

1. **General.** This General Terms and Conditions of Sale (“**Terms and Conditions**”) for commercial customers (the “**Buyer**”) of [Akso Akrilik Kimya Sanayii A.S.] (the “**Seller**”) shall apply exclusively and supersedes all previous negotiations, representations and/or contractual commitments between the Buyer and the Seller. The sale of goods is based on the Buyer’s acceptance of the Seller’s Terms and Conditions, to the exclusion of all other conditions, save to the extent an express written reservation has been made by the Buyer which has been accepted in writing by the Seller. The Seller reserves the right to amend this Terms and Conditions anytime without any approval, consent or permission of the Buyer.
2. **Prices / Pricing.** 2.1. Unless otherwise set out in the order confirmation, the prices shall be applied by the Seller according to INCOTERMS 2010. 2.2. In case of delay of payment, interest shall be charged by the Seller at 6% (six per cent) per annum. In addition, in case of late payment, the Seller may, after having notified the Buyer in writing, suspend its performance of the delivery of the goods until the open and due invoices have been paid.
3. **Orders.** Orders should be passed to the Akso in written form by e-mail message or fax. Orders sent by the Buyer shall be confirmed by e-mail message after checking the production planning and the credit limit of the Buyer. If the credit limit of the Buyer is not adequate, the Seller shall have the right to request from the Buyer either provision of Letter of Credit to be confirmed by the Buyer or making an early payment in the amount of the goods. Order can be changed or cancelled and be binding on the Seller subject to the explicit written confirmation of the Buyer.
4. **Deliveries.** The Seller shall make commercially reasonable efforts to deliver the goods on the determined delivery date. The Seller can – without prejudice to its rights arising from default of the Buyer – demand an extension of delivery and service deadlines or a postponement of delivery from the Buyer in case of any force majeure event equivalent to the period of time by which the satisfaction by the Buyer of its contractual obligations is delayed. The Seller shall not be liable for failure to deliver the goods or for delays in delivery caused by force majeure or other events, which were not foreseeable at the time when the purchase order is confirmed, for which the Seller was not responsible. [Except in the case of force majeure, the Buyer shall reimburse the Seller for costs of extra transportation, storage and/or administration fees incurred as a result of any delay resulting from reasons not attributable to the Seller]. The other delivery conditions are as follows: (i) there will be a surcharge for the deliveries less than 10 tons due to increase in the shipping cost, (ii) there will be no deliveries in case of overdue payments longer than 30 days, (iii) The Seller has the right to deliver the ordered quantity within  $\pm 10\%$ .
5. **Complaints / Claims.** 5.1. Complaints will be considered only if they are filed in writing without delay and not later than 8 (eight) days after arrival of the goods. Such complaints

shall be accompanied by supporting documents, samples, packing slips and information regarding the invoice number, invoice date and the markings shown on the packaging.

**5.2.** Hidden defects must be notified to Seller in writing immediately upon discovery, but not later than 5 (five) months after receipt of the goods. In case of any claims with respect to hidden defects, the Buyer is obliged to inform the Seller before processing the whole quantity (maximum 2 tons of faulty yarn shall be accepted). This shall not affect the periods of limitation. The burden of proving that a defect is a hidden defect shall rest with Buyer. **5.3.** Goods alleged to be defective shall not be returned without the express consent of the Seller. **5.4.** Where goods are sold expressly as being of substandard quality, complaints or claims on grounds of substandard quality shall not be admissible.

**6. Limitation of Liability.** To the maximum extent permitted by law, in no event shall the Seller be liable to the Buyer, by way of indemnity, or by reason of any breach or of statutory duty or by reason of tort (including but not limited to negligence) for any loss of profit, loss of contracts or earnings, delay damages, interruption or loss of production, loss of use, loss of opportunity or business, indirect, punitive, special, incidental or consequential damages whatsoever that may be suffered by the Buyer. The Buyer further agrees to defend, indemnify and hold harmless the Seller from any claim made by end-user or the Buyer's customers for such losses. The remedies of the Buyer's set forth herein are exclusive, and the Seller's liability with respect to any contract, indemnity, tort (including negligence), under any warranty, strict liability or otherwise shall not exceed hundred percent (100%) of the purchase price of the goods, unless claims arise from gross negligence or willful misconduct of the Seller's or from Seller's legal liability for personal injuries. As used herein "gross negligence" shall mean reckless disregard of, or wanton indifference to, harmful and avoidable consequences and "willful misconduct" shall mean conduct that is committed with an intentional disregard for the safety of others and/or the safety of another's property. "Gross negligence" and/or "willful misconduct" shall not include any act or omission or any error of judgment or mistake made in good faith.

**7. Transfer of Title and Risk. 7.1.** Unless otherwise required by the applicable compulsory law, title to the goods shall be transferred to Buyer after the Seller has received payment in full of the purchase price. **7.2.** Risk of loss or damage to the goods shall pass to the Buyer from the Seller upon delivery according to applicable Incoterms.

**8. Retention of Title.** The Seller shall retain ownership of the goods purchased by the Buyer until the receipt of all payments arising from the business relationship with the Buyer. The Seller shall be entitled to reclaim the goods purchased in the event of a breach by the Buyer, in particular in the case of payment default.

- 9. Force Majeure.** The Seller shall not be liable for any non-performance, loss, damage, or delay due to war, riots, fire, flood, strikes or labour difficulty, governmental acts such as, but not limited, to trade restrictions including embargoes, acts of God, acts of the Buyer, its customer or the End-User, delays in transportation, inability to obtain necessary labour or materials from usual sources, or other causes beyond the reasonable control of the Seller. In the event of delay in performance due to any such cause, the delivery date or time will be extended to reflect the length of time lost by reason of such delay. Payment obligations shall not be affected by force majeure events. If the grounds for force majeure continue for more than six (6) months, either the Seller or the Buyer may cancel the purchase order upon 7 (seven) days written notice to the other party.
- 10. Inspection.** Any checking or inspection shall be performed by official institutions engaged in testing goods in accordance with BISFA regulations. Where no such regulations have come into force yet for certain products or make-ups, normal commercial practice shall be followed.
- 11. Invoicing:** The Buyer accepts and declares that all invoicing issues shall be realized by Ak-Pa Tekstil İhracat Pazarlama A.Ş.