

PURCHASING CONDITIONS of Hamburger Hungária Ltd.

General directives

If there is no other agreement in the contract, the following purchasing conditions are considered as a part of it. Different rules from our purchasing conditions are only valid in case of our written confirmation. To indicate our purchasing-number (contract number) is obligatory on all documents, because papers without this number will not be considered as received in disputed cases.

Orders

Only the written orders are valid, which are issued by the Purchasing Department of Hamburger Hungária Ltd.. Verbal or phone agreements as well as telegraph orders become effective only after a written confirmation. Orders via fax are considered as written orders. Supplier is liable to reconfirm each order in writing. In so far as there is no reconfirmation within definite days after the order, it is not obligatory for the consigner any more. In so far as there is no withdrawal to our assignment or order within 8 days, it is considered as accepted.

Quality

Supplier should warrant the quality of his delivered product. At least at the time of delivery of subsidiary material should be enclosed the following documents:

- Valid ISO Certificate
- Quality description, which contains a technical description and some suggestion about storing and utilization of the goods.
- Safety Documents according to the actual regulation
- Declaration on behalf of the supplier, if this product is suitable for making paper articles which are in direct contact with foodstuffs (Paper, board an corrugated cardboard in foodstuff-package – Proposal XXXVI of the Health Service of Germany)

If the transport has no ISO Certificate:

- Quality certificate, in which Supplier describes the features that specify the quality of the goods unanimously (by standard values, or by giving the method of test and limit-values) and in which he warrants that his product is equal to his specified quality.

Environmental Conditions

Environment damaging, toxic materials should be avoided far as possible. The package have to warrant a safe and environmentfriendly delivery and storing.

The following documents have to enclose at delivery of chemicals:

- Valid Environment Certificate (ISO 14001)
- Product specification

Delivery time

Delivery time is counted from the day of order. As soon as the supplier gets knowledge of not being able to perform his liability of the transport or a part of it, he is obliged to inform the Customer about it immediately.

In case of exceeding the delivery term without bilateral agreement we charge the following penalties for delay:

For each complete week of delivery delay 0,5 % of the total value of order, as long as there is no other agreement. The amount of the penalty for delay can not be more than 10% of purchase price. If the time of delivery is exceeded, the consigner has the possibility to insist on the assignment without having any kind of additional costs. Costumer has the right to change the delivery term 8 days before expiry, without being responsible for any kind of expenses.

Forehand delivery

Customer receives and recognizes forehand delivery only if this is based upon a preliminary written agreement.

Cancellation: the buyer has the right to cancel the order,

- if the order will be not confirmed within 5 days
- if the delivery delay more than 14 days after the confirmed delivery date
- until the despatch of the goods according to bilateral agreement, if the buyer reimburse the incurred charges of supplier.

Warranty

Both quality and quantity receipt occur – independently from the terms of delivery – in works of the receiving factory.

Supplier guarantees for 2 years after the arrival of the goods – in case of chemicals for the time of expiry – even without announcing any shortage of the articles in time, that the goods supplied:

- have no scarcity which can influence their use or operations;
- posses the features which were given by the supplier;
- and meet all the legal prescriptions, standards and concerning laws.

By clothing the delay of protest is 3 years.

In warranty cases Costumer has the right, apart from his other legal possibilities, even if the shortage is unimportant or removable, according to his choice:

- to transport-exchange (cancellation of the contract)
- to a free remove of shortages
- to demand a convenient discount
- to cease the determined scarcities at the Supplier's expense.

The supplied goods have to come up to the determined safety prescriptions.

Supplier must hand over the stocking-, using-, working orders without any request along with the delivery, otherwise he is liable for the costs arising from non-observance of these prescriptions.

In case of chemicals Supplier is obliged to indicate for all packing units the expiry time, the date of production and every datas according to the actual regulations.

In case of a complaint the Supplier is obliged to appear on the spot at request of the Customer.

Setting-up

Supplier is liable to take part in setting-up, trial operation and putting into operation at the buyer's request.

Dispatching advice

Customer should be informed about the dispatch of the goods at the same day via fax. Contract-number, sort of goods, value and weight, number and departure time of track/waggon should be indicated on this announcement.

Invoicing

In 24 hours from dispatching the goods, Supplier should send each 2 copies of the commercial invoice, packing list and the certificate of origin to the Customer by registered mail.

1 more copy of the invoice, packing list, prescribed documents concerning the quality and Certificate of Origin should be enclosed with the goods. In case of falling any of the documents, or if the goods are not to be identified, the receipt of the consignment can be refused.

To indicate the contract number is obligatory on all the documents and letters. Invoices without contract number will not be processed.

Payment

If there is no other agreement, the paying of received goods account after 30 days with 3 % skonto or after 90 days net. The term of payment is counted from checking the invoice. Neither the term, nor the fact of the payment means the acknowledgement of article-perfection, or that Customer passes over his claims for damages in case of a shortage of goods or in warranty cases. Customer has the right of suspending the payment, till the shortages appearing in guaranteed time are ceased. The payment is fulfilled only once a week, it means no delay in payment. Occurrent delay in payment should not have any influence for the next deliveries

Dispatch

Failing any of the prescribed dispatching documents, the consignment will not be received and converted a sin contract, but it will be stored at Supplier's expense and risk.

The consignment should be properly packed, with special regard to the transport-specifications of the assignment. Damages, arising from non-observance of these instructions are covered by the supplier. The receipt occurs always on working days from 7 am to 2 pm.

If the packaging is damaged, the buyer check it, and inform the supplier immediately. In case if the goods arrives damaged, the buyer get on a protocol and send it to the supplier. Until the claim will be finished, the buyer separate the goods.

Price

In so far as there is no other agreement, or terms of delivery, prices include packing and delivering to the place of destination, and they are fix prices, which cannot be increased for any reason.

Place of performance

If there is no other agreement, the place of performance is the place of destination. The day of performance is the day in which the transporter hands over the goods at the place of destination. The transporting task of Supplier is considered as executed, when the entire goods and prescribed documents are in the place of performance.

Freight-bills and consignment notes

Delivery notes or shipping specifications have to be sent so, that they should arrive before, or at the same time of despatch at the Customer. The entire order-number should be indicated in any case delivery notes and on shipping specifications.

For damages and expenses – inclusive demurrages, special reloading charges, handling charges arising from misdirection – which come up by the Customer because of transporting mistakes, answer the Supplier. In case of paying according to unit price, the measured weight on Customer's weighing-machine and the established number of pieces will be received.

Supplements

Supplements are inseparable parts of the contract.

Disputed cases

Disputed cases have to be sold by mutual consent if possible, between the parties interested. In so far as they cannot arrive at an understanding, the parties recognize the court of justice of Hungarian Chamber of Commerce as competent on the matters in dispute. In disputed cases the Hungarian substantive laws will be accepted.

Supplier

Customer