

KTM KIMYEVI MADDELER GENERAL PURCHASING CONDITIONS

1. GENERAL

- a. This General Purchase Conditions ("Conditions") resolve the supply of all goods and/or services ("Goods") by KTM Kimyevi Mad. A.Ş. ("KTM") residing at Nidakule Göztepe, Merdivenköy Mh, Bora Sk, K:8, 34732 Istanbul or on its behalf and is valid for all transactions between KTM and Supplier.
- b. Supplier undertakes the following conditions and accepts the same to be held valid in any future commercial relation between the parties even if they are not expressly stated.

2. PRICE QUOTATIONS, ORDERS, CONFIRMATION and DELIVERY

- a. Unless otherwise accepted explicitly by KTM, prices stated in any form by Supplier shall not bind KTM and shall only be indicative when an order is placed with Supplier. Any verbal order, addition, change or inquiry of KTM shall not be binding unless and until a written order is placed ("Approved Orders"). KTM shall not be held responsible of any such requests. Supplier's different order confirmations shall only be valid upon the written acceptance of KTM.
- b. KTM is entitled to cancel any order within 3 (three) days following its written placement. Loadings expected to be made within seven days are excluded.
- c. If an order is not objected within 7 (seven) days following its written placement by KTM, that shall indicate its acceptance as it is in accordance with the conditions stated hereby.
- d. Delivery dates that are agreed shall be binding. Delivery shall take place at the address stated in the relevant order. No change on the delivery date as well as partial or preliminary shipments shall be valid unless accepted in writing. Otherwise the goods shall be returned and KTM shall have no responsibility thereof. If not accepted KTM may cancel the order. If partial delivery is requested or is offered by Supplier and accepted in writing by KTM, each delivery shall be considered a separate transaction and non-performance of a delivery shall not affect the other deliveries. Supplier shall indemnify the losses of KTM resulting from late, unqualified or short delivery of the goods whether Supplier is faulty or not. Goods are returned if multiple deliveries are made for the same order.
- e. Unit price of the Goods in KTM orders include delivery costs at the address stated and conditions thereof and cost of Goods packaged as stated in the orders. Supplier shall be responsible to comply with all applicable laws and regulations of the destination country during the shipment of the Goods.
- f. Supplier shall be responsible to comply with all international and national applicable laws, regulations and rules related with offer for sale, shipment and packaging wastes. Goods must be packaged and shipped as adequately protected against any loss or leakage as stated in KTM order in accordance with relevant national and international regulations. Supplier shall also provide necessary statements and information and shall take required measures for Dangerous Goods considering ADR/RID classification. Otherwise KTM may not accept the delivery.
- g. If shipment is paid by KTM, Supplier is obliged to accept the shipper and shipment method determined by KTM. KTM is entitled to elect the shipper if it pays its cost and shipment is made by that shipper.
- h. If the Goods are waited because of a missing shipment document, storage cost and risks shall be assumed by the seller until the document has arrived.
- i. In case importation is made by seller, seller shall be responsible to fulfill customs and tax procedures in accordance with relevant regulations, to comply with applicable laws and any violations of 3rd party rights.
- j. Payment term starts when the invoice is received and not from the date of invoice. In case the Goods are delivered after the date of the receipt of invoice or after the agreed delivery date, payment term shall start at the delivery date of the Goods where KTM's other rights are reserved. Payments shall be made to the bank account of the issuer of the invoice or by check against receipt. Payment term is considered as complied when the payment order is given to the bank.
- k. Supplier accepted that KTM may exchange or set off its receivables resulting or to result from this agreement or put lien thereof on the current account of supplier.

3. INSPECTION and COMPLIANCE WITH SPECIFICATIONS

- a. Supplier shall confirm that the Goods comply with the specifications in the approved order or the specifications agreed for the Goods or the last specifications ("Specifications") and analysis certificate used by KTM during the delivery thereof.
- b. Any objection to the Goods shall be made in writing and any defect, default or shortness determined during a reasonable inspection during delivery shall be notified to the Supplier 2 (two) weeks at the latest following their entry in KTM bonded warehouse. Regarding the hidden defects, such term shall start when the defect is determined. KTM may be entitled to terminate the agreement in both cases. KTM may retain the payment in part or full until Supplier meets its contractual obligations in a complete manner.
- c. Return of the defected good shall imply the notification of the defect. No replacement good shall be sent in place of the returned one unless requested in writing. KTM is entitled to set off the cost of defected good including objection and shipment expenses thereof from the next invoice which becomes due provided that its rights regarding indirect losses are reserved. If exchange or set off is not possible, such payment is made within one week.
- d. Only KTM shall determine whether the Goods delivered are complying with specifications or not upon the sampling from the inventory of KTM to be made pursuant to the analysis method of KTM and inspection of the records. Result of that analysis shall be binding upon the parties and defaulting party shall pay laboratory expenses.
- e. Although it might be expected that KTM can accept remaining part of the Goods which are not defected, defects on some items may entitle KTM to reject the entire delivery.
- f. Supplier accepts to provide all information (user manuals, safety documents, analyses, certificates etc.) required by the provisions of relevant laws and regulations related with product liability (Law On Preparation and Implementation Of The Technical Legislation On Products No. 4703) to ensure correct delivery. In case Supplier becomes aware after the delivery that the delivered Goods are against the relevant legislation, it shall immediately notify the buyer and pays all expenses for the return of the Goods and all losses thereof.

4. TITLE OF THE GOODS AND RESPONSIBILITY

Supplier declares and guarantees that it has the title and unlimited disposition rights as well as production and sales license of the delivered Goods. KTM shall be entitled to return and cancel the order in case. Supplier sells KTM any Goods for which Supplier does not have necessary license or sales authorization or which may cause unfair competition or confusion. Supplier accepts in advance that KTM does not have the duty of a producer and can not be held responsible of the claims of material and indirect losses under the provisions of product liability.

5. INDEMNIFICATION OF LOSSES :

Supplier shall cover and indemnify any and all losses and damages that KTM incurs and/or to incur in future in case the conditions of this agreement are not complied with and/or obligations and/or commitments are not duly performed. Such amount can not be decreased.

6. FORCE MAJEURE

a. Parties shall not be responsible to each other for their contractual obligations in case of any loss, damage, cost or expense resulting from or related with a delay, restriction, difficulty or failure because of the circumstances beyond their control. Such events shall include without limitation: natural disasters, laws and regulations, administrative measures, court orders and decrees, earthquakes, floods, fire, explosions, war, terrorism, rebellion, sabotages, accidents, epidemics, strikes, lock-outs, slowdown strike, labor disputes, supply shortages of raw material and work force, transportation problems, plant or main machinery breakdowns, emergent repair and maintenance works, ancillary plant shortage or breakdown, delivery delays or defects in the goods supplied by Suppliers or subcontractors ("Force Majeure").

b. In case of a "Force Majeure" event, affected party shall immediately notify the reasons thereof to the other party in writing as well as the impact on its obligations subject to the relevant order. If delivery is delayed, delivery obligation shall be suspended as long as the time period lost because of force majeure. In addition to that, each party shall be entitled to cancel the affected part of the agreed order without imposing any obligation on the other in case the "Force Majeure" event continues more than 60 (sixty) days or is expected to take that long after the agreed delivery date.

7. INDEPENDENT CONTRACTORS

KTM and SUPPLIER are independent contractors and the relationship established with this agreement shall not be regarded as between a principal and attorney or as a representative or agency. This agreement does not entrust Supplier exclusivity.

8. NO ASSIGNMENT and CHANGE OF THE CONTROL

a. No party is allowed to assign its rights or obligations under an approved order unless it has obtained the written approval of the other.

b. If any time during the term of an approved order, a person or group of persons, irrelevant to the persons controlling the Supplier as of the date of approved order, takes control over the Supplier, KTM shall be entitled to terminate the approved order to be effective immediately. Supplier must notify this to KTM within 10 (ten) days. KTM may use its right to terminate the approved order within 10 (ten) days after the receipt of such notice with a written notice to be given to the Supplier.

9. WAIVER

Failure to apply any provision of these conditions by KTM at any time shall not be considered as a waiver of KTM from its rights thereof. Rights of KTM shall not be affected by a delay, inability or negligence related with the application of that provision. Waiver of KTM from any violation of the Supplier of its obligations shall not be considered as a waiver from another prior or future violations.

10. SEVERABILITY and AMENDMENTS

In case any provision of these conditions is found to be invalid or unenforceable which is to be separated from the others, this shall not affect the validity and enforceability of remaining provisions. Provisions which are found invalid or unenforceable shall be amended to the fullest extent permitted by applicable laws as satisfying the legal and economic purpose of the main provisions.

11. INTELLECTUAL PROPERTY RIGHTS

Any and all intellectual right which brings title and/or disposal right thereof or belongs indirectly to KTM can not be used for any purpose except subject to the general sales conditions and their performance.

Supplier guarantees that it does not violate patent and trademark rights of third parties in the delivery of the Goods or during the use of the same by our company. In such cases Supplier shall declare and accept that our company has no fault.

12. TITLE, LOGO and BRAND

Supplier accepts and undertakes to use KTM title and logo only subject to the general purchase conditions and not use them for other purposes.

13. EVIDENTIAL CONTRACT

In addition to legal documents, to verify any issue related with these general purchase conditions, fax messages and documents in electronic form can also be used as evidence provided that they were prepared by authorized representatives of the parties in accordance with general purchase conditions. In case of dispute, KTM's books and documents shall be considered as exclusive evidence pursuant to Article 287 of Code of Civil Procedure.

14. NOTICES

Any notices to be given or communicated for the general purchase conditions shall be directed to the commercial address of the parties.

15. INSPECTION

KTM is authorized to inspect Supplier's workplace or plants during the term of the agreement. KTM is also entitled and authorized to ask necessary questions to the Supplier through its representatives authorized to inspect its rights and receivables under the agreement. Such inspections shall be made during regular work hours and shall not unreasonably interfere with the activities of Supplier.

16. CONFIDENTIALITY

KTM is entitled to keep records of Supplier information subject to its commercial relation and disclose the same to its group and its affiliates and relevant authorities if required.

17. GOVERNING LAW and JURISDICTION

Provisions of the Turkish Commercial Code shall apply for any issue not covered in this agreement. Rights and obligations of the parties resulting from or related with approved orders and/or conditions shall be governed and interpreted pursuant to the Laws of Republic of Turkey regardless of conflicts of laws. İSTANBUL Central Courts and Execution Offices shall have exclusive jurisdiction over disputes.