

# The General Terms and Conditions of Contract of the E.ON Hungária Group Works Contracts

Date of entry into force: September 15<sup>th</sup>, 2018

## 1. Validity of the Customer's General Terms and Conditions

- 1.1. These present General Terms and Conditions (hereinafter referred to as the „**Terms and Conditions**“) shall be applied for each contracts concluded with the subject matter of construction and installation work (hereinafter referred to as the „**Contract**“), which the Company, as a member of the E.ON Hungária group and as the customer (hereinafter referred to as the „**Customer**“) with the contractor performing the work constituting the subject matter of the Contract (hereinafter referred to as the „**Service Provider**“).
- 1.2. During the performance of the contract the Contracting Parties explicitly exclude the application of the Service Provider's general terms and conditions or the specific points thereof.
- 1.3. During the conclusion of the Contract the Contracting Parties, concerning the contractual relationship, explicitly exclude the application of any and all contractual arrangements of any other contractual relationship having been or still being in force between them, including any and all related contractual practice and condition.

## 2. The conclusion of the Contract, the documents constituting the integral parts of the Contract and the prioritisation thereof

- 2.1. The Customer has made the contents of these present Terms and Conditions to the Service Provider at <https://www.eon.hu/hu/lablec/beszallitoi-informaciok/altalanos-szerodesi-feltetelek.html> prior to the conclusion of the Contract in the call for tenders (call for proposals), or in the order issued by the Customer ("**Order**"), or in the contract mutually signed by the Contracting Parties („**Specific Contract**“).  
The prevailing contents of the Terms and Conditions shall be accessible for the Service Provider via the same link at any time.
- 2.2. The Order and the Contract shall be exclusively valid in writing, with the exception of the cases stipulated by Point 2.3. Verbal supplementary agreements related to the Order and the Contract shall only be binding on the Contracting Parties if the Party concerned confirms them in writing to the other Party. The same applies to subsequent amendments and additions.
- 2.3. The Contract shall be deemed to have been concluded with the signing thereof by the Contracting Parties and the signing of the Order Acknowledgement Form by the Service Provider. By signing the Order Acknowledgement Form the Service Provider accepts the Order and these Terms and Conditions without modification. The Service Provider shall return the Order Acknowledgement form and the Specific Contract to the Customer within 3 (three) days following the receipt thereof via fax or as an attachment of an electronic mail (e-mail), and shall also return a duly signed copy of each to the Customer within 5 (five) days following the receipt thereof. The Specific Contract shall be deemed to be concluded when the Customer receives the Order Acknowledgement form or the Specific Contract sent by the Service Provider via fax or as an attachment of an electronic mail (e-mail). In case the Service Provider performs his contractual obligations without signing and/or returning the Order Acknowledgement form or the Specific Contract signed by him in accordance with the stipulations of this present Point, the Contract shall not be deemed to be concluded in spite of the performance thereof, and the Customer shall not be obliged to take over the delivery.
- 2.4. The Contract, the Order or the Specific Contract shall be deemed to be duly signed by the Customer in case the Customer has signed them with a qualified, or an advanced electronic signature or stamp based on a qualified certificate, or in case the conditions determined in the framework contract in a way described therein.
- 2.5. The following documents shall constitute the integral parts of the Contract according to the order of priority determined below:
  - a) the provisions of the Order and the Specific Contract (including the appendices thereof);

- b) the present General Terms and Conditions;
- c) The related call for tenders / call for proposals and tender documentation, or the conditions of the request for quotation (if available, including the Technical Specification constituting a part thereof).

### **3. The subject matter of the Contract**

- 3.1. The subject matter of the Contract shall be the implementation of the construction and installation works stipulated by the Order and the Contract.
- 3.2. The Service Provider shall, based on the Contract, perform the comprehensive construction and completion of the facility constituting the subject matter of the Contract in accordance with the stipulations thereof, the requirements stipulated by the Technical Specification and the requirements of the Customer together with repairing and all defects occurring during the process of such construction and completion, and in return the Customer shall pay the relevant amount of fee.
- 3.3. By signing the Contract, the Service Provider declares that with the necessary and appropriate professional competence in his possession he has duly examined the documents constituting an integral part of the Contract together with the other documents made available to him by the Customer at his own risk, and that he knows and is aware of the facts and regulations included therein. The Service Provider has determined the amount of the contractor's fee by taking into account the aforementioned information, based on his sufficiently extensive professional experiences and having become acquainted with the place of performance. The Service Provider could take into account the works required to be implemented for the proper use of the facility being in compliance with the function and purposes thereof, the comprehensive implementation of such works with an appearance and quality of 1<sup>st</sup> class quality requirements ensuring a condition that guarantees uninterrupted use, by also taking into account the inconsistencies concerning technical and demand levels.
- 3.4. Based on the plans provided by the Customer the Service Provider shall prepare the detailed implementation plans, the related technological/design/feasibility plans and the facility itself in a contractual, comprehensive, technically and qualitatively flawless, state-of-the-art way, in 1<sup>st</sup> class quality in accordance with the stipulations of the related regulations and technical standards within the stipulated time limit and with the due care of a specialised company, obtain the required authorisations and perform any other contractual obligations in a contractual way.
- 3.5. In legal terms the works that are parts of the facility constituting the subject matter of the Contract shall be deemed to be indivisible services irrespective of the opportunity of progress payment invoicing and breaking down performance into phases.
- 3.6. Besides undertaking the contractual construction of the facility, the Service Provider also expressly undertakes the obligation to fully perform his warranty/guarantee obligations.
- 3.7. In the case of an entrepreneurial consortium the Service Provider acknowledges that he shall not be entitled to found a project company in order to perform the present Contract.

### **4. Obligations of the Contracting Parties**

- 4.1. The Customer shall provide the information required to perform the Contract the Service Provider in due time. If the Service Provider requests additional data required for the performance of the Contract, the Customer shall provide the requested data within 5 (five) business days following the receipt of the Service Provider's related notification. If a longer period of time is required for providing such data, the Parties shall agree on a different deadline.
- 4.2. The Customer shall make the work area available to the Service Provider in a condition suitable for work. The Service Provider shall be entitled to refuse starting contractual performance until the Customer complies with this obligation. In this case the Customer shall provide the electricity and other public utilities required for working. The right to access the place of performance shall not be solely the Service Provider's.
- 4.3. The Customer shall be entitled to examine the work carried out by the Service Provider, together with the materials used and installed. Upon the Customer's request the Service Provider shall expose any part of the contractual work. In case the exposed part is technically flawless and complies with the related stipulations of the Contract, following

the exposure the Service Provider, against payment of the costs incurred, shall restore and correct such parts in accordance with the requirements of the Customer.

- 4.4. The Service Provider shall not be exempted from liability in case the Customer fails to, or inadequately performs any inspection.
- 4.5. The Customer is entitled to give instructions to the Service Provider. In case such instructions are inappropriate, or taking them into account is impossible or unreasonable under the specific circumstances, then the Service Provider shall forthwith notify the Customer thereof. If the Service Provider fails to comply with this obligation, then the Service Provider shall fully reimburse any and all damages arising from such failure.
- 4.6. The Service Provider shall transport and provide the machinery and equipment being appropriate to provide the related works, as well as putting into operation at his own expense. The Customer shall provide the main materials required for carrying out the works, while the auxiliary materials required for electrical installations and other materials shall be provided by the Service Provider.
- 4.7. During the implementation of the construction of the facility the Service Provider shall comply with the technological instructions, regulations and standards being in force and related to such implementation, together with the activities related thereto, especially the regulations stipulated by the documents listed below:
  - a) The legislation, administrative provisions, European and Hungarian standards being in force during the implementation, the work schedule, hazard protection and operational regulations of the Customer, together with the generally recognised occupational safety and health regulations;
  - b) Working at a height;
  - c) Occupational safety manual;
  - d) MK11 technical manual;
  - e) Construction engineering plans.Prior to the conclusion of the Contract, from amongst the aforementioned documents the Customer shall deliver or provide access to the Service Provider the ones that were issued within the organisation of the Customer (e.g. the MK11 technical manual).
- 4.8. The Service Provider shall forthwith notify the Customer of any circumstance which may jeopardise the effectiveness of the contractual performance or completion within the mutually agreed time period. The Service Provider shall be liable for damages arising from failure to notify.
- 4.9. The Service Provider shall disclose the reasons for the impediment or interruption of the performance, together with the measures that have been taken or intended to be taken to eliminate them to the extent possible with the Customer.
- 4.10. The Service Provider shall ensure that any and all interference with the operating apparatuses of the Customer and the period of the resulting electrical outage should not exceed the extent that is strictly necessary and technically justified.
- 4.11. During the term of the Contract the Service Provider shall notify the Customer of any and all changes affecting the organisational form or financial solvency (bankruptcy, winding-up procedure) of the Service Provider, or that is mandatory to report to the Court of Registration (e.g. changes in the ownership, equity capital, registered office). in the case of a Contract concluded as a result of a public procurement procedure the Service Provider, in accordance with the stipulations of Article 136 (41) b) of the Act on Public Procurement (hereinafter referred to as the "Kbt.") shall disclose his ownership structure to the Customer during the entire period of performing the contractual obligations, and the Service Provider shall forthwith notify the Customer of the transactions in accordance with the stipulations of Article 143 (3) of the Kbt.

The Service Provider shall forthwith notify the Customer in the following cases:

  - a) a legal person or an organisation with legal capacity according to its personal law not complying with the conditions stipulated by Article 62 (1) k), sub-point kb) directly or indirectly acquires equity ownership of the Service Provider exceeding 25%, or
  - b) the Service Provider directly or indirectly acquires equity ownership exceeding 25% of a legal person or an organisation with legal capacity according to its personal law not complying with the conditions stipulated by Article 62 (1) k), sub-point kb).

In case any of the conditions set forth in sub-points a) and b) of this present Point the Customer shall be entitled and obliged to terminate the Contract without notice, or, if needed, with a notice period enabling him to perform his contractual obligations.

- 4.12. While performing the Contract, the Service Provider shall draw the Customer's attention to possible handling and operational problems, to communicate them in writing to the Customer and to provide operating instructions to the operators of the device.
- 4.13. The Service Provider shall open and keep a construction log in accordance with the stipulations of the prevailing laws and regulations, which shall be considered to be a comprehensive and authentic document of the contractual performance. Within the daily report of the construction logs the Service Provider shall indicate the names of the participants involved in the performance. The Service Provider shall allow the Customer to consult the construction log and make entries therein.
- 4.14. The Service Provider shall perform his tasks in such a way that his work shall not interfere with the work of others at the same place and not to prevent or endanger the operation of the Customer's equipment and devices.
- 4.15. The Service Provider shall perform the works with all reasonable care and expertise, and exercises supervision and control over the items and equipment used, the applied methods and technologies, the selected processes, and the co-ordination and carrying out every detail of the work.
- 4.16. While providing his works, the Service Provider shall provide trained and experienced executives and managers with the necessary authority, as well as skilled, trained and auxiliary staff, which is necessary for the Service Provider to provide his obligations under this Contract in an appropriate and timely manner.
- 4.17. The Contractor shall provide all the goods, materials, devices, equipment and everything else needed for work, whether temporary or permanent. After transporting the work equipment to the place of performance, all work equipment of the Contractor shall be deemed to be solely required for work.
- 4.18. During working and repairing the occurrent defects the Service Provider shall ensure the safeguarding of the working area and the safety of those being there at his own expense. Furthermore, the Service Provider shall ensure at his own expense and all alerts necessary for the protection of the works, or that are required for the safety and comfort of others. The Service Provider shall also be responsible for keeping the technical condition of the already prepared, but not yet delivered part(s) as original as possible.
- 4.19. As the performance progresses, the Service Provider shall from time to time clean up and remove any and all excess materials and litter from the working area. The Service Provider shall ensure the removal of the construction waste produced during implementation to a licensed waste treatment facility. After finishing performance, the Service Provider shall remove any and all of his work equipment. The entire working areas and every working place shall be left in a clean and orderly condition.
- 4.20. The Service Provider shall provide any and all opportunity for the Customer to examine, evaluate and verify any concealed or non-visible part of the working area. The Service Provider shall ensure that the Customer is able check the Service Provider's activity, the level, efficiency and effectiveness of the Service Provider's performance, and the continuous existence of the conditions required for the pre-qualification process at any time.
- 4.21. The Service Provider shall assume responsibility for the appropriateness and suitability of the machinery, equipment and materials insured by the Service Provider and used in the work area. In this respect the Service Provider shall also be responsible for the existence of the required quality, workplace health and safety, as well as safety technology certificates and for the delivery thereof to the Customer.
- 4.22. Upon finishing performance, the Service Provider shall declare in writing that the contractual works were performed according to the plans, and it fully complies with the prevailing occupational safety, environmental protection, fire protection and safety regulations.
- 4.23. In case during working the Service Provider installs materials or devices provided by him, then he shall allow access to the quality and safety certificates of such installed materials and devices to the Customer.

- 4.24. For the purpose of performing the Contract the Contracting Parties shall co-operate. In order to do so, they shall:
- a) mutually and forthwith notify each other of the intel, facts and circumstances that may affect contractual performance,
  - b) mutually and separately take any and all measures required to eliminate the circumstances preventing contractual performance,
  - c) try to resolve their disputes through negotiations.

## **5. Time limit and place of performance**

- 5.1. Concerning the work to be performed in accordance with the stipulations of these present Terms and Conditions the time limits set forth in the Order and the Contract shall be strictly binding for the Service Provider. The Service Provider shall be entitled for early delivery if the Customer has given his prior written consent thereto.
- 5.2. If the Service Provider feels that he is unable to comply with the time limits undertaken in accordance with the stipulations of the Contract due to any reason whatsoever, then he shall forthwith notify the Customer of the reason and expected time period of the occurrent delay. The Service Provider then shall take any and all measures to speed up the progress and ensures compliance with the time limit. The Service Provider shall not be entitled for any special remuneration whatsoever in exchange for taking such measures.
- 5.3. The place of performance shall be the address / location in Hungary designated by the Customer in the Order, or the one designated by the Contracting Parties in the Contract.

## **6. Remuneration, invoicing and payment**

- 6.1. The contractor's fee to be paid for the performance of the Contract to the Service Provider shall be stipulated by the Order or the Contract.
- 6.2. The principal lump-sum of the contractor's fee shall contain (except for the Value Added Tax, VAT) the purchase price of any and all material to be provided by the Service Provider and the fees to be paid for the performance of the activities carried out by the Service Provider and the related costs (including the fee or price of materials and activities /extra works/ not separately listed, but pertaining to completeness) required for the comprehensive implementation of the works constituting the subject matter of the Contract, call-out fees, travel expenses, other costs and expenses no listed but pertaining to the implementation, together with the counter-value of the intellectual works delivered in accordance with the stipulations of the Contract.
- 6.3. The Customer may reserve a margin for performing the works having become necessary in an unpredictable way and due to reasons not attributable to the Contracting Parties during the performance of their contractual obligations. The amount of the contractor's fee shall be adjusted in case the Customer calls for the utilisation of the margin (or a part thereof). The Customer shall notify the Service Provider in writing of the adjustment of the contractor's fee.
- 6.4. The Service Provider shall issue the invoice to the name and registered office of the Customer based on the documents attesting performance, and shall send it to the postal address of E.ON Gazdasági Szolgáltató Kft - 9224 Rajka, Pf. 20. – accompanied by the documents attesting performance.
- 6.5. The certificate of performance attesting to the performance of the work shall be attached to the invoice. The number of the Order, or that number of the Specific Contract shall always be indicated on the invoice (4\_\_\_\_\_\_), or in case no such number is available, then the name of the Customer's professional contact person.
- 6.6. The Service Provider shall be entitled for advance payment according to the relevant stipulations of the Contract. In case according to the relevant stipulations of the Contract the Service Provider is entitled for advance payment, then he shall provide an advance repayment guarantee in the same amount of the advance payment. The advance repayment guarantee shall remain valid until the advance money is repaid or deducted. The obligation to provide such guarantee may be performed via payment to the bank account of the Customer or based on an insurance contract by delivering a bond containing a guarantee, via bank guarantee or surety in accordance with the stipulations of Article 126 (6) a) of the Kbt. In any case the bond containing the guarantee, or bank surety shall not

entitle the guarantor to lodge an interpleader complaint, i.e. the guarantor shall not be entitled to demand the guarantor to first attempt to recover the amount receivable from the Seller. In case the Service Provider intends to request advance money, then he shall notify the Customer thereof in writing simultaneously with the signing of the Contract via a letter requesting advance payment. The Customer shall pay the advance money to the Service Provider within 15 days following the delivery of the construction working area as a one-off payment; a condition of paying the advance money, however, shall be making available of the advance repayment guarantee.

- 6.7. The invoicing schedule is stipulated by the Contract or the Specific Contract.
- 6.8. The invoice shall at all times comply with the prevailing accounting, tax and other laws and regulations, together with the conditions stipulated by the Contract.
- 6.9. In case the provisions of Point 6.5, 6.6 and 6.7 of the present Terms and Conditions are not complied with, then the Customer shall be entitled to return the invoice without settling it. The Customer shall assume no responsibility for any and all damages arising from the returned invoice. In case the invoice is returned due to the aforementioned reasons the Service Provider shall not be entitled to claim any default interest due to an occurrent late payment.
- 6.10. The payment of the fee takes place by wire transfer against the invoice issued based on the performance and accepted by the Customer within 60 days following the date of receipt of the invoice, unless otherwise provided by the Order or the Contract. In the case of an electronic invoice the date of receipt shall be the working day in question in case the invoice is received until 15:00, or the following working day in case the invoice is received after 15:00 or on a holiday.
- 6.11. The Service Provider undertakes the obligation to ensure that the invoice issued by him is delivered to the invoicing address specified by the Customer within 5 (five) working days following issuance at the latest. The Service Provider shall ensure that the provisions of this present Point are applied in terms of the payment deadline indicated on the invoice.
- 6.12. In the case of a contract concluded as a result of a public procurement procedure the payment of the contractor's fee shall take place following the receipt of the invoice – certified by a RECEIVED stamp – by wire transfer to the bank account of the Service Provider according to the following:
  - a) The Service Provider, until the acceptance of the performance at the latest, shall make an authorised declaration to the technical contact person of the Customer concerning the following:
    - how much each member of the consortium is entitled to from the amount of the remuneration,
    - how much each contributor, subcontractor, or expert not being employed by or not being in any other employment relationship with the Service Provider is entitled to from the amount of the remuneration, while at the same time calling on these contributors, subcontractors, or experts to issue their related invoices.
  - b) Based on the certificate of completion the Service Provider shall be entitled to forthwith issue his invoice for the amount being entitled to the subcontractors involved in the performance of the Contract by him, together with the experts not being employed by or not being in any other employment relationship with him. The Customer shall wire-transfer the amount of this invoice to the Service Provider within 30 days following the receipt of the aforementioned invoice. On the first invoice of every payment the following shall be indicated: „the 30-day-invoice for the public works construction investment“. In case upon submitting the invoice, the Service Provider attaches the certificate of solvency/tax certificate, or the declaration stating that the Service Provider is included in the database of the companies without public-law liabilities of the competent tax office to the invoice, then the Customer shall wire-transfer the amount of that invoice to the Service Provider within 15 days following the receipt thereof.
  - c) Following the receipt of the amount determined in sub-point b) above the Service Provider shall
    - forthwith settle the invoices issued by the sub-contractors and experts, or, in accordance with the stipulations of Section 36/A (3) of the Rules on taxation (hereinafter referred to as the “Art.”) he shall withhold (a part of) it;
    - subsequently forward the copies of the bank transfer slips of these wire-transfers, or the copy of the joint tax certificate of the sub-contractor (expert) indicating public debt to the Customer.
  - d) Following the settlement of the invoices issued by the contributors/sub-contractors according to the provisions set out above the Service Provider shall be entitled to issue his invoice for the remaining amount. The time limit stipulated for the payment thereof shall be 30 days following the receipt of the invoice.

- e) In case the Service Provider fails to perform his obligations against the contributors/sub-contractors then the Customer shall retain the remaining part of the remuneration and shall not pay it to the Service Provider unless the latter certifies the performance of the aforementioned obligations, or presents creditable supporting documents proving that the contributor/expert concerned is not entitled for the amount or a part thereof reported to the Customer.
- 6.13. The Service Provider shall acknowledge that the payment performed via settlement between bank accounts shall be deemed to be completed on the date the Customer's bank account is debited by the relevant financial institution.
- 6.14. In the case of a Contract concluded as a result of a public procurement procedure the Service Provider undertakes not to pay, or not to recognise costs related to the performance of the Contract that are incurred by companies not complying with the conditions stipulated by Article 62 (1) k) of the Kbt., and which can be used to reduce the taxable income of the Service Provider.
- 6.15. In case the Service Provider performing the Contract concluded as a result of a public procurement procedure has his fiscal domicile in a foreign country, then such Service Provider, in accordance with the stipulations of Article 136 (2) of the Kbt. shall attach to the contract an authorisation stating that data concerning the Service Provider may be acquired by the Hungarian National Tax and Customs Authority directly from the competent tax authority of the Service Provider's fiscal domicile, without using cross border legal assistance.

## **7. Certificate of delivery, acceptance by the Customer, transfer of ownership, bearing of costs and liabilities for damages**

- 7.1. The Service Provider shall forthwith notify the Customer in writing of the performance of the Contract (notification of completion).
- 7.2. The Customer shall certify the performance of the Contract by issuing a certificate of delivery. Following the performance of the Contract and the notification of the Customer in writing thereof, the Service Provider shall be entitled to request a certificate of delivery to be issued by the Customer. The Customer shall issue the certificate of delivery certifying the performance of the Contract within 15 days following the receipt of the related written notification of the Service Provider. The issuance of no interim certificate of delivery shall be considered as the certification of the performance of the Contract as a whole.
- 7.3. In case a technical delivery and acceptance procedure is conducted, the Customer shall commence the technical delivery and acceptance procedure within 15 days from the receipt of notification of completion submitted by the Service Provider, which procedure shall start with a test run (in case such a test run was stipulated), and shall last for 30 days at the most. Upon completion of the technical delivery and acceptance procedure the Customer, based on the performance and test report protocols delivered by the Service Provider shall issue a delivery and acceptance protocol for the Service Provider, which shall be signed by the Service Provider as well.
- 7.4. The representatives (technical inspectors) of the Customer shall be entitled to monitor the proficiency of the performed work at all times, and in case of defective performance they shall be entitled to refuse to accept such work.
- 7.5. The Service Provider shall deliver the following documentations to the Customer:
- a) the implementation plan in 3 copies within 30 days following installation;
  - b) the Quality Certificate about the built-in material provided by the Service Provider (if available);
  - c) the protocol drawn by the Committee of Four, if applicable, and
  - d) the Construction Log.
- 7.6. The date of performance shall be the date the Service Provider fully performs – in a way accepted by the Customer – his contractual obligations against the Customer.
- 7.7. The Service Provider shall be deemed to have appropriately performed in case he performed the Contract in compliance with the terms and conditions thereof, has fully carried out the work constituting the subject matter of the Contract, delivered the documentation required for operation to the Customer, and if the Customer – following

the successful test run (if stipulated accordingly) – has fully and completely received such documentation during the commissioning procedure.

- 7.8. The Customer shall be deemed to have performed appropriately if:
- a) he has signed the documents certifying performance, and
  - b) has paid the contractor's fee in accordance with the related stipulations of the Contract.

## **8. Defective and late performance, warranty, guarantee, performance bond**

- 8.1. The Customer shall forthwith notify the Service Provider upon detecting any defective performance and shall indicate the list of defective item(s), together with any and all occurrent errors. If, as a result of visual or instrumental inspection, it is found that any of the objects to be or already built-in is defective or fails to comply with the stipulations of the Contract, then the Customer shall be entitled to refuse such object, but shall forthwith notify the Contractor thereof. If the Customer so requests, the defective item shall be re-examined under the same conditions and circumstances.
- 8.2. The Customer shall be entitled to refuse to accept the performed work or any part thereof in case it is found defective or of insufficient quality, but shall communicate the justification thereof to the Service Provider. The Service Provider shall repair the detected error. In case the Service Provider fails to comply with his obligation to repair, then the Customer shall be entitled to have such work or any parts thereof performed by another contractor and enforce any and all related costs incurred against the Contracting Parties.
- 8.3. The Contracting Parties shall commence to repair the defect reported by the Customer, or to replace the defective item at his own expense as soon as possible but within 8 (eight) calendar days at the latest and to finish it within a technically justified period of time.
- 8.4. In case of the Service Provider's defective or faulty performance the Customer shall be entitled to enforce the payment of contractual penalty against the Service Provider in accordance with the stipulations of Point 9 below.
- 8.5. In case the Service Provider is unable to comply with the deadline for performance, then he shall notify the Customer in writing thereof at least 3 (three) days before the expiration of that deadline with indicating the related reasons.
- 8.6. In case the Service Provider at any point during the performance of the Contract finds himself in a situation that prevents the timely performance of the Contract, then he shall forthwith notify the Customer of the fact of the delay, together with the expected period and reasons thereof, and shall simultaneously determine an additional time limit before the expiry of which the Service Provider can perform his contractual obligations. Upon receipt of the written notification, the Customer shall be entitled to determine the additional time limit for performance at his own discretion.
- 8.7. In case the Customer provides an additional time limit for performance in writing, then the Service Provider shall not be deemed to be in default in the case of performing until the expiry of the additional time limit. In case the Customer fails to provide an additional time limit in writing, then the Service Provider shall perform his contractual obligations until the original time limit with the addition that the Service Provider shall be in default in case the time limit expires, and the legal consequences due to the Service Provider's delay become applicable. In case the Service Provider also exceeds the additional time limit provided for him in writing, then he shall be deemed to be in default, and the legal consequences due to the Service Provider's delay become applicable.
- 8.8. If it becomes apparent before the expiration of the time limit for performance that the Service Provider is only able to perform his contractual obligations with a considerable delay, due to which Customer is no longer interested in maintaining the Contract, or if the amount of contractual penalty due to delay has reached its maximum, the Customer shall be entitled to withdraw from the Contract in addition to submitting claims for contractual penalty and damages, or to terminate the Contract without notice, and to have the work constituting the subject matter of the Contract performed by a third party. The Customer shall be entitled to enforce the difference in price against the Service Provider as occurrent damages that may arise in addition to the contractual penalty due to failure as compensation for the non-material damage suffered by the Customer.
- 8.9. Acceptance of any defective or faulty performance shall not be considered as a waiver of the right to enforce the



related legal consequences.

- 8.10. The Service Provider shall provide warranty for the work performed and for the built-in materials provided or replaced by him for a fixed period of time stipulated by the Order or the Specific Contract, unless the statutory warranty period is longer than that, because in that case the longer warranty period shall be applied.
- 8.11. The starting date of the warranty shall be the date of the successful (technical) delivery-acceptance procedure jointly conducted by the Customer and the Service Provider.
- 8.12. The Service Provider shall repair the defective part of work, or built-in material, or, in case he is not able to do so within the time limit agreed with the Customer, then the Service Provider shall perform the work in question once again, or replace the built-in material.

In case the Service Provider fails to commence, or commences, but fails to finish repairing the defect within a time limit of 5 (five) working days following the receipt of the related notification sent in a demonstrable way, then the Customer shall be entitled to take the other measures available for eliminating the defect (e.g. performance bond, having the defect repaired by a third person, employing another contractor) the risks and costs of which shall be borne by the Service Provider, without violating any other contractual rights of the Customer against the Contracting Parties. In case the Service Provider fails to perform his warranty obligations in accordance with the stipulations of the Contract, then the Customer – following a prior written notification – shall be entitled to withdraw from the Contract without notice and claim cancellation penalty, or to obtain the performance from another source, and claim compensation for the resulting difference in prices/fees.

- 8.13. The Customer shall be entitled to enforce his warranty claim at the place of performance, and the Service Provider shall also perform it there.
- 8.14. The warranty period shall start over for the repaired or replaced product/work.
- 8.15. The warranty obligation shall not cover repairing damages caused by natural disasters, vandalism or any other improper use or intervention.
- 8.16. The Service Provider shall bear any and all certified costs incurred in connection with the Customer's warranty claim (delivery, replacement, etc.) that may be attributed to the defective performance.
- 8.17. The Service Provider is liable for damages arising from non-compliance with or non-performance of the warranty obligation.
- 8.18. The Service Provider shall provide warranty for the work performed and for the built-in materials provided or replaced by him in accordance with the stipulations of the prevailing laws and regulations.
- 8.19. In case the Service Provider shall provide a performance bond, then the extent and period thereof and the time limit for providing such performance bond shall be stipulated by the Order or the Contract. The performance bond shall be absolute and irrevocable. The duration of the performance bond shall be prolonged in case of defective performance with the time required for the replacement or repair of the performance error. The performance bond is intended to ensure the warranty obligations and in case the Service Provider fails to perform his contractual obligations related to the warranty obligations stipulated by the Contract the Customer shall be entitled to enforce the performance bond even if the Service Provider objects to it. In case the amount of the fee is modified, then the performance bond shall be supplemented accordingly.
- 8.20. The performance bond may be performed by: (i) payment to the customer's payment account (deposit), (ii) deduction from the consideration for performance (iii) providing bank guarantee or surety bond, or (iv) with a promissory note issued based on an insurance contract containing a surety. In any case the provision of the surety bond containing such surety shall not entitle the guarantor to lodge an interpleader complaint, i.e. the guarantor shall not be entitled to demand the guarantor to first attempt to recover the amount receivable from the Service Provider. The Service Provider may, at any time, have the right to change from one form of deposit to another, but the deposit shall be

continuously available in accordance with the amount and duration stipulated by the Contract. The Service Provider shall provide the performance bond to the Customer until the date of the commencement of the warranty obligation.

- 8.21. In connection with the involvement of the Service Provider and the quality of the contractual performance a revisory inspection to be organised by the technical inspector/technical contact person shall be conducted before the expiry of the performance bond. In case the inspection reveals no defects whatsoever, or the defects revealed there have been repaired by the Service Provider, then the Customer shall issue a certificate of the successful revisory inspection. In case the performance bond was secured by way of the restitution then the Service Provider shall send the certificate mutually signed by the Customer and the Service Provider to the invoicing address of the Customer, and the Customer shall wire-transfer the unused amount of such retention to the Service Provider within the time limit for payment stipulated by the Contract.
- 8.22. The Customer shall be entitled, without any special procedure, to claim and enforce any and all amounts of contractual penalty, expenses, or other damages attributable to the Service Provider's non-contractual performance from the performance bond. If the amount of the contractual penalty, expenses, or other damages attributable to the Service Provider's non-contractual performance exceeds the amount of the performance bond, then the Service Provider shall also pay the amount in excess to the Customer in accordance with the stipulations of the Contract.
- 8.23. In case the Customer enforces the performance bond or a part thereof, then the Seller shall replenish it to the original amount within 8 (eight) days until the expiry of the term of the performance bond. In case the Service Provider fails to perform his obligation to replenish, then the Customer shall be entitled to terminate the Contract without notice, or to withdraw therefrom without notice.
- 8.24. If, during the warranty period, the Service Provider fully or partially performs his warranty obligations, the deposit provided under the performance bond or the part thereof that has remained after enforcing it due to the non-performance of the warranty obligation, shall be paid to the Service Provider within 30 days following the expiration of the term of the performance bond. The Customer shall not pay any interest to the Service Provider on the deposit. If the performance bond secured by way of the restitution is not fully or partially enforced, upon the expiration thereof the Service Provider shall send the certificate of performance mutually signed by both the Customer and the Service Provider to the invoicing address of the Customer, and the Customer shall wire-transfer the unused amount of such retention to the Service Provider within 30 days following the expiration of the performance bond.
- 8.25. In case the Customer reveals a performance error during the term of providing/ensuring the performance bond, then he shall notify the Service Provider thereof in writing. If the Service Provider fails to commence repairing the error within 5 (five) days following the receipt of the written notification, or commences to do so but fails to finish it within the time limit stipulated by the Contract, then the Customer shall be entitled to have the performance error corrected by another contractor and cover the expenses thereof from the performance bond.
- 8.26. The Customer shall be entitled, without any special procedure, to claim and enforce any and all amounts of contractual penalty, expenses, or other damages attributable to the Service Provider's non-contractual performance from the performance bond. If the amount of the contractual penalty, expenses, or other damages attributable to the Service Provider's non-contractual performance exceeds the amount of the performance bond, then the Service Provider shall also pay the amount in excess to the Customer in accordance with the stipulations of the Contract.
- 8.27. In case the Service Provider provides the performance bond in the form of a bank guarantee, then the following provisions shall be applied:
  - a) The bank guarantee shall be made available to the Customer until the commencement date of the warranty obligation at the latest (on the date of the delivery-takeover procedure), and it shall remain in force for a period of time stipulated by the Contract.
  - b) In case the Service Provider fails to perform his contractual warranty obligations, the Customer shall be entitled to enforce the bank guarantee if the Service Provider objects to it;
  - c) The bank guarantee shall be deemed to be acceptable if it complies with the relevant provisions of the Civil Code of Hungary (hereinafter referred to as the "Ptk."), it is unconditional and irrevocable, and the financial institution providing the bank guarantee pays unconditionally, without inspecting the relationship underlying the payment order within 5 (five) working days following the receipt of the first written notification. The bank guarantee shall be deemed to be contractual if it is expressly accepted by the related written declaration of the Customer. The issuing bank shall be approved in advance by the Customer.

- d) In case the bank guarantee is not enforced, and it has not expired yet on the date of issuing the related certificate following the revisory inspection, then the Customer, after issuing the related certificate following the successful revisory inspection shall, upon the request of the Service Provider shall return it to the Service Provider.

## **9. Contractual penalty, compensation for damages**

- 9.1. The Service Provider acknowledges that if for any reason whatsoever attributable to him he breaches the Contract, he shall pay a fine (= contractual penalty) for it. The Service Provider shall pay contractual penalty in the case of delayed or failed performance. The Customer shall be entitled to claim compensation for damages and to enforce other claims exceeding the amount of the contractual penalty.
- 9.2. The Customer, at his own discretion, shall be entitled to
  - a) deduct the amount of the incurred contractual penalty from the invoice of the Service Provider,
  - b) to issue a letter of notification with respect to the entitlement to collect contractual penalty and the amount thereof with indicating the time limit of payment, which the Service Provider shall acknowledge within 8 days, or
  - c) in the case of using a performance bond to enforce the amount of the contractual penalty therefrom.
- 9.3. The contractual penalty shall become due:
  - a) in the event of late performance, when the delay ceases or the additional time limit expires (whichever occurs sooner),
  - b) in the case of defective performance upon receiving the related notification,
  - c) in the case of failed performance when the Service Provider exercises his rights to withdraw from or terminate the Contract without notice.
- 9.4. In case of late performance, that is failure to meet the time limit(s) stipulated for performance (including any and all milestones and the end date as well) due to reasons attributable to the Service Provider the Service Provider shall pay contractual penalty for the delay, the extent of which shall be 1% of the entire amount of the net contractor's fee per day, or 20% at the most calculated for the specific late performance.
- 9.5. In case of failure to perform the contract due to reasons attributable to the Service Provider (e.g. the Service Provider refuses to perform the Contract or the Customer exercises his contractual rights to withdraw from or terminate the Contract without notice), then the Customer shall be entitled to claim cancellation penalty.
- 9.6. In the event of withdrawal from, or termination of the Contract by the Customer, the counter-value of the qualitatively and quantitatively received partial deliveries shall be enjoyed by the Service Provider, and shall be paid by the Customer in the already agreed way.
- 9.7. In case the Contract is cancelled, the extent of the cancellation penalty shall be 30 (thirty) % calculated on the basis of the net contracted price of the work affected by the cancellation.
- 9.8. In case of defective performance of the Service Provider the Service Provider shall pay contractual penalty, the extent of which shall be 20% of the net contracted price of the work affected by the defective performance.
- 9.9. In case of defective performance of the Service Provider the Service Provider shall perform his contractual warranty and guarantee obligations.

## **10. Change management (excess work, additional work)**

- 10.1. In case the Service Provider builds in materials or apparatuses provided by him, then he shall make the quality and safety certificates of these built-in materials and apparatuses available to the Customer.
- 10.2. Additional work is a work ordered by the Customer during performance that was not included in the documentation constituting the basis of the Contract, and the necessity of which could not be foreseen at the date of concluding the Contract.

- 10.3. Excess work is an item demonstrably included in the documentation constituting the basis of the Contract, but not taken into account in the amount of the contractor's fee.
- 10.4. In addition to the contractor's fee the Service Provider shall only be entitled to account for the counter-value of additional work – the Service Provider shall not be granted any remuneration for excess work.
- 10.5. Settling accounts for such additional works shall take place by mutual agreement, in an itemised way. In this case the items of material costs and fees shall be identical to those determined in the Contract, or in the absence thereof with the items for material costs and fees broken down according to the price indicated in the Order.
- 10.6. In case the modification of the Customer's requirements, the amendment of the regulatory provisions, or the requirement of the Service Provider arising during the performance with a technical content different from the original establishes derogation, then the Customer shall notify the Service Provider thereof in writing.
- 10.7. Any performance derogating from the original (including additional work – shall only be carried out after obtaining the preliminary written consent of the Customer or his representative. In the absence thereof, the Service Provider shall only perform in a way different from the approved content at his own risk and under his own responsibility.
- 10.8. Additional works shall be accounted for in the final invoice, unless otherwise agreed by the Contracting Parties thereto.
- 10.9. Excess work shall also be recorded in a protocol.

## **11. Issues of occupational safety, accident and fire prevention and environmental protection**

- 11.1. If the Service Provider, during the performance of his contractual obligations, performs in whole or in part at the place of work of the Customer or the group of companies of the Customer, then he shall comply and ensure compliance with the prevailing laws and regulations on the precautions concerning occupational safety, accident and fire prevention and environmental protection. The Customer shall not assume any responsibility in case of failure thereof. On the territory and devices of the Customer only those employees and contributors of the Service Provider approved by the Customer shall be entitled to work. The employees or contributors of the Service Provider infringing the prevailing laws and regulations on the precautions concerning occupational safety, accident and fire prevention and environmental protection, or working illegally shall – upon the express request of the Customer – not be allowed to be employed further on the territory and equipment of the Customer. The Service Provider shall be responsible for the suitability and safety of the machines and equipment applied on his working area, compliance with the environmental, occupational safety and fire protection rules and regulations, and the Service Provider shall also be responsible for the accident-free work, lives and physical integrity of the personnel (his own employees and subcontractors) during work, and for any and all damages caused to third parties or to the Customer.
- 11.2. The Service Provider shall be responsible for organising occupational safety, for ensuring compliance with the protective and emergency response statutory provisions, fire safety, law enforcement and environmental rules and regulations. In addition, the Service Provider shall provide is obliged to provide work safety training and appropriate security tools his employees.
- 11.3. The Service Provider shall forthwith notify the Customer of any and all accidents at work that occurred in connection with the performance of the Contract affecting the Service Provider or any other person co-operating in the performance. Investigating accidents at work and establishing liability shall be the carried out by the Service Provider.
- 11.4. The Service Provider undertakes the obligation to exclusively employ employees/subcontractors, who have obtained the necessary certification from the occupational medical service qualifying them for the work to be carried out.
- 11.5. The Service Provider undertakes to solely employ persons (sub-contractors) who have a well-established social security and health insurance relationship to perform the Contract.

- 11.6. In the case of any environmental contamination or damage to the environment caused by the Service Provider, the Service Provider shall immediately initiate on-site mitigation (prevention of further contamination, localisation). In the event of any environmental contamination or damage to the environment detected by Service Provider, the Service Provider shall forthwith notify the Customer thereof. It is mandatory in these cases to notify the Customer of the parameters of the environmental damage, such as: causes, contaminants, pollution rates, measures already taken and to be taken later on. The notification of the official announcement of the environmental contamination or damage to the environment to the authorities, the investigation and the elimination of the causes shall be carried out in accordance with the Customer's environmental expert.
- 11.7. In case a significant noise is expected to occur during work, then the Service Provider shall determine the method of complying with the relevant regulations and the way to monitor such compliance.
- 11.8. The Service Provider shall ensure the following in connection with the process residue and waste produced during his activity:
- a) the proper disposal thereof from the spot;
  - b) further handling;
  - c) compliance with other legal obligations binding the waste producers, such as: registration of the materials used and waste produced, reporting to the authorities.
- 11.9. The Service Provider shall present the certificates thereof to the Customer, to hand over their copies, and to register the amount of the waste produced and the fact of the related treatment in the construction log.
- 11.10. During the performance of his contractual obligations the Service Provider shall comply with and ensure compliance also with his subcontractors, contributors the following regulations concerning the work performed by foreigners in the Customer's field of operation:
- a) Occupational Safety Manual,
  - b) Fire Safety Regulations,
  - c) Property Protection Policy,
  - d) Environmental Protection Regulations.
- 11.11. The occupational safety, fire protection and environmental regulations concerning working on LV-MV-HV networks (if applicable).
- 11.12. By signing the Contract, the Service Provider acknowledges that he has become acquainted with the provisions of the regulations set forth in Point 11.10 of these present Terms and Conditions, and accepts them as being binding for himself and his contributors.  
By signing the Contract, the Service Provider acknowledges that prior to the conclusion of the Contract the Customer has made available the substantial contents and excerpt of the regulations stipulated by this present Point.

## **12. Liability, liability insurance**

- 12.1. The Service Provider shall be liable for any damages caused by him by his subcontractor, contributor caused to the Customer or any third person in connection with the performance of the Contract. The Service Provider, amongst other things may, in particular, be liable for damages even in case he fails perform his contractual obligations properly, or fails to comply with the time limit stipulated for completion, and the Customer thereby incurs any damage whatsoever.
- 12.2. In case the work to be carried out by the Service Provider also includes the commissioning of new electrical power line sections, during that the pre-determined period for electrical outages shall be 8 hours with keeping a 2-hour standby period. Within the standby period the Service Provider, upon request from the Customer shall give back the line (energisation, evacuation of the working area). In case of exceeding the 8-hour or the 2-hour period the Service Provider shall pay compensation for the damage caused (e.g. compensation of consumers).
- 12.3. In case the Service Provider, during the performance of his contractual obligations damages a public utility or facility, then he shall restore it at his own expense. The Service Provider shall also notify the representative or technical inspector of such damages.

- 12.4. Until the date of the delivery-acceptance the Service Provider shall repair, restore or replace the damages to the already performed parts of works caused by third parties (accident, theft, vandalism, etc.), for which he shall not be entitled to claim compensation against the Customer.
- 12.5. If the Service Provider causes damage to a third party outside the Contract due to a breach of the legal requirements or breach of his contractual obligations and the injured third-party claims compensation for damages against the Customer, then the Service Provider shall fully exempt the Customer from the liability to compensate for damages in such a way that he shall compensate the injured third party directly and in an unlimited way. In this case, the compensation provided by Service Provider shall also cover the costs incurred by the Customer in connection with the claim for damages.
- 12.6. The Customer shall forward any and all claims to the Service Provider received by him, who shall send all the documents available to him in connection with the damage as well as his point of view concerning the case, together with the private documents providing full evidence of the conciliation with the injured party and the evidence of the comprehensive settlement of the claim for damages within 30 calendar days to the Customer. If the Service Provider fails to certify the comprehensive settlement of the claim with the appropriate documents, the Customer shall be entitled to deduct the part of the amount and the relevant costs (expert fees, surveys, etc.) thereof considered as being justified by the Customer from the subsequent invoice to be issued by the Service Provider, or to enforce the total amount thereof against the Service Provider in another way.
- 12.7. The Service Provider shall enter into litigation on the Customer's behalf in any litigation initiated by a third party against the Customer according to the aforementioned ways.
- 12.8. The Service Provider hereby declares and guarantees that he has general liability insurance for the entire term of the Contract – including the period of warranty and guarantee as well –; furthermore, the Service Provider declares that he shall not enforce any and all costs arising from any occurrent insurance claim against the Customer. The compensation limit for the general liability insurance shall be at least 100% of the net amount of the contractor's fee.
- 12.9. The responsibility and guarantee obligation of the Service Provider shall be governed by the general provisions of the Ptk.
- 12.10. The Service Provider hereby expressly waives - within the scope permitted by law – to enforce any and all compensation or other claims against the executive officers of the Customer in connection with the Contract. The Customer's senior officers shall be entitled to directly refer to this limitation of liability.
- 12.11. The Service Provider expressly waives - within the scope permitted by the prevailing laws and regulations – his right to claim compensation for damages or any other claims in connection with the Contract against the Customer's executive officers. The Customer's executive officers may directly refer to this limitation of liability.

### **13. Termination or amendment of the Contract**

- 13.1. The Customer shall be entitled to withdraw from any unperformed part of the Contract without justification, but shall not refuse to accept and pay for the services that had already been ordered and confirmed.
- 13.2. The Customer shall be entitled to withdraw from the Contract in case
- a) before the expiry of the time limit set out for performance it has become apparent that the Service Provider can only perform the contractual work with such a considerable delay that the Buyer no longer has any interest in the performance, or the amount of contractual penalty has already reached its maximum;
  - b) in case of defective performance, the Service Provider refused to repair or replace the defective products, or failed to perform his contractual obligations within reasonable time without causing significant disadvantage to the eligible counterparty concerning the features of the goods and their function reasonably expected by that party.
- 13.3. Any of the Contracting Parties shall be entitled to terminate the Contract without notice in case
- a) a final liquidation or winding-up procedure is brought against the other Party;

- b) the other Party suspends his business activities or payments;
- c) the other Party loses all or part of his freedom of choice or right of disposal over his own assets in any way, irrespective of whether that situation is reversible;
- d) any of the Contracting Parties violated his contractual obligations and the Contracting Party concerned has already notified the defaulting Party to this effect with setting a time limit of at least 30 (thirty) calendar days and warning the other Party of the legal consequences, but the aforementioned time limit has elapsed without result; or
- e) a force majeure situation occurred and has not been resolved within 30 days.

13.4. The Customer shall be entitled to terminate the Contract without notice in case the Service Provider

- a) breaches the provisions of the Contract in a material or repeated way;
- b) fails to commence or suspended work without a justifiable reason;
- c) fails to finish work within the stipulated time limit, or fails to comply with his contractual obligations within a reasonable time;
- d) fails to eliminate the performance error within a reasonable time, and/or carries out work not being in compliance with the professional expectations;
- e) accumulates such a significant delay concerning certain works that it excludes due performance until the end date;
- f) the Service Provider continuously fails to comply with the conditions stipulated during the prequalification process;
- g) the Service Provider engages in a conduct that infringes or jeopardises the rightful interests and reputation of the Customer or the companies of the Customer's group of companies (such activities include especially – but not exclusively – if any defaulting or illegal draw is established by the distribution licensee at the Service Provider's – as an end-user – places of consumption used for drawing electricity);
- h) offers, promises, or gives advantages to persons involved in the preparation, conclusion, or implementation of the contract on behalf of the Customer, or to the close relatives of those persons;
- i) violates the occupational safety, technological and environmental regulations stipulated by the Contract;
- j) builds in network material into the network not provided or approved by the Customer (material breach);
- k) continuously fails to comply with the conditions of work stipulated by the Customer;
- l) the Service Provider fails to perform his contractual obligations stipulated by Point 14 of these present Terms and Conditions concerning the involvement of contributors or the employment of the Customer's employees; or
- m) a contributor participating in the performance certifies the occurrence of any of the aforementioned cases.

13.5. The Customer shall also be entitled to terminate the Contract without notice in case

- a) criminal proceedings are initiated against the Service Provider, his senior officer or a member of the Service Provider with a qualified influence or the senior officer thereof, or a criminal suspicion arises against the Service Provider,
- b) there are grounds for exclusion against the Service Provider, his senior officer or a member of the Service Provider with a qualified influence or the senior officer thereof stipulated by Act CLXIII of 2015 on Public Procurement,
- c) the Service Provider, his senior officer, employee or agent or subcontractor provides false information during the performance or conclusion of the Contract,
- d) the Service Provider, his senior officer or a member of the Service Provider with a qualified influence or the senior officer thereof engages in unsound business practices being incompatible with the objectives of the Customer or those of the E.ON Group,
- e) the Service Provider, his senior officer, employee, agent or subcontractor, or a member of the Service Provider with a qualified influence or the senior officer thereof violates any domestic or international law or commercial regulation on fair competition, or fails to take the appropriate and necessary preventive measures to this end,
- f) the suspicion of corruption or bribery arises against the Service Provider, his senior officer, employee, agent or subcontractor, or a member of the Service Provider with a qualified influence or the senior officer thereof,
- g) a conflict of interests arises between the Service Provider, his senior officer, employee, agent or subcontractor, or a member of the Service Provider with a qualified influence or the senior officer thereof and the Service Provider or the E.ON Group, and the Service Provider fails to report and eliminate such conflict of interest.

- 13.6. The Service Provider hereby declares during the signing of the Contract the conditions stipulated by Points 13.4. f) and g), together with Point 13.5. do not apply. The Service Provider shall forthwith notify the Customer of any changes thereof.
- 13.7. The Parties shall be entitled to terminate the Contract at any time by mutual consent, in writing.
- 13.8. In case the Contract is terminated due to any reason whatsoever, the Contracting Parties shall settle accounts with each other, and the Customer shall pay the fee for the already delivered and accepted performance to the Service Provider.
- 13.9. In case performance takes place at the business site of the Customer and the Customer withdraws from the Contract, or terminates it without notice, then the Customer shall be entitled to ban the Service Provider from the working area.
- 13.10. In case the Customer withdraws from the Contract or terminates it without notice (except for a case of force majeure), the Customer shall be entitled for a lien on the work equipment of the Service Provider stored in the working area.
- 13.11. The Contract shall only be amended in writing and duly signed by the Contracting Parties. In the case the Contract is modified, the regulations governing the conclusion of the contract shall be applied by the Parties. Amending the Contract verbally by implication shall be deemed to be invalid. In the case of a contract concluded as a result of a public procurement procedure the stipulations of Section 141 of the Kbt. shall be taken into account.

#### **14. The contributors of the Service Provider (including subcontractors)**

- 14.1. The Service Provider shall be entitled to use the help of Contributors but shall not be entitled to fully perform his contractual obligations solely with such contributors. The Service Provider shall only employ contributors after having obtained the related written consent of the Customer.
- 14.2. In the case of a contract concluded as a result of a public procurement procedure, the Service Provider shall only employ a contributor/subcontractor (= subcontractor according to the Kbt.) exclusively with taking into account the relevant provisions of the Kbt. In accordance with the stipulations of Article 138 (2) of the Kbt., with the exception set forth in this present Point, the subcontractors or professionals who were involved in the certification of suitability during the public procurement procedure shall participate in the performance of the Contract. The involvement of such organisations or professionals may only be omitted or may only be replaced with other organisations or professionals (including the cases of succession through transformation, division or merger) if the Service Provider is able to meet in an equivalent manner –where, on the basis of the data presented for the given suitability criteria in the public procurement procedure, the Customer as the contracting authority reduced the number of economic operators participating in the procedure –the same suitability criteria without that organisation or professional or with the new organisation or professional as those met by the Service Provider entering into the public procurement procedure together with the original organisation or professional nominated in the public procurement procedure. During the performance of his contractual duties the Service Provider shall notify the Customer of any involvement of any contributor/subcontractor – even those intended to be used instead of the previously indicated contributors/subcontractor – who the Service Provider has not named in his bid, and together with the aforementioned notification the Service Provider shall also declare that the contributor/subcontractor intended to be employed by him is not subject to any ground for exclusion laid down in the previous procurement procedure. The person of the subcontractor may not be modified in cases where the use of a particular contributor/subcontractor constituted a determining circumstance in the evaluation of the tenders submitted during the public procurement procedure in the light of the particular characteristics of the service concerned.
- 14.3. The Service Provider shall ensure compliance with any and all of his contractual obligations undertaken with respect to the Customer with every contributor of his.
- 14.4. In case of the Customer and the Service Provider or – in the case of involving a contributor –the competent officials of the contributors involved shall agree on the rules of labour protection, in particular with respect to the prevailing rules and regulations together with the additional ones prescribed by the Customer and shall draw them up in an



abbreviated protocol. The aforementioned protocol about the conciliation between Service Provider and its subcontractors, or at least a copy thereof shall also be sent to the Customer.

- 14.5. In the contract to be concluded with the contributor/subcontractor the Service Provider shall oblige the subcontractor that for the purpose of presenting to the Customer the contributor shall deliver
- a) the original certificate issued by the tax authorities less than 30 days ago, which proves that the contributor has no public-law debts,
  - b) the company extract of the contributor issued by the court of registry less than 30 days ago,
  - c) together with – if necessary – the copies of work permits to the Service Provider.
- 14.6. The Service Provider shall not prevent the contributors from entering into any other performance contracts with the Customer. In particular, exclusive contracts concluded with third parties are prohibited, which prevent the Customer or his subcontractor from obtaining any performance that is necessary for the Customer or his contributor to complete the Orders submitted by the Customer.
- 14.7. In case the Service Provider employs a contributor without having obtained the related preliminary written consent of the Customer, or fails to perform his obligations regarding the involvement of contributors stipulated by this present point, then the Customer shall be entitled to request the Service Provider to forthwith replace the contributor employed contrary to the stipulations of the present Terms and Conditions. Failing to do so the Customer shall be entitled to terminate the Contract without notice.
- 14.8. The Service Provider shall assume full liability for his rightfully used contributory activities just as if he had carried out the work himself. In the case of an unauthorised use of a sub-contractor the Service Provider shall also be responsible for any and all damage that would not have occurred without such employment.
- 14.9. The Service Provider shall ensure that contributor does not pass on the services delivered to him, except in case the contributor has obtained the related, preliminary written consent of the Customer.
- 14.10. The Service Provider shall not employ the employees of the Customer during the term of the Contract and the following year, except in case the Service Provider has obtained the related, preliminary written consent of the Customer.
- 14.11. In case the Service Provider – with the Customer's knowledge and consent – employs an employee of the Customer, then the Service Provider shall take into account the provisions of the Customer related to work carried out outside the scope of full-time employment, the contents and excerpt of the mandatory provisions of which has been delivered or made available to the Service Provider by the Customer upon signing the Contract, who shall hereby acknowledge having become acquainted with it by signing the Contract.
- 14.12. The Customer is entitled to request a change in the scope of persons participating in the performance, and the Service Provider shall, at his own expense, promptly replace the person in question to a suitably qualified, able and attentive person without prejudice to the course of performance.

## **15. Force majeure**

- 15.1. Neither of the Parties shall be liable for the non-performance of their obligations stipulated by the Contract if the breach of contract was caused by an unforeseeable circumstance outside the scope of their control and the Contracting Parties could not have been expected to avoid or eliminate such circumstances ("force majeure"). Such circumstances are the ones the Contracting Parties are unable to affect, e.g. natural disasters, earthquakes, fires, epidemics, droughts, frosts, floods, wind storms, lightning strikes; certain social or political events such as war, revolution, insurrection, sabotage, the closing down of traffic routes (airports); measures taken and implemented by the state: export-import bans, foreign exchange restrictions, embargos, boycott; major malfunctions, or radical market changes rendering contractual performance impossible (such as drastic price rises, the extraordinary weakening of the currency in which payment are made), unless the aforementioned circumstances occur by default of the defaulting party for reasons attributable to him.

- 15.2. The Contracting Party reporting the force majeure case shall notify the other Party in writing of the occurrence and certification thereof. The Party affected by the force majeure shall define the obligations being essential to the performance of the Contract in the performance of which the force majeure event is going to impede him. The notice shall be sent within 14 days of the Party becoming aware of the related force majeure event, or from the date he should have been aware of the circumstances triggering or created it.
- 15.3. The Contracting Parties' obligation to compensate for damages shall continue to exist in this case, within the framework of in which the case the Contracting Party in question shall always do everything in order to reduce the amount of any delay due to force majeure during the performance of the Contract.

## **16. Confidentiality, privacy, data protection concerning the Contract**

- 16.1. The fact of establishing the Contract is public. The Contracting Parties shall manage the Contract in a confidential way and ensure that no third party does get acquainted with it with the addition that the Customer shall be entitled to acquaint the Contract and its contents with the companies belonging to the same group of companies, in which case the Customer shall not be deemed to commit an infringement.
- 16.2. In the case of a Contract concluded as a result of a public procurement procedure, the contents of the Contract shall be qualified as being of public interest.
- 16.3. In addition to the statutory obligations requiring the performance of public service obligations, the Contracting Parties shall exclusively notify any third party, including the media and any official information, of the content of the Contract and of any facts, circumstances or other information that may arise during the performance after having previously reconciled with the other Contracting Party in writing. This provision shall not apply to the Customer's owner(s) and affiliated companies or to the information provided by the Contracting Parties under applicable laws.
- 16.4. The Parties shall manage any and all data, plant-related and business events becoming known to them during the performance of the Contract as business secrets, they shall only use it to the extent necessary for the performance of the Contract, and for this purpose they shall have their employees and contributors participating in carrying out the tasks make their related declarations.  
The Service Provider hereby acknowledges that the Customer shall not be in breach of his confidentiality obligation if the Customer provides information in connection with the Contract to his contributor involved in the performance of the Contract (e.g. to a third party providing data processing or administrative services).
- 16.5. In connection with the performance of the Contract, any and all personal or invoicing information, business data information (hereinafter collectively or separately referred to as "Information") related to the Customer, his customers – disclosed by the Customer – directly or indirectly coming to the notice of the Service Provider shall be qualified as confidential information constituting the business secrets of the Customer. The Service Provider shall be bound by the obligation of confidentiality with respect to this Information, and shall manage such information as being confidential and protect it from unauthorised access. The term "Information" includes any and all information coming to the notice of the Service Provider in writing, verbally or in any other form, either directly or indirectly, including, but not limited to, inventions, concepts, ideas, know-how technical descriptions, designs, specifications, drawings, imprints, models, examples, workflows, computer programs, marketing plans, client bases, personal information, and any other technical, financial or business information. The obligation of confidentiality assumed by the Service Provider shall also cover third parties (fulfilment partners) who have been involved in the performance of the contract. The Service Provider shall draw the attention of these persons to the obligation of confidentiality stipulated by the contract and shall ensure compliance therewith, which the Service Provider shall certify upon the related request of the Customer at any time. Preliminary exemption from the obligation of secrecy concerning any information, and in particular business secrets shall only and exclusively be granted by the authorised representative of the Customer, and solely in writing. All Information is the property of the Customer. Upon request the Service Provider shall return all the Information received on any kind of data carrier to the Customer, or shall destroy the Information received in such a way. The Service Provider shall assume both financial and criminal responsibility for any violation of business secrecy which can be proven and attributed against him. Breaching the obligation of secrecy stipulated by this present Point or threat thereof may cause irremediable damage to the Customer, who may, in addition to the other legal remedies available to him seek judicial redress to prohibit the Service Provider's conduct infringing the stipulations of this present Point and to have any and all damages reimbursed that can be proved to have incurred as a result of the Service Provider's conduct.

- 16.6. The obligation of secrecy stipulated by this present Point shall remain binding upon the Contracting Parties with no explicit limitation of time following the termination of the Contract due to any reason whatsoever.
- 16.7. The seller shall manage any and all personal data coming to his notice in accordance with the stipulations of Regulation (EU) 2016/679 of the European Parliament and of The Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation, hereinafter referred to as the „GDPR“) in a confidential way. The personal data shall only be used by the Service Provider during the performance of the Contract, in accordance with the purpose stipulated thereby, to the extent required for performance. Service Provider shall reimburse the Customer fully for any confirmed damages resulting from the breach of the obligation stipulated in this Point
- 16.8. The Service Provider shall process personal data only within the framework of performing his contractual duties and upon the Customer's instructions given in accordance with the stipulations of the data processing contract concluded with the Customer. The regulations relating to data processing shall be deemed to be appropriately valid if the Service Provider controls or maintains the automated procedures or data processing equipment, during which access to personal data cannot be excluded. Based on the separate data processing contract only the Customer shall be entitled to decide on the permissibility of data processing and the protection of the GDPR-regulated rights of those concerned.
- 16.9. The Service Provider shall provide adequate data protection during the data processing stipulated by the Contract and the data processing contract to preserve the confidentiality, availability and correctness of the data, and from his side he shall ensure compliance with the necessary technical and organisational security measures stipulated by the GDPR.
- 16.10. The Customer shall be entitled to monitor the processing of data according to the instructions given by him and to check compliance with the technical and organisational measures taken in order to protect the data at all times. The Service Provider shall provide the information required to verify the order and provide the necessary rights to access and consult such data. In specific cases the Customer shall be entitled to stipulate further technical and organisational provisions for the sake of data protection.
- 16.11. Access to employee and customer data is permitted only insofar as it is strictly necessary for the performance of the Contract.
- 16.12. Following the termination of the Contract for any reason, the Service Provider may only store or retain personal data provided to him in a format other than to one provided to him if such long-term storage is required by law or the Contract. Otherwise, the Service Provider shall hand over the documents containing personal data to the Customer or, in agreement with the Customer, destroy them in accordance with the data protection considerations.
- 16.13. The Service Provider acknowledges that the Customer shall be entitled to share data and information in connection with the Contract and/or the performance thereof with the companies belonging to the E.ON Group, in which case the Customer does not commit a breach of contract, or any infringement based on any other grounds.

## **17. UN „Global Compact“ and EU-regulations for the prosecution of terrorism**

- 17.1. Within the framework of corporate activities, the Customer attaches a prominent role to corporate social responsibility and therefore participates in the "United Nations Global Compact" initiative. This initiative is based on ten fundamental principles making globalisation being more socially sensitive and more environmentally conscious, while preventing corruption. The information report entitled „E.ON Responsible acquisition corporate strategy“ refers to the principles of the United Nations' Global Compact and can be accessed at <https://www.eon.hu/hu/lablec/bszallitoi-informaciok/szallitomenedzsment.html> on the intranet. The Service Provider undertakes to take these principles into account.
- 17.2. Within the meaning of Regulations No. 881/2002 (EC) and 2580/2001 (EC) of the Council of the European Union, a provision to combat terrorism has been introduced that prohibits the direct or indirect provision of money or resources to certain natural or legal persons, groups or entities. Service Provider agrees to take this ban into account

and verify that the names of its employees and associates are not the same as the names of natural or legal persons, groups or organisations listed on the lists published as attachments to these Regulations. In case of identity of names, the contract shall not be concluded with such persons, groups or organisations.

## **18. The investigatory power of the Customer**

18.1. The Service Provider undertakes not to engage in (or previously having been engaged in) any coercive, concerted, corrupt or deceptive (fraudulent) conduct that may result in competition and / or criminal consequences (hereinafter collectively referred to as "prohibited conduct"), does not participate (and has not participated in the past, either) in such a conduct. The Customer (without prejudice to other redress and remedies available in the event of a breach of contract) shall be entitled to terminate this contract in writing without notice if he considers that the Service Provider is engaged in or has been engaged in such a prohibited conduct.

The Customer, including the internal auditors and experts of the Customer (particularly, but not exclusively the Compliance Officer and the Main Auditor of the Abuse Investigation Field) shall be entitled to conduct an investigation concerning the Contract and the performance thereof, or concerning those contributing to the performance thereof at the Service Provider. The Service Provider – at no additional cost – shall provide the following to the Customer and/or his internal auditors and experts (particularly, but not exclusively the Compliance Officer and the Main Auditor of the Abuse Investigation Field):

- i. access to any and all location where / from where the Service is provided, including the possibility to consult the documents and books being in connection with the provision of the service, or
  - ii. ensuring the availability of the executive officers, personnel, together with the sub-contractors participating in the provision of the service, in order to ensure that the Customer and/or his internal auditors or experts (in particular, but not exclusively the Compliance Officer, and the Auditor General of the Abuse Investigation field) can appropriately conduct the audit related to the operation of the Service Provider (related to the provision of the service).
- 18.2. The purpose of the audit to be conducted by the Customer shall be to certify that
- i. the invoices issued by the Service Provider to the Customer on the provided services are correct;
  - ii. the Service Provider takes any and all reasonable and reasonable measures to control the personal and financial resources provided by the Customer and to use them only to the most necessary extent possible,
  - iii. the Service Provider provides the services in a contractual manner and performs his contractual obligations;
  - iv. the Service Provider is not engaged in any prohibited activity and does not participate in any such conduct.
- 18.3. Before exercising his rights to conduct his investigatory powers the Customer shall strive to notify the Service Provider thereof in writing, except in case such preliminary notification could jeopardise the effectiveness of the investigation. As far as possible, the investigation shall be conducted during the normal operating hours of the Service Provider.
- 18.4. When conducting any investigation, the Service Provider shall provide access to any and all records related to the Services and the provision thereof, together with all the information available in this regard. The Service Provider, as an exception, may refuse to provide such access in the following cases:
- i. any protected information, or in connection with other clients of the Service Provider or third persons
  - ii. any other confidential information not directly related to the provision of the service.

## **19. Other provisions**

19.1. If the contents of the GTC or the content of any other non-negotiated condition of the Contract cannot be clearly established by applying the provisions relating to the interpretation of the laws and regulations concerning the interpretation of the legal act, then the Contracting Parties shall adopt the interpretation being more favourable to the Party applying the condition in question. If any provision of the Contract becomes invalid, this shall not affect the validity of the remaining provisions of the Contract, unless the Parties would not have concluded the Contract without this provision.

19.2. In addition to traditional correspondence, the Contracting Parties shall also keep the contact by fax or electronic means for the purpose of quick information exchange. Documents sent by fax shall be deemed to have been sent if the Contracting Parties sent the telefax message to the telephone number indicated in the Contract and has been

certified by the relevant "transmission report". Documents sent electronically (e-mail) shall be deemed to have been sent if the Parties have sent them to the e-mail address indicated in the Contract and the recipient has verified reading the message or documentation sent thereto. During the performance of the Contract, communication between the Contracting Parties shall be carried out only by the contact persons specified in the Contract. The powers of such contact persons shall not cover the amendment of the Contract.

- 19.3. The Customer shall be entitled to assign his rights and obligations arising from the Contract to members of the E.ON Hungária Group or to a third party. The members of the E.ON Hungária Group shall be entitled to combine the claim covered by the assignment and the other debts owed to the Service Provider.
- 19.4. The Service Provider shall only be entitled to assign his rights or obligations arising from the Contract to a third party in case of having obtained the prior consent of the Customer.
- 19.5. Delay in enforcing or failure to enforce any right stipulated by the Contract shall not constitute a waiver of the right to enforce such rights, or the partial or exclusive enforcement of a right shall not preclude the enforcement of the other or remaining rights.
- 19.6. Using the brand name or logo „E.ON”, or „E.ON/Network” related to the Customer by third parties (e.g. within the framework of co-operations, co-branding, etc.) requires obtaining the preliminary consent of „E.ON Hungária Zrt.”.
- 19.7. The Service Provider shall assign to the Customer the right to use the intellectual property (documents, results, designing and other documentation, computer programs, etc.) that are created or passed on according to the Customer's personal requirements, relating to the disclosure, duplication and practical implementation thereof (hereinafter referred to as the "Rights of Use"). The assignment of the Rights of Use concerning time, space, purpose, scope and manner shall be unlimited and irrevocable. The Rights of Use shall include the right to unrestricted assignment and adaptation to and for the purposes of third parties, including, but not limited to, E.ON Group companies.
- 19.8. The Customer – subject to the obligation of secrecy – shall be entitled to use any and all general knowledge, methods and concepts acquired during the performance of the Contract.
- 19.9. Any copyright material or any other intellectual work prepared by the Service Provider Prior to the conclusion of or outside the framework of the Contract shall remain the property of the Service Provider. The Customer shall obtain a non-exclusive, non-transferable, non-limiting right of use of such copyright material or intellectual works for his own internal use for the purpose they were delivered to him.
- 19.10. Furthermore, the Service Provider guarantees that the rights of use stipulated by this present Point shall also cover the copyright materials or intellectual works developed and prepared by his subcontractors, contributors during the performance of the Contract, and for this purpose, the Service Provider shall guarantee to conclude contracts with his contributors/subcontractors that expressly provide the Customer's rights of use equivalent to the contents of this present Point.
- 19.11. Public use of the reference (e.g. in press or marketing materials, websites, etc.) shall be subject to the preliminary written consent of the Customer. After having obtained the related preliminary written consent of the Customer the Service Provider shall be entitled to use the results of his activities as reference in a format previously agreed with the Customer in such a way that is without prejudice to the interests of the Customer or those of the E.ON Group. After having obtained the related preliminary written consent of the Customer the Service Provider shall also be entitled to indicate the Customer's name on his list of references in a format previously agreed with the Customer. In the event of non-compliance with the stipulations of this Point, the Service Provider shall immediately remove the disputed communication at the Customer's request and the Customer shall be entitled to claim compensation for damages. The Service Provider shall issue references required for participation in public procurement procedures without limitation.
- 19.12. The Customer hereby notifies the Service Provider of the fact that E.ON Gazdasági Szolgáltató Kft – based on the separate contracts of agency concluded with the Company– shall be entitled to sign the Contract in the name and on behalf of the Customer.

19.13. This present Contract shall be governed by the related provisions of the Hungarian law, in particular those of the Civil Code of Hungary. The Contracting Parties expressly exclude the application of the United Nations Convention on The Standards of Private International Law and on Contracts for the International Sale of Goods adopted on April 11, 1980. The clauses customary in commercial transactions shall be interpreted in accordance with the prevailing Incoterms (ICC, Paris).

19.14. The Contracting Parties hereby agree that they shall primarily strive to settle their occurrent disputes arising out of the Contract by way of negotiations, preferably out of court.

19.15. The Contract concluded by and between the Contracting Parties includes all the terms and conditions of the agreement, therefore any and all previous arrangements not included in the written agreement shall be terminated upon signing the Contract. In connection with the contractual performance or in case of dispute the previous statements of the Contracting Parties may be taken into account during the interpretation of certain provisions of the Contract.