

General Terms of KÖNIG Járműablak-szerkezetet Gyártó és Forgalmazó Kft.

1. Contracting

1. Only the following terms have validity for all deliveries and services of KÖNIG Ltd. The purchase terms of the buyer are valid only if accepted by KÖNIG Ltd in writing. The rights of the buyer are transferred only following the prior consent of KÖNIG Ltd. Upon the request for a quotation, but at latest by ordering of articles, the client accepts the validity of these General Business Terms.
2. All quotations given by KÖNIG Ltd are freely revocable until their acceptance.
3. All orders commissioned to KÖNIG Ltd are binding for KÖNIG only after written confirmation of the order by KÖNIG Ltd.
Agreements different from the order, respectively from the order-confirmation or side-agreements that are concluded verbally with other employees of KÖNIG, who do not have right of signature, are ineffective.
4. Client has to specify the essential technical data, concerning standards and regulations.
KÖNIG Ltd reserves all property and copyrights with regard to the technical documents and drawings. These types of documents cannot be made accessible for and/or cannot be transferred to a third party. In case of violation of these obligations the other party has to pay 20 % of the quotation- respectively the order-value stated in the order-confirmation as severance pay. The above information is to be treated with due pre-caution.
In case König is not commissioned all technical documentation that accompanied the quotation, has to be returned to König.
If König produces the deliverables according to the clients drawing, the client is liable for the infringement of the patent rights of any third party. If König has to cease production due to third party right infringement, König can demand compensation from client for the caused damage.
5. So in case of orders on call, as in case of single orders KÖNIG Ltd has the right to purchase the material for the whole order and to produce the whole ordered quantity at once. The eventual modifications of the buyer cannot therefore be taken into consideration, unless another agreement, concerning them, is closed according to the above-mentioned regulations 1.3. Failing the agreement of the parties, the client is obliged to take over the already finished products at a time agreed and has to pay their value to KÖNIG Ltd. If the parties can not agree on the modification of the contract, but the ordered products are already wholly or partially completed, the client respectively the buyer has to pay the materials purchased in vain and has to pay 20 % of the value of the quantity affected by the withdrawal within 15 days after the alteration of the order as compensation. Until the payment of this amount KÖNIG Ltd is not obliged to begin or to continue fulfilment. The same is true in case, the buyer waives the contract for any reason.

II. Price and payment terms:

1. The quotation prices given by KÖNIG Ltd are authoritative. Rebatelements and cash discounts need separate agreements. The business tax – at all times in the degree imposed by law – has to be paid separately. The price concept includes the wage-assertion as well.
2. Failing any other agreement the prices apply to receipt in Kerekegyháza (Hungary).
3. In case of businesses concerning foreign material processing and reprocessing, the condition of the existence of the agreed prices and terms is that the materials to be supplied and necessary for KÖNIG Ltd are standing at disposal on the agreed date.
4. If after conclusion of the contract unexpected material-, energy-, wage-, tax-increase or other state duty increase or other price-increase occurs, KÖNIG Ltd has the right to make the relevant price-corrections.
5. König is entitled to specify a price for the samples respectively for the tooling cost and claim when this costs are realised, but at the latest invoicing it with the delivery of the goods with the agreed payment term.
By the recovery of the cost-proportion of pressing-, die-cast- and other moulds, of equipments and tools produced by KÖNIG Ltd or commissioned by KÖNIG Ltd to a third party the buyer can not claim the tools or the redemption of the services made by the tools. The tools remain the property of König respectively its supplier even if client has taken total or partial responsibility of the costs.
These tools are retained by KÖNIG Ltd respectively its supplier for a maximum of 2 years from completion of the final order.
6. The contractual services have to be paid within 8 days from invoicing by KÖNIG Ltd unless there is any agreement different from this between the parties.
7. The party exceeding the deadline of payment has to pay twice the base rate of the Hungarian State Bank to KÖNIG Ltd. If the payment delay exceeds 8 days, KÖNIG Ltd can withdraw from the unfulfilled part of the contract, and can suspend the fulfilment of service until the payment of liabilities in full and has the right to refuse the handing over of those objects of the omitting party that are in its possession until payments and obligations are totally met.
8. The payments are to be settled by bank transfer into the bank account indicated by KÖNIG Ltd. König is not obliged to accept cheques or bills of exchange, the acceptance of these requires the agreement of all parties.
The date of receipt is the date of the deposit or the ascribing of the amount on Königs bank account.

III. Fulfilment:

1. The deadlines of the quotation are only approximate and are not binding.
2. The deadlines of the fulfilments become binding for KÖNIG Ltd only after the actual, written re-confirmation. The deadline is increased by the time, that the client spends with the fulfillment of its obligation (drawing acceptance, technical data conveyance, settling of payment and that of warranty)
2. In case of unexpected events independent of the intention of KÖNIG Ltd, such as strikes, work stoppages, state import and export confinements, breakdowns, delays in the supplement of the basic materials, natural catastrophes or other unforeseeable events the delivery deadlines are likely to be postponed. This is valid even if the above delivery circumstances occur with the suppliers of KÖNIG Ltd. The delivery term is postponed according to the duration of such arrangements and obstacles. If the delivery does not happen until the adequate or the postponed deadline or if delivery becomes impossible the client has the right to waive.
If the fulfilment of KÖNIG Ltd is delayed the client has the right to appoint a fair supplementary deadline and to waive the contract in case of a delivery delay of 15 days.
If the buyer furnishes KÖNIG Ltd with the raw- and/or packaging material, and it fulfils this obligation with delay, the delivery term is postponed by the duration of the delay. If the buyer

does not fulfil its obligation of supplement of necessary raw- and/or packaging material within 15 days from the deadline specified in the contract, KÖNIG Ltd has the right to waive the contract concluded with the client.

3. If the fabrication and/or the delivery are postponed upon the request of the client, KÖNIG Ltd has the right to invoice the specified purchase price and/or the wage-cost with the originally agreed receipt-deadline and to claim the amount from the buyer.

IV. Packaging and delivery:

1. The buyer bears the costs and risks of the supplies and deliveries.
2. The risk passes onto the client in time agreed even if the delivery deadline is postponed upon its request or the receipt of the wares are delayed.
3. Deliveries are to be fulfilled with the INCOTERMS 2000 delivery terms specified in the quotation or in the order-confirmation.
4. Eventual damages occurred during transportation have to be reported by the buyer immediately in writing to the deliverer. The facts have to be placed on record immediately. The damage-assessment and the freight-documents have to be sent to KÖNIG Ltd immediately.
5. In case of wage-work contract the client is obliged to convey the materials to be delivered by it to KÖNIG Ltd with the documentation specified by König.
6. The simple, one-way packaging is calculated at the lowest possible price and this is not to be taken back. The cases, boxes and similar two-way packaging in the cross-border circulation is accompanied by CMR, the delivery back is accompanied by delivery note.
7. In case liquidation procedure is started against the client, or it has payment difficulties, or it has overdue invoices and obligation, König is entitled to discontinue fulfillment until financial settlement respectively one-sidedly change the payment terms.

V. Property rights and the sustenance of property rights:

1. KÖNIG Ltd reserves its property rights on all wares supplied by itself until payment of all claims deriving from business contact with the client.
2. In case of client behaviour adversative to the spirit of the contract, notably in case of payment delay, KÖNIG Ltd has the right – according to its choice – either to claim back the transferred goods or to demand its claim after a payment warning and the settling of a new, supplementary deadline of 8 days. If the buyer sells and/or transfers the wares bought from KÖNIG Ltd before the payment of their price, it has to inform the third party about the existence of the property- and repurchase-right of KÖNIG Ltd in the contract concluded with the third party and this right has to be accepted by it. In case of foreseeable further purchases KÖNIG has the right to transfer the wares to the buyer only on condition that it has already had its buyer accept KÖNIG's re-purchase right and has handed over the declaration here over to KÖNIG Ltd.

VI. Warranty claims and claims for compensations, product liability:

1. The buyer has to carry out an immediate check upon receipt of the delivery, but at the latest within 5 days following receipt.
2. KÖNIG Ltd guarantees only for characteristics, specifications and usage possibilities that were specified in the commission and/or in the order. The technical data, characteristics, the application possibilities and the regulation of the normal use are governed by the General Technical Terms of KÖNIG Ltd.

The data given by König concerning the products are based on the experiences and information of the company, are directive and characteristic only. Neither these, nor the agreed characteristics / application purposes free the client from its duty of controlling the compliance of application of the product.

3. KÖNIG Ltd guarantees neither for consequence damages, nor for damages caused through inadequate assembly.
4. In case of delivery of defective goods König has the right before installation to examine the defective part, to repair respectively to exchange it if necessary. If beside the consideration of the above obligation, the defect becomes known only after the building in, the client can ask for re-delivery. In this case König specifies itself, if it repairs, exchanges the defective product or pays back a part of the sales price.
In case of re-delivery the client is obliged to return the defective product upon König's request.
5. König reserves the right that the physical and chemical parameters of the products can differ from the specified values (colour, procedures, application of raw material as usual in sales).

VII. Other regulations:

1. In case of abandoning or waiving of the contract, KÖNIG Ltd has the right to freely sell the wares and materials that remain in its possession and to deduct their value from its claims against the buyer and to retain for itself the eventual residual value as compensation.
2. The whole contract, especially the General Business Conditions contained in it, as well the General Technical Conditions are subject to the Hungarian Material Law. The disputed issues deriving from the contract are subject to the local and trade court competent on the premises of KÖNIG Ltd.
3. The becoming invalid respectively the non-conformance of some specifications of the present terms does not harm the validity of the complete terms.