

GENERAL TERM AND CONDITIONS OF SALE

I. Terms of essence

All export and Domestic sales are subject to these general terms which are binding on the parties, no derogation herefrom is valid unless expressly accepted in writing in letterhead signed stamped by an authorized person from our Company.

II. Contractual Basis

Contracts and orders become definitive only after written acceptance and confirmation and drawings prepared by an authorized person with KBS letterhead. Any confirmation or alteration by phone call, message, and social media conversation is not acceptable. The same rule applies to amendments or appendix as well. No partial or total cancellation of an accepted order is permissible.

III. Quality and acceptance of the goods

1. After contracts have been made, dished heads will be manufactured acc. to drawing/s prepared by KBS, approved by customer, and which has/have to be signed and stamped by an authorized person of both parties. Minimum after forming thicknesses and all tolerances stated in drawings are theoretical and may vary acc. to unexpected conditions, however KBS will try to do his best to achieve the agreed tolerances. KBS marking will be stamped near the edge detail unless customer states a special demand in written form.

2. Should the Customer demand or KBS requests that the goods or services be accepted, we will announce the readiness for acceptance and invite the customer within the acceptance procedure at the manufacturing facilities. If acceptance does not occur within the deadline, the goods or services shall be deemed to have been manufactured properly or provided in line with the contract in all aspects; we are then entitled but not obliged to dispatch. Costs incurred through acceptance such as 3rd party costs, extra shipping costs other than mentioned in the agreed contract are borne by the Customer.

IV. Delivery Conditions

Events of force majeure entitle us to postpone the delivery by the duration of the disruption, plus an adequate start-up period, or withdraw in full or in part from the portion of the contract yet to be fulfilled. Events of force majeure include sovereign measures, industrial action, fire and other circumstances that are not foreseeable or avoidable with economically reasonable means, which render delivery significantly more difficult or impossible, regardless of whether they occur within our company or that of one of our suppliers including shipping companies. After the expiration of the adequate start-up period, the Customer can set an appropriate period of grace and after unsuccessful expiration withdraw from the unfulfilled portion of the contract. Further claims do not exist. Our company is not responsible for transportation company delay. Our company's delivery type is Ex-works, unless indicated otherwise, INCOTERMS 2010 articles are valid.

V. Warranty

1. The Customer must inspect the goods immediately - without prejudice to its obligations according to section III number 2 - and notify us of defects in writing within eight days after the Customer receive the goods. Defects not recognizable with reasonable means during inspection

can still be asserted within twelve months. Should a specific inspection scope such as 3rd party inspections or an inspection by the Customer's authorized personnel, be agreed upon, this shall not apply to defects thus detected. On detecting the defect, processing must be stopped immediately. Defects common to the trade or logistic reasons and insignificant technically unavoidable deviations do not constitute grounds for warranty claims.

2. We are entitled to disregard warranty claims without this incurring any disadvantages for us, such as Customer's obligations to his Customers or the penalties of the Customer which he has to pay to 3rd parties if it doesn't exist in an agreement stamped, signed and approved by an authorized person of KBS.
3. In the event that we have acknowledged the defectiveness of the goods and services in writing or they have been legally determined and this affects their usability, we will , at our absolute discretion, provide warranty through remedy or we may organize the delivery of a defect-free good .Remedy performed by the buyer or a third party requires our prior consent. Should our remedy fail or if it is not performed within an adequate period of time, the Customer may demand abatement or withdraw from the defective portion of the delivery. In the event of replacement delivery, the Customer must return the defective item to us according to legal provisions. Remedy includes neither the removal of the defective item nor the re-installation, Claims by the Customer for damages or for the reimbursement of futile expenses only exist subject to section VI and are otherwise excluded.
4. When material is provided, we are liable pursuant to point 3 only if we are guilty of intent or gross negligence. We are not liable for damages and costs that are caused by faulty material provided or inferior weld seams or that occur therein as well as for damages and costs that can be retraced to inaccurate data received from the Customer. If the material provided does not meet/contain the agreed upon conditions/characteristics and should this lead to additional unforeseen operational steps during processing, or breakdown of our equipment(s) or assets, the costs thus incurred are to be invoiced after advance notice.
5. Damages that are based on the fact that certain vendor parts or services, which we have combined with our material, are defective shall on no account precipitate any compensation claims against us. We shall, however, assign our claims against the vendor on request.
6. If the goods cannot be dispatched on the agreed date between companies, KBS has right to charge the cost of the warehouse occupation and it will be charged according to waiting period of goods in store and dimension of goods. It will be based on current m2 rent value of our warehouse X waiting days = the charge that will be invoiced for storage.

VI. Compensation

1. In the event of intent or gross negligence on our part or on the part of our representatives or vicarious agents which have been written stamped signed attestation by KBS authorized person, we are subject to statutory rules; this also applies to culpable violation of contractual obligations. If there is no intentional contract violation, our liability for compensation is limited to the foreseeable, typically occurring damage, namely solely the dished heads.

2. Unless otherwise expressly stipulated above, further liability is excluded.

VII. Prices and Conditions of Payment

1. Prices are ex works Gebze-Kocaeli plus packaging and value added tax. Should cost factors change, we reserve the right to invoice the price valid on the day of delivery. Payment terms are determined on Proforma Invoice signed and stamped by both parties .Should the Customer fails to pay the debts on the agreed dates KBS reserves his rights to charge the remaining balance up to %7 interest per month .
2. If the Customer resigns from the approved contract, and in such cases that the material which would be used for manufacturing that the purchasing agreement had been signed with the mill/stockiest or if the material is reserved, if such cases effect the interests of KBS or if KBS has to pay the costs of the material, KBS has reserves his rights to invoice mentioned costs to the Customer.
- 3.If the Customer resigns or fails to continue his obligations in the contract , namely; if KBS has already mobilized/organized his manufacturing plan or if KBS has already manufactured dies/tools to accomplish manufacturing of the agreed items , then KBS has reserves his rights to invoice mentioned costs of which can be tangible or intangible .
4. Costs invoiced for loading aids and frameworks to secure transport are credited if they are returned to us at no cost and ready for re-use. Any packaging is invoiced at cost price and is not taken back.
5. In case of any alterations or cancellation of the Purchase Order from the Customer's side in the course of production period results as the Customer bears all the costs and replace all the losses of the Supplier.

VIII.FORCE MAJEURE

As regards to the performance of our obligations; cases of Force Majeure are circumstances of natural disasters, mobilization, hostile actions and civil commotion, strikes, breakage of machinery ,serious accidents, shortages of labor, epidemics, shortage of raw materials, means of transport or energy and, in general, any circumstance or event beyond our control which can not be overcome despite our efforts.

Occurrence of an event of Force Majeure shall entail, at our option, temporary suspension of shipments, the time for execution of the order being extended for a certain period which depends on Force Majeure circumstance situation. Or, it can be decided by KBS about the recession of the contracts which can cause damages of interest of KBS. In event of rescission of the contract, the Customer must nevertheless accept delivery of material already manufactured, which must be paid for by Customer according to the terms of payment set forth in the contract.

IX. Choice of jurisdiction

In case of legal dispute regarding the fulfillment the Parties try to conciliate in the way of negotiation. Failing the conciliation within 30 calendar days reckoned from its beginning the Parties stipulate the exclusive jurisdiction of the Commercial Courts of Republic of Turkey in Kocaeli.