

## **GENERAL PROCUREMENT TERMS AND CONDITIONS**

**Date of issue: 15 May 2014**

<b>Effective date of change</b>	<b>Summary of changes made</b>
22 December 2014	Sections 6.15 and 6.16
22 December 2014	Sections 11.5 through 11.10
1 June 2017	Sections 2.6, 2.10, 3.6, 5.1, 5.2, 5.3, 5.5
1 June 2017	Section 10.6
1 June 2017	Section 11.4
22 February 2018	Section 1.7.
22 February 2018	Section 10.5.6
May 2018	Sections 5.1 and 5.2
14 October 2020	Section 11.4
14 October 2020	Section 11.10
14 October 2020	Section 12
18 March 2021	Section 11.11
18 March 2021	Section 5.5
1 March 2022	Amendment due to namechange
22 July 2022	Sections 5.5, 12.10.; 12.4.; 2. and 11.; 5.1., 11.1., 11.2.
1 January 2024	Sections 2.5.; 1.3.; 5.1.; adding Annex

## GENERAL PROCUREMENT TERMS AND CONDITIONS

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### GENERAL PROCUREMENT TERMS AND CONDITIONS

#### 1. GENERAL PROVISIONS

- 1.1.** The purpose of these general procurement terms and conditions (hereinafter: **Procurement Terms and Conditions**) is to provide uniform regulations for the rights and obligations of Yettel Hungary Private Limited Company (address: Pannon út 1, H2045 Törökbálint, company registration number: 13-10-040409, hereinafter: **Yettel**) and a third person (hereinafter: Partner) under a sale and purchase, supply, engagement or service contract or a contract for any other Service with Yettel (hereinafter: Contract), or, if no contract is concluded, acting under a purchase order placed by Yettel (hereinafter: Purchase Order), as well as the rules applicable to the Contracts and Purchase Orders.
- 1.2.** These Procurement Terms and Conditions shall apply to rights and obligations arising from the legal relationships that have come into existence after 15 March 2014, the effective date hereof, and the Contracts and Purchase Orders made after this date. These Procurement Terms and Conditions shall not apply to Purchase Orders for which the underlying Contract was concluded before 15 March 2014.
- 1.3.** The rights and obligations of the Parties are regulated in a general manner by these Procurement Terms and Conditions. In the event of any discrepancies between the Contract, the Purchase Order or these Procurement Terms and Conditions, the terms of the Contract and/or the Purchase Order shall apply. Insofar as the Contract sets out the general terms of the agreement between the Partner and Yettel.
- 1.4.** During their negotiations preceding the conclusion of Contracts, when entering into Contracts, when performing Contracts and completing Purchase Orders and during their procedures following performance, the Parties shall act in good faith, with fairness, and in cooperation with each other. Legal statements made by Yettel during the contract negotiations do not constitute a legally binding offer, and do not bind Yettel to conclude a contract or issue an order. Even in the absence of Yettel's express objection, terms sent by a Partner in writing to Yettel without concluding a written contract shall not become part of the Contract.
- 1.5.** These Procurement Terms and Conditions will apply to Yettel, the Partner and the Partner's Subcontractor (provided the Partner is entitled to use a Subcontractor for its performance). By signing the Contract, or making a statement, the Partner agrees to be bound by these Procurement Terms and Conditions. By signing the Contract or making a statement, the Partner also confirms that Yettel provided it with the opportunity to read the present Procurement Terms and Conditions in advance and/or they were discussed by the Parties, and that Yettel drew the Partner's attention to provisions of the Procurement Terms and Conditions that differ from the conditions previously applied by the Parties, and that the Partner accepted such terms by signing the Contract or making a statement.
- 1.6.** The Partner must conclude a contract with its Subcontractor or obtain a statement from it that ensures that the Subcontractor agrees to be bound by the obligations listed in these Procurement Terms and Conditions.
- 1.7.** If the Partner acts as a Data Processor on behalf of Yettel for the services, it shall conclude a relevant data processing agreement

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and proceed in accordance with Yettel's data processing instructions.

### 2. DEFINITIONS

- 2.1.** "Subcontractor" shall mean any person or organization with whom the Partner cooperates in the course of and for the purpose of performing the Contract or completing the Purchase Order.
- 2.2.** "Goods" shall mean marketable, tangible things with a property value, or natural resources that can be utilized as assets.
- 2.3.** "Contact Person" shall mean a person appointed by the Partner or Yettel who is authorized by the Partner and Yettel to conduct consultations regarding any issue arising during the performance of the Contract or the completion of a Purchase Order, and to confirm performance on behalf of Yettel unless instructed otherwise by Yettel.
- 2.4.** "Purchase Order" shall mean any application issued based on the Contract or regardless of it, describing Yettel's expectations and submitted by Yettel to Partner in writing. Purchase Orders include (as necessary) the types, kinds, quantities, prices, delivery deadlines, delivery locations and payment terms of the Goods and Services ordered and any other terms of performance that may apply.
- 2.5.** "Order Item Line" shall mean the official order item line that forms part of the Purchase Order submitted to the Partner, specifying the designation (Yettel item number), quantity, price and unit price of the Goods or Services ordered.
- 2.6.** "Contract" shall mean the Contract between the Partner and Yettel, together with all its subsequent modifications and amendments made by mutual agreement and its annexes.
- 2.7.** "Service" shall mean the obligation to hand deliver any object, perform an activity, refrain from an activity, provide indemnification or to demonstrate some other conduct as stipulated in the Contract or a Purchase Order.
- 2.8.** "Confidential Business Information" shall mean all information, data or facts, whether of a technical, business, economic, financial, strategic or any other nature, disclosed in any manner, whether verbally, electronically, visually or in a written or other form, which is either identified as confidential or proprietary or which due to its character and nature should be kept confidential to promote a legitimate interest.
- 2.9.** "Performance Certificate" shall mean a document (e.g. delivery note) signed (or issued) by Yettel confirming performance in accordance with the Purchase Order and/or the Contract. Contains the ID and items of the Purchase Order performed in full or in part, the place and time of performance, as well as the persons acting on behalf of Yettel and the Partner, and other facts and comments relevant for performance.
- 2.10.** Affiliate means in relation to any Party, any entity that is directly or indirectly Controlled by the same Controlling person as such Party (including, for the avoidance of any doubts, any member of such Party's corporate group under the laws of Hungary or any other governing law if applicable).
- 2.11.** Anti-Bribery Laws means, in each case to the extent that they are applicable to a Controlling person, any member of the Group or any other Affiliate (as the case may be): (i) the UK Bribery Act 2010; (ii) the U.S. Foreign Corrupt Practices Act of 1977 (as amended); (iii) any applicable law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed on 17 December 1997; and (iv) any other applicable law, rule or regulation of similar purpose and scope in any jurisdiction, including books and records offences relating directly or indirectly to a bribe.
- 2.12.** Control shall mean, in relation to any entity, a right or power of any ultimate control-

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ling person to control or direct, whether by contract, equity ownership or otherwise, directly or indirectly, the affairs of the relevant entity, including without limitation, (a) the power to direct the policies, affairs or management of the relevant entity, (b) the power to control the composition of any board of directors or governing body of the relevant entity, (c) holding (directly or indirectly) of ownership of more than fifty per cent (50%) issued shares of the relevant entity, (d) hold more than fifty per cent (50%) of voting rights attached to the issued shares or other securities of the relevant entity, and "Controlled" and "Controlling" shall be construed accordingly.

**2.13.** Restricted Person means (i) a person, entity, undertaking, authority or other body (including a government entity) or (ii) director, officer, agent, employee, Affiliate or other person associated with or acting on behalf of any such person, entity, undertaking, authority or other body (including a government entity), who or which is (a) placed on any Sanctions list or becoming the subject of any Sanctions or owned (at least 20 % (twenty per cent)) or Controlled, or (b) located or organized within, or doing business or operating from, a Sanctioned territory, or (c) in violation of any applicable Sanction laws.

**2.14.** Sanctions means any sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, the Foreign and Commonwealth Office of the United Kingdom, the State Secretariat for Economic Affairs of Switzerland; or other relevant sanctions authority (including, without limitation in the European Union, the United States, the United Kingdom, the United Nations and Switzerland). "Sanctioned" and "Sanctioning" shall be construed accordingly.

### 3. RULES OF PERFORMANCE

#### 3.1. Place and time of performance

3.1.1. The Partner shall meet the deadlines and dates specified for performance in

the Contract/Purchase Order, or in the event no deadline or date was set by the Parties or a different one is proposed, the Partner shall meet the deadlines and dates approved in writing by Yettel's relevant procurement Contact Person. If the Contract or the Purchase Order provides for partial deadlines, the Partner is required to meet these for its performance.

3.1.2. The Partner shall provide performance at the place specified in the Contract or the Purchase Order. Unless provided otherwise in or clearly inferable from the Contract or the Purchase Order, or from the nature of the Goods/Services, the place of performance shall be Yettel's registered address.

3.1.3. At any time until the commencement of performance, Yettel may change the place of performance specified by it, but must bearing all resulting properly evidenced costs incurred by the Partner.

3.1.4. If a performance deadline is set by Yettel, the Partner shall meet such deadline for its performance and give at least 48 hours' prior notice to Yettel, or, in the event of an even shorter performance deadline, notify Yettel within the shortest practicable period.

3.1.5. The Partner may only provide performance in instalments or before the relevant date or deadline if it receives Yettel's separate and express written or oral consent thereto given through the relevant procurement Contact Person.

#### 3.2. Mode of performance

3.2.1. The Partner shall provide performance at the prices specified in the Contract or the Order.

3.2.2. Yettel may verify the prices charged by the Partner and obtain price information

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from other persons/entities with a similar profile for reference to renegotiate prices with the Partner. The Partner may not refuse to renegotiate the prices.

3.2.3. The prices and fees charged by the Partner are inclusive of all costs and charges incurred by the Partner, in particular costs of preparation and completion, packaging and other costs, as well as freight costs associated with delivery of the Goods to the places of performance, whether delivery is made by the Partner or a third person designated by the Partner.

3.2.4. The Partner shall provide the Goods to Yettel in a proper packaging suitable for preserving the integrity and conformity of the Goods. The markings on the packaging must allow for the Goods to be clearly and quickly identifiable. The Partner shall be held liable for damages arising from defective or incomplete packaging or packaging which for any reason does not comply with the contract, or from inappropriate marking of the Goods. In this case the Partner shall remain liable for damages even if the risk of damages has otherwise been transferred.

3.2.5. In the event that there is more than one Partner involved in performance (e.g. working on the same project at the same time and place), the Partners shall coordinate and cooperate in order to ensure that works are performed costefficiently, quickly and according to contract. In the event of any breach of the provisions in this Section, the Partner(s) committing the breach shall be held liable.

3.2.6. If the Partner is required by the Contract, a Purchase Order, an authority or law to deliver performance documents such as performance protocols, material

testing and measurement protocols, quality certifications and other documents upon performance, or in the event there are quality certification requirements, standards and other provisions applicable to performance, then delivery of such documents to Yettel and fulfilment of such requirements is a precondition to performance according to contract.

3.2.7. The Partner shall provide a 1-year warranty for the Service provided by it, the Goods sold by it and performance according to contract in line with the requirements of Sections 6:171 – 6:173 of the Civil Code.

### **3.3. Delay during performance**

3.3.1. If in the course of performing the Contract or the Purchase Order, there are circumstances hindering the Partner in delivering performance by the given deadline, it shall promptly notify Yettel in writing, indicating the reason for the delay, as well as its expected duration and impact. If Yettel is not notified within the deadline, it may charge a penalty as specified in Section 7.4 hereof.

3.3.2. Once it has received the notification, Yettel may grant an extension of the Partner's performance deadline at its own discretion. However, this shall not constitute a waiver of Yettel's claim for penalty and any damages. The extension shall be recorded in writing, in the form of an amendment of the Contract or the Purchase Order.

3.3.3. In the event that Yettel is forced to cooperate with a third party due to the Partner's delay and has this third party deliver performance, or is forced to deliver the performance itself, as set forth in the Contract or the Purchase Order

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and thereby incurs additional costs, it shall be entitled to offset such additional costs against the Partner's invoice or to require direct reimbursement from the Partner.

- 3.3.4. In the event of late performance by the Partner, the provisions on penalty included in Section 7 of these Procurement Terms and Conditions shall apply, as appropriate.

### **3.4. Subcontractors**

- 3.4.1. The Partner may only involve a Subcontractor for the purpose of performance if performance is not specific to its person and if Yettel has given its express prior written consent thereto. Yettel may specify requirements regarding the Subcontractors, which the Partner must take into consideration. The Partner will be liable for the conduct of the Subcontractor in the same way as it is for its own conduct, and if the Partner uses a Subcontractor without authorisation, the Partner will be liable for all damages arising therefrom.
- 3.4.2. Yettel is entitled to refuse to use the Subcontractor recommended by the Partner in writing, specifying the reason. The rejection of any Subcontractor by Yettel may not be cited as a reason for the failure of the Partner to perform according to contract.
- 3.4.3. If Yettel can state sufficient grounds in writing, it may request in writing the replacement of an already approved Subcontractor, and the Partner must comply with this request.

- 3.5. The Partner shall prepare a detailed statement/account of the performance delivered by it and submit it to Yettel prior to the issue of the performance certificate to evidence performance according to contract.

- 3.6. Yettel may issue a Performance Certificate to confirm performance according to contract or sign the Partner's receipt to confirm receipt of the product (hereinafter jointly: Performance Certificate). The Partner may only issue an invoice as specified in Section 5.1 only after all this is completed, and must attach the Performance Certificate or provide its ID number.

### **4. RULES APPLICABLE TO ELECTRONIC PURCHASE ORDERS**

- 4.1. For orders submitted by Yettel by electronic mail (email), the rules set out in the Procurement Terms and Conditions shall be applied with the changes specified in this Section 4.
- 4.2. An Electronic Purchase Order is a Purchase Order submitted by Yettel on the basis of the Partner's offer, and sent by email to the Partner's central email address or the email address of the Partner's designee – in particular the person designated as Contact Person. If the email containing the Electronic Purchase Order is sent by Yettel to the Partner's central email address or the email address of the Partner's designee and no notification of failure of delivery is received by Yettel from the email system, the Electronic Purchase Order is deemed to have been accepted, and the Partner shall be required to perform the Purchase Order as of this date, and may not claim that the Electronic Purchase Order was not delivered to it.
- 4.3. In other respects, the Rules applicable to Purchase Orders shall also apply to Electronic Purchase Orders.

### **5. PAYMENT TERMS**

- 5.1. Upon receipt of the Performance Certificate from Yettel, the Partner may issue an in-

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voice to Yettel, and if sending by post, it shall send it to Yettel's name and address (H-2045 Törökbálint, Pannon út 1.). Only prices and fees specified in the Contract or the Purchase Order, or approved in writing (sent by email or post) by the Principal if different prices and fees are used, may be used as the basis of the invoiced amount. In any other case, Yettel shall regard the invoice as incorrect and shall be entitled to return it without payment. The acceptance of electronic invoices shall be governed by Annex 1 to these Procurement Terms and Conditions.

- 5.2.** The Partner's invoice shall contain its own bank account number, Yettel's name, registered address (site/branch office), tax number and the number or identifier of the Purchase Order; furthermore, it shall meet all effective statutory requirements applicable to invoices. The invoice shall include the designation (Yettel item number if specified in the Purchase Order), quantity, price, unit price of the items ordered with a reference to the order item line. The Performance Certificate or its ID number shall be attached to the invoice.
- 5.3.** In the event of partial performance, the Partner may only issue an invoice for the quantity actually performed as indicated in the performance certificate issued by Yettel for the partial performance, provided that partial performance is permitted under the Contract or the Purchase Order.
- 5.4.** If the event of a breach of the obligations specified in clauses 5.1, 5.2 and 5.3, the invoice issued by the Partner may be rejected and returned to the Partner by Yettel. The legal consequences of a delay in payment will not apply in this case.
- 5.5.** Yettel shall settle the invoice by bank transfer to the account number provided by the Partner to and registered by Yettel, or, in the absence thereof, to the account specified on the Partner's invoice within sixty (60)

calendar days from the day of receipt. It shall not constitute late performance if the last day of the payment deadline falls on a weekend or a public holiday and therefore Yettel only performs its payment obligation on the first following working day.

- 5.6.** If Yettel fails to pay the invoice within the deadline specified in Section 5.5, the Partner may charge a default interest. The rate of the default interest shall equal the central bank base rate as of the first day of the calendar half-year affected by the delay – or if the outstanding amount is to be paid in a foreign currency, the base rate quoted by the issuing bank, or in its absence, the money market rate – plus eight percentage points.
- 5.7.** If the Partner fails to settle the invoice issued by Yettel by the agreed deadline, the Partner shall pay Yettel the HUF equivalent of 40 euros as calculated according to the median foreign exchange rate quoted by the National Bank of Hungary on the day following the deadline. This collection flat rate shall be charged without prejudice to the other legal consequences of late payment by the Partner, and the Partner shall compensate Yettel for any damage over and above the collection flat rate.

## 6. OTHER RIGHTS AND OBLIGATIONS OF THE PARTIES

- 6.1.** The Partner shall supply the Goods or Services specified in the Contract or the Purchase Order in a manner ensuring the fitness of the Goods or Services for their intended purpose or for the purpose specified by Yettel. In the event of faulty performance, the Partner may not claim that it was unaware of Yettel's expectations, needs and requirements regarding performance.
- 6.2.** The Partner shall have unrestricted liability – over and above the damages arising from the conclusion of the contract – for ensuring that no one has any title or rights to Goods or Services supplied under the Contract or



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Purchase Order that may preclude, limit or prevent Yettel from acquiring rights (in particular ownership rights, rights of possession or disposal) thereto (warranty of title). In the event of a breach of the warranty of title provision, Yettel may terminate or rescind the Contract or the Purchase Order without setting a deadline for clearing the property.

- 6.3.** With regard to intellectual property provided by the Partner to Yettel, Yettel shall acquire unlimited – in terms of time, space and method of use – rights of use in the intellectual property (exclusive rights of use and utilisation, expressly covering the right to redesign said intellectual property) once its payments obligations have been met in full. With regard to such intellectual property works, the Partner shall warrant that no third person has any rights to said intellectual properties that would in any way restrict or abrogate Yettel's right of use.
- 6.4.** The Partner agrees that if its performance violates a third person's right (particularly a third person's right to intellectual property such as copyright or trade mark rights), and if the third person makes a claim against Yettel in relation to the violation of its rights, the Partner will indemnify Yettel against any claim made in court and outside of court. In the course of fulfilling its indemnification obligations, the Partner will consult with Yettel in advance and obtain Yettel's approval before it takes any related action or makes any related statement. The Partner undertakes the obligation to indemnify Yettel immediately for all damage and costs arising regarding the claim of defence without delay. Yettel will be indemnified against any such claims and damages.
- 6.5.** The Partner shall compensate Yettel for all damage caused by the Partner to Yettel and shall indemnify Yettel against all damage, expenses and third-party claims arising from the Partner's acts or omissions in connection with the Contract or the Purchase Order.
- 6.6.** The Partner may not limit the legal grounds for and the rate of the compensation; it shall be fully liable, without any limitation whatsoever, to provide compensation for any damage it has caused to Yettel. The Parties agree not to apply the statutory rules related to the Parties' exemption from liability for damages caused by breaches of contract and the limitations on the amounts of compensation.
- 6.7.** Partner represents that it has the required licences and that it is authorised to perform the activities specified herein and in the Purchase Order, and warrants that it shall fully compensate Yettel for any damage suffered due to the absence of such authorisation.
- 6.8.** The Partner shall only act in its own name and will not have the right to represent Yettel unless Yettel grants an explicit authorisation to that end in advance and in writing.
- 6.9.** The use of Yettel's name or trademark in any form, as well as the Service, production or construction work performed for Yettel, may only be used as a reference if discussed with and agreed to in advance by Yettel in writing. The Partner shall bear sole responsibility for any damage arising from the use of Yettel's name as well as for the payment of any award in restitution. The Partner shall also maintain and protect Yettel's reputation. If the Partner's conduct is liable to damage Yettel's reputation, the Partner will compensate Yettel for any damage and restitution payments.
- 6.10.** Partner agrees, in its own name and on behalf of all its Subcontractors, to perform their obligations as independent persons/entities, and warrants that their owners and employees are not employed by Yettel.
- 6.11.** In line with their obligation to cooperate with each other, the parties agree to inform each other of any circumstances that may affect the performance of the Contract or the Purchase Order.



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- 6.12.** The Parties shall inform each other immediately of any changes to material terms and conditions affecting the Contract or the Purchase Order (e.g. obstacles to performance, expected delays in performance, etc.) or of changes to the Parties' details and the contact information of their Contact Persons. The Partner shall bear this obligation in addition to the notification obligation specified in Section 3.3.1. Furthermore, the Parties shall notify each other if an insolvency or a voluntary winding-up procedure is started against them before a competent court, if an involuntary liquidation procedure has been irrevocably started against them or if any other significant change occurs in the party's ability to perform its obligations. If a Party fails to notify or is late in notifying the other Party, it shall be fully liable to compensate the other Party for all damages arising out of such failure or delay, in accordance with the provisions of the Civil Code regarding liability for breach of contract.
- 6.13.** In accordance with the provisions of the Civil Code, the Partner shall be liable for faulty performance, with the proviso that Yettel may freely choose from the rights specified under Sections 6:159 and 6:160 of the Civil Code without any regard to the sequence and limitations thereof specified therein. Yettel may demand compensation for the damages arising from faulty performance of the Services, even if there is no repair and replacement, within a limitation period of 5 years.
- 6.14.** The Partner shall consult with Yettel in advance and obtain Yettel's written approval with regard to all information provided in relation to this Contract or to Yettel, including but not limited to the content of press releases and statements, press conferences, commercial information and brochures published on websites and in other forms. The Partner may only participate in media appearances and provide information if and as approved in writing and must comply with the terms of any such approval.
- 6.15.** By accepting these Procurement Terms and Conditions and, when conducting activities related to publishing advertisements for Yettel, acting as a taxpayer within the meaning of Section 3(1) of Act XXII of 2014 on the Advertising Tax ("Advertising Tax Act") and performing advertisement publication activities taxable under Section 2(1) of the same Act, the Partner explicitly and irrevocably declares to Yettel, as the client ordering the publication of advertisements, that the Partner will assume any and all tax liability under the Advertising Tax Act and comply with its obligation to declare and pay tax, or that the Partner is not liable to pay tax for publishing advertisements in the tax year.
- 6.16.** Considering that the tax liability would fall on Yettel in the absence of a declaration as specified in Section 6.15, the Partner undertakes to maintain its declaration for the entire term of the Contract. The Partner shall fully indemnify Yettel for any loss sustained by Yettel as a result of a breach of these obligations to the amount of the tax paid by Yettel, as well as any additional costs.
- 6.17.** The Parties agree that the statutory limitation period for the Parties' rights and obligations under the Contract or the Purchase Order shall also be interrupted should a creditor issue a demand for payment or exercise the right of disposal over the claim (especially when the debtor receives a notification about the assignment of the claim).
- 6.18.** No customary terms and practices agreed upon or developed by the Parties in the course of their past business relationships or in connection with the performance of any previous contracts concluded by them shall become part of this Contract or the Purchase Order. Customary terms widely known to and applied by parties in similar contracts in the relevant industries shall not be incorpo-

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rated into the Contract or the Purchase Order either.

### 7. PENALTY

- 7.1.** In the event of faulty or late performance by the Partner, it shall pay 1% of the consideration specified in the Contract or the Purchase Order or of the net total of the Order Item Line (as a penalty for faulty performance) for every day of the period from the first day of faulty or late performance until the remedy, replacement and approval of performance by Yettel. If the penalty payable by the Partner under this Section is 20% or more of the net consideration specified in this Contract or in the Purchase Order or in the Order Item Line, Yettel may terminate the relevant Contract with immediate effect or cancel the Purchase Order without incurring any legal consequences whatsoever.
- 7.2.** Acceptance of the Partner's delayed performance shall not constitute a waiver by Yettel of its claim for penalty.
- 7.3.** The Partner shall also pay a penalty if it is responsible for the reason of the failure to perform the Contract or the Purchase Order (frustration penalty). In this case, the penalty shall be set at 56% of the net consideration specified in this Contract or in the Purchase Order or in the Order Item Line.
- 7.4.** In the event of breach by the Partner of the notification obligation specified in Section 3.3.1 of these Procurement Terms and Conditions, the penalty shall be set at 20% of the net consideration specified in this Contract or in the Purchase Order or in the Order Item Line.
- 7.5.** Yettel shall be entitled to charge the penalty upon 14 (fourteen) days' prior written notice to Partner.
- 7.6.** Yettel shall notify the Partner of its claim for penalty in writing. The Partner shall pay the penalty within fourteen (14) days by bank

transfer to the bank account specified in the written notice sent by Yettel. If Yettel has any payment obligation towards the Partner under a Contract or Purchase Order, it may set off the amount of the penalty against that obligation. The Partner's penalty payment obligation will cease up to the amount of the set-off. The set-off shall not affect the Partner's obligation to pay value-added tax.

- 7.7.** If Yettel does not claim a penalty from the Partner, this shall not exclude its right to claim damages at the same time. Yettel may enforce penalty claims against Partner on several legal grounds at once.

### 8. CONFIDENTIALITY

- 8.1.** The Partner shall keep confidential all Trade Secrets which it receives or learns of in relation to or concerning Yettel or Yettel's partners in the course of negotiations preceding the conclusion of a Contract with or submission of a Purchase Order to Yettel, or the conclusion or performance of a Contract or Purchase Order.
- 8.2.** The Partner agrees that as from the date of disclosure of any Confidential Business Information, it shall:
- 8.2.1. Only use Yettel's Confidential Business Information for the purpose of performing the Contract and/or fulfilling the Order;
  - 8.2.2. Not disclose Yettel's Trade Secret to any other person or to the public;
  - 8.2.3. Limit disclosure of Yettel's Trade Secret to persons within its organization and to contractors who need to know such Trade Secret in order to perform their duties under a Contract or Purchase Order, and are bound by the same confidentiality obligations as the Partner (hereinafter referred to as "Business Partners");

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8.2.4. Keep Yettel's Trade Secret confidential and treat it in the same manner and with the same degree of care as its own, but at least with reasonable care;

8.2.5. Not disclose Yettel's Trade Secret to any third party (except Business Partners) without the prior written consent of Yettel. Where such prior written consent has been given by Yettel, the third party will then be deemed to be a Permitted Recipient of the Trade Secret.

**8.3.** The Partner shall notify Yettel immediately if the Partner learns of any unauthorised possession, use or knowledge of Yettel's Trade Secret or the existence of materials containing such Trade Secret.

**8.4.** If any Trade Secret of Yettel is disclosed to the public or to a third party through a breach of confidentiality and due to the Partner's fault (including direct or indirect breaches of confidentiality by persons acting in the Partner's interest), the Partner shall make all reasonable efforts to cooperate with Yettel in preventing and stopping any manner of use, distribution, sale or disclosure of the Trade Secret. This will naturally not limit any additional rights Yettel may have.

**8.5.** The Partner will be fully responsible for any breach of its obligations related to Confidential Business Information and it will also be liable for the payment of any related damages or awards in restitution if the breach of confidentiality and the resulting injury or damage is caused by the Partner, including its staff, Business Partners and permitted recipients.

**8.6.** Yettel or the relevant third party, as the case may be, retains all rights to its Trade Secrets, including any related intellectual property rights.

**8.7.** The confidentiality obligation does not apply to any Trade Secret that:

- is or becomes publicly available without the breach of the confidentiality obligation, or
- was already known, in a lawful and provable manner, by the Recipient Party at the time it was received from Yettel, or
- was lawfully obtained by the Partner from a third party authorised to disclose it, or
- was independently developed by the Partner without making use of any Trade Secret, which can be proven by written evidence, or
- is required to be disclosed by law or an authority, including obligations related to a stock exchange listing. In such cases, the Partner shall promptly provide prior written notice to Yettel of its data disclosure obligation in order to allow Yettel to protect its rights.

## 9. FORCE MAJEURE

**9.1.** If either Party is unable to fulfil a contractual obligation due to an unforeseeable and unavoidable cause or event, especially a natural disaster, war or any similar event, the Party unable to deliver performance shall inform the other Party without delay or as soon as the circumstances allow. If the Party fails, without justifiable reason, to provide this information, this Party shall be liable for any damage caused by the failure to fulfil the obligation to provide information.

**9.2.** If the Force Majeure persists for more than half of the period available for performance by the Partner, either Party may initiate the amendment of the Contract or Purchase Order affected by the Force Majeure event. If

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the above negotiations fail to produce results within two (2) weeks, Yettel may terminate the Contract affected by force majeure and cancel the Purchase Order with immediate effect.

**9.3.** Yettel may also terminate the Contract or cancel the Purchase Order with immediate effect without making use of the time frame specified in Section 9.2 or conducting any negotiations if, for any reason, it would have needed the performance at a specific time and at no other time, provided that

- (i) in the circumstances, there is reason to believe that the Partner will not be able to perform the Contract or the Purchase Order at the specified date or by the deadline; and
- (ii) a third party agrees to perform the Contract or the Purchase Order.

In the event of cancellation as specified in this Section, Partner may not claim any compensation for damages from Yettel

**9.4.** The Parties' contractual rights and obligations shall be suspended in the event of Force Majeure, with the exception of the rights and obligations in this Section.

### **10. AMENDMENT AND TERMINATION OF A CONTRACT OR PURCHASE ORDER**

**10.1.** The Parties may amend the terms and conditions of a Contract or Purchase Order by mutual agreement at any time.

**10.2.** Yettel may amend the provisions of these Procurement Terms and Conditions at any time, and shall notify the Partner thereof. Such notification shall be published on the website. Any such amendments to the Procurement Terms and Conditions shall apply

to pending performances mutatis mutandis; in other cases they shall only apply to Contracts concluded and Purchase Orders placed as well as the other documents after the Partner has been notified.

**10.3.** The Parties may terminate the Contract by mutual agreement at any time. Yettel may terminate the Contract without cause by 3 months' notice, without justification, unless provided otherwise by the Contract.

**10.4.** Either Party may terminate the Contract with immediate effect in the case of a gross breach of contract by the other Party.

**10.5.** The following, in particular, will be considered material breaches of contract:

10.5.1. The Partner is in default with regards to any of the performance deadlines specified in the Contract or Purchase Order, through its own fault (even if only for certain items), as a result of which keeping the Contract in effect or performance of the Purchase Order is no longer in Yettel's interest.

10.5.2. The Partner violates any provision of this Contract or any of its obligations included in the Purchase Order, and fails to remedy this in spite of Yettel's notice requesting performance and setting an appropriate deadline. Termination for cause does not need to be preceded by prior notification, if not justified by the nature or severity of the breach or if Yettel cannot be expected to provide it.

10.5.3. The Partner transfers or wishes to transfer its rights and obligations under the Contract without Yettel's written consent.

10.5.4. There is a fundamental change in Partner's capacity to perform the Contract (e.g. finances, marketing rights, number of qualified staff etc.), whereby it

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can be reasonably presumed that it will not be able to fulfil its obligations under the Contract.

10.5.5. An enforcement procedure or bankruptcy proceedings have been initiated against the Partner, or its liquidation has been ordered by a final court decision.

10.5.6. Partner breaches a material provision of the data processing agreement concluded with Yettel.

10.5.7. Yettel fails to fulfil its payment obligation within thirty (30) days of the deadline despite written notice from the Partner, provided that Yettel has received an invoice from the Partner and did not raise any objections or offset any amounts.

**10.6.** If the Contract is terminated following the issue of a Purchase Order during the term specified in the Purchase Order, the Purchase Order shall also automatically terminate and Yettel shall not be required to accept the Goods ordered or use the Services not performed or pay the consideration therefor.

### **11. Anti-Bribery, Improper Payments And Sanctions**

**11.1.** The Supplier undertakes that neither it nor any of its Affiliates, except for Clause 11.1 (c) below, which shall apply to the Supplier only, shall, for itself or on its own behalf, directly or indirectly:

- (a) breach or contravene any Sanctions; or
- (b) become a Restricted Person;
- (c) directly or indirectly use any proceeds derived from or obtained in connection with the Affiliate, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person:
  - (i) in order to, or for the purpose of, financing any activities or business

of or with any Restricted Person, or in any Sanctioned territory; or

(ii) in violation of Sanctions by any person;

(d) make any contributions, loans or investments directly or indirectly from any activity or transaction with a Restricted Person or which would otherwise cause any party to be in breach of any Sanctions.

**11.2** The Supplier undertakes that neither it nor any of its Affiliates, shall, for itself or on its own behalf, directly or indirectly:

(a) breach or contravene any Anti-Bribery Laws or any applicable anti money laundering law, rule or regulation or any books and records offences relating directly or indirectly to a bribe;

(b) without limiting the generality of paragraph (a) above, directly or indirectly:

(i) offer, promise, or give a financial or other advantage to another person intending the advantage to induce or reward improper performance of a relevant function or activity, or where acceptance of the advantage itself constitutes such impropriety; or

(ii) request, agree to, or accept a financial or other advantage, and in consequence intend to induce improper performance, or where a request, agreement, or acceptance of an advantage itself amounts to improper performance, or where the advantage is paid as a reward for, or in anticipation or as a consequence of, the improper performance; or

(iii) offer, promise, or give a financial or other advantage to a public official (an "Official") or another with intent to influence the Official in his official capacity and to obtain or retain business, or a business advantage, including, without limitation, making or receiving any bribe, rebate, pay off, influence payment, kick back or other contribution or gifts contrary to Anti-Bribery Laws; or

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(iv) fail to prevent bribery by an Affiliate in order to obtain or retain business or a business advantage.

**11.3** The Supplier undertakes that it will:

(a) give notice in writing to the Purchaser of any breach of Clauses 11.1 through 11.2 above as soon as it becomes aware of such breach (save in circumstances where it has been told of the breach by the Purchaser); and

(b) provide the Purchaser with relevant documents in the case actions to be performed by the Purchaser require prior authorization from the competent sanctions' authority due to Sanctions.

**11.4** The Supplier undertakes that it will implement or procure the implementation, without unreasonable delay, of any corrective measure reasonably requested by the Purchaser to remedy any breach of Clauses 11.1 through 11.2 above or to prevent similar future breaches of those Clauses.

**11.5** In the event the Supplier becomes a Restricted Person at any time, such situation is considered as "material breach" of the Agreement, and the Purchaser shall be entitled to (i) reject to receive and/or Accept any performance (Deliverables) provided by the Supplier, which became a Restricted Person, and (ii) deny to provide any performance to the Supplier, which became a Restricted Person, for as long as the Supplier remains a Restricted Person (e.g. the Purchaser shall not be obliged to pay for any Deliverables, irrespective whether Accepted or not).

**11.6.** Yettel has adopted and complies with the internal corporate compliance programme which is designed in such a manner that activities of Yettel comply with applicable legal regulations, rules of ethics, morals, and which includes measures the objective of which is to

prevent and detect breaches of mentioned regulations and rules.

Supplier (and any individual or legal entity that cooperates with said Supplier and that is used for the fulfilment of obligations from this Procurement Terms and Conditions or in relation to its conclusion and performance, i.e. staff members, representatives, or external collaborators) observes and complies with applicable legal regulations, fundamental moral and ethical principles. Supplier rejects any tortious acts and refrains from them. Supplier declares, to the best of its knowledge and belief, that neither it nor any of its staff members, representatives, or external collaborators had breached applicable law and regulations in relation to the conclusion of Procurement Terms and Conditions.

Supplier is obliged to take all reasonable measures and use its best efforts to prevent Itself or any of its staff members, representatives, or external collaborators from any infringement of applicable law and regulations committed in relation to the subject matter of Procurement Terms and Conditions.

Irrespective of the subject matter of Procurement Terms and Conditions, Supplier declares that it takes and shall take all reasonable measures and uses and shall use its best efforts to avoid any act or situation within its operation or in its favour which could threaten or damage its reputation in a manner that could result in negative consequences for its counterparties' reputation.

If Supplier acts for Yettel or on its behalf, Supplier will demonstrate that it complies with principles stated and will ensure primarily through training and monitoring activities that its employees and Subcontractors are aware of and act in compliance with principles stated. Yettel, the PPF Group and/or their authorized third party is entitled to moni-

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tor and evaluate Supplier's and the Subcontractors' conformity with applicable legal regulations and the principles of the Code of Ethics by performing planned or unannounced on-site inspections. Such inspections may include the conduct of interviews with freely selected personnel, requesting and reviewing relevant data and documents, and may be conducted either at the premises of Supplier and/or other locations where work is carried out for or on behalf of Supplier. Supplier shall cooperate in the inspections. Inspections shall be undertaken with due regard for any legitimate concerns of the Supplier regarding business secrets and disturbance of business operations

### 12. MISCELLANEOUS PROVISIONS

**12.1.** With respect to these Procurement Terms and Conditions, all letters, emails shall be considered written forms of communication between the Parties, while only paper-based communication may be used for amending or terminating the Contract.

**12.2.** Any notices given under these Procurement Terms and Conditions shall only become effective upon receipt by the other Party, also having regard to the different special rules applicable to Electronic Purchase Orders. The other Party is deemed to have become aware of the information:

- (i) on the day of receipt of e-mail, if sent during working hours (between 8 AM and 5 PM on weekdays);
- (ii) on the business day following the day of receipt of the e-mail, if sent outside working hours (between 5 PM and 8 AM on weekdays; or on public holidays in Hungary);

(iii) on the 5th business day after the information is posted (within Hungary) by registered mail without return receipt;

(iv) on the day indicated on the return receipt if sent by registered mail with return receipt.

For Sub-sections (i)-(iv) of this Section, the addressed Party may prove that it did not have the chance to learn of the content of the communication for a reason other than its own fault (including technical defects not related to the Party, delays of the postal service, and force majeure).

**12.3.** Yettel and the Partner shall maintain contact during the performance of the Contract and the Purchase Order through their designated Contact Persons specified therein, or otherwise designated by the Parties in writing. If the Parties name their Contact Persons, it shall be for information purposes only, and should not be considered as an authorisation in itself for the persons concerned to represent the Parties. However, the Contract or the Purchase Order may expressly specify in writing that Yettel's Contact Person(s) may be authorised to accept (verify) performance by the Partner. If a Contact Person is replaced, the Parties shall immediately (within three working days) notify each other of this change and of the new Contact Person in writing.

**12.4.** Yettel and the Partner each expect one another to comply with international and national legal norms on social responsibility, and to apply rules of international human rights law and labour law with due consideration to local practices. If, during the performance of the Contract or Purchase Order, the Partner witnesses any behaviour on Yettel's part that constitutes a material breach of the laws or Yettel's ethical principles and no remedy for such



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behaviour is provided through Yettel's appointed Contact Person, or such a remedy is not possible (for example, by reason of personal involvement), then the Partner may contact Yettel's compliance officer directly by e-mail at [integrity@yettel.hu](mailto:integrity@yettel.hu). The designated Contact Person shall have competence regarding any other business-related questions or observations not falling under the above scope but affecting procedural issues of the Contract or the Purchase Order.

- 12.5.** Taking into consideration that Yettel is firmly opposed to all forms of corruption and will make every effort to ensure that corruption does not occur in the course of its business activities, the Partner must take effective action against corruption and any measures necessary to prevent it.
- 12.6.** The Partner may not perform, allow or authorise any third parties to perform any action that would result in the breach of the effective legislation on public morality, anti-corruption laws or any anticorruption principles or internal policies of either Party.
- 12.7.** The Partner may not accept, give or offer Yettel employees, representatives or any third parties acting on behalf of Yettel any gifts, cash or non-cash benefits, unless it is in accordance with Yettel's applicable internal policies.
- 12.8.** The obligation set out in Section 12.7 also applies to all contractual partners of the Partner, as well as to payments and unlawful offers made to officials and agents of central and local government authorities and also to their relatives and close friends.
- 12.9.** The Partner must notify Yettel without delay if it becomes aware of any form of or attempt at corruption or suspects corruption during negotiations with Yettel or

the performance of any Contract or Orders arising out of such negotiations.

- 12.10.** In order to prevent corruption, Yettel expects the Partner to take any and all measures necessary to ensure that Yettel's internal policies are duly followed.
- 12.11.** Though the invalidity of any section or provision of the Contract shall not affect the validity of the other provisions (unless the Parties would not have concluded the Contract without this provision), the Parties shall initiate and conduct negotiations with each other without delay in order to eliminate the reason for the invalidity and to agree on a provision that is the closest in content to the invalid provision.
- 12.12.** The cooperation realised on the basis of the Contract and the Purchase Order shall not affect the independent status of the Partner and of Yettel, and shall not be construed as creating any type of ownership interest or partnership between the parties, and neither Party has the authority assume obligations on behalf of the other.
- 12.13.** The Parties agree that the Contracts, Purchase Orders and these Procurement Terms and Conditions shall be governed by the law of Hungary.
- 12.14.** The Parties have the obligation to cooperate with one another in settling their disputes amicably, out of court, and through negotiation insofar as possible. In the event of the failure of such negotiations, the Parties submit to the exclusive jurisdiction of the Budaörs District Court (Budaörsi Járásbíróság) or the Székesfehérvár Court of Justice (Székesfehérvári Törvényszék) shall have exclusive jurisdiction, depending on the amount in dispute.

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**12.15.** The Parties agree that Yettel may assign any and all of its rights arising from the Contract or the Purchase Order to any of its Affiliated Companies. Furthermore, the Parties agree that, by accepting these Procurement Terms and Conditions, the Partner gives its prior and irrevocable consent to the Affiliated Company specified by Yettel to assume any and all of Yettel's obligations arising from the Contract or the Purchase Order. Such assumption of obligations shall take effect when Yettel notifies the Partner of the fact of the assumption of obligations and the identity of the affected Affiliated Company in writing.

**12.16.** The Parties agree that in the event of an assignment to an Affiliated Company, Yettel as the assignor shall have no liability whatsoever to the other Party for the proper performance of the Contract.

### **13. PROVISIONS REGARDING THE USE OF NAME AND TRADEMARK RIGHTS**

**13.1.** Partner acknowledges and warrants that Yettel is not entitled to use the Yettel trademarks and names without Yettel's prior written approval, as such, this Agreement shall not establish any right to use names and trademarks generally. The right to use names and trademarks granted by Yettel with its express written approval grants the right to use of names and trademarks to the Partner only to the extent stated in writing and any discrepancy requires re-approval from Yettel.

**13.2.** Partner acknowledges that it is not entitled to involve third parties as contributors in the use of Yettel trademarks and names furthermore, Partner is not entitled to transfer the right to use names and trademarks approved by Yettel to a third party occasionally. If, with Yettel's express written approval, Partner grants the right to a third party as a subcontractor

to use names and trademarks with regard to perform the contract, the Partner is obliged to accomplish the provisions on the use of names and trademarks set forth in this Agreement with the third party involved with the same content. At Yettel's express request, Partner is obliged to prove this fact by defining the content of the relevant contracts.

**13.3.** Partner shall promptly notify Yettel in writing if any of the following matters come to its attention:

13.3.1. any actual, suspected or threatened infringement of any of the Yettel trademarks or names;

13.3.2. any actual or threatened claim that any of the Yettel trademarks or is invalid;

13.3.3. any actual or threatened opposition to any of the Yettel trademarks or that is registered;

13.3.4. any claim made or threatened that exploitation of any of the Yettel trademarks, infringes the rights of any third party; or

13.3.5. any other form of attack, charge or claim to which any of the Yettel trademarks may be subject in relation to their use.

This notice shall include all relevant information to the Partner concerning any of the events listed in 12.3.1. to 12.3.5 above.

**13.4.** Partner acknowledges and agrees that if Yettel is no longer entitled to use the names or trademarks concerned for any reason, the right to use the name and trademarks granted to the Partner shall automatically terminate, without any further legal action, therefore the Partner is not entitled to expect claim payments.

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- 13.5.** Parties record that Yettel and a third party acting on behalf of Yettel are entitled to check the effectiveness of the provisions set forth in this section at any time, such as Partner shall be fully liable for damages arising from the breach of these provisions. Yettel and any third party acting on its behalf is entitled to request documents created in the course of the use of names and trademarks from the Partner, in particular, but not exclusively, a copy of the contracts entered into by the Partner.
- 13.6.** In the event that any third-party claims against Yettel as a result of the Partner's infringement of the rights to the names and trademarks stipulated in this section, at Yettel's written request, Partner shall indemnify Yettel against all damages and costs, such that the Partner is fully and directly liable to the claimant. If, as a result of the claim enforcement, Yettel nevertheless suffers direct or indirect damage or becomes obliged to pay costs, the Partner shall be obliged to reimburse all damages arising from the breach of contract immediately, but no later than within 8 days.

## Annex 1

### The acceptance of electronic invoices

In view of Section 175 (2) of Act CXXVII of 2007 on Value Added Tax (hereinafter: VAT Act), in order to meet the conditions set out in Section 168/A (1) of the VAT Act, i.e. to ensure the authenticity of the origin of the invoice, the integrity and legibility of its data content, the invoice must be provided with a qualified electronic signature. In the case of invoices issued otherwise, the issuer of the invoice shall be responsible for compliance with these requirements, it being understood that Yettel is not in a position to accept electronic invoicing methods and electronically issued invoices as defined in this Annex below.

Please attach the XML to the invoice for faster and more efficient processing.

Please send e-invoices sent in AcrobatReaderX (or later) to the following email address: [IncomingInvoices@yettel.hu](mailto:IncomingInvoices@yettel.hu)

In order to ensure a successful cooperation, please send a sample invoice to the following addresses: [APinter@yettel.hu](mailto:APinter@yettel.hu), [RPutnoki@yettel.hu](mailto:RPutnoki@yettel.hu); to test the processability. Yettel will be able to make its statement on the acceptability of the electronic invoice in this light.

**Yettel will not accept:**

- **electronic invoices sent to an address other than [IncomingInvoices@yettel.hu](mailto:IncomingInvoices@yettel.hu)**
- **downloading of electronic invoices from other external platforms by Yettel**
- **Invoices sent in MS Word, Excel, Power Point, TXT, any format other than AcrobatReaderX (or later versions)**
- **Invoices sent as any type of photograph (e.g. jpg)**
- **Photocopied, scanned versions of invoices issued from an invoice block**
- **A scanned version of an invoice originally issued on paper, even if it is sent in pdf format by email.**

This Information Notice cannot be considered as consent as defined in point b) of paragraph (3) of Article 175 of the VAT Act.