

Hohenstein İstanbul Tekstil Analiz ve Kontrol Hizmetleri Ltd. Şti.
General Terms and Conditions of Business

Cumhuriyet Mah. 1990. Sok. No: 8, Çınarpark Residence, A Blok, Dükkan: 5
34515 Esenyurt - İstanbul Türkiye
(Version as of November2014)

1. SCOPE

- 1.1.** This document sets forth the contractual terms and conditions for commercial business dealings with Hohenstein İstanbul Tekstil Analiz ve Kontrol Hizmetleri Ltd. Şti. (hereinafter "the **Contractor**").
- 1.2.** Any differing terms and conditions of business including those of Client (hereinafter "**the Client**") only become a constituent part of the contract if they are acknowledged expressly by the Contractor in writing.
- 1.3.** Contractor and Client will be referred to individually as the "**Party**" and collectively as the "**Parties**".

2. ASSIGNMENT

- 2.1.** The subject of the assignment from Client to Contractor shall be any manner of expert opinion, testing, investigation (including the procurement of testing apparatus and equipment) research work, auditing, inspection or certification (hereinafter referred to collectively as "Expert Opinion"), i.e. establishment of facts, presentation of empirical findings, determining causes, assessment and review.
- 2.2.** The precise expert opinion topic and purpose of use must be defined in writing at the point of commencement of the assignment by the parties.
- 2.3.** The Client has been made aware that an opinion requested by Client directly from Contractor may not be subject to attorney-client privilege.

3. FULFILMENT OF THE ASSIGNMENT

- 3.1.** The assignment will be fulfilled by the Contractor impartially, in good faith and in accordance with state of the art knowledge.
- 3.2.** Any specific success, in particular any outcome desired by the Client may only be guaranteed on the part of the Contractor on the basis of the application of objective and impartial expert knowledge by specialists working for the Contractor.
- 3.3.** The Contractor shall be entitled to transfer his Expert Opinion activities to third parties either wholly or in part.
- 3.4.** If, in order to ensure professional completion of the assignment, the involvement of specialists in other disciplines should prove necessary, their engagement shall be authorized on behalf of the Client.
- 3.5.** In other respects the Contractor shall be entitled to carry out necessary and customary investigations and experiments for processing the assignment at the Client's cost and utilizing Contractor's own best judgment. Should it transpire in the course of any investigation that for confirmation of measurement result findings an analysis must be repeated or the analysis procedure must be extended to include a repeat run, this shall not be deemed to be an unforeseen event or a costly investigation in terms of time and expense in relation to the purpose of the Expert Opinion.
- 3.6.** If a set period is agreed for return of the Expert Opinion, this may not be regarded as agreement of any firm deal.
- 3.7.** The Expert Opinion to be compiled by the Contractor shall be provided to the Client in writing in a single copy indicating the specialist responsible for its composition. Any additional copies shall be invoiced separately.
- 3.8.** The Contractor's expert opinions reflect only those facts established at the point in time of testing on the basis of the specific instructions provided by the Client or, in the absence thereof, the specifications in the assignment specification form, relevant commercial customs, usages or practices and such procedures as the Contractor deems appropriate on technical, business organizational and/or commercial grounds. The Contractor is under no obligation to indicate facts or values or report on the latter if these lie outside the specific instructions issued by the Client.
- 3.9.** The Client acknowledges that in providing its services the Contractor neither adopts the position of the Client or any third party nor releases the latter from any obligations or in any other way assumes, restricts or cancels Client obligations vis-a-vis third parties or of third parties vis-a-vis the Client or releases it therefrom in any other manner.
- 3.10.** Following completion of the assignment and payment of the fee agreed the Contractor shall retain the Client's test material in safekeeping at the Client's risk and in observance of its own customary care. If the Client has not yet collected the documentation and samples three (3) months after acceptance of the Expert Opinion,

the Contractor is free to dispose of such materials without informing the Client and be released from any liability in connection therewith.

4. OBLIGATIONS OF CLIENT

- 4.1.** The Client shall not issue the Contractor any instruction or furnish any false information which might falsify the latter's actual findings or the results of its Expert Opinion.
- 4.2.** The Client shall ensure that the specialist receives free of charge and in good timing all information, documentation and test material necessary for completion of the assignment. Otherwise, Contractor is not liable from any delays.
- 4.3.** A Client wishing to use the results of the Expert Opinion in the course of any test event is under the obligation to procure the test material and solely responsible with regard to selection of the test material and sending the test material to Contractor.

5. DUTY OF CONFIDENTIALITY

- 5.1.** The Contractor is forbidden to publish, disseminate or use the Expert Opinion itself or facts of documentation entrusted to him or which has otherwise become known to him in the course of his Expert Opinion activities. The duty of confidentiality shall apply beyond the duration of the contractual relationship for 5 years.
- 5.2.** This duty of confidentiality applies to all staff employed at the Contractor's establishment.

6. COPYRIGHT

- 6.1.** The Contractor shall retain copyright to the services provided - insofar as these are appropriate in that regard.
- 6.2.** Any publication of the Expert Opinion, its use by way of reproduction and dissemination is only permitted in the context of the contractually defined purpose of use and by acknowledging the Contractor.
- 6.3.** If the Client intends to indicate in his product or company advertising the fact of certification by the Contractor of individual products or product groups, either by extracted quotes from the Expert Opinion concerned or by mentioning the Contractor alone, a prior contractual agreement is required. If no such agreement is made in the Expert Opinion contract any use of extracted quotations from the results of the Expert Opinion, both in the product advertising and in company advertising, is prohibited.
- 6.4.** The Client is not permitted to amend, edit or use the Expert Opinion in any extract form. Any disclosure of investigation reports or expert opinions to official authorities or other public offices is permissible if and to the extent shall this is necessary or prescribed under statute in the light of the contractually assumed use or to the extent required by law.

7. PAYMENT - DELAYED PAYMENT

- 7.1.** The fee agreed shall be due and payable thirty (30) days from the date of invoicing or within such longer period as may be agreed upon in writing by the parties. Contractor may elect to require the fee agreed upon to be due and payable prior to commencing the assignment. Any balance that is past due shall bear interest at the rate of eighteen per cent (18%) per annum.
- 7.2.** Payment instructions, checks and bills of exchange are only accepted following special agreement in writing and charging all collection and discount fees and only as payment.
- 7.3.** In the event of failure to observe payment terms, the Contractor shall be entitled to enforce claims due for payment with immediate effect and start legal process; execution proceedings without giving any notice. This also applies in the event that bills of exchange and checks that are not honored.
- 7.4.** The Client may only offset against Contractor claims only if the Client's counterclaim is undisputed. In the event that Contractor files a lawsuit to collect any sum owed by Client, Client shall be obligated to reimburse Contractor for all costs of such lawsuit including Contractor's reasonable attorneys' fees.

8. TERMINATION

- 8.1.** Contractor may terminate the contract at any time on unilaterally basis by giving 15 days prior notice to the Client or may terminate the Contract immediately based on significant grounds. Notice of termination must be served by the Contractor by registered post at the registered address of the company or corporate office of the Client or another address as agreed upon in writing.

8.2. Significant grounds which entitle the Contractor to terminate the agreement are, amongst other situations in which Client fails to fulfill its obligations under the agreement refusal of necessary collaboration by the Client (in particular as defined in Point 4.2) attempted impermissible influence on the part of the Client on the specialists commissioned with preparation of the Expert Opinion, use of Expert Opinion findings and partial results over and above the contractually defined purpose of Expert Opinion preparation, impermissible reproduction of expert opinions and if, following acceptance to the assignment, the Contractor discovers that it does not possess the necessary expertise to complete the assignment, Client's failure to make payment arising out of or in connection with the agreement

8.3. If the contract is terminated on significant grounds for which the Contractor is responsible it shall be due any fee for partial services provided up to the point of cancellation only to the extent that this is objectively of use to the Client.

8.4. In all other cases the Contractor retains claim to the full contractually agreed remuneration - subject however to deduction of expenses saved. If in any individual case the Client can demonstrate no higher proportion of expenses saved, this is agreed to be 40% of the remuneration for services not yet provided by the Contractor.

8.5. If there is a main agreement between the parties and in case the provisions in the main agreement differs from the abovementioned provisions regarding the termination of the agreement, the provisions of the main agreement between the parties shall apply to the termination.

9. FAILURE TO MEET DEADLINES

9.1. Any deadline set by the Client for delivery of the Expert Opinion shall only be applicable if such deadline is expressly confirmed by the Contractor in writing.

9.2. If a deadline is agreed between Client and Contractor for delivery of the Expert Opinion, time frame agreed upon shall only commence upon receipt of the samples on a laboratory working day. If the Contractor requires documentation from the Client for preparation of the Expert Opinion or if payment of an advance is agreed, the period allowed for the deadline only commences following receipt of the documentation or the advance.

9.3. The Contractor will not be responsible for any delay in delivering the final Expert Opinion due to partial/full failure in test result and the consequent time taken for receiving the re-test samples and performing the re-tests.

9.4. The Contractor shall only be deemed to be in arrears if it is actually responsible for the delay in delivering the Expert Opinion. In the event of obstacles to delivery for which it is not responsible, including, but not limited to, force majeure, illness, industrial disputes and lockouts resulting from an event involving no blame and leading to grave operational disruptions, delayed delivery shall not apply. The period for delivery shall be extended in such cases by the duration of the hindrance. If as a result of such obstacles to delivery provision of the Expert Opinion is totally impossible for the Contractor, it shall be released from its contractual obligations. In this event, also the Client shall have no claim regarding damages from Contractor.

9.5. In addition to delivery, the Client may only demand damages if intent or gross negligence is demonstrated on the part of the Contractor.

10. GUARANTEE

10.1. Initially, the Client may only demand a cost-free rectification of a deficient Expert Opinion.

10.2. This requires that a grace period of appropriate duration to be set, but such period shall not be less than the duration of the term for delivery originally agreed upon.

10.3. Notification of any alleged defects must be provided to the Contractor immediately no later than 5 days and in writing; otherwise the guarantee claim shall lapse.

10.4. Claims as a result of supplying a deficient Expert Opinion are time-barred after one (1) year. The statute of limitations period commences at the point of receipt of the Expert Opinion by the Client.

11. LIABILITY

11.1. Expert opinions are prepared on the basis of information, documentation, quality requirements and/or samples provided by the Client and are for the exclusive use of the Client. The latter shall draw necessary conclusions from the Expert Opinion at his sole risk. Neither the Contractor nor his senior staff, employees or subcontractors are responsible to the Client or third parties for any manner for any actions taken or omission made on the basis of such Expert Opinions, including faulty tests based on imprecise, false, incomplete or misleading information provided by the Client.

11.2. Advice by the Contractor is only given in relation to the documents and information submitted by the Client.

11.3. The Contractor is not liable for delayed, partial or incomplete services if this derives directly or indirectly from events beyond the control of the Contractor.

11.4. The damages exclusion includes, to the extent legally permissible, all claims of whatever nature by the Client against the Contractor, his employees, representatives, vicarious agents and assistants arising from the expert opinion contract or implementation thereof.

11.5. The Contractor shall not be liable, insofar as legally permissible, for indirect or consequential losses, in particular not for lost profit, loss of business, loss of a business opportunity, reduction in company goodwill including costs in connection with any product recall. Furthermore, the Contractor shall not be liable, insofar as legally permissible, for any losses, damages or costs which the Client might incur as a consequence of any third party claim (in particular in the event of enforcement of product liability claims).

11.6. In the event of any liability on the part of the Contractor liability to the Client for claims as a result of losses, penalties or expenses of whatever nature and magnitude irrespective of the grounds on which incurred shall under no circumstances exceed a total amount in the sum of the fee which the Contractor has received for the specific services giving rise to the claim.

11.7. All claims in connection with the specific inspection/production site assessment service - with the exception of any such claims resulting from injury to life, physical injury, injury to health and/or in the event of grossly negligent or intention cause of damage - are limited to the fee for five (5) man days.

11.8. In the event of damage claims, the Client must notify this to the Contractor in writing within 10 days from the point in time of discovery of the circumstances giving rise to the claim. In any event damage claims arising from infringement of obligations on the part of the Contractor are time-barred after 1 year. Dating from receipt of the expert opinion by the Client.

12. PLACE OF PERFORMANCE AND LEGAL VENUE

12.1. Place of performance is the registered place of business of the Contractor.

12.2. This Agreement shall be governed and construed in accordance with the Laws of the Republic of Turkey. Any and all disputes arising from this Agreement shall be settled by İstanbul Anadolu Courts and Execution Offices.

13. OTHER PROVISIONS

13.1 Invalidity of individual contract provisions does not affect the validity of the remaining content of the contract.

13.2 No amendment of any provision of this Agreement shall be valid unless made in writing and signed by all Parties.

13.3 All notices, reports, notifications or other communications to be served in accordance with this Protocol shall either be delivered by hand or sent to the aforementioned addresses of the Parties by registered or certified mail. In the event that either Party notifies the other Party in writing of an alternative address, such alternative address shall be valid.

13.4 Any stamp tax and all other charges and taxes to be paid as a result of the execution of this general terms&conditions shall be borne by the Client.

Contractor:

Client:

Hohenstein İstanbul Tekstil Analiz ve Kontrol Hizmetleri Ltd. Şti.

Web:

Date: