

GENERAL TERMS AND CONDITIONS OF PURCHASING**1. PARTIES**

This MUTLU AKÜ General Terms and Conditions of Purchasing (“**TERMS AND CONDITIONS**”) sets forth general terms and conditions for the goods or services (“**WORK**”) to be provided by supplier (“**SUPPLIER**”) to Mutlu Akü ve Malzemeleri Sanayii Anonim Şirketi (“**MUTLU AKÜ**”). MUTLU AKÜ and SUPPLIER shall be referred individually as “**PARTY**”, collectively as “**PARTIES**”.

2. SCOPE OF WORK

WORK shall be defined through a written agreement executed between the PARTIES (“**AGREEMENT**”). In case there is written AGREEMENT between the PARTIES, purchase order given by MUTLU AKÜ and accepted by SUPPLIER or Supplier’s order form or offer signed by MUTLU AKÜ shall be deemed as written AGREEMENT. References to AGREEMENT in this TERMS AND CONDITIONS shall also cover purchase order, Supplier’s order form or offer signed by MUTLU AKÜ where there is no written AGREEMENT.

SUPPLIER shall be deemed to accept this TERMS AND CONDITIONS by signing the AGREEMENT or accepting the purchase order.

Unless otherwise is agreed in the AGREEMENT, terms and conditions set forth herein shall apply to the commercial relationship between the PARTIES. This TERMS AND CONDITIONS shall constitute an integral part of the AGREEMENT.

3. PURCHASE ORDERS

MUTLU AKÜ may order through accepting Supplier’s order form or offer, or through sending purchase order for WORK to SUPPLIER. Fundamental elements of WORK shall be defined in such order. In case SUPPLIER does not confirm the purchase order in writing within 3 days as of the delivery of order, MUTLU AKÜ shall have the right to cancel the purchase order without any need for notice or legal transaction. As long as SUPPLIER does not confirm the purchase order in writing, provisional or final acceptance of deliveries by MUTLU AKÜ shall not be deemed as continuance of WORK subject to such order.

4. AMENDMENTS

Any amendments to the scope of WORK and/or AGREEMENT shall only be made by PARTIES mutual agreement in writing.

5. PRICE AND PLACE OF DELIVERY

Unless otherwise is stated in the AGREEMENT, prices are fixed price and are determined for the full delivery of WORK with packaging to the place determined in the AGREEMENT. Unless otherwise is stated in the AGREEMENT, transport and other expenses are included in the price. Price increases shall only be made through MUTLU AKÜ’s prior written consent. Any delay in MUTLU AKÜ’s consent for Supplier’s price increase request shall not prevent the delivery of WORK.

With respect to the WORKS requiring installation by SUPPLIER, SUPPLIER shall be obliged to pay its employees’ social security premiums and to deliver to MUTLU AKÜ prior to the delivery of WORK the evidence of such payment together with other documents requested by MUTLU AKÜ

6. DELIVERY OF WORK

Delivery time of WORK shall be determined in the AGREEMENT. Unless otherwise is agreed in the AGREEMENT, the delivery date shall be

- in case of purchasing of goods, the date when the goods shall be delivered by SUPPLIER to the place determined by MUTLU AKÜ;
- in case of purchasing of services, the date when the service shall be accepted by technical officers assigned by MUTLU AKÜ.

Except for force majeure events, in case the delivery is not made in due time, MUTLU AKÜ shall have the right to terminate the AGREEMENT and claim from SUPPLIER compensation of losses and damages.

Except for force majeure events and MUTLU’s default, in case WORK is not delivered by SUPPLIER in due time as per the terms and conditions of AGREEMENT, for each day of delay SUPPLIER accepts and undertakes to pay a penalty amount of which shall be mutually agreed in writing between the Parties. SUPPLIER hereby accepts and undertakes that (i) the

delivery time is an essential term of this AGREEMENT, (ii) therefore the penalty amount is reasonable, and (iii) SUPPLIER shall not request reduction or put any other claims against the penalty. Such penalty amount shall be deducted from the payments to be made by MUTLU to SUPPLIER. In case penalty amount exceeds the amount of the payments to be made to SUPPLIER, SUPPLIER shall pay the exceeding amount to MUTLU in cash and full upon notification. In case there is no written agreement between the Parties regarding the penalty amount, this paragraph shall not be applied. In any case, MUTLU has the right to terminate the agreement in case the delay exceeds 10 days.

Unless otherwise is stated in the AGREEMENT, SUPPLIER accepts and undertakes that the WORK shall be in line with (i) the TSI standards applicable to WORK, (ii) applicable legislation including but not limited to those related to protection of environment, and (iii) if any, MUTLU AKÜ’s specifications and regulations related to WORK.

7. TRANSFER OF TITLE AND RISK

Unless otherwise is stated in the AGREEMENT, all costs (insurance, transportation etc.) and risk and responsibility until the delivery of WORK shall belong to SUPPLIER.

SUPPLIER shall be responsible for packaging of WORK in accordance with MUTLU AKÜ standards and applicable legislation. SUPPLIER shall be responsible for any and all damages and losses incurred due to the defective and insufficient packaging.

All documents for transportation (dispatch script, delivery note, package list etc.) and invoices issued by SUPPLIER shall be delivered to MUTLU AKÜ. SUPPLIER shall issue at least 3 copies of delivery note for every delivery.

In case any deficiency or fault is detected in the transportation documents and invoices delivered to MUTLU AKÜ, such documents and invoices shall be deemed void and be returned to SUPPLIER. SUPPLIER shall immediately correct such deficiency and fault and send to MUTLU AKÜ, otherwise SUPPLIER shall not be allowed to request payment.

The title of WORK shall be transferred duly to MUTLU AKÜ upon the delivery of WORK in accordance with the AGREEMENT and legislation and upon completion of acceptance in accordance with article 8.

8. ACCEPTANCE

MUTLU AKÜ shall conduct quality control and technical examination on WORK and shall complete acceptance procedures. MUTLU AKÜ will make payment to SUPPLIER after controlling the delivery in terms of amount and accounting, determination of conformity with the purchase order and accepting the delivery invoice.

Defects and faults in WORK shall be corrected by SUPPLIER free of charge in the duration determined by MUTLU AKÜ in case MUTLU AKÜ chooses to use this option. SUPPLIER shall accept return of goods which are not accepted by MUTLU AKÜ within 3 (three) days upon notice and shall assume all related costs. In case return of goods is not accepted by SUPPLIER, MUTLU AKÜ shall not be responsible for damages and losses. Unless otherwise is stated in AGREEMENT, MUTLU AKÜ reserves the right to deny partial delivery.

9. PAYMENT

Unless otherwise is stated in AGREEMENT, payments shall be made by MUTLU AKÜ in return for invoice at the first MUTLU AKÜ payment date following 60th day as of the invoice date to Supplier’s back account by wire transfer. In case SUPPLIER has a debt in current accounts, MUTLU AKÜ shall have the right to deduct such amount from the payment. Acceptance of WORK as per article 8 is a condition precedent for payment.

Unless otherwise is stated in AGREEMENT, MUTLU AKÜ shall not make any advance payment. If there is an advance payment, MUTLU AKÜ reserves the right to request guaranty from SUPPLIER.

10. WARRANTY TERM AND SCOPE

Unless a longer term is determined in AGREEMENT, WORK delivered by SUPPLIER shall be warranted by SUPPLIER for 24 months upon acceptance of MUTLU AKÜ against any production and installation defects.

Within the warranty period, defects determined by MUTLU AKÜ, shall be corrected by SUPPLIER free of charge in the period determined by MUTLU AKÜ.

In case defects determined by MUTLU AKÜ is not corrected within the period stated by MUTLU AKÜ, MUTLU AKÜ shall have the right to reduce the price or the correct the defects by itself or third party of which the costs shall be assumed by SUPPLIER.

MUTLU AKÜ reserves its rights arising out of applicable legislation.

11. OWNERSHIP RIGHTS

Ownership of any photographs, technical drawings, dimensions and other data and model, tool, mold, equipment given to SUPPLIER in relation to WORK and paid by MUTLU AKÜ, and goods produced in accordance with the above shall belong to MUTLU AKÜ.

SUPPLIER warrants that sale of the WORK to MUTLU AKÜ and/or use of the WORK by MUTLU AKÜ shall not infringe any patent, registered or unregistered design, rights, copyrights, registered trademark or trade name or any kind of intellectual property rights of third party, and SUPPLIER shall indemnify MUTLU AKÜ for all damages arising out of or in connection with any lawsuits, claims, demands, costs, fees or expenses caused by such kind of an infringement or allegation.

In case of a claim or lawsuit against MUTLU AKÜ, MUTLU AKÜ shall notify SUPPLIER in writing and SUPPLIER shall, at its own cost, assume all negotiations, discussions and procedures for settlement of such issue.

12. AUDIT

MUTLU AKÜ may conduct audit on Supplier's production and storage facilities on the condition that MUTLU AKÜ gives a notice with a reasonable period and does not interrupts ordinary course of business. SUPPLIER accepts and undertakes to perform all necessary transaction to facilitate MUTLU AKÜ's audit.

13. FORCE MAJEURE

In case of a force majeure event preventing the performance of WORK such as war, fire, strike, flood, earthquake, storm SUPPLIER shall notify MUTLU AKÜ in writing within 3 (three) days upon the occurrence of force majeure event.

The term of force majeure event shall be added to the Agreement's term. In case force majeure event lasts more then one month, MUTLU AKÜ may unilaterally terminate AGREEMENT.

14. SAFETY PRECAUTIONS

SUPPLIER is obliged to follow applicable laws, regulations and other legislation as well as MUTLU AKÜ's regulations, orders and instructions while conducting WORK.

In case SUPPLIER or its employees causes any damage or loss to MUTLU AKÜ, its employees or third parties, or in case SUPPLIER or its employees get damages or losses while conducting the WORK, SUPPLIER shall be the sole responsible. In case the installation of WORK is conducted by SUPPLIER, then SUPPLIER shall be responsible from all issues arising out of installation. No recourse to MUTLU AKÜ is allowed.

15. ASSIGNMENT OF AGREEMENT

Rights and obligation arising out of AGREEMENT shall only be assigned to third parties by written consent of PARTIES. SUPPLIER shall be jointly and severally liable for performance of WORK and responsibilities arising out of AGREEMENT with the assignee in case of an assignment of AGREEMENT with MUTLU AKÜ's written consent.

16. CONFIDENTIALITY

Unless there is a confidentiality agreement signed between PARTIES, SUPPLIER shall keep confidential all technical information, especially new product and model developments disclosed by MUTLU AKÜ in relation to

WORK as trade secrets and shall not disclose them to third parties. SUPPLIER shall secure its employees and third parties working with the SUPPLIER comply with this confidentiality requirement. This confidentiality obligation shall survive the termination or expiration of AGREEMENT and shall be in effect without any term.

17. DATA PRIVACY & SECURITY

SUPPLIER warrants and undertakes that they shall comply with all the applicable laws, regulations and rules regarding data protection with respect to this AGREEMENT, including the Data Protection Law with number 6698, and they shall continue to do so during the term of the AGREEMENT and shall not cause any violations in this regard.

SUPPLIER shall not transfer or disclose any personal data they learn or obtain within the scope of this AGREEMENT to third persons without prior explicit written consent of MUTLU AKÜ and shall not use this AGREEMENT outside its purpose. This obligation shall continue after the termination of this AGREEMENT.

SUPPLIER shall take all technical and administrative measures to provide an adequate level of protection in order to prevent unlawful processing of the personal data they obtain within the scope of this AGREEMENT, prevent unlawful access to personal data and protect personal data. SUPPLIER shall release MUTLU AKÜ from any claims that MUTLU AKÜ may receive and compensate any loss and damages that may be incurred by MUTLU AKÜ for this reason immediately.

SUPPLIER undertakes that it will process any personal data it may obtain within the scope of this AGREEMENT lawfully and fairly, only for the purposes of this AGREEMENT and relevant, limited and not excessive in relation to this purpose, and will keep the personal data for as long as it is necessary for the purpose.

In the event that the personal data processed by SUPPLIER within the scope of this AGREEMENT, is unlawfully obtained and/or accessed by third parties, SUPPLIER shall immediately notify MUTLU AKÜ of the issue in writing and shall provide MUTLU AKÜ with all the requested information and documents, as requested by MUTLU AKÜ.

SUPPLIER represents and undertakes that they shall obtain the explicit consent regarding the processing of personal data from the data subjects with respect to the personal data they may send to MUTLU AKÜ within the scope of the AGREEMENT and that they have informed the data subjects within the scope of Data Protection Law with number 6698 while obtaining the personal data.

18. MUTLU AKÜ REGULATIONS AND CODE OF CONDUCT

SUPPLIER as a business partner of MUTLU AKÜ accepts and undertakes to comply with MUTLU AKÜ's regulations, rules and principles. While performing the WORK, in addition to the applicable legislation, SUPPLIER shall follow and comply with the regulations and principles accepted by MUTLU AKÜ.

SUPPLIER accepts, undertakes and declares that such regulations, rules and principles including MUTLU AKÜ CODE OF CONDUCT HANDBOOK are an integral part of this TERMS AND CONDITIONS. The recent version of MUTLU AKÜ CODE OF CONDUCT can be found at <http://www.mutlu.com.tr/etik>. Before conducting the WORK, SUPPLIER shall reach to such handbook and shall take all measures to secure that SUPPLIER and its employees act in accordance with the handbook.

19. TERMINATION

Unless otherwise is stated in AGREEMENT, in case of violation of AGREEMENT or applicable legislation by SUPPLIER, MUTLU AKÜ shall have the right to terminate the AGREEMENT for cause and claim for compensation of damages and losses arising out of such violation.

20. NOTICES

All notifications within the scope of AGREEMENT shall be made to the address stated below through (i) hand delivery, (ii) registered email, (iii) fax message (with receipt confirmation) on the condition that the original copy to be sent by registered mail, or (iv) notary public. Notification as per mandatory provisions of Turkish Commercial Code are reserved.



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NOTIFICATIONS to MUTLU AKÜ:

To the attention of Legal Directorate

Mutlu Akü ve Malzemeleri Sanayii Anonim Şirketi
Tepeören Mah. Eski Ankara Asfaltı Cad. No:210 Tuzla İstanbul
Fax: +902163041914
REM: mutluaku.hukukservisi@mutlu.hs03.kep.tr

Notifications to SUPPLIER shall be made to the address stated in AGREEMENT or purchase order. If there is no address on AGREEMENT or purchase order, notifications to SUPPLIER shall be made to the headquarter address of SUPPLIER as per trade registry files.

21. STAMP TAX

Unless otherwise is stated in AGREEMENT, stamp tax arising out of AGREEMENT shall be paid by SUPPLIER. MUTLU AKÜ shall pay such stamp tax on behalf of SUPPLIER and shall deduct such amount from the first payment to SUPPLIER.

22. DISPUTE RESOLUTION

Any disputes between MUTLU AKÜ and SUPPLIER shall be solved by amicable mutual settlement. If the dispute cannot be solved by settlement, then İstanbul (Çağlayan) Courts and Execution Offices shall have the jurisdiction to solve the dispute. Turkish Law shall govern AGREEMENT, purchase order and this TERMS AND CONDITIONS.

SUPPLIER :
Title :
Date :
Representative :

STAMP : _____
SIGNATURE

MUTLU AKÜ VE MALZEMELERİ SANAYİİ ANONİM ŞİRKETİ