

GENERAL TERMS & CONDITIONS of SALES (Pipes & Fittings)

1. DEFINITIONS AND ORDER OF PRECEDENCE

1.1 These General Terms and Conditions of Sales (hereinafter "GTCS") apply to all purchase order confirmations (hereinafter "Confirmation") issued by Cimtas Boru Iml. ve Tic. Ltd. Sti. (hereinafter "Seller") to the person or entity (hereinafter "Buyer") ordering supply of piping material including pipes, fittings, flanges and/or related service (hereinafter "Product") pursuant to the purchase order, the GTCS, specifications, drawings and any other document belonging or applying to the Confirmation.

1.2 Unless otherwise is stated in the Confirmation, the order of precedence shall be interpreted and prevail in the following order;

- a) The Confirmation
- b) Specifications and Drawings
- c) The GTCS
- d) Buyer's order

1.3 Any order or communication of the Buyer in any form, referring to or containing terms and conditions of the Buyer or any other conflicting terms and conditions shall in no event be applicable, unless the Seller agrees thereto in writing.

2. BUYER'S DELIVERABLES

2.1 Whether written or not, all information and know-how including drawings, specifications and other data disclosed by either Party to the other shall be treated confidential, shall be used exclusively to perform the Product, shall not be used, disclosed or reproduced in whole or in part for any other purpose, and shall remain the property of the disclosing Party at all times.

2.2 The Buyer's deliverables that are listed in the Confirmation or else anywhere in the documents referred therein shall be delivered within the timeframes stated or in a timely manner so as not to prevent or disrupt the activities of the Seller.

2.3 After the commencement of Seller activities, revisions in the Buyer's deliverables with regards to these activities and/or Buyer's delays in provision of such deliverables and/or any delay or prolongation that arise due to the acts or omissions of the Buyer which result with an adverse impact on the Seller's processes shall be deemed to be a Change and the relevant time impact shall be reflected to the delivery time and cost impact shall be reflected to the price.

3. PACKING

3.1 Unless otherwise stated in the Confirmation or mandatorily required by the international standards or specifications mentioned in the Confirmation as referred to, the Seller shall deliver products in standard nature, i.e: loose without any protection or bundling for welded pipes. The delivery terms set out in the Confirmation shall be interpreted in accordance with Incoterms in force at the date of formation of the Confirmation.

4. DELIVERY AND ACCEPTANCE

4.1 Unless otherwise stated in the Confirmation, delivery term shall be EXW Seller's premises in Gemlik, TURKEY as per Incoterms 2010.

4.2 The delivery dates stated in the Buyer's order or the Confirmation are subject to change based on delivery of the raw materials or the Seller's production planning where Seller's non-compliance with such dates shall not be a breach or shall not be a basis for any entitlement of the Buyer.

4.3 The Buyer shall organize the collection of the Products without any delay upon Seller's notice stating that the Products are ready to be delivered. The Seller shall have the right to charge to the Buyer a weekly storage fee if the date of delivery(ies) is postponed due to the reasons attributable to the Buyer after a grace period of 2 weeks.

4.4 Unless otherwise is agreed between the Parties and explicitly stated in the Confirmation, Acceptance of the Products shall be deemed to have occurred when the Products are delivered as per the delivery term of the agreement.

5. PRICES AND PAYMENT

5.1 The Buyer's failure to pay in a timely manner as per the payment terms stated in the Confirmation, will entitle the Seller to suspend production or hold any shipments until all due payments are made. Delayed payments shall be subject to an interest calculated and compounded daily on the total amount then past due at a rate of interest equal to four percent (4%) per annum above the six (6) months EURIBOR rate.

6. CHANGES

6.1 In the event of any changes subject to the transaction referred to in the Confirmation, the Seller shall duly advise in writing if such changes have an effect on the price, delivery dates and/or other term whereas the impacts of the change shall be reflected to the transaction referred to in the Confirmation. The Seller shall have a right not to commence the changes prior to having finalized the relevant amendments attaining the effects of such changes to transaction referred to in the Confirmation.

7. TITLE AND RISK

7.1 The Products shall become the property of the Buyer at delivery, or if earlier upon payment to the Seller of hundred percent (100%) of the price of the Products.

7.2 The risk on the Products shall pass to the buyer at delivery.

8. WARRANTIES

8.1 Seller warrants that the Products will conform to the requirements stated in the Confirmation, specifications and drawings subject to customary tolerances and variations. This warranty is exclusive and is in lieu of all other warranties, express or implied, including any implied warranty of merchantability or fitness for a particular purpose.

8.2 Warranty Period is Twelve (12) Months after the date of delivery.

8.3 In case non-conformity or a defect in the Products, which is/are jointly agreed to be attributable

to the Seller, is observed within the Warranty Period the Seller shall cure such non-conformity or defect within the timeframe to be agreed between the Parties.

8.4 If upon being notified by the Buyer, along with the documentation of facts, in writing immediately upon discovery of non-conforming or defective Product, and after having been requested to correct the Product in an expeditious manner, Seller states or by its actions indicates its inability or unwillingness to comply within a reasonable time and/or any risk of endangerment to health, bodily harm to persons and damage to property exists, then the Buyer may proceed to accomplish the corrective work by the most reasonable means available to it and back charge the Seller for the reasonable direct cost of the required work. Buyer's failure to provide Seller with such notice and opportunity to cure such alleged deficiencies shall constitute a waiver of such claims.

8.5 The amount of the back charge under this Article shall in no event exceed the price of the defected or non-compliant Product or a part of Product and shall be sole and exclusive remedy for non-conformities or defects.

8.6 Seller shall have no liability for any claims made under after the end of the Warranty Period. Buyer hereby releases Seller from any and all liability arising after such date except with respect to claims made by Buyer prior to the end of the Warranty Period.

9. FORCE MAJEURE

9.1 If performance of any of the Parties, in whole or in part, is prevented or delayed due to a Force Majeure event (including but not limited to acts of God, declared or undeclared war, acts of governmental authorities, riot, revolution, civil commotion, fires, epidemic or pandemic, curfews or quarantines or lockdowns, unforeseen difficulties in manufacture, equipment breakdowns, difficulty in obtaining raw material or supplies, shortage of labor, strike or any cause beyond the reasonable control of the Seller) then the time for performance shall be modified accordingly, subject to the delayed Party promptly but in any manner not later than 7 business days notifying the other Party the event with convincing evidence, taking all reasonable steps to reduce the resulting delay.

9.2 Any prevention, delay, direct or indirect adverse impacts to the performance of the Seller's work, under any Confirmation or any contract concluded between the Parties, due to coronavirus pandemic (SARS-CoV-2) or other circumstances in this context is a Force Majeure event where the Seller shall be excused performance of its obligations, as long as prevented from performing them, without any liability to the Buyer.

9.3 If the cumulative aggregate period of Force Majeure under this Contract exceeds one hundred twenty (120) days, the Seller may terminate this Contract by giving Notice of such termination to the Buyer. In the event of such termination, Article 11.2 shall apply.

10. SUSPENSION

10.1 In the event of a suspension of the performance of the works by the Buyer or by the Seller for the Buyer's default, the Seller shall be entitled to an equitable adjustment to the delivery dates and reimbursement for additional costs incurred by the Seller due to such suspension. The payments under this article shall be effectuated by the Buyer within 30 days upon the receipt of the relevant

invoice of the Seller that will be issued subsequent to the release of the performance.

11. TERMINATION

11.1 Either Party may terminate the whole or part of the Agreement by written notice, if the other Party (a) fails to perform its obligations and it has failed to remedy within thirty (30) days after the notification; (b) becomes bankrupt or insolvent, makes an assignment in favour of creditors, has a receiver or administrator appointed, commences winding up or similar proceedings or ceases or threatens to cease to carry on business or becomes unable to pay its debts as they fall due.

11.2 In the event this Agreement is terminated for any reason whatsoever, Seller shall be entitled to an amount to cover its costs and damages incurred or committed by it prior to such termination.

12. INDEMNITY

12.1 If the goods sold here under are to be produced, manufactured or packaged according to the Buyer's specification, the Buyer shall indemnify the Seller against any and all claims or liability for patent, trade secret, copyright, design, trademark or other intellectual property infringement or violation on account of such production, manufacture or packaging.

13. GOVERNING LAW AND ARBITRATION

13.1 The transaction referred to in the Confirmation shall be interpreted under and governed by the laws of England and Wales, without reference to its rules concerning conflict of law. The application of the United Nations Convention on Contracts for the International Sale of Goods is hereby expressly excluded.

13.2 The Parties shall do their best to resolve by negotiation any and all disputes between the Buyer and the Seller arising or related to the transaction referred to in the Confirmation or breach thereof. Any disputes not settled by negotiation arising from or related to the transaction referred to in the Confirmation including but not limited to any question regarding its existence, validity, interpretation or termination, shall be resolved under the Rules of Arbitration of the International Chamber of Commerce and seat of tribunal shall be in Istanbul, Turkey. The arbitration shall be conducted in English language, unless otherwise is agreed on. The number of arbitrators shall be three (3).

14. LIMITATION OF LIABILITY

14.1 Seller's total aggregate liability to the Buyer for all claims of any kind, including claims based on breach of contract, tort (including negligence), warranty, strict liability or otherwise arising out of or in connection with this Agreement or breach thereof, shall in no case exceed 100% of the total price of the Products that are sold under transaction referred to in the Confirmation.

14.2 Notwithstanding anything else to the contrary elsewhere, in no event, whether in contract, warranty, strict liability, indemnity, tort (including negligence), or otherwise, shall Seller or its subcontractors be liable for loss of profit, loss of revenue, loss of use, cost of capital, operating and maintenance costs, contractual claims of customers of the Buyer, or downtime costs, nor for any special, consequential, incidental, indirect or exemplary damages.

14.3 All insurance policies to be procured by the Buyer (and/or its customer where applicable) shall have adequate provisions for insurer's waiver of subrogation rights in favor of Seller.

15. ASSIGNMENT

15.1 Either Party shall not assign or transfer the transaction referred to in the Confirmation in whole or in part, to any third party without prior written approval of the other Party. Notwithstanding the foregoing, in no event does any approval by either Party relieve the other Party of any of its obligations under the Agreement.

16. SEVERABILITY

16.1 The invalidity or unenforceability of any portion or provision of the transaction referred to in the Confirmation shall in no way affect the validity or enforceability of any other portion or provision hereof. Any invalid or unenforceable portion or provision shall be deemed severed, and the balance shall be construed and enforced as if the transaction referred to in the Confirmation did not contain such invalid or unenforceable portion or provision.

17. ENTIRE AGREEMENT

17.1 The transaction referred to in the Confirmation constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes any previous agreements or understandings (written and/or oral) in respect of the subject matter hereof.