

## **General Contracting Terms and Conditions in the Car Sharing business line of AVALON Car(e) Services Kft.**

### **1. Scope and applicability of the General Contracting Terms and Conditions**

1.1 These General Contracting Terms and Conditions (GCTC) are applicable to any contract concluded by, and between, the customer and AVALON Car(e) Services Kft, as well as to the entire related business process. The GCTC also govern the price list, the manual issued by AVALON Car(e) Services Kft, the travel warrants held in the vehicles, and the conditions of any vehicle insurance policies, as amended. The insurance conditions are available for review in the office of AVALON Car(e) Services Kft during opening hours. Only the executive managers and/or company directors specified in the effective corporate registration documents are authorised to amend or add to the GCTC verbally.

1.2. The customer may, with the consent of AVALON Car(e) Services Kft, specify the persons who may use (drive) the vehicles alone, in possession of a co-card. The cost of such usage shall be borne by the customer. AVALON Car(e) Services Kft may reject such consent without citing the reason for doing so.

1.3. If the customer is a natural person (private individual), it is he/she who is authorised to drive the vehicles.

1.4. The authorised vehicle drivers may use the fleet of AVALON Car(e) Services Kft., provided that they have held a driving licence, legally valid in Hungary, for the relevant vehicle category, for at least one year.

### **2. Persons other than customers who may drive the vehicles – co-card holders**

2.1. Persons who are authorised to drive a vehicle but are not customers shall not become contractual partners of AVALON Car(e) Services Kft. Consequently they are not eligible parties to the contract. In this case, AVALON Car(e) Services Kft. consents that such persons may exercise the customer's rights to use the vehicle.

2.2. The authorised vehicle drivers identified in section 2.1 may only exercise these rights if they undertake to the customer, in writing, that they shall fulfil the relevant obligations defined in these General Contracting Terms and Conditions. The customer warrants the above to AVALON Car(e) Services Kft.

2.3. The customer warrants and assumes liability for any damage or cost resulting from vehicle usage by the customer him/herself, and by the persons specified by the customer as authorised vehicle drivers.

2.4. The cost of travels by an authorised vehicle driver shall always be charged to the customer's account.

### **3. Authorised second drivers**

3.1 An authorised vehicle driver may be transported by another person (authorised second driver) at any time. The authorised second driver must meet the expectations specified in section 1.4. The authorised vehicle driver undertakes to verify that the second driver is fit to drive and is in possession of a valid driving licence. Furthermore, the authorised vehicle driver must not leave the second driver with the vehicle unattended.

3.2. The customer is liable for the authorised second driver's activity as for his own. The cost of journeys made by the second driver shall be borne by the customer.

3.3. No person other than those identified in sections 1, 2 and 3 may drive the vehicles of AVALON Car(e) Services Kft. The customer undertakes to take adequate security measures in order to prevent vehicle usage by unauthorised third parties.

### **4. Registration fee**

4.1. A one-off registration fee is payable upon concluding the contract. The monthly base fees are calculated according to the price list effective from the first day of the current month. The fees may be increased if the customer identifies authorised vehicle drivers (i.e., if a co-card is issued). Pursuant to section 23.2 of the GCTC, AVALON Car(e) Services Kft. must inform the customer of any change to the monthly basic fees.

4.2. The contract may be terminated by any party at the end of a month, with 30 days notice. The notice must be given by registered mail.

4.3. If the contract is terminated, any separate tariffs that may be included in the price list as annual fees (e.g., the price of a security package) shall be refunded by AVALON Car(e) Services Kft., but not proportionately to the time of termination of the contract.

### **5. Usage charge**

5.1. Vehicle usage must be calculated on the basis of the booked period (time-based usage charge) and the number of kilometres travelled; according to the price list valid during the period.

5.2. Invoicing is based on the number of kilometres travelled (which is electronically registered) and on the usage period.

5.3. The conditions applicable in the case of tariff switching are defined in the price list.

5.4. Upon signing the contract the customer is obliged to pay 50.000 Ft as a safety deposit. The customer is acquitted of paying the deposit amount in case of purchasing an insurance package for 19.900 Ft annually. When choosing the optional insurance package, the amount to be paid by the customer when causing damage is maximum 50.000 Ft per damage. Without this option the amount to be paid when causing damage is 20%, with a minimum of 250.000 Ft per damage. The customer acknowledges that AVALON

Car(e) Services Kft. may withhold the security deposit until the entire damage incurred by AVALON Car(e) Services Kft. is compensated for, and may use the security deposit for such compensation. If the security deposit decreases due to damage compensation, the customer must replenish it so that it is maintained at HUF 50,000. When the contractual relationship between the parties terminates, AVALON Car(e) Services Kft. shall repay the security deposit (or a proportionate part of it) to the customer according to the settlement method defined in the contract. AVALON Car(e) Services Kft shall pay no interest on the security deposit.

### **6. AVALON Car(e) card, PIN and AVALON Car(e) manual**

6.1. Every person entitled to drive the vehicle must carefully read the AVALON Car(e) manual kept in the car and the registration package. All objects and documents handed over to the vehicle driver shall remain the property of AVALON Car(e) Services Kft.

6.2. The AVALON Car(e) card must be kept safe. The PIN code must not be written on the AVALON Car(e) card and must not be stored together with the card so that it is accessible to third parties. The customer must ensure that the card, the PIN code, the user name and the password are not stored and accessible together. The customer shall receive the card and the related PIN code upon registration. Internet users shall receive the user name and password by e-mail. The customer service of AVALON Car(e) Services Kft. must be notified immediately of any lost, defective, damaged or broken card. If the contractual relationship between the parties terminates, the card must be immediately returned to AVALON Car(e) Services Kft.

6.3. The authorised vehicle driver is liable for any loss or damage arising from lost or damaged cards, for any abuse occurring with the card, and for all other objects received from AVALON Car(e) Services Kft. The liability entails the compensation obligation stipulated in the price list.

### **7. Booking**

7.1. A vehicle may only be used on the basis of prior reservation through the telephone-based customer service, or through the Internet. No overlaps with ongoing reservations are allowed. The minimum booking period is 30 minutes; the booking period must start and end on a quarter of the hour (e.g. 6:00, 7:15, 8:30, 9:45, etc.).

7.2. AVALON Car(e) Services Kft. may define an upper limit (credit line) for the customer's travels and bookings not yet settled. Both a general and a specific credit line can be set. AVALON Car(e) Services Kft may reduce the credit line at any time (taking into consideration the customer's justified needs), if the circumstances of the case in question indicate that due payment by the customer is questionable, and especially in the following cases:

- if the customer fails to pay an invoice;
- if the customer fails to provide information as stipulated in section 22.1;
- if the customer's payment obligation is expected to increase due to an accident or any other occurrence;
- if the customer requests a reduced credit line;
- if AVALON Car(e) Services Kft may lawfully terminate the contract pursuant to section 19.

These rules shall not mean that AVALON Car(e) Services Kft will monitor the utilisation of the customer's limit; only the customer is obliged to do so. Furthermore, these rules shall not mean that the customer is entitled to make reservations up to the total limit.

### **8. Cancelling, shortening or lengthening a booking**

8.1. A booking may be cancelled or shortened subject to payment of the fees stated in the price list.

8.2. If the vehicle is not at the designated place or not usable at the start of the reserved period, the customer may cancel the travel through the customer service free of charge, or may request a different vehicle. If no similar substitute vehicle is available at the same facility, the customer shall receive compensation according to the effective price list.

8.3. Any exceeding of the booking period must be reported to the customer service before the end of the reservation period as a prolongation or extension. In the case of any resulting overlap with another booking, the customer must pay a default fee as stated in the price list. If the customer can prove that the damage incurring is less than the default fee, he shall pay a reduced fee. If the exceeding of the reservation period is not reported to the customer service in time, a default or excess fee (as stipulated in section 7.1) may be charged pursuant to the price list. See also section 17.

8.4. A period of travel may be reserved, cancelled or prolonged/extended by phone, through the home page of AVALON Car(e) Services Kft, or in the vehicle, according to sections 7, 8.1 and 8.3. The fees payable for such transactions are stipulated in the effective price list and depend on the mode of reservation/cancellation/prolongation method.

8.5. In case of a delay, the authorised vehicle driver must immediately inform the customer service of AVALON Car(e) Services Kft to prolong/extend the booking if possible. In the event that the prolonged/extended booking conflicts with another booking, the customer service shall attempt to resolve the conflict; though any resulting costs shall be charged to the authorised vehicle driver who is responsible for the delay.

By signing the contract, the authorised vehicle driver acknowledges and accepts that the customer service of AVALON Car(e) Services Kft may amend his booking shortly before the start of the reserved period; the customer service shall immediately inform the authorised driver of the amendment.

## 9. Inspecting the vehicle before the start of travel

9.1. The authorised vehicle driver must inspect the vehicle's condition before starting a travel period, checking for obvious deficiencies and damage. The availability of the vehicle registration document must also be checked. The customer service must be immediately informed of any vehicle deficiencies or new defects before travel. In this case, the vehicle may only be used with the express consent of the customer service. Such consent shall only be denied in justified cases. If, based on the conversation with the authorised driver, the customer service cannot exclude the possibility that the vehicle is not roadworthy, or if its condition needs to be examined to avoid a possible legal dispute, then the customer service may forbid the use of the vehicle until an expert appointed by AVALON Car(e) Services Kft arrives at the vehicle to examine it. If the authorised vehicle driver fails to duly inspect it before beginning a travel period (e.g., starts to use an obviously damaged vehicle without the consent of AVALON Car(e) Services Kft), then the authorised vehicle driver may be charged HUF 60,000, unless the customer can prove that the damage is not attributable to his/her default, or that the actual damage is significantly less than the compensation demanded. The key to the car and the vehicle registration document are kept in the glove compartment and they must be left there when the driver stops using the vehicle. If the authorised vehicle driver removes those items from the vehicle, he/she must return them immediately at his/her own cost, and must pay the penalty for improper vehicle usage stated in the price list.

9.2. The customer must immediately inform the customer service of AVALON Car(e) Services Kft of any damage to the vehicle identified before, or sustained during, its use, unless the damage is indicated on the vehicle damage form kept in the glove compartment.

9.3. If the vehicle breaks down so that it cannot be driven further, the authorised driver must park it so that it obstructs traffic as little as possible. If the vehicle must be left unattended for any reason, the driver must park it safely, and must pay the costs of parking (for at least one hour). This cost will be reimbursed retro-actively by AVALON Car(e) Services Kft.

All authorised vehicle drivers are responsible to AVALON Car(e) Services Kft and the other users for the external and internal condition of the vehicle used.

9.4. Authorised drivers who violate their obligations shall be liable for any damage arising from improper usage.

## 10. Proper vehicle usage

10.1. The authorised vehicle driver undertakes to use the vehicle for its intended purpose and with due care, observing all vehicle operation and traffic rules. Furthermore, the authorised driver shall comply with all statutory rules and authorities' regulations relevant to vehicle usage, the user's manual issued by the manufacturer, and the manual of AVALON Car(e) Services Kft.

## 11. Forbidden vehicle usage

11.1. The vehicle must not be used in violation of the effective safety regulations, or in any way that constitutes improper usage. It is especially forbidden to test drive or race drive a vehicle, and to transport any inflammable, toxic or otherwise hazardous materials in the vehicle. The vehicle must not be rented out or used for illegal activities (including activities that are punishable on the spot only). The maximum vehicle payload must not be exceeded. The vehicle must not be used as a taxi. The customer assumes unlimited liability for any violation of these rules, especially if the vehicle was driven under the influence of alcohol, drugs, medicines or other, narcotic, substances.

11.2. A vehicle owned by AVALON Car(e) Services Kft may only be driven or transported out of Hungary with the company's prior consent.

## 12. Procedure in case of damage, defects and accidents

12.1. The customer must immediately report any damage and defects (such as a punctured tyre) to AVALON Car(e) Services Kft. In this case, the vehicle may only be driven on with the express consent of the customer service of AVALON Car(e) Services Kft. Such consent shall only be denied in justified cases. If, based on the conversation with the authorised driver, the customer service cannot exclude the possibility that the vehicle is not roadworthy, or if its condition needs to be examined to avoid a possible legal dispute, then the customer service may forbid the usage of the vehicle until an expert appointed by AVALON Car(e) Services Kft arrives at the vehicle to examine it. The authorised driver of the vehicle must take all reasonable measures to ameliorate the damage.

12.2. With the approval of AVALON Car(e) Services Kft, the authorised driver may have the vehicle repaired by a contracted repair shop up to the value limit indicated in the effective price list. Any repair cost exceeding that limit shall only be reimbursed up to the price of proven, indispensable and justified repairs only, undertaken subject to the prior consent of AVALON Car(e) Services Kft. Such costs shall only be reimbursed on the basis of invoices duly issued, unless the damage was caused by the authorised driver of the vehicle.

If the vehicle cannot be driven further due to a fault of the customer (e.g., a wheel clamp has been installed or the battery is flat due to improper use by the driver), then the customer must compensate AVALON Car(e) Services Kft for the cost of travelling to the vehicle (as stated in the fee table), as well as for any other costs resulting from any delay.

12.3. In case of an accident involving bodily injury, the authorised driver must immediately call the ambulance service, the police, and the customer service of AVALON Car(e) Services Kft. If nobody is injured but another car is involved in the accident, the authorised driver must immediately call the police and the customer service of AVALON Car(e) Services Kft.

A person entitled to travel in the vehicle must not give a damage declaration to third parties. Any further vehicle usage after an accident requires the express consent of AVALON Car(e) Services Kft. AVALON Car(e) Services Kft and the police must also be notified if the vehicle or any part of it is stolen. The customer and the authorised vehicle driver must assist AVALON Car(e) Services Kft, the insurance company (unless to his own detriment), the authorities and the court in clarifying the circumstances of an accident.

An authorised vehicle driver who is not certain about his liability or the actions to be taken must seek assistance at the customer service of AVALON Car(e) Services Kft.

## 13. Returning the vehicle

13.1. The authorised vehicle driver must return the vehicle in a proper condition at the end of the reservation period. 'Proper condition' shall mean that the interior of the vehicle is clean, the fuel tank is at least 25% full, and the vehicle is left at the designated facility, protected from theft. Furthermore, all electricity-consuming equipment in the vehicle must be turned off, the facility must be adequately closed, and the vehicle key must be safely deposited in the appropriate location. Travel costs shall be determined on the basis of data stored in the technological systems (on-board computer, electronic vault, etc.). If the fuel tank is less than 25% full, the customer must fill it up to 100% using the fuel card kept in the vehicle; otherwise, AVALON Car(e) Services Kft. may charge the customer the amount stated in the fee table.

13.2. AVALON Car(e) Services Kft. assumes no liability for any personal belongings left in the vehicle, but shall help return them to their rightful owner in as much as is possible. Any unclaimed objects, the owners of which cannot be identified, shall be destroyed after three months.

Objects left in the vehicles and found by AVALON Car(e) Services Kft. Shall be returned to their rightful owners in the company's customer service office free of charge.

If a customer demands that an object found in the vehicle should be handed over to him immediately, then AVALON Car(e) Services Kft. shall charge the relevant fee stated in the fee table, and shall leave the object in the customer service office.

## 14. The authorised vehicle driver's liability

14.1. The authorised vehicle driver shall be liable for any damage to, or theft of, the vehicle, as well as for any parts lost during vehicle usage (e.g., luggage space cover/parcel shelf, mats, head rests, car keys, etc.), damage caused by third parties, or non-compliance with the authorised driver's contractual obligations. The authorised vehicle driver must return the vehicle in the same condition it was in when he/she received it. The authorised vehicle driver's liability extends to secondary costs resulting from any damage, such as experts' costs, towing costs, depreciation, loss of lease fees, incidental administrative costs. The customer shall be fully liable for any damage caused by improper vehicle usage (e.g., a defect caused by erroneous transmission usage or wrong fuel usage, etc.), even in the case of a specific agreement with AVALON Car(e) Services Kft. on limited excess liability. The customer shall also bear full liability for any non-accident-related damage to wheels, tyres, undercarriage, chassis, external mirrors, antenna, vehicle interior and luggage compartment.

The authorised vehicle driver shall be liable for any damage that AVALON Car(e) Services Kft. learns about from the next vehicle user before the start of that user's travel, unless the authorised vehicle driver can prove that the damage was caused by a third party outside the reservation period.

14.2. In the case of vehicle damage arising from an accident, the authorised vehicle driver's liability is limited to the excess amount specified in the effective price list, provided that the vehicle was used pursuant to the contract and the damage was reported immediately, except for the damage specified in section 14.1.

14.3. The amount of excess can be reduced by purchasing a security package. The resulting decrease in liability shall be specified in the effective price list.

14.4. The excess liability decrease is also valid for damage caused by an authorised second driver, provided that the authorised vehicle driver is liable for the damage, and that the authorised vehicle driver has purchased a security package.

14.5. The authorised vehicle driver is fully liable to AVALON Car(e) Services Kft (and/or the entity that maintains the vehicle) for any damage arising from intentional or grave non-compliance with these General Contracting Terms and Conditions, legal regulations, or the general insurance conditions (even if such non-compliance was committed by an authorised second driver).

14.6. AVALON Car(e) Services Kft. may waive its right to claim compensation from its own insurance company. This shall not reduce the authorised vehicle driver's liability in any way.

14.7. The customer is liable for the actions of any persons to whom he/she gives a co-card and authorises to drive the vehicle, in the same manner as for the customer's own actions. The customer is also liable for any costs and defects arising from vehicle usage by such persons.

## 15. Mandatory third-party liability insurance

15.1. Mandatory third-party liability insurance has been concluded for the vehicles. In case of any vehicle damage incurred in Hungary, the customer must initiate police procedures, and must immediately hand over to AVALON Car(e) Services Kft the police protocol and the resolutions concluding the police procedure, as well as the accident report forms fully and duly completed by the parties involved in the incident. The accident report must con-

tain an acknowledgement of the liability of the person who caused the damage. In the case of damage incurred outside Hungary, the customer must also obtain and present a certificate of insurance coverage from the insurance company that provides liability cover to the parties involved in the accident. If the customer fails to comply with these obligations, he/she shall bear the cost of the entire damage.

## 16. Liability of AVALON Car(e) Services Kft

16.1 If a vehicle is not available at the reserved time, AVALON Car(e) Services Kft shall compensate the customer for any damage incurred, pursuant to section 8.2.

## 17. Penalties

The customer must pay a penalty for violating any rule stipulated in these GCTC, provided that the price list contains the relevant penalty level. Specifically, a penalty shall be payable for allowing an unauthorised person drive the vehicle (section 3.3), using a vehicle without reservation (section 13), returning a vehicle late (section 13), losing the AVALON Car(e) card, or handing the card over to an unauthorised person (sections 3.3 and 6).

## 18. Blocking or withdrawing an AVALON Car(e) card

AVALON Car(e) Services Kft. may block a card if:

- the related data become invalid due to the customer's failure to report their change (e.g., address, phone number, e-mail);
- the customer and AVALON Car(e) Services Kft are in dispute over damage to a vehicle;
- any invoice is unpaid, or the customer has an overdue debt over HUF 50,000;
- the customer is reasonably suspected to have endangered or caused damage to another participant in traffic, or to another customer of AVALON Car(e) Services Kft.

## 19. Termination and financial settlement

19.1. The contract may be terminated by any party at the end of a calendar month, with 30 days notice.

19.2. The contract must be terminated in writing. The termination notice must be sent to the other party by registered mail.

19.3. When the contract terminates for any reason, the customer must immediately return his AVALON Car(e) card, as well as all other objects and tools that the authorised vehicle driver has received as part of the contractual relationship.

## 20. Payment and financial conditions

20.1 The amount payable by the customer is due within 14 days from the invoice date. Failure to pay the invoice in time shall constitute a breach of contract. In this case, AVALON Car(e) Services Kft may directly deduct its claim, including any other fees, penalties, fines and debts, from the security deposit, without litigation. In this case, the customer must top up the security deposit within 24 hours from receiving notice of that fact from AVALON Car(e) Services Kft, and acknowledges AVALON Car(e) Services Kft's right to limit the customer's vehicle usage right until the security deposit is topped up to the contractually stipulated level. The customer must pay 1% default interest per day on any overdue debt to AVALON Car(e) Services Kft. The customer acknowledges and consents that AVALON Car(e) Services Kft may enforce its overdue claim via prompt collection or an execution procedure. By signing this contract, the customer authorises AVALON Car(e) Services Kft to submit a prompt collection order, and undertakes to pay any procedural, legal, litigation and collection costs.

## 21. Offsetting

21.1. Any claim of the customer may only be offset against AVALON Car(e) Services Kft's financial claims if the customer's claim is legally indisputable or acknowledged by AVALON Car(e) Services Kft.

## 22. General obligations

22.1. The customer undertakes to immediately report to AVALON Car(e) Services Kft any change in the name, address or bank information of the customer or any person authorised by the customer to drive a vehicle. Upon request by AVALON Car(e) Services Kft, the customer must report the name and address of any person authorised to drive a vehicle.

22.2. The authorised vehicle driver must carry his/her valid driving licence with him when driving a vehicle. AVALON Car(e) Services Kft must be informed immediately if the driver's licence is withdrawn either temporarily or permanently. The reason for such withdrawal must also be reported.

## 23. Amending the price list, the GCTC and other contractual provisions

23.1. AVALON Car(e) Services Kft. may, and is obliged to, amend the kilometre-based prices to reflect any nominal increase or decrease in fuel prices. See the effective price list for the specific conditions of the price amendment.

23.2. The effective General Contracting Terms and Conditions, and the price list, are available for inspection on the home page of AVALON Car(e) Services Kft and in the company's office, during working hours, on weekdays. In justified cases, AVALON Car(e) Services Kft may amend its price list. The amended price list shall be displayed, and made available, on the company's home page and in its office, at least 30 days before it takes effect. In the event that the GCTC or the price list is amended, the customer may terminate the contract in writing, giving the ordinary 30 days of notice, at the end of a calendar month.

23.3. AVALON Car(e) Services Kft may amend the items on its price list by the inflation rate for services (as published by the Central Statistical Office for the previous year) as of February 1<sup>st</sup> of every year.

23.4. The manual, the vehicle list, the instructions kept in vehicles and the security instructions may be amended at any time.

## 24. Data protection

24.1. The customer and the authorised vehicle driver agree that AVALON Car(e) Services Kft may store, and electronically process their personal data, pursuant to the relevant legal regulations. The data may only be disclosed to third parties in the following cases:

- to a reservation service;
- to insurance companies if such disclosure is indispensable to the due contractual performance;
- if and when required by law;
- with the customer's written consent.

The data must not be disclosed for commercial purposes, but anonymous data may be forwarded for scientific purposes.

The Customer and the person authorised to drive the vehicle shall consent to the Service Provider to manage their personal data pursuant with the statutes in force and required for the purposes of administration and the performance of the obligations stipulated in the Contract, the GTC and the Privacy Policy.

24.2. In phone calls made to AVALON Car(e) Services Kft's central customer service number, the company shall state that the call will be recorded in order to clarify any misunderstanding. Callers shall also be informed that they may make a reservation online if they disagree with the recording of phone calls.

## 25. Governing law and dispute resolution

25.1. These General Contracting Terms and Conditions are governed by the Civil Code and other legal regulations of Hungary. The parties shall attempt to resolve any dispute amicably. Should that attempt fail, the dispute shall be resolved by the competent court.

These Terms and Conditions valids from 24.05.2018.

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