



***ADEXGO INDUSTRIES,
TRADING AND SERVICES
LIMITED LIABILITY COMPANY***

GENERAL TERMS AND CONDITIONS

Effective: as of 25 August 2017

GENERAL TERMS AND CONDITIONS

FOR SALES/WORKS CONTRACTS

Effective: as of 25. 08. 2017.

These General Terms and Conditions (GTC) are an annex to the sales/works contract between ADEXGO Kft. (hereinafter: Hiring Party) and the Partner (hereinafter: Partner).

I. General and contact data

1. Hiring Party:

ADEXGO Industries, Trading and Services Limited Liability Company

[original Hungarian name: ADEXGO Ipari, Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság]

Abbreviated name: ADEXGO Kft.

Registered seat: HU-9021 Győr, Sarkantyú köz 5.

Branches: HU-8230 Balatonfüred, Lapostelki út 13.

HU-8230 Balatonfüred, Ifjúság utca 9., staircase B, 2nd floor, door 2

Tax number: 13409296-2-08

Trade Register number: 08-09-027980

Sole representatives for the company: Dr. TÓTH, Tamás Managing Director
Dr. CSAVAJDA, Éva General Director

2. Internet access (website): www.adexgo.hu

E-mail: info@adexgo.hu

3. The effective General Terms and Conditions of ADEXGO Kft. are accessible on the website of the Company.

4. ADEXGO Kft. was established in 2004 to provide preclinical background for developments on pharmaceutical products and nutritional supplements.

Our Company has been carrying out intensive research work and marketing activities since 2007 in the scope of production and distribution of functional food of animal origin with health-care effect, feed supplements and additive premixes.

II. Definitions

Hiring Party: ADEXGO Kft.

General Condition: A contractual condition shall be a General Condition if it is unilaterally pre-defined by the party applying it, without the other party's involvement, with the purpose of concluding several contracts and if it is not individually negotiated by the Parties.

Amendment of General Condition: The Hiring Party is entitled to amend the General Terms and Conditions unilaterally. The Hiring Party shall publish the amendment on its website within 15 (fifteen) days before its entry into force the latest.

Flat Collection Cost: For a contract between enterprises and for a contract between a contracting authority and an enterprise, it is debited on the obligor and the contracting authority, respectively (hereinafter jointly: Obligor); for any default in the fulfilment of a payment obligation deriving from a commercial transaction, the beneficiary may claim a HUF amount equal forty euros, calculated at the official medium rate of exchange quoted by the National Bank of Hungary and effective on the

starting day of the default, to cover his costs connected to collecting his claim (hereinafter: Flat Collection Cost).

Individual Contract: Sales/works contract, including framework contracts between the Contracting Parties.

Default Interest: The default interest set out in the Individual Contract or, in lack thereof, the default interest defined in the Act on the Civil Code.

Penalty: The Partner's repayment obligation undertaken in the Individual Contract, provided it breaches the Contract for a reason it is held liable for.

Partner: A natural person or legal entity concluding a sales/works contract with the Hiring Party.

Contracting Parties: The Hiring Party and the Partner shall hereinafter be jointly: Contracting Parties.

End-user: The natural or legal person purchasing the product produced or manufactured by the Hiring Party from the Partner, with the purpose of using it.

III. Individual Contract

Establishment: The Individual Contract is established with the signature of the Hiring Party and the Partner.

If the Contracting Parties sign the Individual Contract at different times, the Partner is obliged to send the Contract, including its authorized signature, to the Hiring Party by return of post.

The Hiring Party shall not be obliged to start and produce, manufacture the product ordered by the Partner as long as the Partner has not returned the original of the Individual Contract, including its authorized signature, to the Hiring Party. The Hiring Party shall not be held liable for any delay in manufacturing or production, if due to the return of the Contract.

If the Partner fails to return the Individual Contract to the Hiring Party in accordance with the above, the Hiring Party is entitled to rescind the Individual Contract.

Subject: The product defined by the Contracting Parties in the Individual Contract and produced/manufactured by the Hiring Party.

Consideration: The price of products manufactured/produced by the Hiring Party excludes any value added tax.

IV. Place and mode of fulfilment

Place of fulfilment: Hiring Party's branch office at HU-8230 Balatonfüred, Lapostelki út 13.

Mode of fulfilment: The Partner confirms quantitative take-over on a signed document. The Partner is obliged to start the qualitative assessment prompt but within eight days of take-over the latest and to execute it continuously within the time frame necessary for testing.

If the Partner fails to take over the product ordered by it, manufactured/produced by the Hiring Party or being produced in a commenced production process in the volume and at the time stipulated in the Individual Contract (excluding the case of refusing to take over on account of quality complaint), the Partner is obliged to pay the amount of the loss deriving from the price difference due to forced sale to another partner to the Hiring Party, under the title of cancellation penalty. If the product ordered but not taken over by the Partner cannot be sold in forced sale within a reasonable time frame, the Partner is entitled to pay the value of the non-received products to the Hiring Party under the title of cancellation penalty.

V. Terms of payment

The Partner is obliged to settle the total sum of the invoice issued by the Hiring Party until the term stipulated therein. Fulfilment shall mean when the amount is credited on the Hiring Party's account.

In case of default in payment, the Partner is obliged to pay Default Interest and Flat Collection Cost, without any special notice by the Hiring Party.

The Hiring Party is entitled, at its own choice, to determine a payment method different from that stipulated by the Parties in the Individual Contract (e.g. cash payment, advance transfer) or to suspend the production, manufacturing and sale of the product if the Partner has any outstanding liabilities to the Hiring Party under any title whatsoever.

In case of any measure or event influencing the purchase/import of the product or the basic materials and components of the product or in case of a change in fees, the Hiring Party is entitled to modify the amount (purchase price, service fee) set by the Contracting Parties unilaterally at the rate of the change, concurrent with the Partner's written notification.

Moreover, in accordance with its unilateral written declaration, the Hiring Party is entitled to fulfil by a term different from the term of fulfilment undertaken in the Individual Contract, provided it is unable to keep the term of fulfilment on account of a measure or event influencing the purchase/import of the product or the basic materials and components of the product. The legal consequences of default shall not be applicable against the Hiring Party in the above scope.

The Partner is not entitled, under any title whatsoever, to any set-off or retention against the total sum of the invoice issued by the Hiring Party. The Partner is not entitled to assign its claims against the Hiring Party, if any, to a third party.

VI. Retention of ownership right

The Hiring Party shall reserve its ownership right to the supplied products until the total purchase price has been fully settled. Any pledging or security property transfer of these products by the Partner in favour of a third party shall be invalid in lack of the advance written consent of the Hiring Party.

Risk: Any risk related to the product shall be transferred to the Partner when the product is taken over by the Partner or a third party assigned by it (e.g. transporter), regardless of the reservation of ownership right.

VII. Communication

The Contracting Parties are obliged to send their legal declarations to the other Party by post. If the letter, legal declaration sent by the Hiring Party to the Partner, to its registered seat or postal address by post, with any postal sign, is returned to the Hiring Party, the letter shall be considered delivered on the 5th (fifth) working day of posting.

The Contracting Parties are entitled to use electronic communication as laid down in the Individual Contract.

VIII. Complaint management

The Partner is obliged to inform the Hiring Party about its qualitative objections to and complaints concerning the products manufactured, produced, sold by the Hiring Party prompt, with the concurrent identification of the documents and evidences underlying the complaint or objection.

End-users' complaint management: In the frames of sale to end-users, the Partner is obliged to emphasize to the end-users in writing that they are expected to provide their quality complaints within 24 hours of observation. In case of quality complaint, the Partner is obliged to send a written notification to the Hiring Party's branch (identified according to the place of fulfilment) within 24 hours so that the latter could assess the complained product and the consequences with the Partner. The Partner shall ensure that the Hiring Party can assess the circumstances underlying the quality complaint at the end-user making the complaint, on the spot. The Partner is obliged to supply comprehensive and accurate data (e.g. receipts, certificates) to the Hiring Party in order to adjudge the claim for damages, if any.

IX. Secrecy

1. The Partner commits itself to handle all the intellectual works, business information, plans, data, facts, procedures, solutions or other materials and documentation, the information that is marked as the Hiring Party's business secret and as confidential information and that it has become aware of during the implementation and fulfilment of the Individual Contract (hereinafter jointly: Confidential Information) as secret and confidentially, not to disclose them to third parties either during or after the term and scope of the contract, not to make them accessible in any manner and not to misuse them to the other Party's detriment.

2. Business secret shall mean any and every fact, information, other data or a combination thereof that is related to a business activity, is not well-known or not easily accessible to persons performing the relevant business activity, the collection, usage, disclosure to third parties or publication of which by incompetent persons would infringe or threaten the beneficiary's legitimate financial, economic or market interests, provided the beneficiary with legitimate title thereto is not subject to culpability in connection with keeping the secret.

Any technical, economic or organizational know-how, experience of pecuniary value or the combination thereof, if recorded in a way suitable for identification (hereinafter: Protected Information) shall be subject to the protection corresponding to business secret if it is collected, used, disclosed to third parties or published by violating the principle of good faith and honesty.

3. Confidential information shall mean any and every information, fact, datum and know-how related to the Hiring Party's business activity, services or products, including in particular:

- any and every computer program, specification, sketch, recording, datum, drawing, memorandum, note, report, procedure, invention, financial information, business plan, personnel marketing, distribution information that becomes known to the Partner, the Partner's owner(s), the Partner's official, representative, the Partner's employee, agent or subcontractor during the fulfilment of the contract;
- ingredients and recipes of the feeds manufactured by the Hiring Party's company;
- manufacturing procedures;
- machines, tools and materials used in the manufacturing procedures;
- any and every other confidential information that the Partner became aware of at the Hiring Party's registered seat or branch (e.g. in the factory).

4. The Partner understands that the intellectual works shall be governed by the relevant provisions of the Civil Code and, in purview of Article 2:47 of the Civil Code, business secret shall be under legal protection even if it is not subject to special copyright protection, patent protection, utility model protection or other legal protection for intellectual works as stipulated in the law.

5.

5.1. The Partner commits itself to use the above detailed confidential information only within the scope inevitable to fulfil the Individual Contract, for the purpose and to the extent necessary for fulfilment and not to subject it to any further use or processing beyond the above.

5.2. The Partner commits itself not to publish, whether directly or indirectly, or order the publication of the confidential information it has become aware of, not to disclose it in any manner, not to put it at the disposal of the public or third parties or make it accessible to third parties.

5.3. The Partner commits itself not to establish, whether directly or indirectly, any business-related legal relation with the third parties it met during the fulfilment of the contract (Hiring Party's business partners) in lack of the Hiring Party's consent.

5.4. In handling the confidential information it has become aware of, the Partner is obliged to proceed with the precaution as would apply to its own confidential information, but it is obliged to proceed with at least the due care expected in the specific situation, in every case.

5.5. Additionally, the Partner agrees not to make any copy, recording etc. of the confidential information it has become aware of while performing its tasks under the Individual Contract. If the undertaken task cannot be performed without making a copy or recording, the Partner is entitled to make a recording or copy at the unconditionally necessary extent, in order to fulfil the task, however, it shall destroy such concurrent with the fulfilment of the contract.

5.6. The secrecy obligation and the consequences of violation thereof shall apply to the Partner without any time limitation as long as the secret or the subject matter thereof becomes legally public in Hungary.

5.7. This secrecy obligation shall not apply in public administration (including in particular taxation) and judicial proceedings and in the specific cases when the legal regulation stipulates that the information must be disclosed to the person identified in the regulation (e.g. communication of public information or information of public interest), therefore, in regard to the above, the Hiring Party exempts the Partner from its secrecy obligation in advance with the proviso that the Partner shall inform the Hiring Party in advance about the legislative obligation, the proceedings and the extent of information transfer based on legislation or during the proceedings.

5.8. For the case the Partner breaches its secrecy obligation, the Partner commits itself to reimburse the Hiring Party's pecuniary and non-pecuniary damage caused through the violation of its secrecy obligation.

X. Miscellaneous provisions

These General Terms and Conditions are an inseparable annex to the Individual Contract between the Contracting Parties.

The provisions in these General Terms and Conditions shall apply in lack of any conflicting provisions in the Individual Contract.

The Contracting Parties shall try and settle their disputes peacefully. For any legal disputes that cannot be settled by agreement, the Contracting Parties stipulate the competence of the Győr District Court / Győr Tribunal.

The Hungarian law shall govern all the issues not regulated in these General Terms and Conditions and shall rule the interpretation of these GTC.

Tóth Tamás

Dr. TÓTH, Tamás
Managing Director

ADEXGO Kft.
Székhely: 9021-Győr, Sarkantyú kősz. 5.
Fióktelep: 8230-Balatonfüred, Lapostelep ú. 13.
Adószám: 13409296-2-08
Cg.: 08-09-027980
OTP: 11748007-20181246
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