

GENERAL TERMS AND CONDITIONS

1. Definitions, Application of These Terms

- 1.1 This General Terms and Conditions (herein after referred to as the "GTC") shall be deemed included as part of any invitation to bid, offer and/or order confirmation submitted by Akdeniz Kimyasal Ürünler Pazarlama İç ve Dış Ticaret Anonim Şirketi for the Products. As used herein, (a) "Seller" shall mean Akdeniz Kimyasal Ürünler Pazarlama İç ve Dış Ticaret Anonim Şirketi as addressed on any invitations to bid, offers, order confirmations and/or the first page of the Sales Agreement, whichever is relevant; (b) "Purchaser" shall mean the person, whose offer is accepted and thus confirmed in writing by Seller, and/or who signs an agreement/contract with the Seller; (c) "Products" shall mean products, equipment and services as well as the items listed on Invitation to Bid, in a Catalogue or on the front side hereof; and (d) "Person" shall be construed to imply both the plural and the singular, as the case may demand, and shall include, but not limited to, corporations, companies, associations, societies and municipal corporations as well as individuals and trusts.
- 1.2 All orders from the Purchaser are subject to this GTC stated herein. All agreements and/or contracts entered into between Seller and Purchaser include, as a material part, this GTC. Purchaser understands and agrees that (a) no modification or waiver of this GTC hereof shall be effective unless made by an authorized representative of Seller in writing addressed to Purchaser and specifically referring to this document; (b) no course of action on the part of Seller shall be deemed to modify this GTC; and (c) Seller's acknowledgment or acceptance of anything in writing from Purchaser, which is in conflict with this GTC and any subsequent delivery of Products shall not constitute a modification or waiver of this GTC.

2. Formation of Agreement/Contract

- 2.1 Seller reserves the right to reject any or all offers and, unless otherwise specified by Seller, to accept any one item or group of items in the Agreement, as may be in the best interest of Seller.
- 2.2 An offer submitted by Seller to Purchaser is to be open for acceptance within period stated in the offer documents or, if no such period is stated, no more than seven (7) days from submission of the offer (herein after referred to as "Acceptance Period"), unless withdrawn by Seller prior to the end of Acceptance Period.
- 2.3 All offers are based on information provided by Purchaser and therefore Seller reserves the rights to withdraw, alter and/or adjust its offer, order confirmation or the agreed agreement/contract in the event the information provided by Purchaser has been incorrect, whether fully or partially.
- 2.4 An offer shall become a binding contract after it has been first accepted by Purchaser and then approved and confirmed in writing by Seller.
- 2.5 (a) All permits, licenses and governmental & regulatory approvals of whatever nature relating to the purchase, possession, transportation, storage, processing, maintenance, handling, labelling, use and/or disposition of Products after delivery to Purchaser shall be obtained by Purchaser, at its own expense, and Purchaser hereby represents that it has obtained all such permits, licenses and governmental approvals and will furnish copies of same to Seller upon request. (b) Purchaser shall comply with all laws and ordinances and all governmental orders, rules and regulations relating in any way to its purchase,

possession, transportation, storage, processing, maintenance, handling, labelling, use and/or disposition of Products; to the labour, equipment, and facilities used in connection therewith; and to the protection of the public health, safety, or environment with respect to its transportation, handling, use or disposition of Products. Purchaser shall indemnify and hold harmless Seller against all fines, penalties, assessments, damages and other liability of whatever nature arising out of or resulting from Purchaser's failure to comply with this Paragraph 2.5.

3. Products Information of Descriptive Nature

- 3.1 Information contained in Products brochures, catalogues, price lists or any other materials shall be binding provided that they are expressly agreed in the agreement/contract.
- 3.2 All rights relating to any technical or other documents and specifications issued to Purchaser prior or subsequent to the completion of the agreement/contract by Seller shall remain the sole property of Seller.
- 3.3 The description of individual Products is based on the best information available to the responsible sales personnel of Seller. Seller, however, makes no warranty, express or implied as to the description of any of the Products.
- 3.4 Technical documents, such as Technical Data Sheet ("TDS") and Material Safety Data Sheet ("MSDS") , or other information relating to the Products from Seller shall not, without Seller's written consent, be used for any purposes other than those, which are explained in Products brochures and catalogues as well as permissible according to this GTC and/or agreement/contract. They may not be copied, published or utilised in any way benefiting any third party to whom the Products are not delivered.
- 3.5 Upon Purchaser's request, Seller shall provide a sufficient number of copies of TDS, MSDS, or other technical documents, which are necessary for Purchaser to make use of the Products. Seller shall not supply manufacturing specifications for the Products.
- 3.6 Seller's intellectual property rights shall remain the sole property of Seller, therefore cannot be used in a manner which is not allowed expressly or impliedly, in writing or orally by the Seller.

4. Hazardous Chemicals and Other Hazardous Materials; Safety Regulations, Inspection, Advice, and Assistance

- 4.1 Purchaser is warned and acknowledges that any Products which Purchaser may hereafter purchase from Seller, pursuant to any offer accepted by Seller and subject to the terms and conditions set forth herein, may bear or contain hazardous chemicals or other hazardous materials which may be, or may become by chemical reaction or otherwise, directly or indirectly, hazardous to life, to health or to property by reason of toxicity, flammability, explosiveness or for other similar or different reasons, during use, handling, cleaning, reconditioning, disposal, or at any other time after the Seller leaves the possession and control of the Purchaser. Purchaser does hereby discharge Seller from any and all liability directly or indirectly resulting from the presence of the aforesaid chemicals or materials, including, but not limited to, any and all liability directly or indirectly resulting from the failure of Seller to give more specific warning with respect to individual Products or from the inadequacy of any warning.
- 4.2 The Purchaser shall notify the Seller in full of any and all safety regulations imposed on its own employees. The Purchaser is under strict obligation to inform Seller, in

writing, of any violation to the safety regulations and to prohibit repeat offenders' entry to its site.

- 4.3 Prior to submitting an offer, Purchaser is invited, urged, and cautioned to inspect all Products. Upon request, Seller will furnish to Purchaser such advice and assistance as Seller deems necessary in reference to any Products; Purchaser agrees, however, that all such assistance is rendered without compensation and the Seller assumes no obligation or liability for such advice or assistance given or results obtained. Products will be available for inspection by appointment on regular workdays between 10:30 a.m. and 3:00 p.m.
- 4.4 The Purchaser shall, at the request of Seller and to the best of its ability, assist Seller to obtain all necessary information concerning local laws and regulations applicable to the agreement/contract.
- 4.5 If, by reason of any changes in local laws and regulations occurring after the date of the contract, the cost of delivery is increased, the amount of such increase shall be added to the purchasing price.

5. Delivery Time and Changes

- 5.1 If the Parties have agreed on a specific period of time, rather than a specific date, within which the delivery shall take place, such period shall commence on the later of either (i) the date when Seller has received Purchaser's acceptance of the offer and has sent an order confirmation to the Purchaser, or (ii) the date when the agreement/contract is signed by the Parties.
- 5.2 If, pursuant to the Purchaser's written request, any change is made to the Products, the agreed purchase price and/or the time for completion of the agreement/contract shall automatically be accordingly and appropriately adjusted to the extent required by any such change. All changes must be agreed in writing.

6. Passage of Title and Risk of Loss and Damage

- 6.1 The Products shall remain the sole property of Seller until paid in full. Prior to final payment, Purchaser shall not be entitled to assign possession or ownership of the Products to a third party and Purchaser shall keep the Products for repossession by Seller.
- 6.2 Upon Seller's request, Purchaser shall be obligated to assist Seller in taking any measures necessary for protection of Seller's title to the Products.
- 6.3 Under no circumstances shall the retention of title to the Products affect passage of risk of loss and damage.
- 6.4 Any trade condition agreed upon in the agreement/contract shall be in accordance with Incoterms in force at the formation of agreement/contract.
- 6.5 Unless agreed otherwise in the agreement/contract, the delivery method shall be Ex Works (EXW) at Seller's premises without packing costs.
- 6.6 Unless agreed otherwise in the agreement/contract, partial shipments will be allowed.
- 6.7 Seller has the right to use subcontractors to fulfil its obligations.
- 6.8 Risk of loss and damage to the Products shall transfer to Purchaser in accordance with obligations set forth by the agreed trade condition of Incoterms in force at the formation of the agreement/contract, unless otherwise agreed by the Parties.
- 6.9 Seller has right to take out insurance at the cost of the Purchaser for the Products during the consignment and storage thereof.

7. Payment and Taxes

- 7.1 Unless agreed otherwise, the purchasing price shall be paid cash in advance for all Products purchased by Purchaser, regardless of the fact whether it is a continuing purchase or one spot purchase.
- 7.2 Purchaser's remittance shall be to the legal entity that is listed in the agreement/contract.
- 7.3 Purchaser shall pay the amount of any tax or any charge now or hereafter imposed by law, upon, with respect to, or measured by the sale, shipment, or price of Products sold hereunder unless otherwise agreed by the Parties.
- 7.4 Irrespective of means of payment utilised, any payment shall not be regarded as having been rendered until Seller's account has been fully, irrevocably and unconditionally credited.
- 7.5 If the Purchaser fails to pay or take any other action according to the agreed payment terms, Seller shall be entitled not only to interest on non-fulfilment of such terms at a rate of ten (10%) per cent per annum, but also a late payment fee, of which computation is to be based on two (2%) per cent of the monetary value of the purchase.
- 7.6 If any payment obligation under the agreement/contract is not duly fulfilled, Seller has the right to suspend its performance of the delivery until such payment obligation is fully fulfilled by the Purchaser.
- 7.7 If the Purchaser has not paid any outstanding amount or fulfilled any other payment obligation within fifteen (15) days from the due date, Seller has the right to terminate the agreement/contract in whole or in part by written notice to the Purchaser and to claim compensation for any losses and damages incurred thereby.
- 7.8 The Purchaser shall compensate the Seller for all extra expenses incurred to extend or change any bank guarantees, letters of credit (L/C), attorneys' fees or other means of documentary credits due to the Purchaser's failure to fulfil its obligations.

8. Delay

- 8.1 If the Purchaser anticipates any delay in accepting delivery of the Products by the agreed delivery time, Purchaser shall immediately notify Seller thereof in writing. Such written notification shall include reasons of delay and, when probable, a future date and time when the Purchaser can accept and take delivery.
- 8.2 If the Purchaser fails to accept and take delivery by the agreed delivery time, it shall nevertheless fulfil all original payment obligations liable upon delivery as if the delivery had been performed. The Purchaser shall also pay all extra expenses in connection with its delay. Seller shall arrange storage of the Product at the risk and expense of the Purchaser. Upon Purchaser's request, Seller shall also insure the Product at the Purchaser's expense.
- 8.3 Unless the Purchaser fails to accept delivery for reasons mentioned in Article 11, Seller may, by written notice, require the Purchaser to accept and take delivery by a final reasonable date. If the Purchaser fails to accept and take delivery by such date of notification for reason, which Seller is not responsible, Seller has the right to terminate the agreement/contract in whole or in part. Seller shall inform the Purchaser, in writing, of any such termination. Seller shall also be entitled to compensation for all losses, incurred due to the Purchaser's default.
- 8.4 If Seller anticipates any delay in delivering the Product by the agreed delivery time, it shall without delay notify the Purchaser thereof in writing. Such notification shall include reasons of delay and, when possible, a future date when the delivery can take place.

- 8.5 Unless Seller's delay is caused by reasons mentioned in Article 11, Seller shall be obligated to pay liquidated damages as determined below from the date when the delay commences.
- 8.6 Seller shall pay the Purchaser liquidated damages at a rate of 0,2 per cent of the agreed purchase price for each complete week of month. The total amount of liquidated damages shall not exceed five (2) per cent of the agreed aggregate purchase price.
- 8.7 If the delay is limited to a portion of the Products, the liquidated damages shall be determined by the purchasing price of such delayed portion only.
- 8.8 Liquidated damages, if any, shall be due and payable upon Purchaser's written demand after completion of delivery or termination of the contract.
- 8.9 The Purchaser shall waive its right to claim any liquidated damages if it fails to submit written demand within two (2) days after the date when the delivery should have taken place.
- 8.10 When liquidated damages, if entitled, has reached its maximum limit due to length of delay and Seller is still unable to deliver the Products, the Purchaser shall have the right to demand, in writing, that delivery be completed within a final reasonable period.
- 8.11 If Seller fails to deliver the Products within the final reasonable period after receipt of written demand for reasons, which the Purchaser is not responsible or for reasons other than those determined in Article 11, the Purchaser shall be entitled to terminate the agreement/contract relating to the portion of the Products, which cannot be used, due to Seller's default, for the purposes intended by the Parties. Upon termination, Seller shall collect the cancelled portion of the delivered Products, if any, from the Purchaser and return any payment, if received, for the undelivered portion of the Products.
- 8.12 The liquidated damages are the only possible remedies, to which the Purchaser will be entitled in case of delay caused by Seller.
- 8.13 Regardless of other provisions herein afore in this GTC pertaining to delay, each Party has the right to suspend performance of its obligations under the agreement/contract if it can be clearly demonstrated that the other Party will not be able to fulfil its obligations. A Party, suspending its performance under the agreement/contract for this purpose, shall immediately notify the other Party in writing. Such written notification shall include intended actions to be taken and reasons of actions.
- 9. Liability for Defects**
- 9.1 Seller shall remedy any defect resulting from faulty materials or workmanship. As per Article 6.5 herein above, the Purchaser shall be obligated to inspect and accept the operation of the Products, prior to any utilization of the Products. The commencement of utilization of the Products in production shall be deemed as the Purchaser's acceptance of the chemical performance and other taking over quality controls, and the Purchaser's acknowledgement that the Purchaser is responsible, at its own cost and risk, for the maintenance, operation and other possible duties in connection with the utilization of the Products.
- 9.2 When Seller has remedied a defect, the period envisaged in Paragraph 9.16 shall also be applicable from the date of remedy under the same terms and conditions as originally agreed in the agreement/contract.
- 9.3 The Purchaser shall immediately notify Seller of any defect. Such notification shall be made within two (2) days after appearance of the defect. If the defect is of a nature that it may cause damages, the written notice shall be given immediately. The Purchaser shall waive its right to have any defect remedied if it fails to notify Seller within the time limitation.
- 9.4 The Purchaser shall describe the defect in the notice.
- 9.5 When Seller receives a notice concerning a defect and it is subsequently determined that Seller is not responsible for such defect or there is no defect, the Purchaser shall be obligated to compensate Seller for any expenses incurred as a result of the notice.
- 9.6 Seller shall, at its own risk and cost, be responsible for any necessary transportation of the Product to remedy a defect as agreed by the Parties. Such transportation shall be arranged under Seller's instructions.
- 9.7 The Purchaser shall be responsible for any additional expenses incurred by Seller to replace, forward and transport the Products located at a place other than the destination agreed in the agreement/contract or, if no destination is agreed, the place of delivery.
- 9.8 The defective parts, which have been replaced are the property of the Seller and shall be delivered, if required to the Seller by the Purchaser.
- 9.9 If Seller fails, for reasons other than those mentioned in Article 11, to replace a defect within three (3) months after receipt of defect notice, the Purchaser may by itself or employ a third party to remedy such defect at the reasonable expense of Seller limited to the total purchase value of the delivery.
- 9.10 If the Purchaser or a third party carries out the successful remedy, reimbursement of reasonable expenses by Seller shall be the total and final settlement of any such remedy.
- 9.11 If the defect has not been successfully remedied within five (5) months after receipt of defect notice: a) the Purchaser is entitled by written notice to a reduction of the purchasing price in proportion to the reduced value of the Product provided that, under no circumstances, shall such reduction exceed ten (10%) per cent of the purchasing price; b) the Purchaser is entitled to terminate the agreement/contract by written notice to Seller if the defect is so significant that the Products cannot be used for the intended purpose, in which event the Parties shall return the implemented performances to the other Party. Further claims are waived; c) The written notice must be submitted to Seller within five (5) months after the receipt of defect notice.
- 9.12 Seller shall not be responsible for any defects resulting from materials supplied by or design stipulated to or determined by the Purchaser.
- 9.13 Seller shall not be liable for defects if:
a) the utilisation of the Products has not been performed according to the instructions by Seller;
b) the Products has not been used and/or maintained fully in accordance with the operating and maintenance instructions provided by Seller, or if the Purchaser has carried out alterations to the Products without the prior written consent of Seller;
c) the defects result from normal deterioration or from deterioration caused by wrong/negligent storage conditions as clearly envisaged in both relevant TDS and MSDA; or
d) the defects result in other circumstances, which the Product has not been intended for.

9.16 If the Products are not utilised for six (6) months, the Seller shall be released from its liabilities for defects as envisaged in this Section 9. The said six (6) months commences from the date when the Products is ready for delivery at Seller's premises.

10. Responsibility

- 10.1 SELLER DOES NOT ACCEPT ANY OBLIGATIONS OR RESPONSIBILITIES NOR DOES IT OFFER ANY GUARANTEE OTHER THAN THOSE EXPRESSLY AGREED, NOT EVEN IN RELATION TO THIRD PARTY'S CLAIMS.
- 10.2 SELLER SHALL NOT BE RESPONSIBLE FOR ANY DAMAGE TO PROPERTY OR PERSONS CAUSED BY THE PRODUCTS WHILE IT IS IN USE BY THE PURCHASER. SELLER SHALL NOT BE RESPONSIBLE FOR ANY DAMAGE TO PRODUCTS MANUFACTURED BY THE PURCHASER OR TO PRODUCTS OF WHICH THE PURCHASER'S PRODUCTS FORM A PART.
- 10.3 Purchaser hereby agrees to give warning of the possible hazard to any person or persons, to whom Purchaser resells or gives or delivers the Products or whom Purchaser can reasonably foresee may be exposed to their hazards; this GTC in no way limits Purchaser's agreement contained in 10.1 and 10.2 of this Article.
- 10.4 Purchaser agrees not to remove any and all trademarks, labels, distinctive markings and designs of Seller, which may appear on the Products or on the packaging material therefore at the time of delivery of same to the Purchaser and to refrain from making any use of such trademarks, labels, distinctive markings and designs.
- 10.5 If a third party claims any damage against one of the Parties of the agreement/contract, this Party shall immediately notify all remaining Parties of the agreement/contact in writing.
- 10.6 The Parties shall mutually agree to be involved in any litigation or arbitration examining claims for damages and other relief against one of the Parties for product liability claims or other claims of similar kind.
- 10.7 THE PURCHASER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS SELLER FROM AND AGAINST ANY THIRD PARTY CLAIMS FOR DAMAGES INCURRED UNDER CIRCUMSTANCES CONTROLLED BY THE PURCHASER.
- 10.8 SELLER SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF PRODUCTION OR LOSS OF PROFIT.
- 10.9 THE MAXIMUM LIMIT OF SELLER'S LIABILITY FOR DAMAGES AND LOSSES OF ANY SORT AND FOR WHATEVER REASON, RESULTING FROM OR IN ANY CIRCUMSTANCE CONNECTED WITH THE USE AND DELIVERY OF THE PRODUCT, PARTS OR SERVICES SUPPLIED BY SELLER, SHALL BE IN THE FORM OF A CREDIT APPLIED TO THE AMOUNT OF THE TOTAL SUM OF EACH SEPARATE DELIVERY.
- 10.10 REGARDLESS OF ANY OTHER PROVISIONS OF THE GENERAL TERMS AND CONDITIONS STATED HEREIN, THE LIMITATION OF LIABILITIES SHALL NOT APPLY TO ANY BREACH OF PARTY IF THE PARTY HAS BEEN GUILTY OF INTENT, WILFUL MISCONDUCT OR GROSS NEGLIGENCE.

11. Force Majeure

- 11.1 Each party has the right to suspend performance of its obligations under the agreement/contract to the extent that such performance is impeded, made unreasonable onerous or impossible by circumstances beyond its control including, but not limited to, industrial disputes, governmental, Central Bank, legislative or other relevant activities or restraints, whether valid or invalid (including, but not limited to, priorities, requisitions, allocations, and price adjustment restrictions), Acts of God, fire, earthquake, avalanche, landslide, flood and other disasters, war (whether declared or not), embargo, extensive military mobilization, act of civil or military authority, order of any government or any department or any department or agency thereof, insurrection, riot, terrorist acts, sabotage, industrial accidents, power outage stemming from the national grid, requisition, seizure, embargo, strikes, lockouts, factory shutdown, shortage of transport, general shortage of both raw and intermediate materials both in Turkey and abroad, Company's inability obtain labour, materials or piece goods from Company's usual sources, restrictions in use of power, defects or delays in deliveries by subcontractors, congestions of any kind either at loading or destination ports, passing by the loading and unloading ports by the ship-owner without calling at, including but not limited to, caused by similar circumstances as described in this Section (Force Majeure).
- 11.2 The Party experiencing difficulties due to Force Majeure shall immediately notify the other Party in writing of such occurrence and its cessation.
- 11.3 If Force Majeure prohibits the Purchaser from fulfilling its obligation, it shall compensate Seller for, if any, extra direct expenses relating to the delivery including, but not limited to, transportation, storage and insurance costs.
- 11.4 Notwithstanding what may have been otherwise specified in the GTC stated herein, each Party has the right to terminate the agreement/contract with written notice to the other Party if performance under the contract has been suspended due to Force Majeure for more than three (3) months.

12. Governing Law, Dispute Resolution

- 12.1 Any offer, this GTC, order confirmation and resulting agreement/contract shall be governed by and construed in accordance with the laws of the Turkey.
- 12.2 Any dispute, controversy or claim arising out of or relating to or in connection with any offer or order confirmation made by Seller or the resulting contract entered into between Seller and the Purchaser shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules.
- 12.3 The arbitration shall take place in İzmir, Turkey. The language of the arbitration proceedings shall be English.
- 12.4 Notwithstanding the foregoing, Seller shall, at its discretion, have the right to initiate legal proceedings against the Purchaser in any competent Court of Law in accordance with the local laws in order solely for collection of any past due debt or obtainment of injunctive relief.
- 12.5 The Parties hereby expressly agree to exclude and disclaim the application of the provisions of United Nations Convention on Contracts for the International Sale of Goods (also referred to as the Vienna Convention), and any successor convention or legislation, to this GTC.

13. Confidentiality, Non-Disclosure

- 13.1 The Parties agree to treat secret and confidential the contract and any and all information obtained from the other party in connection with the contract and to not disclose any such information without the written consent from the other Party unless necessary for the implementation of the agreement/contract.

14. Severability, Headings, Entire Agreement

- 14.1 If any provision of the agreement/contract and/or this GTC is declared to be invalid, such declaration will not affect the validity of the remainder terms of the agreement/contract and/or this GTC.
- 14.2 If one Party decides to tolerate behaviour by the other Party, which is in violation of the terms of the contract, this does not mean that the former waives its contractual rights.
- 14.3 The headings of the agreement/contract and/or this GTC are for convenience of reference only and shall not in any way limit or affect the meaning or interpretation of the provisions of the agreement/contract and/or this GTC.
- 14.4 By conclusion of agreement/contract and/or this GTC, the Purchaser acknowledges and accepts that: (i) it has not relied on any previous written, oral or implied representation, inducement or understanding of any kind or nature; (ii) the written quotation, including this GTC stated herein, technical specifications and documents and other annexes incorporated in the contract by reference, embodies the entire contract between the parties with respect to the subject matter hereof; and (iii) the contract entered into by the parties may not be amended except in writing and signed by the duly authorized representatives of all Parties.