

General Terms and Conditions of Sky Advanced Materials Kft.

1. Preamble

Our present General Terms and Conditions shall exclusively apply to all contracts between us and our clients. Any differing conditions or terms of buyer are herewith objected to and shall not apply. Any agreement affecting the execution of this contract must be in writing.

2. Offer and conclusion of contract

Samples and catalogues are to be considered non-binding material for illustration and/or test purposes, giving only an approximation of properties and specification. (They are not offers.) The contract is concluded only by accepting the specific offer.

3. Price of the Goods

Prices valid at date of delivery will be applied. We reserve the right to adapt prices, for confirmed orders as well, to reflect any increase in our costs, for any reason beyond our control, like force majeure, shortage of primary material or labour, strikes, official orders, transportation, or similar problems, if this increase happens after confirmation of order but before delivery of goods.

4. Terms of Delivery

Confirmed delivery dates are not fixed dates, unless stated otherwise. We reserve the right to postpone delivery in the case of force majeure for the duration of the obstruction plus a reasonable period of recuperation. Should delivery have become impossible by an act beyond our control we reserve the right to rescind the contract partially or completely. Strikes, unforeseeable events or interruptions of operations are considered force majeure, should we have no influence over these events. Failure to comply by a supplier only gives us the right to rescind the contract if a replacement deal was made and failed to comply. We reserve the right to partial deliveries unless the client has no interest in them. Unless failure to comply or delay of delivery was caused by us, our lawful representatives or auxiliary persons by gross negligence or intentional acts, we will not be liable for noncompliance. Should we be liable under the terms aforementioned, liability is limited to damages that occur foreseeable and typically under the circumstances. Unless agreed otherwise, delivery is made from the seller's premises. Goods travel at cost and danger of client, unless agreed otherwise.

5. Terms of payment

Unless agreed otherwise, our invoices are to be paid immediately upon receipt of product and invoice. Should client fail to comply within 30 days, he will automatically be in default of payment. Payment is considered made when it is at our disposal. Detention of payments or balancing of payments against claims of buyer against seller is not allowed unless these claims are legally established. Should there be reasons to doubt the solvency or credit standing of the client, we reserve the right to demand securities or prepayment for any outstanding delivery or declare immediate maturity of all outstanding claims.

6. Retention of Title

Notwithstanding delivery or passage of risk in the product, property of product shall not pass to the buyer until full payment of all our claims against the buyer, regardless of their grounds, was made. If product is processed or mixed by buyer with goods that we have no property in, we shall become co-owner of these goods, which shall be stored for us by the buyer. Processing or transformation of the goods is done in our name as a producer, but without obligation to us. Should we lose ownership due to processing or fusion, we will become partial co-owner (value of invoice) of the new product. The client will store the co-owned goods free of charge. These goods are called reserved goods in the following. Buyer has the right to process or sell these goods in the regular course of business, as long as payment obligations are fulfilled. Pledging or cession by security of these goods is not allowed. For safeguard, receivables based either on the sale of these goods or on any other ground (insurance, torts) are considered fully assigned to us. These assigned receivables are released under the condition that their achievable value exceeds the value of our secured receivables by more than 10%. Buyer authorizes us to collect them at his costs, a right that we are obliged not to exercise unless buyer fails to meet his payment obligations towards us or, particularly, institutes bankruptcy proceedings. In the case of bankruptcy or suspension of payment, we have the right to demand that buyer declares the assigned receivables, gives all information and documentation necessary for us to collect our claims and informs garnishee of the assignment. Should third parties try to claim these goods, buyer is obliged to inform them of our property and immediately inform us of the intent. Buyer will be held responsible for costs and damages.

7. Warranty

Claims will only be accepted if we are informed immediately upon detection of any fault. In the case of hidden faults claims must be made within 6 months of delivery of Goods. Claims will only be accepted if we are informed no later than two weeks after receipt of product, or within 6 months in the case of hidden faults. If any valid claim of faulty product is made, we are obliged to either replace the product free of charge or repair it, the choice being at our sole discretion. Buyer may choose reduction of price or cancellation of contract, should our efforts fail. In case of lack of a warranted property of the product, we shall be liable for damages on the grounds of noncompliance as stated in Hungarian Civil Code. We will not be liable for any consequential damages caused by any defect or fault in the merchandise since the object of the warranty is compliance of the delivered merchandise with the contract. The warranty does not cover damages to the goods that were caused by improper handling or storage after the passage of risk or were caused by external factors that were not foreseen in the contract. We will be liable according to Hungarian law if damages occur due to gross negligence or deliberate acts by us, our lawful representatives, or auxiliary persons. If the violation of contract was not caused by an intentional act, liability will be limited to foreseeable and typical damages. Furthermore, we will be liable according to Hungarian law should we deliberately violate any essential duty under the contract. Any further liability is excluded, expressly for any kind of damages that occur on anything or in any way other than on the delivered product itself. Binding provisions of the relevant Hungarian Legal Regulations remain unaffected. Our contracts are governed exclusively by Hungarian laws. The application of any law other than the Hungarian law is expressly excluded.

8. Technical Advises

Our technical advises are given according to our best knowledge and experience. Buyer is obliged to apply due diligence in verifying applicability of our advice to his special conditions of production or application. Concerning our technical advises, which are given free of charge, we will only be liable for damages caused by gross negligence or deliberate acts from our part or by our lawful representatives or auxiliary persons. Unless intentional violation of contract has been proven, we will only be liable for damages that occur foreseeable and typically.

9. Liability

Liability for damages is strictly limited to the provisions made herein in paragraphs 5, 6 and 7, regardless of their nature, particularly with regard to damage claims arising from fault at closure of contract, default at performance of contract. Claims for damages due to impossibility or incapability remain unaffected. The same goes for liabilities that are imperative according to the provisions of the Hungarian Law. Exclusion or limitation of from our side also includes exclusion or limitation of liability of our employees, representatives, and auxiliary persons.

10. Miscellaneous Clauses

Place of execution is Fót and Budapest, Hungary. The parties to this contract hereby submit to the competence of the court having jurisdiction over Budapest or Pest County in respect of any dispute or difference arising out of or relating to this contract. We reserve the right to sue at buyer's place of business. These General Terms and Conditions, as well as all our business relations with our clients, are governed exclusively by the Laws of Hungary. Application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded. Please note that some of our goods might require exportation license under Hungarian law or might be subject to export restrictions. These provisions are to be observed by the buyer in case of sale or exportation of the goods.

11. Force Majeure Clause:

In the event of a force majeure, such as natural disasters, acts of terrorism, war, strikes, or unforeseen government actions, which prevents the Seller from fulfilling their contractual obligations, the Seller shall be excused from performance without liability for the duration of such event. The Buyer remains obligated to fulfil all payment obligations under this agreement regardless of the Seller's delayed performance. The Seller shall endeavour to resume performance as soon as reasonably possible following the cessation of the force majeure event.

12. Confidentiality Clause:

The Buyer agrees to maintain strict confidentiality of all proprietary or confidential information disclosed by the Seller during the term of this agreement and for a period of ten years following its termination. This includes, but is not limited to, the Seller's business plans, customer lists, financial data, and technological developments. The Buyer shall not use such information for any purpose other than fulfilling its obligations under this agreement and shall not disclose such information to any third parties without the Seller's explicit written consent.

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13. Limitation of Liability:

The Seller shall not be liable to the Buyer for any indirect, incidental, special, consequential, or punitive damages, including loss of profits, data, or goodwill, arising out of, or related to this agreement. The Seller's total liability under this agreement for all claims shall not exceed the total amount paid by the Buyer to the Seller under this agreement. This limitation applies regardless of the form of action, whether in contract, tort, strict liability, or otherwise.

14. Intellectual Property Rights:

All intellectual property rights created, developed, or arising in connection with the execution of this agreement shall remain the exclusive property of the Seller. The Buyer is granted a non-exclusive, non-transferable, revocable license to use such intellectual property solely for the purpose of utilizing the goods or services provided under this agreement. This license shall terminate upon the expiration or termination of this agreement.

15. Non-Competition Clause:

For the duration of this agreement and for a period of two years thereafter, the Buyer shall not directly or indirectly engage in any business activities that compete with the Seller's core business. This non-competition obligation extends to all geographic areas where the Seller conducts business. Any breach of this clause will subject the Buyer to liquidated damages in an amount to be determined by the Seller, reflecting the potential loss of business to the Seller.

16. Indemnification Clause:

The Buyer agrees to indemnify, defend, and hold harmless the Seller and its directors, officers, employees, agents, and successors from any claims, damages, or expenses, including reasonable attorneys' fees, arising from the Buyer's breach of this agreement or from any negligent or wrongful acts or omissions of the Buyer in connection with the purchase or use of goods or services provided under this agreement. This indemnification shall survive the termination of this agreement.

17. Invalidity

Should one of the clauses above or part of one of the clauses above be legally invalid, validity of the other clauses of these General Terms remains unaffected.