

GENERAL TERMS & CONDITIONS
For contracts to produce a work
Valid: from September 24. 2024

DEFINITIONS:

Base Documentation: all documents annexed to the Contract, particularly the Authorisation Document, the Execution Document, the Budget, the Implementation Schedule and, in the case of a public procurement procedure, all documents resulting from the public procurement procedure which the Contracting Authority has made available to the Subcontractor until the conclusion of the Contract;

Work: shall mean all activities to be carried out in accordance with the Contract in connection with the execution of the activities and facilities specified in the Contract as the subject matter of the Contract, including, but not limited to, all standard inspection, construction, labour, management and supervision, quality control, technical, professional and other activities, as well as the procurement, import, customs clearance, delivery and unloading of all equipment to and from the Site; all construction and finishing activities required by the Contract or otherwise necessary for its performance in accordance with the Technical Content, other provisions of this Contract and applicable law; and all other work, activities and tasks necessary for the Contractor to perform its obligations under the Contract;

Contract: the Contract between the Parties and all its Annexes, including this General Terms and Conditions;

Certificate of Completion: a certificate drawn up by the Subcontractor on the basis of the sample of documents attached to the Contract and signed by all parties in writing, which relates to the Subcontractor's current quantitative performance and which is the basis for the settlement of accounts between the Parties; irrespective of the signing of the Certificate of Completion, the Client may subsequently, after signing, raise quantitative and qualitative objections to the Subcontractor's performance;

Contractor's Fee: means the fee payable to the Subcontractor for the full and complete performance of its contractual obligations under the Contract, in accordance with the Budget and the provisions of the Contract.

1. PURPOSE OF THE CONTRACTUAL CLAUSES

- 1.1. These General Terms and Conditions form an integral part of the Contract between the parties (hereinafter referred to as the "**Contract**"). The purpose of these General Terms and Conditions is to regulate the detailed terms and conditions of the Contractual relationship between the Parties.
- 1.2. The Parties have individually negotiated all the provisions of these General Terms and Conditions (hereinafter referred to as "**GTC**") and in the event that one of the Parties does not accept and/or agree with the terms and conditions set out herein, in whole or in part, the Parties shall set out any deviation from the General Terms and Conditions, including its content, in the contract

between them (Specific Terms and Conditions). The Subcontractor expressly declares that it has read these General Terms and Conditions in their entirety and that it accepts to be bound by certain of their provisions, provided that the intention to derogate from them is not expressly stated in the Contract. Capitalised words and expressions used in these General Terms and Conditions shall have the same meaning as in the Contract.

- 1.3. The Parties declare that the Base Documentation contains the entire agreement between the Parties in relation to the legal relationship which is the subject matter of the Contract and supersedes all prior agreements, letters of intent and drafts between the Parties. Any of the Subcontractor's own terms and conditions shall not form part of this Contract or its basic provisions as set out above.

2. SUBJECT MATTER OF THE CONTRACT

- 2.1. The Parties stipulate that the subject matter of the Contract includes all Contractor Services, without any specific designation, which are reasonably necessary for the achievement of the contractual result and its suitability for its intended use, in particular the items included in the Base Documentation on which the Contract is based but not included in the Contractor's fee (budget) (hereinafter: "**Additional Work**"), as well as any technically necessary work not included in the Contract and its Annexes, without which the Work cannot be used as intended, even if the cost of the Additional Work was not foreseeable at the time of conclusion of the Contract. The Parties expressly agree that the Subcontractor may claim separate remuneration only for the Supplementary work carried out by it. Work performed by the Subcontractor shall be considered Supplementary work only if it is not included in the Base Documentation and the Client has given a written order for its performance (hereinafter referred to as "**Supplementary work**"). Unless otherwise agreed by the Parties, the unit prices set out in the Budget shall apply for the settlement of Supplementary work.
- 2.2. The Parties stipulate that the provisions of this GTC shall apply in full to the Subcontractor's performance of the Supplementary works and their consideration, including, for example, the warranty and guarantee obligations of the Subcontractor in respect of the Supplementary works and the obligation to provide a Performance guarantee and a Warranty Bond in respect of the consideration for the Supplementary works. The Parties expressly exclude the application of the second sentence of the Civil Code. 6:245 (1).
- 2.3. The Base Documentation is an integral part of the interpretation of the subject matter of the Contract. In the event of any circumstance arising after the signing of the Contract, which has not been detected by the Parties and which requires additions or changes to the Base Documentation, the Subcontractor shall, with the prior written consent of the Client, be obliged to make (have made) the necessary amendments free of charge, to prepare the necessary official approval procedures and to continue the construction work accordingly. In addition to those provided to the Subcontractor by the Client, the Subcontractor shall obtain at its own expense any plans and permits that are still missing but are necessary for the execution of the Work. The Client shall, if necessary, assist in the procedure for obtaining official approvals and permits.
- 2.4. By signing the Contract, the Subcontractor declares that it has read the Base Documentation and other documents provided by the Client and has checked them in their entirety and at its own risk. The Subcontractor declares that it has had the opportunity to carry out surveys on the construction

site prior to the conclusion of the contract and that it is familiar with all dimensions, surface and material quality. The Subcontractor has determined the Contractor's price considering this information, based on its sufficiently extensive professional experience and knowledge of the construction site and the circumstances, considering the characteristics of the construction site, its constraints, its access and means of access. The plans supplied by the Client shall not exempt the Contractor from the adequacy of the work, on the understanding that the preparation of any further plans that may be required and the obtaining of the necessary official approvals and permits, including for plans supplied to the Subcontractor, shall be the responsibility and expense of the Subcontractor.

3. THE CONTRACTOR'S FEE

- 3.1. The Contractor is entitled to a Contractor's Fee for the performance of the Works under the Contract. The Contractor's fee shall be determined based on a fixed lump sum or itemised invoice. The Parties shall be governed by the provisions of the Contract as to the method of settlement of the Contractor's Fee, on the understanding that the Subcontractor shall be liable for the Contractor's Fee in full (including any Additional Works and any Works necessary for the full implementation of the Contract) in accordance with the provisions of Clause 1. to carry out all the Works in accordance with the Contract, in compliance with the applicable European and Hungarian standards, technical specifications and directives, to complete them in Class I quality and on time with the diligence of a specialist company, and to fulfil its other contractual obligations.
- 3.2. The value of the uncompleted works shall be deducted from the Contractor's fee. The Contractor's fee particularly includes the full, first-class, defect- and deficiency-free execution costs of the works performed by the Subcontractor (including sub-subcontractors). This includes, among others, the costs of materials to be installed by the Subcontractor, the costs of auxiliary materials used during installation, transportation to the worksite, the installation, maintenance, and dismantling of any necessary and temporary facilities, any performance-related costs, all costs associated with mobilization and demobilization (such as the costs of access permits, debris removal, cleaning of the worksite and public areas, potential mining royalties, etc.), material handling costs, security and property protection costs at the worksite, waste management, storage, disposal, and transportation costs, costs of fulfilling occupational safety obligations, the Contractor's risk arising from price changes, as well as the taxes and duties applicable to the Subcontractor based on its activities, wages and related contributions arising from the Subcontractor's employees, utility costs, and the costs of obtaining any permits and approvals not provided by the Client but necessary for the Contractor's performance.
The Contractor's fee further includes the costs of the quality tests required for compliance with standards or prescribed by the Client, the evaluation of these tests, as well as the costs of any expert opinions, quality certificates, and measurements required to verify compliance with the contractual parameters, and all other costs necessary for the realization, commissioning, and contractual performance of the subject of the Contract.
- 3.3. The quantities of the contractual tasks are included in the Base document. The Subcontractor has determined the unit prices or prices for each item listed in the Budget, which include all incidental costs (e.g., material, labour, machinery, use of public spaces, mobilization and temporary auxiliary facilities, instrument-based soil testing, scaffolding, auxiliary structures, formwork, transportation and maintenance of transportation routes, cleaning, dust suppression, inspection measurements

and tests, sampling, qualifications, certification of qualifications, traffic diversion, staking out, costs of obtaining the necessary permits from authorities and other relevant permits for the execution, utility data services, supervisory fees of specialized authorities, costs arising from occupational safety regulations concerning employee protection and working conditions, any rental and insurance fees, etc.), as well as all customs duties, taxes, and other fees that the Subcontract is required to pay in connection with the performance of the Contract. When determining the bid price, the Subcontract also considered the payment schedule requirements and the corresponding obligations arising from it.

- 3.4. The Subcontract declares that its undertaking for the tasks specified in the subject matter is comprehensive and includes all works necessary for the complete execution of the tasks specified in the subject matter (regardless of whether such work is not, or is only briefly mentioned, or is not detailed in the Contract or in these contractual conditions).

4. DEADLINES

- 4.1. The deadlines and their corresponding technical content are detailed in the Implementation Schedule, prepared based on the Technical content, the Permitting Plan Documentation, and the Construction plan, which form an annex to the Contract (potentially consolidated into a single document). The Subcontract must prepare and submit the detailed Implementation Schedule to the Contractor for approval no later than 3 days after signing the Contract, and before the actual commencement of construction, in the format specified by the Contractor in both electronic and paper versions. Construction cannot commence without an accepted and approved schedule. The schedule must be prepared on a daily basis, broken down by work type, indicating the projected value of work to be completed in the respective month. The schedule must clearly list all tasks to be performed, their start and end dates, and include a timeline for the presence of required staff, major machines, tools, and equipment on-site. The Implementation Schedule must also specify the times and durations when the use of neighboring properties or areas will be restricted due to demolition/construction activities. The Subcontract must continuously, but at least every two weeks, update the schedule and submit it to the Contractor for approval. The intermediate and final deadlines stipulated in the Contract (especially in the special contract conditions) are subject to liquidated damages.
- 4.2. The fact of the handover of the work area shall be recorded by the Parties in the construction log. By accepting the work area, the Subcontract acknowledges, even in the absence of a separate statement, that the site is suitable for carrying out the work. The Subcontract may only refuse to accept the work area if it is completely unfit for work. In the case of partial handover of the site or partial suitability for work, the Subcontract must commence work on the available area. The Contractor assumes no liability for any delays caused by the entity with whom it has a contractual relationship (hereinafter "Developer") in the handover of the site.
- 4.3. The Subcontract acknowledges that the Developer remains the owner of the work area, and the Contractor remains in possession of the work area at all times, and the handover of the work area to the Subcontract for the purposes of fulfilling this Contract does not entitle the Subcontract to exclusive possession of the work area (in particular, the Subcontract is not entitled to unlawfully prevent the Contractor, persons acting on behalf of or for the benefit of the Contractor and/or

Developer, or other contractors from entering the site; any violation of this provision by the Subcontract will constitute a material breach of the Contract).

For the sake of clarity, the Parties confirm that the provisions in this section do not affect the Subcontract's exclusive responsibility for bearing the risk of damage and complying with occupational safety and labor regulations.

- 4.4. The Subcontract is obliged to complete the contractual work(s) by the deadline stipulated in the Contract, free from defects and deficiencies. The Subcontract may only perform earlier than the deadline with the Contractor's prior written consent; without such consent, the Contractor is not obliged to accept early performance. Completion of the Technical acceptance procedure is included in the final performance deadline
- 4.5. The Subcontract must immediately notify the Contractor of any circumstances that may jeopardize the successful completion or timely execution of the work. The Subcontract is liable for any damages resulting from failure to provide such notification.
- 4.6. If the Contractor becomes aware that it is unable to meet the deadlines set forth in the Contract for any reason, it must immediately inform the Contractor of the reason and expected duration of the delay. The Subcontract must then take all necessary measures to expedite progress and ensure compliance with the performance deadline. No additional compensation is due to the Subcontract for such measures.
- 4.7. If the Subcontract cannot meet the performance deadline, it must immediately notify the Contractor in writing, specifying the reason for the delay. The Subcontract is liable for any damages resulting from failure to provide such notification.
- 4.8. If, at any time during the performance of the Contract, the Subcontract encounters a situation that threatens or prevents meeting the contractual (partial) deadlines, it must immediately inform the Contractor in writing of the fact of any delay, the expected duration and reason for the delay, and at the same time propose a new deadline for completion. The Contractor will decide at its discretion whether to accept the proposed extension. Acceptance of the extension by the Contractor is only valid in writing.
- 4.9. If the Contractor grants an extension in writing for performance, the Subcontract will not be in default if it completes performance by the new deadline. If the Contractor does not provide an extension in writing, the Subcontract must meet the original performance deadline, and failure to do so will result in default, with the corresponding legal consequences for delays by the Subcontract becoming applicable. If the Subcontract exceeds the new deadline set by the Contractor in writing, the consequences of delay will apply.

5. OBLIGATIONS OF THE SUBCONTRACTOR

- 5.1. The Subcontractor shall carry out the construction work in accordance with the provisions of the Contract, the plans, and the statutory regulations, as well as applicable Hungarian and European standards and technological requirements relevant to the types of work, in first-class quality, free from defects and deficiencies, in line with the conditions stipulated in the Contract. The

Subcontractor is required to consider the Contractor's instructions in scheduling the work and determining its order.

- 5.2. The Subcontractor is obliged to provide skilled and experienced managers and supervisors, as well as trained and auxiliary workers with the necessary qualifications, which are required to ensure the performance of the Subcontractor's obligations under the Contract in a timely manner.
- 5.3. If the Contractor deems that the actual progress of the Work or a portion of the Work does not align with the Implementation Schedule approved under the Contract, the Subcontractor is obliged to prepare and submit a revised schedule for approval within 5 (five) days at the request of the Contractor, which includes the modifications necessary to complete the work or the portion of the work by the Completion Deadline. The Subcontractor shall always execute the construction based on the approved Construction plan.
- 5.4. The Subcontractor shall prepare and update in a timely manner any plans that are the responsibility of the Subcontractor under the Contract, these Terms and Conditions or any legal requirements (statutory provisions).
- 5.5. It is the Subcontractor's responsibility to provide all (auxiliary) tools, (auxiliary) materials, structures, scaffolding, and other installation and construction equipment necessary for the execution of the Work. The Subcontractor is responsible for overseeing the work and ensuring that the equipment and tools necessary for the employees to perform their tasks, as well as the resources required for the implementation according to the Implementation Schedule, are provided. This includes expenditures necessary to eliminate any potential delays (additional personnel, number of shifts, etc.).
- 5.6. The Subcontractor shall repair any damages caused by them or their subcontractors to the construction site, adjacent properties, public areas, or utilities during the construction process.
- 5.7. The Subcontractor is obligated to inform the Client promptly in writing about all circumstances that impede the performance of the contract, especially any observations that significantly affect the realization of the Facility and/or the contracted Work (technical solutions, deadlines), in addition to making entries in the construction diary. The Subcontractor shall also take action to address such circumstances to the best of their ability. The Subcontractor is liable for damages arising from the failure to fulfill this notification obligation.
- 5.8. Subcontractor shall fully compensate for any damage caused by it.
- 5.9. The Subcontractor must adhere to regulations regarding the elimination and limitation of pollution related to noise, vibration, dust, etc., during the construction process. The Subcontractor will bear all costs associated with compliance with these regulations, as well as those arising from their violation. The Subcontractor is required to continuously remove any pollution caused by their activities (and those of their subcontractors) from the construction site and adjacent areas at their own expense. If the Subcontractor fails to meet this obligation despite notification, the Client may arrange for cleaning at the Subcontractor's expense.
- 5.10. It is the Subcontractor's responsibility and expense to obtain permits related to the employed workforce, used materials, equipment, routes, and site occupancy.

- 5.11. The Subcontractor is responsible for complying with the EKAER reporting obligation, and any damage or additional costs arising from its failure will be passed on to the Subcontractor by the Client.
- 5.12. The Subcontractor shall ensure the fencing of the work area, the protection of property, occupational safety, environmental protection, the observance and maintenance of safety regulations, fire protection, environmental protection and health regulations, and the creation of the necessary conditions for this. In the event of failure to do so, the Client shall be entitled, at its option, to terminate the Contract immediately or to rescind it, with the proviso that in either case the Subcontractor shall be fully liable for all damages incurred by the Client as a result of the omission and termination/ rescind.
- 5.13. The Subcontractor is responsible for establishing, connecting, maintaining, servicing, and dismantling the temporary electrical network (including necessary lighting (floodlights) for safe and accident-free work) from the connection point provided by the Client.
- 5.14. The Subcontractor must take all possible steps to protect their work from weather effects (rain, frost, heat, etc.).
- 5.15. The Subcontractor acknowledges that other contractors may be working on the site simultaneously during their work. The Subcontractor is required to coordinate their activities in cooperation with other suppliers and contractors. No additional costs or claims can be made citing this. The Subcontractor may not perform activities that violate the fire and safety regulations of other subcontractors. The Subcontractor must carry out their work in a manner that minimizes the environmental impact.
- 5.16. The Subcontractor is obligated to keep a construction diary in accordance with Government Decree 191/2009 (IX. 15.) on Building Contractor Activities and applicable laws. During the trial operation, the Subcontractor will instruct the Client's specialized personnel and keep a record of the trial operation and training, which will be certified by the Client's representative.
- 5.17. The regulations contained in Government Decree 191/2009 (IX.15.) regarding the readiness, management, supervision, and registration obligations of the electronic construction diary shall be considered guiding.
- 5.18. The construction diary must be maintained with up-to-date content and form in accordance with the regulations and instructions of the Client, ensuring that the activities of the Subcontractor and their subcontractors/participants can be verified in relation to the realization of the Contractual Work.
- 5.19. The Subcontractor is required to ensure the continuous presence of the responsible technical manager(s) as specified in the relevant laws during the execution.
- 5.20. The Subcontractor must provide a permanent technical representation on the worksite with a duly authorized representative and the necessary number of technical supervisors, who must only be the Subcontractor's own employees. The written instructions of the Client's site manager regarding the execution must be strictly followed by the Subcontractor without delay.

- 5.21. The Subcontractor agrees to perform data provision tasks related to the execution that are not mentioned in the Contract, and if necessary, to provide the requested data (if in possession) immediately, or within three (3) days of the request if not.
- 5.22. Completed sections of work that will be concealed must be presented to the Client in a condition suitable for assessment. This also applies to the individual layers of the same work process. The Subcontractor must notify the Client in writing of the completion of the work section at least 2 working days before concealment in the construction diary. Continuation can only occur after the Client's approval. If the Subcontractor fails to notify the Client within the specified deadline about the work section to be concealed, the Client is entitled to dismantle the section at the Subcontractor's expense and to redo (have redone) the work at the Subcontractor's expense.
- 5.23. The Subcontractor declares that it will carry out all approvals and administrative tasks related to the labor, employment, and occupational health regulations concerning every person employed in its contractual activities according to the applicable official regulations. In case of failure, the Client has the right to terminate the Contract unilaterally, with the Subcontractor bearing the legal consequences. It is the Subcontractor's responsibility to obtain and verify these permits. The failure to comply with these obligations is considered a breach of contract, and all resulting legal consequences will be borne by the Subcontractor.
- 5.24. The Subcontractor bears sole responsibility for and associated costs of ensuring all hygiene, safety, and occupational health conditions for its entire workforce. The Subcontractor is obligated to ensure the safety of the worksite throughout the execution and is responsible for taking necessary measures to protect the Client (its employees, representatives) and third parties.
- 5.25. The Subcontractor is entirely responsible for the correctness, stability, and safety of workplace operations and construction methods.
- 5.26. The Subcontractor commits to prioritize quality assurance and to require the same from its subcontractors and suppliers.
- 5.27. At the Client's request, the Subcontractor agrees to perform work on holidays and in multi-shift work schedules without charging additional costs.
- 5.28. The Subcontractor must protect the work of other contractors. Upon taking over the worksite, any noticed and existing damage must be recorded in writing, as any corrections or replacements of these will be at the Subcontractor's expense upon transfer of the worksite. The Client will issue an invoice for the amount, with a payment deadline of 8 days. Undiscoverable damages will be shared proportionately among contractors (contractors, subcontractors, sub-subcontractors, other performance assistants) working on the site.
- 5.29. The Subcontractor shall indemnify the Client from any responsibility, obligations, or claims arising from third parties concerning the works during, before, or after the completion of the Subcontractor's execution. The Subcontractor will fulfill these obligations directly to any third parties raising claims. The Subcontractor assumes exclusive responsibility for the usability of the facilities and equipment it has constructed.

- 5.30. The Subcontractor must continuously collect, store, dispose of, and transport waste arising from its activities and must handle, transport, and store hazardous waste in accordance with legal regulations, with the costs included in the Contractor's fee. The Subcontractor is required to transport waste to a landfill or waste recycling facility with valid environmental authority permits and to provide the Client with Acceptance Declarations. Additionally, upon the Client's request, the Subcontractor must provide a copy of the waste disposal organization's valid waste management permit (with KÜJ: [*] and KTJ: [*] numbers) for verification purposes. Any invalid or unpermitted waste handling or transportation will result in all associated legal consequences being borne by the Subcontractor. If the obligations stated in this section are not fulfilled, the Client may have the tasks completed at the Subcontractor's expense, which will be deducted from the current partial invoice.
- 5.31. The Subcontractor shall allow inspections by the authorities and shall arrange for the authorities to participate in inspections and controls for which the Subcontractor is responsible.
- 5.32. Materials and goods that are to be incorporated into the work become the property of the Client upon delivery to the worksite and may only be removed from the site with the Client's permission, except for their use in the Work. The Subcontractor must ensure the protection of such materials and goods from damage. The Subcontractor may only bring materials, auxiliary materials, equipment, etc., onto the worksite with a delivery note, and may only remove anything from there under the same conditions. A copy of the delivery note must be submitted to the Client's representative. Any violation of this releases the Client from custody responsibility.
- 5.33. The Subcontractor may use the transferred documents solely for the implementation of the investment. The plans cannot be made public, nor can they be disclosed to unauthorized persons as defined in the Contract; they cannot be modified or supplemented without the prior written consent of the Client. The same rules apply to statements made to the media.
- 5.34. The installation of company or advertising signs on the work site requires the approval of the Client, unless a law expressly mandates such placement. If the Client requires the Subcontractor to place company or advertising signs, the Subcontractor shall not have any claim for compensation against the Client as a result.
- 5.35. If the Subcontractor employs a foreign citizen for the performance, it is obliged to notify the Client prior to the employment and to present the necessary permits and documents for the lawful employment of the foreign worker. Failure to provide this notification constitutes a serious breach of contract, entitling the Client to terminate the contract with immediate effect.
- 5.36. The parties explicitly exclude the application of Sections 6:246 and 6:247 (5) of the Civil Code.
- 5.37. If the approval or decision of the Client is required under the Contract, the Subcontractor shall not be exempt from the obligations and responsibilities set forth in the Contract due to such approval or decision. For the avoidance of doubt, the Parties specify that the period during which the Investor provides or denies any consent, approval, or certification, conducts inspections, gives instructions, or makes decisions shall not be considered a delay by the Client.
- 5.38. The Subcontractor shall not be relieved of liability if the Client fails to conduct any inspection or performs it improperly.

- 5.39. The representatives of the Client (technical inspector(s)) may verify the professionalism of the work performed at any time and may refuse to accept the work in case of defective performance or work not classified as first-class.
- 5.40. The Client may issue instructions to the Subcontractor. If the instruction is impractical, unprofessional, or its compliance is impossible or unreasonable in the given situation, the Subcontractor is obliged to draw the Client's attention to this. Should the Subcontractor fail to fulfill this obligation, it shall be fully liable for any damages incurred by the Client as a result.
- 5.41. The Subcontractor is obliged to ensure the necessary security of the work site and the safety of the persons present at its own expense during the work and the rectification of defects; it is also obliged to provide and maintain at its own expense all warning signs necessary for the protection of the works or for the safety and comfort of others. The Subcontractor is also responsible for keeping the technical condition of the completed but not yet delivered work part(s) in a like-new condition.
- 5.42. Upon completion of the execution, the Subcontractor must declare in writing that the Work has been performed in accordance with the plans and that it complies in all respects with the applicable plans.
- 5.43. If the Subcontractor incorporates materials or equipment provided by it into the work, it is obliged to provide the Client with the quality and safety certificates of these incorporated materials and equipment, and upon the Client's request, it must transfer the manufacturer's warranties for these materials and equipment to the Client.
- 5.44. If the materials necessary for the work are provided by the Client, they shall be handed over either at the Client's premises or at a designated pre-agreed location or on the construction site. The handover of materials can only take place in the presence of the Client's representative.

6. OBLIGATIONS OF THE CLIENT

- 6.1. The Client is obliged to hand over the worksite to the Subcontractor in a condition suitable for carrying out the work within the deadline.
- 6.2. The Client monitors the work (Civil Code § 6:242) and may supervise it. The Subcontractor is not relieved from the consequences of breach of contract due to the Client's failure to supervise or properly supervise the activities of the Subcontractor.
- 6.3. The Client ensures the technical supervision of the construction works through its representative and records any comments in the construction log.
- 6.4. The Client's representative is authorized to make statements and decisions, and participates in on-site cooperation meetings held weekly, if necessary. The Client ensures the participation of specialized designers as needed.

- 6.5. The Client is obliged to accept the performance offered in accordance with the contract and to pay the Contractor's fee.

7. USE OF A SUB-SUBCONTRACTOR

- 7.1. The Subcontractor expressly agrees to carry out the construction work exclusively with its own employees.
- 7.2. The Subcontractor may only sub-subcontract the works and transfer the rights and obligations under the Contract to a third party with the prior written consent of the Client. The Subcontractor remains fully and directly responsible for the fulfillment of the contractual obligations, even in the case of sub-subcontracting. The Subcontractor guarantees that any engaged sub-subcontractor holds the necessary qualifications, permits, and authorizations, as required by the Subcontractor and/or necessary for performing the tasks under the Contract. The Subcontractor is fully responsible for the activities of the sub-subcontractors.
- 7.3. The Subcontractor may only employ first-tier sub-subcontractors (in compliance with Section 7.2), provided that it assumes responsibility for maintaining the electronic log from its sub-subcontractors. Should the Subcontractor fail to comply with the requirements of this section, the Client will consider this a breach of contract by the Subcontractor, in which case the Client is entitled to terminate the Contract and apply the sanctions defined in this Contract.
- 7.4. In cases where the Subcontractor undertakes ongoing obligations for services or materials that exceed the guarantee (warranty) period specified in the Contract, the Subcontractor is obliged, at the Client's request, to immediately assign any guarantee (warranty) claims against its sub-subcontractors or suppliers to the Client, free of charge, upon the expiration of the warranty period.
- 7.5. The Parties stipulate that the Subcontractor is not entitled to assign or factor claims arising against the Client during the performance of this Contract.

8. PAYMENT TERMS

- 8.1. The Subcontractor may issue an invoice based on the performance certificate signed by the Client for the works completed during the relevant period. In case of quality or quantity objections, the Client (or its representative) may refuse to issue the performance certificate and set a new deadline, requesting the Subcontractor to perform according to the contract. The issuance of the performance certificate does not waive the Client's right to enforce any claims for damages or other rights. The Subcontractor must prepare and submit the performance certificate for approval and signature by the Client no later than the 5th day following the deadline of the relevant performance phase or month. The Subcontractor must declare in the performance certificate that it fully covers the value of the Subcontractor's performance for the relevant period.
- 8.2. The payment schedule is included in the Contract.

- 8.3. If the issued invoice does not include the Client's contract number and the BR client number or contains other formal or substantive errors, the invoice will be rejected. The resulting payment delay shall not be borne by the Client.
- 8.4. If the Parties have agreed on an advance payment in the Contract (in special contract conditions), the precondition for payment of the advance is that the Subcontractor provides an unconditional and irrevocable advance repayment bank guarantee issued by a first-class Hungarian bank, approved by the Client, corresponding to the amount of the advance. The guarantee must remain valid until the 30th day following the settlement of the advance. If the advance repayment guarantee expires 30 days before the repayment obligation, the Subcontractor must immediately provide a new advance repayment guarantee. If the Subcontractor fails to provide the extended or new guarantee by the 20th day prior to the original expiration or repay the unaccounted advance amount, the Client is entitled to proportionally draw from the existing guarantee.
- 8.5. All invoices must be issued in Hungarian Forint (HUF) in accordance with applicable Hungarian laws. The Subcontractor may issue partial invoices and one final invoice as specified in the Contract and its annexes.
- 8.6. The Subcontractor must attach all documents, certificates, and declarations that support the authenticity and due date of the invoice and that the Client considers necessary for verifying such invoices. The verification and payment of the invoice do not constitute technical acceptance of the work or waiver of any claims for damages or other rights.
- 8.7. The Subcontractor is entitled to submit the final invoice to the Client after the issuance of the performance certificate signed by the Client (or its representative) and the successful completion of the technical acceptance process by the Investor, as recorded in the final handover protocol. The submission of the final invoice is also contingent upon the delivery of the documents referenced in Section 11.2 of these contract conditions. The amount of the final invoice must be at least 20% of the contract price.
- 8.8. By submitting the final invoice, the Subcontractor confirms, without the need for a separate declaration, that the amount of the final invoice includes the full and final settlement of all claims arising from the Contract against the Client. The Subcontractor must also declare the following upon submitting the final invoice:
- The construction work has been completed in compliance with the Contract, including the Technical content, Permitting Plan Documentation, Construction Plan, and applicable standards,
 - The materials were installed or used according to the manufacturers' instructions,
 - The Subcontractor has conducted all required inspections, and the results meet the standards and other regulations,
 - The Subcontractor has obtained all necessary permits and approvals that are its responsibility under the Contract.
- Providing these documents and declarations is a condition for submitting and settling the final invoice.
- 8.9. The amount of the (partial) invoice will be paid via bank transfer no later than the 30th day after receipt of the performance certificate signed by the Client (or its representative) and the VAT-

compliant invoice. The final invoice will only be settled upon defect- and deficiency-free completion. The payment date is the date the Client's account is debited. The Subcontractor is entitled to payment only to the extent and under the conditions that the Client is entitled to receive payment from the Investor. The Subcontractor acknowledges that the Client is entitled to withhold payment until the Investor makes payment to the Client for the Subcontractor's work (or part thereof).

- 8.10. The Subcontractor accepts that only the performances and additional works accepted by the Investor (through its technical supervisor) from the Client are eligible for invoicing and acknowledges any quality and quantity deductions applied by the Investor (through its technical supervisor) towards the Client.
- 8.11. The Client is entitled to withhold its claims against the Subcontractor from due payments or offset them against withholdings, guarantees, or the amounts of partial or final invoices. In addition to performance and warranty guarantees, the Client is entitled to withhold the proportionate amount of the Contractor's fee (including the value of additional works) specifically, but not limited in the following cases:
- Performance is defective or incomplete, and the Subcontractor has not corrected the defect or completed the missing work despite the Client's written request.
 - The Subcontractor caused damage to the Contract Work, or any other party in a legal relationship with the Client, or to third parties affecting the Client.
- 8.12. The Subcontractor is obliged to submit for the Client's approval, in digital format, a monthly financial and invoicing schedule (Financial Schedule) aligned with the Implementation Schedule, within 3 days after signing the Contract.
- 8.13. In case of late payment by the Client, the interest rate for late payment equals the prevailing central bank base rate.
- 8.14. Any claims arising from the Contract against the Client may only be assigned (factored) with the prior written consent of the Client.
- 8.15. The Subcontractor is entitled to issue an invoice only upon receiving a performance certificate signed by the Client according to the terms of the Contract. The invoice must correspond to the performance certificate issued by the Client, with the certificate attached as an annex to the invoice.
- 8.16. The Subcontractor may submit a separate invoice for additional works accepted by the Client, based on a performance certificate issued by the Client.
- 8.17. In addition to the statutory requirements for invoices (such as those in the VAT Act, Directive 2006/112/EC on the common system of value-added tax, and the Ministry of National Economy Regulation 23/2014 (VI.30) on the tax identification of invoices and receipts and the electronic preservation of invoices for tax authority inspection), the following data must also be included on the invoices
- Name of the bank, bank account number, and IBAN code,
 - In the case of partial invoices, the term "partial invoice" and its serial number;
 - The Client's contract number;

- BR client number.
- 8.18. The Subcontractor must issue and send the invoice to the Client within 3 (three) days of receiving the performance certificate signed by the Client.
- 8.19. If the Contractor or the Investor raises an objection concerning the submitted invoice or accounting document, the Contractor or the Investor shall notify the Subcontractor regarding the disputed invoice or accounting document, either directly or through the Contractor. In such a case, the payment deadline shall be calculated from the receipt of the corrected invoice or accounting document by the Contractor. The Parties agree that any claim for issuing a correcting invoice in such cases also implies a dispute regarding the claim contained in the invoice.
- 8.20. The consequences of the Investor's delay in payment release the Contractor from the consequences of late payment towards the Subcontractor.

9. PERFORMANCE GUARANTEE

- 9.1. The Subcontractor shall provide the Performance Guarantee to secure claims related to the non-conforming performance or failure of performance of the Contract, or any claims arising in connection with the contract or breach of contract (e.g., compensation); to cover the Contractor's claims for liquidated damages and other damages beyond liquidated damages, costs related to non-conforming performance, etc.
- 9.2. The Subcontractor is obligated to provide the Performance Guarantee for the contracted Works, in the manner specified in the Contract.
- 9.3. The Performance Guarantee must remain valid until 30 (thirty) days after the successful conclusion of the technical acceptance of the entire Project specified in the General Contract.
- 9.4. The percentage of the Performance Guarantee is determined relative to the Contractor's Fee. The amount of the Performance Guarantee is specified in the special conditions of the Contract. In the absence of such provisions, the Performance Guarantee shall amount to 10% of the net Contractor's Fee and cannot be replaced by a bank guarantee.
- 9.5. If the Contractor's Fee is increased for any reason, the Subcontractor is obliged to supplement the Performance Guarantee to the increased amount based on the revised value within 10 working days from the effective date of the adjustment of the Contractor's Fee. If the Subcontractor fails to comply, the Contractor is entitled to deduct the amount from any monetary claims of the Contractor and retain it as a security deposit.
- 9.6. If no objections (contractual breaches) arise concerning the Subcontractor's performance, the Contractor shall continue to withhold the amount corresponding to the Performance Guarantee, or the part of it not affected by use, as a Guarantee during the warranty period as specified in clause 10.

10. PERFORMANCE BOND

- 10.1. The Subcontractor is obliged to provide a performance bond to the Contractor to secure claims related to defective performance under the Contract, as well as the obligations resulting from defective performance, which fall under the scope of the bond. The amount of the performance bond is specified in the special conditions of the Contract. If the Contractor utilizes the bond, it will notify the Subcontractor of the necessity to replenish it.
- 10.2. The percentage of the performance bond is determined relative to the Contractor's Fee. The amount of the bond is specified in the special conditions of the Contract. In the absence of such provisions, the bond shall amount to 10% of the Contractor's Fee.
- 10.3. The method of providing the bond is financial retention. Financial retention can be replaced, with the Contractor's prior written consent, by a bank guarantee from a Hungarian bank accepted by the Contractor, issued in a form and wording also pre-approved by the Contractor. The Parties stipulate that the Contractor's prior written consent is discretionary.
- 10.4. If the Subcontractor provides the bond in the form of a bank guarantee with the prior written consent of the Contractor, the bond must be unconditional, irrevocable, payable upon the first demand but no later than within five banking days, without the right of objection or offset, and without the examination of the underlying legal relationship. It must remain valid for a fixed term until 60 days after the expiration of the warranty period. The issuer and wording of the bond must be submitted to the Contractor for prior approval in each case. The bond must be issued in Hungarian, callable in Hungarian, and submitable within Hungary. The Parties agree that Hungarian law shall apply to the bond, and the jurisdiction and competence of Hungarian courts shall be stipulated.
- 10.5. The Performance Guarantee must remain valid until 60 days after the expiration of the Guarantee Period. The Performance Guarantee may be used in installments. The Parties expressly stipulate that the expiry of the Performance Guarantee must not occur earlier than 30 days after the expiry of the Performance Guarantee provided by the Contractor to the Investor.
- 10.6. If the bond conditions change, the Subcontractor is obliged to extend the validity of the Performance Guarantee to the date specified by the Contractor, without any additional cost, immediately but no later than 8 days after the Contractor's first request. If the Subcontractor fails to comply, the Contractor is entitled to call on the amount of the Performance Guarantee and use it as a security deposit.
- 10.7. The retained amount will be paid to the Subcontractor by the Contractor after the retention period expires or after the completion of repair and replacement work, based on a claim submission from the Subcontractor.
- 10.8. If the Subcontractor provides the Performance Guarantee in the form of a bank guarantee, the Contractor is entitled to withhold the final payment and the refund of the Performance Guarantee until the Subcontractor submits the Performance Guarantee according to the conditions set forth above

11. HANDOVER-TAKEOVER PROCEDURE

- 11.1. The Subcontractor is required to inform the Contractor in writing at least 15 (fifteen) days before the completion deadline, notifying the Contractor of the readiness for the start of the handover-takeover procedure for the works specified in the Contract. The Contractor will schedule the start of the handover-takeover procedure within 15 days following the Subcontractor's notice of readiness. If the Subcontractor fails to attend the handover-takeover procedure scheduled by the Contractor, the procedure may be deemed unsuccessful at the Contractor's discretion. The Contractor is only obliged to accept the works if the Subcontractor has completed the works without defects and omissions.
- 11.2. The start and completion of the technical handover-takeover procedure are contingent upon the Subcontractor providing the Contractor with 4 (four) paper copies and a digital version of the As-Built Documentation.
- 11.3. The Subcontractor (including sub-subcontractors, contributors, and suppliers) is obliged to cooperate with the Contractor, the Investor, the designer, and other contractors, subcontractors, and suppliers in preparing the Implementation Documentation.
- 11.4. The Subcontractor declares the completeness of the Implementation Documentation in the minutes of the technical handover-takeover procedure.
- 11.5. Minutes must be taken of the handover-takeover procedure in 4 (four) copies, documenting the names, roles, and signatures of participants, the start and end times of the procedure, the statements of the attendees, any defects or omissions noted by the Contractor or other parties involved, the amount of any repairs (defects, omissions) determined by the Contractor, the Contractor's warranty and guarantee claims, any quality deductions, and the deadlines imposed by the Contractor for correcting defects or omissions. The minutes must also record whether the Contractor requests the rectification of defects or seeks a price reduction, as well as the Subcontractor's commitments regarding these issues. The minutes shall also state the acceptance, the start of the warranty and guarantee periods, the reasons for rejecting acceptance, and any statutory declarations. The Parties expressly agree that if the Contractor does not record claims as per this section in the handover-takeover minutes, it shall not be considered a waiver of such claims. Acceptance of work that does not meet the Contract's requirements does not constitute a waiver of claims arising from contract breaches.
- 11.6. The successful completion of the handover-takeover procedure requires that the Subcontractor has completed the works without defects and omissions, and that all work necessary for commissioning, operation, and obtaining the occupancy permit has been fully completed. The handover-takeover procedure can only be concluded upon the Contractor's declaration confirming that the works are free of defects and omissions. Costs related to unsuccessful handover-takeover procedures are borne by the Subcontractor. The Contractor has the right to set a deadline for the correction of deficiencies in the minutes, but this does not relieve the Subcontractor of the consequences of delays.
- 11.7. The Subcontractor shall vacate the construction site by the end of the handover-takeover procedure, removing its owned and rented equipment, tools, remaining materials, temporary

facilities, etc. If the Subcontractor fails to do so, the Contractor is entitled to arrange for the removal at the Subcontractor's expense.

- 11.8. The Parties agree to hold a follow-up review within one year after the successful completion of the handover-takeover procedure, convened by the Contractor. The rules of the original handover-takeover procedure shall apply to this follow-up review.

12. BREACH OF CONTRACT, PENALTIES

- 12.1. The Subcontractor is obliged to pay a late performance penalty in the event of any delay in fulfilling a part or final deadline mandated by the Contract, based on the total net Contractor's fee (which includes the payment for additional works), at a rate of 1% for each day affected by the delay, up to a maximum of 20% of the total net Contractor's fee. The Subcontractor's obligation to pay the late performance penalty remains even if the Client has not incurred any damages. The payment or deduction of the late performance penalty does not relieve the Subcontractor of their obligation for proper performance.
- 12.2. The amount of the late performance penalty will be deducted based on the unilateral declaration of the Client after the occurrence of the penalty claim during the necessary monetary transactions and/or at the time of the final invoice payment, with the necessary accounting documents provided. The Client is also entitled to offset the amount of the late performance penalty against the guarantees or enforce it against the Subcontractor in any other manner later.
- 12.3. If the Investor terminates or cancels from the General Contract concluded between the Client and itself due to reasons attributable to the Subcontractor, the Client is entitled to unilaterally terminate (cancel) the Contract regarding the remaining technical content with immediate effect and enforce its claims arising from the breach of contract against the Subcontractor according to the Contract.
- 12.4. In the event of impossibility due to reasons attributable to the Subcontractor or arising in the Subcontractor's interest, unjustified refusal of performance by the Subcontractor, and in case of lawful cancellation or termination (failure) exercised by the Client based on the reasons specified in point 15 of this GTC, the Subcontractor is liable for penalties and damages. The amount of the failure penalty is 30% of the net Contractor's fee (including the payment for additional works). The Client is entitled to offset the penalty claim against the Subcontractor's receivables or against the amount of guarantees.
- 12.5. If the Client enforces a guarantee claim against the Subcontractor due to defective performance during the guarantee period, the Subcontractor is obliged to pay a penalty for defective performance, corresponding to 1% of the net Contractor's fee per day, from the date of receipt of such notice, until the Subcontractor fulfills the guarantee claim. The amount of the penalty for defective performance may not exceed 20% of the net Contractor's fee.
- 12.6. In addition to the late performance and/or failure penalties, the Client may enforce compensation for damages arising from the Subcontractor's breach of contract according to the general rules on compensation in the Civil Code of 2013. Any deductions, additional costs, damages, and penalties that may be enforced as a result of the Subcontractor's performance can be enforced by the Client

against the Contractor, based on unilateral claims – with offsetting. The Client is entitled to enforce the penalties stipulated in this Contract simultaneously.

- 12.7. Acceptable weather conditions for the season cannot be cited as a justification for delays and other omissions. The Parties recognize the following events as force majeure: nationwide strikes, states of emergency, fires, events declared as natural disasters, as well as extraordinary events affecting large segments of society, which could not reasonably have been foreseen and are outside the control of the Parties.
- 12.8. Any Party invoking force majeure is obliged to promptly notify the other Party in writing about the current force majeure event, or, if the force majeure event excludes the possibility of notification, immediately after the possibility of notification arises. This written notification must include the characteristics of the event and its impact on the performance of the Contract, as well as the expected date of performance due to the delay.

13. WARRANTY, GUARANTEE

- 13.1. The Subcontractor assumes full responsibility for the services provided. The Subcontractor declares and guarantees that:
- The quality of the Work performed by them—regarding both the materials used and the structure and execution—complies with the requirements of the Contract, applicable Hungarian and European standards and regulations, meets first-class quality, and fully ensures the achievement of the contractual purpose,
 - All requirements and technical specifications defined in the Contract and its annexes are met,
 - The construction works are carried out professionally and flawlessly, adhering to the relevant standards and regulations.
- 13.2. For plans, software, other tools, equipment, and construction works provided by the Subcontractor, the Warranty Period shall expire on the last day of the 5 (five) years following the successful completion of the technical acceptance procedure for the Client, but not shorter than the duration prescribed by law.
- 13.3. For construction works, the Warranty Period shall end on the last day of the 5 (five) or 10 (ten) years following the successful completion of the technical acceptance procedure for the Client, as stipulated in the provisions of points I. and II. of Annex of the 12/1988. (XII. 27.) ÉVM-IpM-KM-MÉM-KVM regulation, as applicable to the tasks defined in the Contract.
- 13.4. The warranty and guarantee periods undertaken by the Subcontractor shall not be shorter than the durations stipulated by law, as well as the duration of the warranty and guarantee obligations owed by the Client to the Investor. For replaced or renovated items, the warranty (guarantee) obligation period shall restart.
- 13.5. Within the warranty and guarantee period, the Subcontractor agrees to promptly investigate any defects reported by the Client, the Investor, or the user and, considering the interests of the user, to address these issues immediately, but no later than within 2 (two) days from the notification—unless circumstances require immediate action to prevent further damage. In case of failure to do

so, or if the Subcontractor does not perform the repair (deficiency remediation) within the schedule accepted by the Client or does not complete it within a technically justified timeframe, the Subcontractor agrees to have the work completed at their own expense, including any resulting damages. The Subcontractor shall pay the invoice submitted for this work within the payment deadline specified in the invoice; otherwise, the Client may have the repair carried out at the expense of the existing Guarantee Security and may unilaterally enforce their incurred and verifiable damages against the Guarantee Security. If the amount of the Guarantee Security does not fully cover the repair costs and the Client's damages, the Subcontractor shall pay the difference within 8 (eight) days based on an invoice. If the Guarantee Security amount is utilized, the Subcontractor is obligated to replenish this amount continuously during the Warranty Period and the 60-day period following its expiration; failure to do so grants the Client the right to fully utilize the Guarantee Security.

- 13.6. If the Warranty and/or Guarantee Period is extended, the availability of the Guarantee Security shall also be extended accordingly. In this case, the Subcontractor is obliged to extend the guarantee bank guarantee for the same duration upon the Client's first request, without incurring any additional costs, immediately following the request, but no later than within 8 days; failure to do so grants the Client the right to utilize the guarantee security.
- 13.7. The Client is obliged to communicate any defects or complaints arising within the warranty and guarantee period to the Subcontractor as soon as possible (in urgent cases, even via email or fax).
- 13.8. In case of termination of the Contract due to the Subcontractor's breach, the Subcontractor shall not be released from their warranty and guarantee obligations concerning the works already performed. However, in this case, the Client may remedy the defect at the obligor's expense, bypassing the order stipulated in the Civil Code.
- 13.9. Regardless of the guarantee, the Subcontractor is subject to the provisions of the 12/1988. (XI.27) ÉVM-IpM-KM-MÉM-KVM joint regulation in the case of construction works falling under its scope. Accordingly, the mandatory suitability period of 10 or 5 years stipulated there shall apply, for which the Subcontractor bears warranty obligations.

14. DECLARATIONS

- 14.1. By signing the Contract, the Subcontractor confirms that all resources necessary for the contractual performance of the work in question, including the first-class, defect-free execution, are fully available to them.
- 14.2. The Subcontractor has adequately familiarized themselves with the worksite, the tasks to be performed—including technical content, local conditions, organizational requirements, etc.—as well as the Contract and the Base Document, has examined them from technical and legal perspectives, and finds them entirely suitable for execution. The Subcontractor has received comprehensive information regarding technical solutions from the Client and has obtained any other information deemed necessary. The Subcontractor may not charge any additional costs or claim delays based on incomplete knowledge, technical deficiencies or faults in the Contract or the Base Document, or illegal content.

- 14.3. The Subcontractor declares that they are a registered business entity / sole proprietorship / individual entrepreneur in Hungary, authorized to perform the activities subject to the Contract, and that no bankruptcy, liquidation, forced deletion, or winding-up procedures are currently pending against them.
- 14.4. The Client declares that they are a registered business entity in Hungary, that no bankruptcy, liquidation, forced deletion, or winding-up procedures are currently pending against them, and that they have financial coverage for the consideration of the construction activities specified in the Contract.
- 14.5. The Subcontractor declares that they possess the necessary permits for the implementation of the Contract. If the Subcontractor does not have the required permits, or if any of them are revoked or expire for any reason, the Client has the right to immediately cancel from the Contract or terminate the Contract and enforce full compensation claims against the Contractor.

15. TERMINATION OF THE CONTRACT

- 15.1. The Client is entitled to terminate the Contract immediately, without justification, if:
- The Subcontractor does not commence substantive execution of the work within 5 (five) working days following the date specified in this Contract as the start of work;
 - The progress of the construction work shows a delay attributable to the Contractor that exceeds 10 (ten) days concerning any penalty-bearing deadline;
 - The Subcontractor breaches its contractual obligations, thereby endangering the realization of the Contractual Work or the Project, as well as the observance of the Completion Deadline or any penalty-bearing deadline;
 - The Subcontractor fails to fulfill its contractual obligations within a reasonable deadline provided by the Client, refuses to perform, and does not comply with the Client's instructions;
 - There is a significant change in the Subcontractor's solvency or financial situation that jeopardizes the performance of the Contract. The parties particularly consider the following as significant changes, but not limited to: if the Subcontractor becomes insolvent, a bankruptcy, liquidation, or winding-up procedure is initiated against them (except as stated in point h) of § 11 (2) of Act XLIX of 1991 on bankruptcy and liquidation), suspends their business activities, ceases payments, requests advances multiple times, or if subcontractor(s) announce that the Subcontractor is not paying their legitimate claims, and the Subcontractor cannot justify the payment or credibly dispute the legality of the subcontractor(s) claims;
 - It becomes evident before the performance deadline prescribed for a given obligation that the Subcontractor can only complete the work with considerable delays or incorrectly, despite deadlines set to remedy such deficiencies;
 - The Subcontractor improperly performs any work that is significant or essential from the perspective of the Contractual Work and does not rectify this within the deadline set by the Client;
 - The early termination or cessation of the liability insurance contract required by the Contract occurs, unless the Subcontractor restores it within 5 days of termination;
 - The Subcontractor violates social, environmental, and labor law requirements;

- There is a ground for exclusion concerning the Subcontractor as defined in the Public Procurement Act (Kbt.), or such a ground arises during the performance period of this Contract;
 - The Subcontractor breaches its obligation to cooperate, making it impossible, significantly more difficult, or costly to fulfill the tasks of the Subcontractor or the Client;
 - The Client terminates the General Contractor agreement;
 - Other cases specified by law.
- 15.2. In the event of immediate termination of the Contract or cancellation from it, the Client shall prepare a statement of the work performed by the Subcontractor and take inventory of the materials, equipment, and supplies. In the case of immediate termination of the Contract, the Subcontractor may only claim the consideration for the work that has been performed in accordance with the Contract.
- 15.3. The Subcontractor is not entitled to stop and/or suspend and/or interrupt the work; otherwise, they shall compensate the Client for the damages arising from this. The parties have considered the provisions of this point when determining the Contractor's fee.
- 15.4. If the Client terminates the Contract immediately according to point 15.1 or if the Contract terminates due to reasons within the Subcontractor's sphere of interest, the Client has the right to fully enforce claims arising from the breach of contract and damages against the Subcontractor. The Client also has the right to claim any additional costs arising from the completion of the work against the Subcontractor. In this case, the Subcontractor is not entitled to assert any claims against the Client arising from the termination of the Contract.
- 15.5. If the Contract is terminated due to the fault of the Subcontractor and/or if the Subcontractor partially or wholly withdraws from the performance of the Contract, and/or if the Subcontractor unjustifiably stops (suspends) the work, and/or if the Client is forced to engage another subcontractor due to the Subcontractor's delay, then the Client is entitled to claim from the Subcontractor the costs associated with the replacement and assistance in performance, which particularly include but are not limited to:
- Costs incurred in re-awarding the contractual works;
 - Costs arising from commissioning another subcontractor, especially concerning price differentials and costs related to lost time (formwork rental, site overheads, etc.);
 - Losses and compensations claimed by the Client or resulting from measures taken by the Client to mitigate such losses
- 15.6. The parties agree that the Subcontractor is not entitled to withdraw from or terminate the Contract. The parties have established the Contractor's fee in consideration of this waiver of rights.
- 15.7. The Client is entitled to suspend the Contract if the Client/Investor suspends its General Contractor agreement with the Client. In such cases, the Client is obliged to inform the Subcontractor in writing without delay, and the Subcontractor is entitled to reimbursement of documented costs related to this if accepted by the Client.
- 15.8. The Client is entitled to verify the existence of valid and reported employment contracts for the Subcontractor's employees. The Subcontractor is obliged to present these documents at the Client's request. If the Client finds irregular employment during the inspection by the

Subcontractor or its employee, it will record this fact in a protocol and may claim a penalty of up to 1,000,000 HUF against the Subcontractor. If the Client suffers damages exceeding this penalty due to irregular employment, the Subcontractor is also obliged to compensate for these damages. Violating these provisions constitutes a serious breach of contract, and therefore, in addition to the above, the Client is entitled to terminate the Contract based on the violation of these provisions and apply the legal consequences of termination (claim for lost profits, compensation claim).

16. QUALITY

- 16.1. During performance, the Subcontractor may only use, install, or incorporate first-class materials, fittings, devices, equipment, etc., with an ÉME (National Technical Assessment) certification. In the case of custom-made products, the Subcontractor must strictly adhere to the technical solutions and requirements specified by the designer. In the event of any deviation from the above, the Subcontractor is obligated to dismantle the defective product and install materials or structures that meet the applicable requirements.
- 16.2. Any acceptance of non-conforming performance by the Client without legal reservations shall not be interpreted as a waiver of the Client's rights (e.g., concerning quality requirements, penalty claims, etc.).
- 16.3. The Subcontractor is required to prepare a Quality Control and Certification Plan (QCCP) and a Technological Instruction (TI) for the works to be carried out. These must be approved by the Client within 8 days of the signing of the Contract. In the absence of fulfilling the above requirements, the Client is entitled to refuse to certify the Subcontractor's performance.

17. OCCUPATIONAL SAFETY

- 17.1. The Subcontractor is responsible for accident prevention, occupational safety, and fire protection within its own work area, and in relation to its employees' activities throughout the entire project site. It must also comply with reasonable occupational safety instructions from other contractors, the Investor, or the Operator, if applicable.
- 17.2. The Subcontractor is responsible for the construction, maintenance, and removal of safety devices and equipment (e.g., barriers) on the construction site until the work area is handed over to the Investor. During this period, the Subcontractor assumes full responsibility for accident prevention, occupational safety, and fire protection, and must have full liability insurance for its operations. The Subcontractor may not commence work until it has secured this insurance. Failure to comply with the provisions of this section constitutes a material breach of contract, allowing the Contractor to terminate the Agreement and enforce its rights arising from such termination.
- 17.3. The Subcontractor is obligated to organize occupational safety measures, comply with protective and accident prevention regulations, fire safety, security, and environmental protection requirements. Furthermore, the Subcontractor is responsible for the occupational safety training of its employees and for providing them with safety equipment.

- 17.4. The Subcontractor must immediately report to the Contractor any workplace accidents occurring in connection with the performance of the Agreement that involve the Subcontractor or any other person involved in its performance. The Subcontractor is responsible for investigating workplace accidents, determining liability, and the Contractor's representative may participate in the process.
- 17.5. The Subcontractor commits to employing only workers who have been certified as fit for the work by occupational health examinations.
- 17.6. If the work involves significant noise, the Subcontractor must comply with the applicable legal regulations.
- 17.7. The Subcontractor is required to adhere to Occupational, Fire, and Environmental Safety regulations when working in substations or on KIF-KÖF-NAF networks.
- 17.8. The Subcontractor shall compensate for any direct or indirect damage resulting from improper work or the failure to comply with occupational safety and technical safety regulations, and shall bear all legal consequences in case of an accident.
- 17.9. If the Contractor convenes a meeting for occupational safety and construction coordination, the Subcontractor must participate to ensure safe working conditions.

18. COMMUNICATION

- 18.1. If there is any change in the representatives of the Parties, they are obliged to promptly inform the other Party. Any damage resulting from the failure to provide such notice will be borne by the Party who failed to notify the other.
- 18.2. The Parties are required to promptly inform each other of any changes to their essential information (in particular, changes to registered office, notification address, telephone and fax numbers, representatives' names, details, and contact information).
- 18.3. The Parties shall hold regular weekly coordination meetings, at which they will be represented by their authorized decision-making representatives. A coordination meeting report will be prepared for each meeting.

19. CONFIDENTIALITY OBLIGATION

- 19.1. The Subcontractor is obligated to strictly preserve all information they become aware of in connection with the Contract/assignment (business secrets, technical processes, prices, etc.), regardless of its nature. Any breach of this confidentiality obligation entitles the Customer to immediately terminate the Contract and claim a penalty from the Subcontractor amounting to 5% of the net Contractor's fee for each occurrence. The enforcement of this lump-sum compensation does not require proof of actual damage, and it does not exclude the right to claim compensation for damages resulting from the breach of the confidentiality obligation or other claims.

- 19.2. The Parties consider the Contract to be a business secret, and its content may only be disclosed to the public, third parties, or authorities under the conditions and to the extent specified by law.

20. MISCELLANEOUS

- 20.1. The Subcontractor shall bear responsibility for any damages that cannot be detected and are related to their activities or the conduct of their employees (whether such damage occur to the Client's equipment, the completed structure, or the furnishings on the construction site). In the case of multiple subcontractors, these damages shall be shared proportionally based on the amount of their respective contracts.
- 20.2. The Parties agree to resolve their disputes among themselves without resorting to mediation services. If this is not possible, they agree to submit any potential legal disputes – depending on jurisdiction – to the exclusive competence of the Central District Court of Buda and the Székesfehérvár Regional Court.
- 20.3. The Contract may only be modified or supplemented by a mutually agreed upon and duly signed agreement.
- 20.4. The Parties expressly stipulate that if any provision of the Contract is found to be invalid or unenforceable, this shall not affect the validity of the other provisions. The Contracting Parties agree that if the reason for invalidity or unenforceability can be remedied, they will make every effort to maintain the validity and enforceability of the affected part of the Contract or replace it with a valid or enforceable provision that best reflects the intent and economic objectives of the original provision(s).
- 20.5. The Contract and its annexes shall be prepared in English. Following the conclusion of the Contract, the working language and communication between the Parties shall be English, especially for dispute resolution, daily matters (such as plans, approvals, technical descriptions, construction logs, measurement logs, invoices, minutes), and all other documents and declarations.
- 20.6. The Parties shall cooperate to fulfill the Contract, and to this end:
- They will mutually and promptly inform each other of any information, facts, or circumstances affecting performance,
 - They will mutually or individually take all necessary measures to eliminate any obstacles to contractual performance,
 - They will primarily attempt to resolve disputes through negotiation.
- 20.7. The Subcontractor declares that they received and reviewed the GTC of Forest-Vill Kft. before signing the Contract and are aware of its content.

These Contractual Conditions are governed by Hungarian law. Any matters not regulated by these contractual conditions shall be governed by the relevant provisions of the Hungarian Civil Code (Ptk.).

Valid: from September 24. 2024