

The following General Terms and Conditions apply to all offers and sales transactions in which **PAINT-PLAST Kft.** (H-2534 Tát, Kültérület hrsz. 095/1; company registration number: 11-09-013399, hereinafter "the Supplier") sells goods to Customers, unless the Parties agree on other terms and conditions in an special agreement. The following terms and conditions also apply to any future transactions with the Supplier.

PAINT-PLAST Kft's current General Terms and Conditions are available on the Supplier's website at www.paintplast.hu, where any amendments are published as well.

1. General provisions

- 1.1. Hereinafter, the contracting partner is referred to as "the Customer" and PAINT-PLAST Kft. as "the Supplier".
- 1.2. All sales contracts between the Supplier and the Customer are governed by the following provisions, any deviation from which will be subject to the mutual written agreement of the Parties.

2. Purchase orders

- 2.1. The Customer must submit purchase orders to the Supplier in writing (by post, fax or sending signed and scanned purchase orders via email). Oral agreements for product supply are invalid.
- 2.2. The purchase order must contain the exact delivery address, the ordered product's identifiers specified in the price list, the quantity ordered, the delivery method and the exact notification address. The Supplier confirms purchase orders in writing, with duly signed documents. The Supplier assumes no liability for any errors resulting from inaccurate information.
- 2.3. The Supplier confirms the purchase order within 3 business days from the date it was received.

3. Prices

- 3.1. Product prices are included in our quotation. The Supplier reserves the right to pass on to the Customer any price changes resulting from modifications to the technical parameters requested by the Customer or due to significant changes in the circumstances related to the products and their sale.
- 3.2. The Supplier may unilaterally change the Purchase Price after confirming the purchase order if:
 - a. this is necessitated by legislation or regulatory decision;
 - b. a fact, circumstance or event arises after the conclusion of the contact that could not be foreseen, even with the utmost care on the Supplier's part.
- 3.3. Prices in our offer are exclusive of VAT and are calculated in EUR.
- 3.4. Our quotation is valid for 120 days from the date of issue.
- 3.5. Our offer is confidential and cannot be passed on to third parties without our written consent.
- 3.6. Prices are calculated on the basis of the information provided by the Customer as specified in the "Calculation Basics" section of the quotation. If the Calculation Basics change, we will recalculate the prices and act in accordance with the provisions set out in the "Technical Change Management" section (IATF 16949) of the quotation.
- 3.7. The quotation includes the costs of sample pieces (initial sample, PPAP/PPF sample) and the costs of tests carried out during the entire period of mass production to demonstrate compliance with the technical requirements (film thickness, adhesion, outward appearance) specified according to the Calculation Basics.
- 3.8. The quotation DOES NOT include the costs of periodical tests to be performed according to the provisions of Section 8.6.2 "Layout Inspection and Functional Testing" of IATF 16949 and the costs of re-qualification tests performed according to specific OEM requirements. Based on the agreement between the Parties, the Supplier may include the costs of these tests in the price. If the Customer does not want this, the costs of the tests will be borne by the Customer.

4. Delivery deadlines

- 4.1. The delivery deadline is set in the delivery contract (purchase order confirmation) sent by the Supplier. The Supplier will not be in delay if delivery fails due to the Customer failing to meet its cooperation (data provision, etc.) obligations.
- 4.2. If the Supplier obtains unfavourable information about the Customer's solvency, the Supplier reserves the right to request prepayment, guarantee of payment or advance payment of the purchase order price in

part or in full. If no agreement is reached with the Customer in this matter, the Supplier may stop delivery and may rescind the delivery contract concluded.

In the case of mass production (after a PPAP/PPF procedure), the Customer agrees to provide at least three-month projections of expected order and call quantities and to update the exact call quantities monthly, by the 5th day of the relevant month.

The Supplier automatically confirms purchase orders and calls within 3 (three) business days in every case, after the part(s) to be painted is/are made available.

The Supplier accepts special purchase orders on the basis of special agreements and conditions.

- 4.3. The Supplier is entitled to make partial or preliminary deliveries.
- 4.4. If the Customer and the Supplier did not agree on a delivery deadline, the Supplier may request a relevant statement of commitment 3 months after the purchase order was confirmed. If the Customer does not respond within 8 days and another 2 weeks pass without the product being transported, the Supplier is entitled to claim compensation (including storage costs) and/or rescind the contract.
- 4.5. In the event of any delay in production and/or delivery not attributable to the Supplier, the Supplier reserves the right to extend the deadlines by the period over which the Supplier was hindered.
- 4.6. After the Supplier reports completion, the Customer must inform the Supplier of the handover date at least 2 business days prior to the handover or delivery date.
- 4.7. The product is handed over and accepted at the Supplier's site. If the Customer transports the product using its own transport facilities, the purchase order is completed when the Supplier loads the product onto the vehicle at its site. The risk of loss passes to the Customer at the same time.
- 4.8. If the Customer provides transport, contractual performance is acknowledged by signing the delivery note. Quantitative acceptance takes place at the same time. If the Customer or its representative is not present at the place of delivery as per its notification and transport is provided by the Supplier, the Supplier shall transport the product back to its site and the costs of repeat delivery will be borne by the Customer. The unloading area at the delivery address must be suitable for safe unloading of the product. If delivery fails for reasons related to the above, repeat delivery will be made to a new address at the Customer's cost.
- 4.9. If any damage is detected upon delivery, the Customer must also accept the damaged product, transport it to its site and store it there separately and free of charge until the relevant claim is settled and/or the procedure is completed. The complaint is documented in the delivery note which contains the fact of the acceptance and any objections.
- 4.10. Generally, the Supplier delivers the ordered product on a lorry without forklift. Freight costs do not include the cost of unloading the product from the transport equipment.
- 4.11. If the place of delivery is the Customer's site, the Supplier must examine immediately after unloading whether the shipment is undamaged and the quantity of the product matches the quantity specified in the delivery note.

5. Quality, guarantee, enforcement of damages, storage

- 5.1. The Supplier certifies the quality of the product in the form of a special agreement concluded with the Customer.
- 5.2. The Customer must prepare a report on faulty packaging or product at the place of acceptance in order to enforce any claims against the carrier and have it signed by the carrier or, when acceptance takes place at the Supplier's registered address, the person handing over the product. If the Customer fails to do so, the Supplier cannot be held liable for any quantitative or qualitative defect or damage that occurred. After delivery, the Customer must report any quantitative or qualitative defect in the shipment within 8 days in writing.
- 5.3. With regard to quality complaints, the Customer may request the Supplier to repair or replace the product. The Customer must make the product available to the Supplier's representative for inspection.
- 5.4. The Supplier only assumes liability for products that are properly stored, handled and used.

6. Packaging

- 6.1. The quotation DOES NOT include the costs of packaging untreated and/or painted work items. If the Customer provides packaging material, the Customer must select a technical solution for which it is proven that the packaging material does not cause any damage, deformation or contamination to either the untreated or the painted work item. Otherwise, defects such as scratches, indentations or stains can

appear on the parts during transport, further treatment and processing, for which our company does not offer any guarantee.

- 6.2. If the Customer provides reusable (returnable) packaging, it undertakes to ensure sufficient quantity for a continuous supply. Sufficient quantity of the packaging material is specified in a separate agreement.

7. Terms of delivery

As set out in specifications laid down in the "Terms of Delivery" section of the quotation, our company makes delivery according to the following Incoterms 2010 delivery terms.

EXW – Ex Works

If no delivery terms were set, our company prepares the quotation using EXW.

FCA – Free Carrier

Based on the agreement concluded with the Customer, our company provides transport according to FCA. This requires that the Customer provide PAINT-PLAST Kft. with the appropriate* document, electronically in pdf format or as a hard copy, within 90 calendar days from dispatch, demonstrating the acceptance of goods outside Hungary. Without the appropriate document, our company shall cancel the invoice as early as the ninth business day from dispatch and will issue a VAT invoice according to the applicable Hungarian VAT regulations.

* Appropriate invoice means received transport document, document demonstrating entry into storage, way-bill or document demonstrating the payment of import duty.

DDU – Delivered Duty Unpaid

Based on the agreement concluded with the Customer, our company provides transport according to DDU. In this case, our company lays down in the agreement with the carrier that the carrier must document the receipt at the Customer's site, in the transport documents or in the attached handover/acceptance report.

8. Payment

- 8.1. The Customer must pay the Purchase Price by bank transfer as specified in the purchase order confirmation or the accepted offer no later than within 30 calendar days from delivery, unless otherwise provided for in a separate agreement. The date of performance is the date when the Purchase Price is credited to the Supplier's bank account.
- 8.2. When there are multiple outstanding invoices, the Supplier reserves the right to settle the late-payment interest and principal amounts of the longest overdue debts with the payments made by the Customer, if the Customer did not indicate which invoice it wished to settle with the payment. The Supplier may issue partial invoices if partial deliveries are made.
- 8.3. Invoice offsetting may only be performed against invoices recognised by the Supplier.
- 8.4. In the event of late payment, the rate of late-payment interest as determined for companies in the existing Civil Code of Hungary will apply.
- 8.5. If the Customer is in delay with the payment, the Supplier may stop or suspend further deliveries and this will not be deemed a breach of contract. The Supplier may make further deliveries conditional on the provision of security or prepayment and may unilaterally amend payment terms applicable to further deliveries.

9. Technical Change Management

With regard to mass production (after a PPAP/PPF procedure), if the Customer submits a notice to change any information included in the "Calculation Basics" section of the quotation after accepting the Supplier's quotation, that notice must be considered according to ISO 9001:2015 and Section 8.5.6 "Control of changes" of the IATF16949 standard for the automotive industry. As set out in the Control of design and development changes section, we manage such notices as change notices (ECN, DCN) concerning the project.

The Customer must submit technical change notices to the Supplier, in writing, thirty (30) days prior to the deadline for the implementation of the changes. In the event of technical change notices submitted by the Principal, our company reserves the right to adjust its prices.

10. Termination or cessation of the contract

The Parties may terminate the delivery contract by mutual agreement with regard to the future.

The delivery contract may be terminated by either Party without any justification by giving 6 (six) months' notice in writing to the other Party.

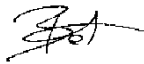
The contract may be terminated with immediate effect if either Party seriously breaches its obligations laid down either in the delivery contract or in these GTC. A reason for such termination is, in particular, more than 60 days' delay in the payment of the purchase price after it becomes due.

If the contract is terminated, the Parties must settle their accounts within 30 days from termination with regard to the services already provided prior to termination.

11. Miscellaneous provisions

- 11.1. The Customer undertakes to notify the Supplier in writing if it undergoes a voluntary or involuntary liquidation or a reorganisation procedure.
- 11.2. The Customer agrees that the Supplier enlists the service of subcontractors and/or mediated services in order of fulfilment.
- 11.3. These General Terms and Conditions enter into effect on 06.01.2020 and will be valid until withdrawn.
- 11.4. Issues not regulated herein will be governed by the provisions of the existing Civil Code of Hungary. Should any provisions of these Terms and Conditions contradict them, those provisions will be removed and the remainder of these terms and conditions will remain in effect.
- 11.5. The Parties will endeavour to settle any dispute amicably. For lawsuits, the Parties submit to the exclusive jurisdiction of the Esztergom District Court (*Esztergomi Járásbíróság*) or the Komárom-Esztergom County Court (*Tatabányai Törvényszék*), depending on the amount in dispute.

Tát, 06 January 2020



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Paint-Plast Kft.

Tibor Balajti
Managing director