

Appendix 1. GENERAL TERMS AND CONDITIONS FOR SPORTS SERVICES (GTC)

for the Margaret Island Athletics Center

Name of the Sports Service Provider: Budapest Sport Service Provider Nonprofit Ltd.

Address: 1146 Budapest, Olof Palme sétány 5.

Company registration number: 01-09-270163

Account number: 11784009-20606309

Tax number: 25352050-2-42

Customer service hours: Monday to Friday from 9:00 AM to 3:00 PM, Friday until 2:00 PM

Central phone number: +(36) (1) 363-2673

Central email: iroda@mujegpalya.hu

Website: www.bsk.sport.hu

Name of the facility: Margaret Island Athletics Center and Running Track (hereinafter: Center)

Facility address: 1007 Budapest, Margaret Island

Facility manager: Papp Gábor, Facility Manager

Phone number: +(36)(1)329-2788, +(36)(1)329-3406

Email: info@margitsziget.com

Website: www.margitsziget.com

The provisions set forth in these general terms and conditions for sports services shall apply to all sports service relationships and all users who use the sports services of the Margaret Island Athletics Center (hereinafter: MAC) provided by Budapest Sports Service Provider Nonprofit Ltd. (hereinafter: Sports Service Provider). These general terms and conditions form an inseparable part of all individual sports service contracts concluded with the Sports Service Provider as Appendix 1.

The parties shall determine the specific duration of the sports service contract, the premises and areas used, as well as other data and service specifications, in an individual sports service contract signed by both parties.

The parties may deviate from these GTC by mutual agreement, which must be recorded in an individual sports service contract signed by both parties.

I) DEFINITION OF THE SPORTS SERVICE PROVIDER:

The Sports Service Provider is a non-profit economic company established by the Municipality of Budapest to perform public tasks and is publicly owned. The MAC located at 1007 Budapest, Margaret Island, is a facility of the Sports Service Provider, which, together with its headquarters and branch offices, is part of the national property under Act CXCVI of 2011 on National Assets, Section 1, Paragraph 2, Point a). The MAC is exclusively operated by the Sports Service Provider.

The Sports Service Provider has the exclusive right to lease or utilize the indoor and outdoor areas of the MAC, except for five (5) days a year when the Municipality of Budapest uses it for its own public tasks. The provisions of this GTC apply to the utilization by the Municipality of Budapest under the effective usufruct agreement between the Municipality and the Sports Service Provider.

II) DEFINITION OF THE USER

2.1. The User, their subcontractor, and their auxiliary personnel can only be individuals or transparent organizations as defined by the National Assets Act of 2011, Section 3(1), point 1. A contract for the utilization of national assets can only be concluded with individuals or transparent organizations.

- The User must not have any overdue debt towards the Sports Service Provider.

- The User must not be under bankruptcy or liquidation proceedings.

2.2. The User guarantees under liability for damages that they meet these criteria.

2.3. The Sports Service Provider may terminate the contract without compensation if the User, their subcontractor, or auxiliary personnel no longer qualify as a transparent organization after the conclusion of the contract.

III) SPORTS SERVICE FEE:

3.1. The User is obliged to pay the sports service fee for the premises, areas, equipment, and tools utilized or taken into use.

3.2. The sports service fee is exempt from VAT and must be paid in Hungarian forints, retrospectively, after utilizing the sports service, via bank transfer to the Sports Service Provider.

3.3. In case of unauthorized use of any premises or areas (e.g., overextension), the User must pay the Sports Service Provider twice the valid rental fee, including VAT, for the affected premises or areas, according to the Sports Service Provider's current general tariff.

3.4. The individual sports service fee offered by the Sports Service Provider to the User includes the sports service fee calculated for the depository and construction-demolition period. The User bears the risk of damage and the utility costs for outdoor areas during this period. The Sports Service Provider assumes no responsibility for items and assets brought into the Sports Service Provider's area; their security and insurance must be arranged by the User at their own expense.

IV) SECURITY DEPOSIT:

4.1. The security deposit is not part of the sports service fee.

4.2. The Sports Service Provider may require a security deposit from the User, depending on the nature, duration, and size of the sports event and the premises and areas utilized. The amount will be determined in the individual sports service contract.

4.3. The Sports Service Provider is entitled to directly satisfy its claims from the security deposit if the User does not fulfill their contractual obligations.

4.4. The security deposit will be refunded to the User after the contract expires if the User has performed as agreed. In this case, the Sports Service Provider will refund the full amount of the security deposit to the User's bank account within 30 (thirty) days after the sports service relationship expires. In case of damage caused by the User, the Sports Service Provider will retain the necessary part of the security deposit as compensation and issue a VAT-exempt invoice for the amount retained. The remaining part of the security deposit, if any, will be refunded to the User within 30 (thirty) days after the sports event. The Sports Service Provider is entitled to claim compensation from the User for any damage not covered by the security deposit.

V) UTILITY COSTS:

5.1. For outdoor areas and units such as stages, hospitality units, stands, and all other units installed outdoors, the utility cost is not included in the sports service fee. The sports service fee only includes the utility cost for indoor premises, related to their proper use. The Sports Service Provider reserves the right to charge the User for utility costs if the premises are used for purposes or sports events involving unusual electricity or power consumption. In case of unauthorized use of any indoor premises, the User bears the utility costs and the risk of damage until the premises are vacated, cleaned, and returned to their original state.

5.2. The User bears the utility costs from the time of taking possession until the premises and areas are vacated and returned to their original state. Utility costs are paid retrospectively to the Sports Service Provider based on an invoice.

5.3. Utility costs include the cost of water, gas, electricity, and the use of related facilities. Utility costs include the cost of water, gas, electricity, and the use of related facilities. Utility costs include the cost of water, gas, electricity, and the use of related facilities. Utility costs include the cost of water, gas, electricity, and the use of related facilities.

5.4. Utility costs do not include cleaning during and after the sports service relationship, security services, health services, security guards, on-duty personnel, etc.

5.5. The parties may agree on a fixed amount for additional costs related to the sports service in the individual contract.

VI) UTILITIES:

6.1. The construction of utility connections from the connection points to the consumption points, in consultation with the Sports Service Provider, is the responsibility and cost of the User. These construction costs are not part of the sports service fee. If a functioning connection point is already in place, the User is not responsible for the construction costs.

6.2. The Sports Service Provider supplies energy for sports events based on the pre-agreed quantity and connection points. If the User exceeds the energy consumption, the User will pay any penalties charged to the Sports Service Provider by the energy provider.

VII) PAYMENT METHOD:

The User must make payments to the Sports Service Provider's account at OTP Bank (account number: 11784009-20606309). Financial fulfillment is considered complete when the contractual amounts are fully received in the Sports Service Provider's bank account. The User acknowledges that if prepayment is agreed upon, and the sports service fee, security deposit, or other costs are not fully received in time, the Sports Service Provider is entitled to deny access to the sports facility and retain the User's belongings in the facility. The Sports Service Provider is not liable for any delay or cancellation of the sports event or any related damages. It is the User's responsibility to ensure that advance payments, including banking transaction times, are made in time to be credited to the Sports Service Provider's account.

VIII) LATE PAYMENT: The late payment interest is an automatic and objective legal consequence of the User's breach of contract, from which there is no exemption. The User must also compensate the Sports Service Provider for any damage exceeding the late payment interest and any collection costs (including legal fees), unless the delay is justified. In case of late payment, the User must pay a collection cost flat rate of 40 Euros to the Sports Service Provider. If the User is in default with advance payments, the Sports Service Provider may prohibit the User's access and use of the MAC without compensation and may immediately terminate the contract. The Sports Service Provider is entitled to remove and store the User's belongings at the User's expense.

IX) PROHIBITION OF FURTHER UTILIZATION: The User cannot unilaterally exceed the assigned location and time slot, nor exchange, lend, or sublet them to third parties, either for free or for a fee. The User may only use the MAC, its equipment, and tools for the purposes, locations, and time intervals specified in the contract with the Sports Service Provider.

X) ADDITIONAL ORDERING OF SERVICES AND SPORTS EQUIPMENT:

If the User requires additional services or sports equipment not included in the individual contract for the event, these must be ordered separately in writing (by email) based on the Sports Service Provider's current tariff.

XI) SPORTS EVENTS:

11.1. The User must inform the Sports Service Provider in writing (via email to info@margisziget.com or by post) about the exact name, detailed program, the responsible on-site representative, target audience, expected number of participants, and subcontractors before the sports event.

11.2. The organization, management, and execution of the sports event are the User's responsibility. The Sports Service Provider assumes no financial obligations, responsibilities, or guarantees beyond these contract terms towards visitors, participants, sponsors, subcontractors, contractual partners, or employees related to the sports event.

11.3. The User is always the organizer, cost bearer, and responsible party for the sports event. The User cannot engage in brokerage activities or transfer the lease to third parties.

XII) DELIVERY AND REMOVAL OF USER'S EQUIPMENT:

12.1. The User is responsible for procuring, constructing, operating, and dismantling the entire infrastructure needed for the event at their own expense and risk, ensuring the lawful and contractual execution of the sports event.

12.2. The User must coordinate with the Sports Service Provider in advance regarding any non-Sports Service Provider equipment (installation, decoration, equipment) used for the sports event.

12.3. The delivery and removal of the necessary equipment must occur at the pre-agreed times and routes.

12.4. No equipment can be brought into the MAC without the consent of the Sports Service Provider.

12.5. The User guarantees that all structures, equipment, and installations comply with relevant laws, standards, and safety regulations and that all personnel delegated to the event possess the necessary qualifications, which must be presented upon the Sports Service Provider's request.

XIII) PARKING AND ENTRY PERMISSION:

13.1. The Sports Service Provider can provide parking spaces at the MAC only to a limited extent, based on available capacity and prior agreement. The Sports Service Provider is entitled to charge the User the prevailing parking fee at the MAC

13.2. The Sports Service Provider does not provide entry permits for Margaret Island. Obtaining entry permits is the User's responsibility and expense.

XIV) AUTHORITIES' PERMITS AND REGULATIONS:

The User acknowledges that they are solely responsible for complying with disaster management, fire safety, data protection, and occupational safety regulations in the areas and premises they use. If any activity during the sports event requires a permit (e.g., sound permits, catering, pyrotechnics), the User must obtain the necessary permits and make official notifications before the event. The User is responsible for any copyright fees incurred. The User is liable for any damages resulting from violating these provisions.

XV) INSURANCE:

The Sports Service Provider's accident insurance does not cover sports events, so the insurance of the sports event and its participants is the User's responsibility and expense.

XVI) MAINTENANCE:

16.1. The User has liability for damages and must restore artificial turf, grass fields, and the running track in case of damage, and any equipment, devices, or installations used by the User

16.2. Physical alterations in the sports facility or MAC can only be carried out with the prior written agreement of the Sports Service Provider. If the Sports Service Provider did not consent to the alterations, it can demand the restoration to the original state at the User's expense and claim damages from the User.

16.3. The User must coordinate with the Sports Service Provider in writing before constructing infrastructure and provide plans and specifications. Without this agreement, the User cannot start construction. Violating this provision entitles the Sports Service Provider to dismantle and remove the construction at the User's expense and immediately terminate the contract.

16.4. The User acknowledges that during construction and dismantling, only the routes designated by the Sports Service Provider may be used, without unnecessarily disturbing the guests of the sports facility.

16.5. Operating hospitality units, food trucks, retail units, event tents, stages, or other service units on the running track is not considered proper use of the running track. Such use must be pre-agreed with the Sports Service Provider, and the running track must be covered with a protective layer at the User's expense. The protective cover must not involve drilling or screwing into the running track surface.

XVII) DAMAGE AND ACCIDENT:

The User is responsible for the proper use of the MAC and for all damages and accidents occurring in connection with the sports event, except those attributable to the Sports Service Provider. The User is fully liable for damages caused by the User, their subcontractors, contractual partners, or guests. The User is also responsible for damages caused by unauthorized persons or organizations participating in the sports event.

XVIII) HANDOVER-TAKEOVER PROTOCOL

The parties will jointly inspect the leased area at the time of handover and record its condition in a protocol. The handover protocol will be attached to the individual sports service contract. If the Sports Service Provider detects any faults related to the restoration of the leased area after the contract ends (considering natural wear and tear), it must immediately inform the User in writing. The User has 8 (eight) days from receipt to make comments and 15 (fifteen) days to rectify the faults at their expense.

If the User fails to meet this obligation on time, the Sports Service Provider is entitled to rectify the faults at the User's expense and claim damages from the User. The User must accept any objections from the Sports Service Provider regarding faults, damages, or deterioration not recorded in the handover protocol but attributable to the User or associated persons. The User is responsible for damages caused by unauthorized persons or organizations participating in the sports event. In the absence of a handover protocol, it is assumed that the User received the leased area in a flawless condition, and the burden of proof lies with the User in case of a dispute.

XIX) NOISE PROTECTION:

The User undertakes to fully comply with the municipal regulations on the establishment of noise and vibration load limits and the local regulations on noise protection. Any occasional exceedance of the noise

emission limits prescribed by law can only be authorized by an authority. The User undertakes not to exceed the noise emission values permitted by law and the authorities throughout the entire sports event and the duration of the sports service contract, and is solely responsible for any damages resulting from their violation.

The User agrees to take all possible measures to protect against noise. If the User fails to take these measures, and the Sports Service Provider, based on the opinion of an expert commissioned by the Sports Service Provider, observes noise exceedance that the User does not remedy within 15 (fifteen) minutes of the Sports Service Provider's notice, the Sports Service Provider may unilaterally stop the sound service for the event for that day. Such action by the Sports Service Provider does not reduce the sports service fee, and the User cannot claim any compensation from the Sports Service Provider.

Any noise protection penalty imposed on the Sports Service Provider in connection with the User's sports event must be paid by the User within 30 (thirty) days of the written notice addressed to the User by the Sports Service Provider.

XX) RESPONSIBILITY FOR PERSONS AND ITEMS ON MAC PREMISES:

20.1. The Sports Service Provider does not assume responsibility for the User's, their subcontractors', auxiliary personnel's, contractual partners', event workers', or participants' items brought onto the MAC premises, nor for their loss or damage.

20.2. The User is responsible for any damage caused by improper use or otherwise attributable to the User or associated persons. This liability extends to all guests (event visitors) and damages caused by them or the User's employees or associates. The User is solely responsible for any accidents occurring during the event, and the Sports Service Provider assumes no secondary liability.

20.3. It is the User's responsibility and expense to provide the necessary staff for the event, including medical, toilet, and security services. The User may enter into a separate agreement with the Sports Service Provider for these services based on the Sports Service Provider's current tariff.

XXI) CANCELLATION:

21.1. The house rules apply to cancellations unless otherwise agreed in the individual sports service contract.

21.2. For sports service contracts concluded for organizing a sports day or event, the following cancellation fees must be paid by the User to the Sports Service Provider:

- 50% of the fee if cancelled within 21 days,
- 70% of the fee if cancelled within 14 days,
- 90% of the fee if cancelled within 7 days.

No cancellation fee is required if the parties mutually agree on an alternative date. The Sports Service Provider is not obliged to offer an alternative date.

XXII) SMOKING: Smoking is prohibited on MAC premises, and the User is responsible for ensuring compliance.

XXIII) HOUSE RULES: By entering the MAC, the User accepts the MAC house rules.

XXIV) HOSPITALITY:

24.1. The Sports Service Provider does not have the personnel or equipment necessary for providing catering services (e.g., chairs, tables, refrigerators, kitchen technology).

24.2. If the User does not contract with the on-site catering provider, they must inform the Sports Service Provider in advance about the main details of the catering company. Obtaining the necessary permits is the User's responsibility and expense.

Without these permits, the company cannot operate on MAC premises.

24.3. The Sports Service Provider reserves the right to install additional catering units in areas not included in the sports service contract.

XXV) VETO RIGHT OF THE SPORTS SERVICE PROVIDER

The Sports Service Provider may prohibit or interrupt a sports event if it deems it to be of a political or religious nature, which was not disclosed at the time of the individual contract and is capable of causing public outrage or violating public morals, or if the marketing and PR materials of the event use images or graphics of the Sports Service Provider's headquarters, premises, or branches in an offensive or misleading manner. In such cases, the User is not entitled to any compensation. The User is

responsible for ensuring that these details and materials are agreed upon with the Sports Service Provider before the contract is concluded.

XXVI) PLACEMENT OF ADVERTISING MATERIALS

26.1. Banners and other advertisements may be placed on MAC premises only with the prior written permission of the Sports Service Provider and payment of the advertising space rental fee. Violation of this provision entitles the Sports Service Provider to remove the advertisement at the User's expense and prohibit its placement, and the User must pay twice the applicable advertising space rental fee to the Sports Service Provider.

26.2. Informational signs and posters related to the sports event may be placed only at the location and size specified by the Sports Service Provider.

XXVII) PHOTO AND AUDIO RECORDINGS

27.1. The Sports Service Provider reserves the right to use recordings made at sports events for reference purposes and on social media platforms and publications, in accordance with its data protection regulations.

27.2. A security camera surveillance system operates on MAC premises, and the recordings may be used by the Sports Service Provider to monitor non-compliant or contract-violating activities.

XXVIII) TICKET SALES

The sale of tickets and entry passes for sports events is the User's responsibility.

XXIX) CLEANING AND WASTE DISPOSAL:

The User is obliged to continuously ensure the cleanliness of the premises and areas used during the sports service period and undertakes to ensure immediate cleaning and waste collection after the sports event.

29.1. The User is responsible for maintaining the impeccable cleanliness of the premises and areas used.

29.2. It is the User's responsibility and expense to provide an adequate number of selective and communal waste bins for the event.

29.3. Selective waste collection is mandatory on MAC premises.

XXX) IMMEDIATE TERMINATION

Either party may terminate the contract immediately if the other party commits a serious breach of any essential obligation of the contract.

XXXI) FORCE MAJEURE:

31.1. If the operating conditions of the MAC significantly change, or due to extreme weather conditions or any other extraordinary reason (such as legal provisions related to epidemics), the MAC cannot open safely on the given day, the Sports Service Provider may terminate the sports service contract immediately with a unilateral declaration.

31.2. In the event of termination or cancellation of the sports event due to such reasons, the User cannot claim compensation or other claims against the Sports Service Provider, and the parties consider it an event not attributable to anyone (force majeure).

XXXII) PROCEDURE DURING EPIDEMIC THREAT:

32.1. The User undertakes to comply with the epidemic regulations in force during the sports event.

32.4. The User acknowledges that they cannot claim compensation or alternative locations or dates from the Sports Service Provider or the MAC owner in case of event cancellation or contract termination due to epidemic threats.

XXXIII) PARALLEL SPORTS EVENTS AND UTILIZATION:

The Sports Service Provider is entitled to utilize areas not handed over to the User for sports events or commercial purposes for third parties. If the User restricts or hinders the commercial or catering utilization of areas not contractually used by the User, the User must compensate the Sports Service Provider with an amount equal to the prevailing sports service fee and compensate for lost revenue to other tenants and users.

XXXIV) SUPERVISORY DUTY:

34.1. The supervisor is employed by the Sports Service Provider and must be present at the MAC outside regular working hours during events that involve construction or dismantling or large-scale sports events. The supervisor represents the Sports Service Provider. The supervisor is the contact person for the User regarding facility usage during the sports service period. The supervisor assists the User, provides information, monitors contractual performance, and takes necessary measures, especially if damage or risk is detected. The supervisor's presence and actions do not exempt the User from promptly addressing accidents and damage and notifying authorities or emergency services immediately.

34.2. The User bears the cost of the supervisor according to the prevailing tariff, except during regular working hours on weekdays from 8:00 AM to 4:30 PM.

34.3. A supervisor is not required for smaller sports events, such as training sessions, warm-ups, or small-scale events.

34.4. A supervisor is mandatory for:

- film shooting,
- sports events organized by the Municipality of Budapest,
- any sports event expected to have or reaching 1,000 participants,
- Events involving large numbers of animals (e.g., horses, dogs),
- Sports involving extreme sports categories.

34.5. If a supervisor's presence is required, the Sports Service Provider will email the supervisor's schedule and contact details to the User in advance. If the scheduled supervisor is unavailable, the Sports Service Provider will immediately notify the User by email about the replacement supervisor.

XXXV. PRIOR MUNICIPAL PERMISSION:

The Sports Service Provider is independently authorized to conclude sports service contracts, except when the Sports Service Provider intends to provide sports services free of charge or at a discount for non-residential indoor (within the building) or outdoor areas of the MAC. In such cases, prior approval from the owner, the Municipality of Budapest, is required to conclude the contract. The Sports Service Provider will arrange for obtaining this approval.

XXXVI. ENVIRONMENTAL GUIDELINES

36.1. The Sports Service Provider is committed to climate and environmental protection and aims to provide sports services primarily for sports and cultural events and festivals that consider the following sustainability requirements:

- a) consideration and application of material efficiency and waste prevention;
- b) implementation of selective waste collection and increased use of secondary raw materials;
- c) promotion of energy and climate-conscious behaviour, striving for greater use of renewable resources;
- d) realization of installations and event venues built from sustainable materials, choosing environmentally friendly packaging for products at events, and providing environmentally friendly product offerings;
- d) selection of commercial and program service providers considering environmental aspects;
- e) cooperation with local communities, producers, and service providers;
- f) encouragement for participants to arrive by public transport or bicycle, providing free, guarded bicycle storage at the event, prominently featured in the event's advertising campaign, and including transportation information with maps showing public transport stops, bicycle routes, and event bicycle storage in online event information;
- g) organizing awareness-raising volunteer actions and CSR programs related to the event (e.g., waste collection, green turf regeneration, tree planting, flower planting, bee meadow creation)
- h) Preference for products or services with environmentally friendly certification if an alternative is available;
- i) Procurement and use of low-energy consumption devices for the duration of the event.

The Sports Service Provider's current data protection and camera policies and the MAC house rules can be viewed on the website www.sport.bsk.hu.

In matters not regulated by the GTC, the provisions of the Hungarian Civil Code (Ptk.) are applicable.

In the event of any conflict or difference of interpretation between the provisions of the Hungarian and English language versions of the General Terms and Conditions for Sports Services, the interpretation in the Hungarian language version shall prevail.

Budapest, June 11, 2024