payment of the advance. If the Parties have not agreed to advance payment, the time for performance under the Offer shall commence on the day after the Buyer notifies the Seller of the approval of the design documentation.

17. The Buyer acknowledges that, if the Parties have agreed to pay an advance, the purchase price set out in the Offer shall be payment of the down payment on time. If the Buyer is late in paying the advance payment, this may occur, the Seller may not be able to provide the Buyer with the purchase price set out in the Offer. Seller may not pay the advance payment to Buyer after 30 calendar days. Seller shall also be entitled to withdraw from the contract by unilateral declaration.

18. If the Buyer accepts the Offer (i.e. orders the Product) and subsequently withdraws from the contract before the start of production, or the Seller withdraws from the contract before the start of production, due to the Buyer's breach of contract, the Seller will charge a cancellation penalty. The penalty shall be 30% of the contract amount (i.e. the purchase price of the Product). The Buyer shall compensate the Seller for any damages incurred by the Seller in excess of the liquidated damages, including any costs charged to the Seller by the Seller's supplier as a result of the cancellation. The Seller shall specifically inform the Buyer that the provision of this clause differs substantially from the law.

#### **IV. Seller's performance**

19. The Seller shall offer the Products for acceptance, packaged, in first class quality, within the time limit for performance set out in the Offer. Seller shall be entitled to early performance.

20. The delivery deadline is deemed to have been met if the Seller informs the Buyer within the deadline that the Product is available for collection. If the Parties agree to delivery by the Seller, the time for performance shall be deemed to have been observed if the Seller delivers the Product to the place of delivery within the time limit, provided that the Buyer provides for delivery to the place of delivery within 8 working days (see Clause 21). Buyer's delay shall exclude Seller's concurrent delay.

21. Place of performance Seller's registered office. If the Parties agree to delivery by the Seller, the place of performance shall be the place indicated in the Offer.

22. The Seller shall notify the Buyer immediately when the Product is available to the Seller. If the Parties have not agreed on delivery by the Seller, the Buyer / Buyer's agent shall be obliged to take delivery of the Product at the Seller's premises within 8 working days of receipt of the notification, and the Buyer shall be responsible for loading the Product on the means of transport. If the Parties have agreed

that the Seller shall arrange for delivery of the Product to the site, the Buyer shall be obliged to provide the Seller with the possibility of delivery to the site and to take delivery of the Product at the site within 8 working days of receipt of the notification, at a time agreed by the Parties in advance. In the case of delivery by the Seller, the unloading of the goods from the means of transport on the spot shall be the responsibility of the Seller, the loading of the Product into the property shall be the responsibility of the Buyer. In both cases, proof of delivery shall be provided by the issue of a delivery note.

23. The risk of loss or damage shall - with the exception of the exception provided for in clause 27 - pass from the Seller to the Buyer at the time of performance, i.e. at the time of acceptance by the Buyer. If the place of performance is the Seller's place of business, the risk of loss or damage shall be borne by the Buyer during loading. In the case of delivery by the Seller to the place of performance, the risk of damage during transport and loading and unloading shall be borne by the Seller, and the risk of damage during the introduction of the Product into the property shall be borne by the Buyer.

24. The Seller may use an intermediary to deliver the Product.

25. The Seller shall not be liable for damages for delay if the Seller's delay is due to an unavoidable cause beyond the Seller's control.

26. The buyer's right of withdrawal based on the seller's delay shall apply in the event of a delay of more than 15 working days. In the event of a shorter delay, the Seller shall not be entitled to withdraw from the contract, even if it is proved that there is no loss of interest.

27. If the Seller foreseeably delays performance, the Seller shall notify the Buyer immediately of the fact, the reason for the delay and the expected date of performance. The Seller shall use his best endeavours to avoid the delay and to minimise its duration.

28. If the Buyer is in default with the acceptance, the risk of damage shall pass to the Buyer from the date of default. A delay in taking delivery shall also be deemed to be a delay in taking delivery if, in the case of delivery by the Seller, the Buyer fails to provide the Seller with the conditions for delivery within the time limit. The Buyer shall pay the Seller a storage fee for the period of delay, which shall amount to HUF 500,- net/day/m<sup>3</sup>.

29. The Seller may withdraw from the contract and claim compensation for the Buyer's damages resulting from the Buyer's breach of contract in the event of a delay of 30 working days in taking delivery. If a deposit has been paid, the Seller may set off the amount of damages due to him against the amount of the deposit and claim the amount of any damages in excess of the deposit paid.

30. Given that the Product is designed to meet individual technical requirements and therefore cannot be sold or used by other persons, if following the start of the Product's production the contract is terminated by the Seller's rescission due to the Buyer's breach of contract or is terminated by the Buyer's rescission not due to the Seller's breach of contract, the Buyer is obliged to pay a failure penalty, the amount of which is equal to the price of the Product. The Seller expressly informs the Buyer that the provision contained in this point differs significantly from the legislation.

31. Should the subject of the individual contract is a non-stocked or special product and Buyer cancels the contract subsequently, but before the commencement of production of the Product, Buyer shall reimburse the Seller for the costs incurred by Seller regarding the order, including the costs charged to the Seller by Seller's supplier for the cancellation.

32. The Seller may withdraw from the contract and claim compensation for damages resulting from the breach of contract in the event of late payment exceeding 30 calendar days. In the event of withdrawal, the date of termination of the contract and the amount of the penalty shall be governed by Clause 30.

## **V. Payment terms**

32. Payment of the purchase price and any other fees shall be made against an invoice (advance invoice, final invoice) issued by the Seller in accordance with the applicable accounting rules. The payment schedule and payment term are set out in the Offer. The final invoice will be issued on completion. In the event of a delay in acceptance by the Buyer, the date of performance, and hence the date of issue of the final invoice, shall be the last day of the period for taking delivery of the Product.

33. In case of payment by bank transfer, the date of payment is the date of crediting the amount to the Seller's account. The bank charges for the transfer shall be borne by the Buyer.

34. In case of late payment, the Customer is liable to pay interest on late payment. The rate of interest shall be the base rate of the central bank in force on the first day of the calendar half-year in which the delay occurred, plus 8%. The interest shall be calculated on the basis of the base rate of the central bank in force on the first day of the calendar half-year concerned by the delay for the whole of the calendar half-year concerned. In the event of late payment, the Seller shall also be entitled to a recovery fee of EUR 40, determined on the basis of the official exchange rate of the Magyar Nemzeti Bank in force on the date of the delay. In the event of late payment, the Seller may assign his claim to a third party or use the assistance of a third party ("debt collector") in order to collect the claim.

35. The seller may withdraw from the contract and claim compensation for damages resulting from the breach of contract in the event of late payment exceeding 30 calendar days. In the event of withdrawal, the date of termination of the contract and the amount of damages or compensation shall be governed by Clause 29 mutatis mutandis.

36. Seller retains title to the Product until the purchase price has been paid in full. Title to the Product shall pass from Seller to Buyer upon payment of the full purchase price.

## **VI. Warranty, warranty of accessories**

37. Seller provides 10 (ten) year warranty for the Product. The EUROCLASS A1 material forms an exception, since it is not maintainable, Seller provides 1-year warranty for the Product. The warranty period shall commence upon Seller's performance. Buyer may make a warranty claim during the warranty period. Failure to comply with the warranty period shall result in forfeiture of the right.

38. The warranty is valid if the following conditions are met:

- a. the correct installation and commissioning of the Product;
- b. use the Product for its intended purpose;
- c. to have the maintenance of the Product performed exclusively by the Seller, for the first time within 1 year from the date of installation, and thereafter at the frequency recommended by the Seller, but at least annually;

39. The Buyer shall provide the Seller with a copy of the commissioning report to certify that the Product has been properly installed and commissioned.

40. The Buyer shall notify the Seller of any warranty claim immediately after the defect is discovered, specifying the defect. The Buyer shall also allow the Seller to inspect the Product within 30 working days. Any damages and additional costs resulting from the delayed notification or from the Buyer's failure to provide the Seller with the opportunity to inspect the Product within the time limit shall be borne by the Buyer. If necessary, the Buyer shall provide access to and dismantling of the Product by means of a scissor lift, with the proviso that the Buyer shall only be entitled to dismantle the Product after inspection by the Seller.

41. Seller shall, at Seller's option, repair or replace the Product within the scope of its warranty obligations. The full cost of repair or replacement shall be borne by the Seller. The Seller shall be entitled to use a material other than the original for the repair due to a change in the basic material, provided that the material used for the repair is of equal or higher technical and quality value than the original.

42. If the Seller is unable to repair or replace the defect, the Buyer may request a proportionate reduction of the purchase price, repair the defect or have it repaired by another party at the Seller's expense, or withdraw from the contract, provided that no withdrawal shall be made for a defect which does not prevent the proper functioning of the goods.

43. The Seller shall carry out the repair or replacement within a reasonable period of time, without prejudice to the interests of the Buyer.

44. The seller is exempt from warranty liability if:

- a. the warranty claim is notified after the warranty period;
- b. any of the conditions in point 38 are not met;
- c. the Product has been unlawfully modified;
- d. Seller proves that the cause of the defect occurred after performance;
- e. The Seller proves that the cause of the defect is the responsibility of the Buyer/third party (e.g. the cause of the defect is that the Product has been in contact with a harmful substance (oil, chemical, etc.)).

If after the examination of the Product it is proven that the Seller's warranty liability does not exist, the Buyer shall reimburse the Seller for the labour costs incurred in connection with the examination of the Product, amounting to HUF 6,500.00 + VAT per hour, as well as the cost of the delivery (round trip), amounting to HUF 400.00 per km.

45. Seller is liable for defective performance under the Civil Code. 6:159 of the Civil Code. The Buyer's claim under the warranty for defects shall expire 1 year after the date of performance.

46. The buyer has a right to a warranty of replacement in parallel with the right to a guarantee.

## **VII. Amendment, termination of the contract**

47. The contract may be amended or terminated in writing, signed by both parties.

## **VIII. Duty to cooperate**

48. The parties are obliged to cooperate and inform each other of the relevant circumstances affecting the contract during the contract negotiations, its conclusion, duration and termination.

49. The parties are obliged to notify each other if the performance of an obligation under the contract is foreseeably prevented, unless the other party must have been aware of the obstacle without notice. The defaulting party shall be liable to compensate the other party for any damage caused by its failure to notify the obstacle.

## **IX. Method of making legal declarations, communication between the Parties**

50. The parties must make their legal declarations (Offer, amendment of the contract, statement of withdrawal, etc.) concerning the essential content of the contract in writing, signed in a company signature. The written declaration may also be communicated by sending the signed declaration as an attachment in pdf format to the e-mail address specified in the Offer, provided that the Buyer notifies the Seller by telephone of the fact that the declaration has been sent by e-mail at the same time as the e-mail is sent.

51. Communication between the parties is mainly by e-mail. Electronic mail between the Parties shall be sent by setting up a delivery report. The time of communication of the e-mail message shall be the time indicated in the delivery report, provided that the time indicated in the delivery report falls during working hours (8.00 to 17.00 on working days). If the time indicated in the delivery report falls outside working hours, the time of delivery shall be 08.00 on the next working day.

52. The contact persons designated by the Parties in the Offer are also entitled to make operational statements that do not affect the essential content of the contract.

## **X. Other**

53. The Seller excludes any liability for damages other than damage to the Product (so-called consequential damages) and loss of pecuniary advantage caused to the Buyer's property as a consequence of the Seller's breach of contract. The Seller specifically informs the Buyer that the provision in this clause is substantially different from the law.

54. The Parties shall refrain from any conduct that could damage or jeopardise the reputation of the other Party.

55. The Parties shall keep each other's business secrets without time limitation. The Party that breaches the obligation to keep a trade secret shall compensate the other Party for any damage caused.

56. The legal relationship of the parties shall be governed by Hungarian law.

57. The parties try to settle their dispute first by amicable means and then by recourse to the courts. In the event of judicial proceedings, the court having jurisdiction shall have jurisdiction.

58. In matters not regulated in the individual contract and the GTC, the provisions of Part Two (General Rules of the Contract) of Book Six and Chapter XXXII (General Rules of the Sales Contract) of Part Three of Act V of 2013 on the Civil Code (the "**Civil Code**") shall prevail.

## **XI. Installation (execution) of the Product by the Seller**

*If the Parties agree in the individual contract on the installation (execution) of the Product by the Seller, the provisions of these GTC shall apply with the following exceptions and additions:*

59. *The seller declares that he meets the legal requirements and has the necessary skills to carry out the construction work.*
60. *Seller shall undertake the installation (mounting and dismounting) of the textile ducts if the installation site is located in Hungary. Beyond the borders of Hungary, Seller is not obliged to undertake the installation of textile air ducts.*
61. *The Buyer shall notify the Seller at the same time as it announces its intention to purchase if the site of the construction is subject to more stringent safety requirements than those generally applicable. The Buyer acknowledges that this may result in additional costs for the Seller and may also result in the Seller not undertaking to install the Product. If the Seller subsequently becomes aware of this fact, he shall be entitled to withdraw from the work undertaken.*
62. *The Tender shall include the amount of the net contractor's fee for the execution of the works in addition to the amount set out in Section 9.*
63. *The place of performance shall be the place of execution, the date of performance shall be the date of putting into service of the Product.*
64. *Successful installation of the Product shall be deemed to be performance by the Seller, the fact of which shall be recorded by the Parties. Successful installation and thus performance by the Seller shall also be deemed to be performance if the Customer's representative fails to appear within 30 minutes after the Product has been installed, the fact of which shall be recorded by the Seller's representatives performing the installation. Upon completion of the commissioning, the Buyer shall issue to the Seller a certificate of completion. The Buyer shall bear the risk of damage from the time of commissioning, subject to the exception provided for in Clause 65.*
65. *The Seller shall notify the Buyer immediately when the Product is available to the Seller. Within 8 working days of such notification, the Buyer shall provide the Seller with the possibility of delivery to the site and installation at a time agreed by the Parties in advance.*
66. *If the Buyer fails to provide the Seller with the conditions for delivery and performance (e.g. the provision of a suitable working area for the performance of the activity) within the time limit provided for in Clause 63, this shall be deemed to constitute a delay in taking delivery and the consequences of the delay in taking delivery as set out in Clauses 27-28 shall apply. The Buyer shall reimburse the Seller for any additional costs incurred by the Seller as a result of the Buyer's failure to provide the workspace necessary for the performance of the activity.*
67. *The Seller is entitled to use a subcontractor for the performance. The Seller shall be liable for the conduct of the subcontractor as if he had acted himself.*
68. *The warranty and guarantee period starts when the Product is put into service. The warranty claim shall not be subject to proof that the Product has been properly installed and commissioned by the Customer.*
69. *The seller is obliged to remove/remove any waste generated during the construction.*
70. *If the Product is installed in a newly built dwelling, residential building or public building, the provisions of Government Decree 181/2003 (XI. 5.) on mandatory warranty in connection with housing construction shall apply to the warranty.*
71. *In matters not regulated in the individual contract and the GTC, the Civil Code, Chapter XXXVII (General Rules of the Contract of Contract) of Part Three of Book Six of the Civil Code and the provisions of Government Decree No. 191/2009 (IX.15.) on Construction Construction Activity shall apply mutatis mutandis.*

## **XII. Maintenance of textile air ducts**

72. *As a contractor, DAAL-CON Ltd. undertakes maintenance services for both the textile ducts it sells and the textile ducts it does not sell.*

73. *The Customer shall, after giving notice of its request for maintenance, provide all information and data requested by the Contractor in full and deliver all documents requested by the Contractor, on paper or in electronic form. Any damage or additional costs resulting from failure to comply with the above obligation or from incomplete communication shall be borne by the Customer.*
74. *After receipt of the requested data and documents, the Contractor shall send the Maintenance Offer and the GTC signed by the Contractor to the Customer. The Maintenance Offer signed by the Contractor shall be deemed to be the Contractor's offer within the meaning of Article 6:64 of the Civil Code, which shall include the net contract price, the payment term, the time limit for performance and other matters deemed necessary by the Contractor which are not included in the GTC or on which the Parties wish to deviate from the GTC. If the Contractor shall arrange for the removal and installation of the textile ducts and their transport to and from the Contractor's premises, the Maintenance Bid shall also include the charges for such removal and installation and transport. Acceptance by the Customer shall be deemed to be the return of the Maintenance Proposal to the Contractor by post, duly signed by the Customer.*
75. *The installation and dismantling of textile air ducts shall be carried out by the Contractor for a separate fee, if requested by the Customer or the Client. If the Customer requires the Contractor to carry out the dismantling and installation, the Customer shall inform the Contractor if stricter than normal safety requirements apply at the place of dismantling and installation. The Customer acknowledges that this may entail additional costs for the Customer and may also result in the Contractor not undertaking the dismantling and installation. Should the Contractor subsequently become aware of this fact, it shall be entitled to withdraw from the work undertaken.*
76. *Seller shall undertake the installation (mounting and dismounting) of the textile ducts if the installation site is located in Hungary. Beyond the borders of Hungary, Seller is not obliged to undertake the installation of textile air ducts.*
77. *Maintenance shall be carried out at the Contractor's premises.*
78. *The Contractor shall also provide a "Door to Door" service, under which, at the Customer's request, the Contractor shall carry out the transport to and from the site for a separate fee, with the issue of a delivery note, at a time agreed in advance by the Parties. The Customer shall then be obliged to put the textile ducts together in a condition suitable for transport. If the Customer does not use the "Door to Door" service, the transport of the textile ducts to the Contractor's premises and their return from the Contractor's premises shall be carried out by the Customer at a time agreed in advance by the Parties, subject to the issue of a receipt.*
79. *The Contractor shall carry out only a quantitative check on receipt of the textile ducts. A quality inspection of the textile ducts received shall be carried out within 5 working days of receipt, which shall include an inspection of the textile and its fittings and a written record, documented by photographs, of their condition, the type and extent of any contamination found and any defects and possible remedial measures.*
80. *If during the quality control the Contractor finds that the level of contamination is abnormal, the Contractor shall be entitled to modify the price and, if the Customer does not accept the modified price, to withdraw from the contract, with the proviso that if the Customer has used the Contractor's dismantling and installation or "Door to Door" services, the Customer shall be liable for the costs of such services.*
81. *The maintenance service includes the professional washing and drying of textile air ducts, the marking of possible defects and, in the cases referred to in point 83, the repair. In the case of textile ducts not sold by the Contractor, the Customer shall provide the Contractor with the basic data (manufacturer, design, type of fabric) and written maintenance instructions for the textile ducts. Which party will provide the means of storage for packaging after drying is subject to the agreement of the Parties.*
82. *The frequency of regular maintenance shall be proposed by the Contractor after the first maintenance has been carried out, taking into account the operating environment and the type and quantity of pollutants.*
83. *Within the warranty period, the Contractor shall provide free of charge the repair of the textile ducts sold by him, if the conditions set out in Clause 38 are met. The Contractor shall not be obliged to repair free of charge in the cases referred to in Clause 44. The repair of textile ducts not sold by the Contractor shall be carried out by the Contractor free of charge if the value of the repair work does not exceed 10% of the maintenance fee. In all cases, the repair shall be agreed in advance.*
84. *At the Customer's request, the Contractor may provide additional duct(s), as agreed by the Parties.*
85. *The Contractor shall be entitled to use a subcontractor for the performance of the work. The Contractor shall be liable for the conduct of the subcontractor as if it had acted itself.*

86. *In matters not regulated in the individual contract and the GTC, the Civil Code. The provisions of Chapter XXXVII of Part Three of Book Six (General Rules of the Contract of Contract) shall apply mutatis mutandis.*

Budapest, 01 February 2024.