

GENERAL TERMS AND CONDITIONS OF SALE

*This terms and conditions mentioned below may change due to the deal between Apack and customer. This note contains basic information about sale our terms and conditions.

The general terms and sales conditions of APACK Ambalaj Makine Sanayi ve Tic.Ltd.Sti. and/or any of its affiliates or subsidiaries (hereinafter called APACK) shall apply to all offers, agreements and other legal relationships which concern the sale of goods and/or services by the customer.

1. Purchase Orders, Terms of Purchase Order Acceptance and Complete Agreement:

1.1 All Purchase Orders shall be issued by customer to APACK in writing, along with the specification of the products to be provided, prices, quantities, date or dates of delivery, instructions regarding invoicing and shipping, and all such information as APACK may reasonable require.

1.2 Purchase Orders issued by Customer to the APACK shall be deemed to be firm and irrevocable throughout a period of at least 90 (ninety) days from date of notification to APACK.

1.3 APACK, within the said period of 90 (ninety) business days of APACK's receipt of a Purchase Order shall have the right to either accept or reject the Purchase Order in whole or in part. Purchase Orders shall be deemed as accepted only after APACK's confirmation of order is issued in writing and signed from the Customer. Any obligation undertaken by the APACK's business agents and/or by any other person not legally representing APACK shall not in any way be binding on the latter.

1.4 Customer's Purchase order and Order Confirmation are subject to the following General Terms and Conditions of Sale (Terms), which constitute the complete agreement between the parties and shall apply to the supply of the products described in the Apack Quotation, Order Confirmation, Invoice, or other contract documentation and legal relationship to which these Terms are attached or incorporated by reference. Except as expressly agreed by an authorized representative of APACK in writing, no other terms and conditions, including any terms and conditions attached to, or contained within, Customer's request for quotation, acknowledgment, purchase order or other contract documentation shall apply. Customer's acceptance of the products or services delivered by APACK shall constitute an affirmation by Customer that the Terms set forth herein govern the purchase and sale of goods or services. **THE TERMS OF THIS CONTRACT SHALL SUPERSEDE ANY ADDITIONAL, DIFFERENT OR CONFLICTING TERMS PROPOSED BY CUSTOMER OR CONTAINED ON CUSTOMER'S PURCHASE ORDER OR ANY DOCUMENT OR INSTRUMENT SUBMITTED BY CUSTOMER.** Trade custom, trade usage and past performance are hereby superseded and shall not be used to interpret these terms and conditions.

2. Cancellation and Changes:

2.1 Unless otherwise agreed upon, cancellation of purchase order from the customer will be accepted only if the customer agrees to pay a charge for work already started, and based upon the total cost incurred.

2.2 Any changes in purchase orders requested by customer, including, without limitation, design, scope of work, delivery or increase or decrease in quantities shall only be effective if accepted in writing by APACK and executed by a duly authorized representative of the APACK. Such changes may require other terms and conditions to be modified, including price terms and APACK reserves the right to make such adjustments.

3. Pricing:

3.1 The price for any product shall be the price stated in the order confirmation, as provided herein. All prices, unless otherwise expressly assumed by APACK in writing, shall be deemed to be net Ex-Works (Incoterms 2000) APACK's facility, excluding packing, in Euros, without any deduction whatsoever. Any and all additional charges, such as but not limited to, freight charges, insurance premiums, fees for export, transit, import and other permits, as well as for certifications, shall be borne by the customer. The customer shall also bear any and all types of taxes, fees, levies, customs duties and the like which are levied in connection with the contract. Customer shall pay these taxes directly if the law permits or will reimburse APACK if APACK is required to collect and pay them. If applicable, customer will provide certificates of tax payment upon request.

3.2 All prices set are firm, unless otherwise agreed to in writing. The APACK reserves the right to adjust the prices to take account of any increase in the cost of materials and labour or any other factor – supervened between the submission of the tender and the time of the contractually agreed performance - that may effect the final price of products. In the event of price increase being greater than 5% of the agreed price, APACK shall duly inform the customer thereof. In which case the customer shall have the right to withdraw from the contract, but shall not be entitled to claim for any compensation and/or indemnity.

4. Terms of Payment:

4.1 Unless otherwise agreed upon, payment shall be made by the customer at the domicile of APACK in accordance with the terms of payment stated in the order confirmation, without any deduction for a cash discount, expenses, taxes, levies, fees, duties or like. Advance payments – if any - shall be as specified in confirmation of order. In the case of partial deliveries, the payment shall be made on a pro rata basis; the paragraph above shall likewise apply.

4.2 At the request of APACK, the customer shall secure all payments by means of a letter of credit pursuant to ICC directives (ICC publication no. 500) which is confirmed by a Bank designated by the APACK. All fees and expenses in connection with such letter of credit, and its confirmation, shall be born by the customer.

4.3 Payment shall be deemed to be effected as soon as the required amount in the agreed upon currency has been transferred to a bank account of APACK designated in the invoice or the delivery contract or has been made freely available to APACK.

4.4 The due dates of payment shall also be observed if transport, delivery, installation, start-up or acceptance of the supplies is delayed or prevented due to reason beyond APACK's reasonable control, or if non-essential parts are missing. The aforementioned events shall not entitle the customer to any reduction in payment.

4.5 The withholding of payments by the customer or a setoff of alleged claims of the customer against the purchase price shall be precluded.

4.6 Should the advance payment – if any – or the contractually agreed upon securities have not been provided in accordance with the terms of the contract, APACK shall be entitled either to continue or to repudiate the contract and shall, in both cases, be entitled to claim damages.

4.7 If the customer, for any reason whatsoever, is in delay with a further payment, or if APACK has reason to believe that it will not receive the payments from the customer in full or on a timely basis due to circumstances which became known after conclusion of the contract, APACK, without

being limited in its rights under applicable law, shall be entitled to postpone the further performance of the contract and to retain the supplies ready for dispatch until new terms of payment and delivery have been agreed upon and APACK has received adequate security. If such an agreement cannot be reached with o in a reasonable period of time, or in case APACK does not receive adequate security, it shall be entitled to repudiate the contract and demand damages.

4.8 If the customer is in delay with any payment, it shall be liable, without reminder, for interest with effect as from the agreed date on which payment was due in compliance with the Euribor. at the date on which payment was due, plus 3%. The right to claim further damages is reserved.

5. Reservation of Title:

5.1 APACK reserves the proprietary rights to the goods supplied until all debts arising from this business relation owed by the customer to APACK have been settled.

6. Delivery-Passing of Risk:

6.1 Delivery of Products shall be Ex-Works (Incoterms 2000) APACK's facility unless otherwise agreed in writing by APACK. Although APACK may elect to assist customer in connection with pursuing any claim for damages, APACK shall not thereby assume any obligations for such damage or continue to assist Customer in the presentation of its claim to any carrier.

6.2 The risk in the supplies shall pass to the customer upon dispatch from APACK factory. If dispatch is delayed at the request of the customer or due to reasons beyond APACK's reasonable control, the risk shall pass to the customer at the time originally foreseen for the dispatch of the supplies Ex-Works. From this moment on, the supplies shall be stored and insured on the account and at the risk of the customer.

6.3 The APACK shall comply with the delivery terms set forth in the order confirmation. Compliance with the delivery period is conditional upon the customer's compliance with the contractual obligations.

6.4 APACK shall not be liable for failure to perform or for delay in performance due to any cause beyond its reasonable control, including but not limited to fire, flood, strike or other labour difficulty, act of God, any legal proceeding, act of any governmental authority, act of Customer, war, riot, sabotage, civil disturbance, embargo, fuel or energy shortage, wreck or delay in transportation, major equipment breakdown, inability to obtain necessary labour, materials or manufacturing facilities from usual sources, late or defective delivery of the necessary raw materials or any act, delay or failure to act of APACK's suppliers and subcontractors of any tiers beyond APACK or such suppliers' or subcontractors' reasonable control and, in general, Force Majeure. In the event of delay of performance due to any such cause, the date of shipment or time for completion will be extended by a period of time reasonably necessary to overcome the effect of such delay.

6.5 If delivery is delayed or prevented at the request of customer or due to events which are not attributable to APACK, the customer shall be charged for the cost of storage beginning one month after notice has been given that the supplies are ready for dispatch. In the case of storage at APACK factory, however, at least 1 % of the invoice amount for each month shall be charged. The storage shall take place at the risk of the customer. If supplier sets a reasonable deadline and the deadline expires without being used, however, of if the customer is not prepared to accept the supplies, APACK shall be entitled to dispose otherwise of the supplies and deliver supplies to the customer pursuant to a reasonable new delivery period.

7. Packing:

7.1 Packing shall be charged for separately by APACK and shall not be returnable.

8. Preliminary Testing Phase:

8.1 The APACK shall test, at its facility, the effective working of the goods sold, and using complete/final samples of the good and of the packaging materials, which the Customer shall promptly put at APACK's disposal at APACK's facility. The Customer shall arrange and pay for import clearance (if any) and for any duties and carriage charges.

9. Inspection and Acceptance of the Goods and Services:

9.1 The supplies and services will be inspected at APACK FACTORY prior shipment. Any further testing requested by the customer must be specially agreed upon and paid for by the customer.

9.2 Any acceptance tests requested by the customer must be agreed upon in writing. If the acceptance tests cannot be carried out within the agreed upon period due to reasons beyond APACK's reasonable control, the characteristics and levels of performance to be established by these tests shall be deemed to exist. And goods sold shall be deemed to be accepted.

9.3 The Customer shall inspect the supplies and services within a reasonable period and immediately notify to APACK in writing in case of any deficiencies. Should the customer fail to do so the supplies and services shall be deemed to have been accepted.

9.4 No order may be cancelled or altered by Customer except on terms and conditions accepted in writing by the APACK. APACK may impose reasonable cancellation charges. Goods may not be returned for credit, unless preapproved in writing by APACK. A restocking charge shall be applied.

10. Customer's Specification and Use of Goods:

10.1 If the goods sold are manufactured to customer's specifications, or if the goods are used in conjunction with products not supplied by APACK, then Customer shall indemnify and hold APACK harmless from and against any suits, claims, losses, expenses, and other liabilities including costs and legal fees, whether for loss, personal injury, infringement or otherwise, which result from Customer's specifications or use of product not furnished by APACK. Product or equipment furnished to APACK by customer shall be at customer's sole risk and expense. Unless agreed in writing by APACK, any tools, dies, or materials used in producing goods to Customer's specifications shall remain APACK's property.

11. Safety and Exress Indemnification:

11.1 During the life of the goods sold, customer agrees to use its best efforts to ensure that all safety information provided by APACK is provided to all users (employees and independent contractor). This may include warning label, instruction manuals, and training users in the safe installation, use and maintenance of the goods. Customer agrees to defend, protect, indemnify and hold APACK harmless from and against any claims, losses, expenses, damages and liabilities to the extent caused by customer's negligence, including customer's failure to comply with the aforementioned safety obligations.

12. Design or Manufactures Changes:

12.1 APACK may change the design or manufacture of any of its goods without incurring any obligation to incorporate such changes into the goods manufactured for or delivered to Customer prior to such changes.

13. Drawing and Technical Documents:

13.1 Unless otherwise agreed upon in writing by APACK, any drawings, illustrations, photographs, descriptions, specifications, technical data, particular of weights and dimensions provided with brochures and catalogues are only to show the general style, arrangement and approximate dimensions of the products offered and they shall not be binding.

13.2 APACK retains all rights to drawings and technical documents provided to the customer. The customer recognizes these rights and shall neither make the documents available to any third party nor use the documents for purposes other than those for which they were handed over.

13.3 Any drawings and technical documents provided to the customer by APACK are to be returned spontaneously and without delay to APACK if no contract is ultimately concluded.

14. Software:

14.1 If the goods sold incorporate software or firmware containing software needed for the functioning of the goods on only one system, Customer is granted only a non exclusive and non transferable license to use one copy of the software originally installed in or supplied with the goods.

14.2 Customer acknowledges and agrees that the software is proprietary and constitutes a trade secret, copyright or patent of APACK and its suppliers and shall be subject to the provisions of Article 14 (Confidentiality). The customer shall acquire no title or rights of ownership in the software nor have the right to copy (except for backup), modify, reverse engineer or compile, license others, transfer or disclose to any third party, all or part of the Software.

14.3 The customer shall be entitled to copy, modify or translate the software from the object code to the source code only in accordance with the local law. The customer shall not be entitled to delete any copyright or other marking from the software or documentation.

15. Confidentiality:

15.1 Customer agrees that all drawings, prints and other technical material that APACK provides to customer, whether prepared by APACK or by third parties under contract to APACK, may contain data that embody trade secrets and confidential know-how of commercial value to APACK or third parties under contract to APACK. Customer agrees (a) to keep such information confidential; (b) that it will not disclose such information to any other person, corporate division or entity; (c) that it will not use such information except in connection with the products supplied hereunder; and (d) that it will not sell, lease, loan or permit any other person, corporate division or entity to use such information for any purpose, without APACK's prior written consent. Nothing herein shall restrict the use of information generally available to the public.

16. Warranty, Liability for Defects:

16.1 APACK warrants that all products shall, at the time of shipment, conform to the applicable specification and be free from defects in material and workmanship for a period of 1 (one) year from the date of delivery Ex-Works APACK Factory.

16.2 APACK's obligation and Customer's sole remedy under this warranty shall be limited, solely at the option of the APACK, to: (i) the repair; (ii) the replacement of the non conforming products, or any part thereof, that are covered by this warranty and that are found to be defective. Replaced parts shall become the property of APACK. No repair or replacement will extend the applicable warranty period.

16.3 The foregoing warranty is exclusive and is in lieu of all other warranties, expressed or implied, including but not limited to warranties of merchantability or fitness for a particular purpose.

16.4 No claim under this warranty will be valid unless customer notifies APACK within 7 (seven) days of its discovery on any alleged defect. Customer will give APACK reasonable opportunity to inspect any alleged defective product. Customer's exclusive remedy hereunder is limited to the furnishing of replacement parts on an exchange basis or to the repair or replacement of defective parts at APACK's plant or sending one of his technicians to the customer's domicile, at APACK's sole option, but in any case, only so long as an examination by APACK within the period of warranty reveals the parts to be defective. In any case all costs and risks of shipping and packaging and any cost directly or indirectly related to product repair or replacement, which are not covered by this warranty, shall be borne by the Customer. Furthermore, in case of repair or replacement of defective Products at Customer's domicile, any cost and expense related to the trip, board and lodging, technicians' labour shall be borne by the customer.

16.5 This warranty does not cover products, components, accessories, or parts manufactured by a party not affiliated by ownership with APACK unless added to the product by APACK or specifically authorized in writing by APACK.

This warranty does not cover:

- a) any electrical parts;
- b) seal gasket, bearings, heating elements, tools knives and part repair or replacement due to normal wear;
- c) abuse; neglect; misuse; imp roping handling or storage; alterations; modification, non – original spare parts, improper installation or packaging;
- d) damages caused by negligence or improper use, including but not limited to,
 - i) using the product for other than what it was intended for or any products that have not been maintained or operated in accordance with APACK's written instructions; or
 - ii) installing and using the product in violation with local laws in the country of use;
- e) costs and transport risks directly related to products' warranty;
- f) repairs and installations which have not been performed by an authorized APACK representative;
- g) accidents, acts of God or acts otherwise our of APACK's control, including but not limited to lightening, water, fire, acts of war, incorrect voltage supply, insufficient ventilation;
- h) ordinary maintenance, wear and tear within the normal consumable life of a product;

16.6 The products will not be considered as defective if they have been adapted, changed or adjusted in violation of national safety or technical laws, local rules or laws different from that which the products were originally designed and fabricated.

16.7 No third party is authorized to bind APACK to any representation or warranty beyond what is specifically described within this document. This warranty may only be modified through a written document executed by an officer or director of APACK.

16.8 In no event shall APACK be liable for indirect or consequential loss, such as but not limited to loss of products, production, use, orders, profit or assets.

17. Force Majeure:

17.1 Except as otherwise provide herein, no failure or omission by either party to carry out or observe any of the provisions of these Terms shall give rise to any claim against that party, or be deemed to be a breach of contract, if the same shall arise out of force majeure, which is defined as any cause not reasonably within the control of that party, whether or not foreseen, including (without limitation) such causes as fire, flood, earthquake or other natural disasters, acts of terrorism, war, accidents, embargo or requisition (acts of government), including non-availability of an export licence for the product, or other cause. The Party affected shall immediately inform the other Party, indicating the expected duration and extend reasonable action to settle such contingencies so that the performance of obligations under this Agreement can be resumed as quickly as possible. The obligation of the party affected by a cause of force majeure shall be suspended during the period of continuance of such a case of force majeure. Where the event of force majeure continues for more than 1 (one) month, and in the absence of an agreement between the parties, each of them may then terminate the Contract fully and automatically, by simple written notice to the other. Such termination shall not give rise to any compensation or indemnity of any kind.

18. Termination:

18.1 Without prejudice to accrued rights, APACK shall be entitled to terminate the contract by means of written notice in the event of:

- (a) breach of these terms or of the order confirmation by the customer;
- (b) any application being made or any proceedings being commenced, or any order or judgement being given by any court, for:
 - (i) Customer's liquidation, winding up, bankruptcy, insolvency, dissolution, administration or reorganisation or similar; or
 - (ii) the appointment of a receiver, liquidator, trustee, administrator, administrative receiver or similar functionary of the other party or all or a substantial part of its assets (otherwise than for the purpose of reconstruction or amalgamation);
- (c) any suspension of payment, cessation to carry on business or compounding or making any special arrangement with its creditors by the other party;
- (d) Any act being done or event occurring which, under the applicable law, has a substantially similar effect to any of those acts or events.

18.2 Termination by APACK under this clause shall not affect any other rights or remedies of such party under the law or otherwise.

19. Jurisdiction and Applicable Law:

19.1 These General Terms and Conditions shall be governed and construed in accordance with the laws of Turkey.

19.2 Any dispute arising out of these General Terms and Conditions shall be exclusively referred to the Court of Istanbul.

20. Compliance with Laws:

20.1 Customer and APACK shall comply with all statutes, laws, ordinances, regulations, rules and order enacted or adopted by any national, federal, local or other authority or governmental body which may pertain to the conduct of the parties' business and their obligations hereunder.

21. General Provisions:

21.1 Assignment – Customer shall not assign or otherwise transfer any of its rights or duties or delegate its obligations under these terms without the prior written consent of APACK.

21.2 Entire Agreement - These Terms and any Specifications or other Purchase Order Documents referred to herein, constitute the entire agreement between the parties and supersedes all prior agreements (verbal or written) concerning the goods and/or services covered by this Terms. These Terms may not be amended or modified except in writing signed by authorized representatives of the APACK and the Customer.

21.3 Waiver –APACK's failure to enforce at any time or for any period of time any provision of this Agreement or to exercise any right or remedy does not constitute a waiver of such provision, right, or remedy or prevent such party thereafter from enforcing any or all provisions and exercising any or all rights and remedies. The exercise of any right or remedy does not constitute an election or prevent the exercise of any or all rights or remedies.

21.4 Severability– Should one or more provisions of these Terms be or become invalid for any reason whatsoever, the validity of the other provisions shall remain unaffected. In such a case, the parties hereto shall replace the invalid provision with a commercially equivalent and enforceable provision.

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