

ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş. ("ASELSAN") GENERAL PURCHASING TERMS AND CONDITIONS

1. PURCHASE ORDER:

- (a) The special terms and conditions specified in the purchase order form and the terms and conditions specified in its annexes, if any, (the relevant form and its annexes, if any, will be collectively referred to as "Purchase Order" or "PO") and the general purchasing terms and conditions in this agreement constitute the entire terms and conditions of ASELSAN's order to the supplier ("SELLER"). The special terms and conditions of the Purchase Order and the general purchasing terms and conditions specified in this document are the integral part of the order and hereinafter will be collectively referred to as "Order". Supplies and services that the SELLER has committed to deliver/perform in accordance with the provisions of the Order shall be hereinafter referred to as "Works" collectively or "Supplies" and "Services" separately, "Work" shall mean any of the Works.
- (b) The Order shall become effective and unconditionally binding upon; (i) its confirmation by the SELLER or (ii) if requested in the Order, upon submission of the performance bond in accordance with the format and conditions specified in the Order or (iii) acceptance of any payment made under the Order or (iv) the commencement of performance of the Works ("Order Date"). Additional or differing terms and conditions proposed by SELLER or included in SELLER's confirmation of the Order shall be valid only if and to the extent accepted in writing by ASELSAN.
 - Unless otherwise specified in the PO; the Order shall expire upon the completion of the acceptance in accordance with Article 3 of the supplies or services committed to be delivered/performed in accordance with the provisions of the Order and its annexes (if any) by the SELLER, or, upon the expiration of the warranty period of all of the ordered supplies and services under Article 6 (whichever occurs last) ("Order Term"). However, if the Parties have obligations that exceed the Order Term, such obligations will be valid until they are fulfilled completely and in accordance with this Order.
- (c) If SELLER rejects the Order in writing or fails to submit the performance bond in compliance with the Article 1 (f) (if required under the Order), within 20 (twenty) days following the issuance of the PO, without prejudice to ASELSAN's rights and remedies provided by law, the Order shall automatically be cancelled and ASELSAN shall have no liability towards the SELLER. If the SELLER fails to; confirm the Order in writing within 30 (thirty) days following the issuance of the PO, or commence the performance of the Works, ASELSAN is entitled to cancel the Order without having any liability towards the SELLER, without prejudice to its rights and remedies provided by law.
- (d) Unless otherwise stated in the PO; the Order cancels and supersedes expressly all other conditions including but not limited to the SELLER's general sales conditions as well as any prior commitments, proposals, understandings, communications, representations and agreements, relating to the Works, either verbal or written.
- (e) In case ASELSAN requests a change in the requirements of the Order, the SELLER shall promptly submit its change proposal, including prices and/or delivery schedule effects, if any. ASELSAN shall issue a revised PO on mutually agreed terms. The revised PO shall enter into force in accordance with the provisions set out in Article 1(b) and Article 1(c).
- (f) If required under the Order; performance bonds/letters of bank guarantee shall be submitted in the format specified by ASELSAN and in compliance with the conditions specified in the PO.



2. DELIVERY, PACKING, RISK AND TRANSFER OF TITLE:

- (a) Conditions and milestones of delivery and performance of the Works shall be as specified in the Order. Delivery/performance dates may only be amended upon approval in writing by ASELSAN. Unless otherwise specified in the Order, delivery shall be subject to DAP, Ankara ASELSAN Premises (INCOTERMS 2020).
- (b) Unless otherwise specified in the PO or approved by ASELSAN in writing in advance, early and/or partial delivery/performance shall not be accepted.
- (c) SELLER shall be responsible for packaging, packing of all items to prevent deterioration or damage during the shipment (including but not limited to loading and unloading) and storage, arising from weather conditions, carriage or storage conditions, corrosion etc. SELLER shall be responsible for the damage and loss resulting from insufficient packing and/or packaging of shipped Supplies.
- (d) If requested by ASELSAN, the SELLER shall, in compliance with ASELSAN's request, provide ASELSAN necessary information and documentation in relation to determination of the country of origin of all items in accordance with the preferential and non-preferential rules of origin. The SELLER shall provide complete and accurate information including the country of origin, Harmonised System (HS) Classification, valuation, preferential treatment, duty drawbacks or other relevant information for the purposes of customs clearance.
- (e) Additional delivery, shipment and packing/packaging requirements shall be as stated in the Order.
- (f) Unless otherwise specified in the PO, title of ownership of the Works shall pass from SELLER to ASELSAN upon their delivery or performance, and risk of the Works shall pass from SELLER to ASELSAN upon the receipt of the Works by ASELSAN at the place specified in the PO.

3. INSPECTION, ACCEPTANCE AND OUALITY:

- (a) Unless otherwise specified in the PO, the Works delivered/performed by the SELLER shall be subject to inspection and acceptance at ASELSAN facilities in order to verify their conformity with the requirements requested by ASELSAN within the scope of the Order. Following the completion of the inspection of the Works, an inspection report shall be prepared by ASELSAN and such report shall be the basis for acceptance or rejection. For Works which ASELSAN evaluates an inspection report is not required, the acceptance or rejection decision can be made without any report.
- (b) In case the Works are found incompliant with the Order, ASELSAN may reject the Works in whole or in part. SELLER shall, within the time period to be determined by ASELSAN and notified to the SELLER, correct the deficiencies in the rejected Works or replace them with new Supplies and re-perform Services at its own expense, without prejudice to the provisions of Article 5 and any other rights and remedies that ASELSAN may have in this respect. The repaired, replaced and re-performed Works shall be re-submitted to ASELSAN for re-inspection.
- (c) ASELSAN at its own discretion, is entitled not to accept the Works in whole until the rejected Works are corrected in accordance with the Order. and such corrected Works are accepted by ASELSAN.
- (d) The quality requirements of the Works shall be as stated in the Order.

4. PRICE, TAXES, INVOICES AND PAYMENT:

(a) Unless otherwise specified in the PO; payments with respect to the Works shall be made, upon the acceptance of the related Works by ASELSAN; by bank (wire) transfer to SELLER's bank following the receipt and approval by ASELSAN of the original commercial invoice and other documents specified in the Order, if any. In case an advance payment is specified under the PO and unless otherwise specified therein, such advance payment shall be made by ASELSAN following submission of the letter of bank guarantee for advance payment by SELLER to ASELSAN equal to the amount of the advance



- payment to be made. Format and conditions related to the letter of bank guarantee for advance payment shall be as stated in the Article 1.(f).
- (b) Unless otherwise stated in the PO; prices for the Works are firm-fixed in the currency specified in the Order throughout the Order Term. Under no circumstances SELLER shall have the right to claim price difference, escalation or any other claims whatsoever during Order Term, as well as during any time extension that may be granted by ASELSAN.
- (c) SELLER hereby accepts that, any invoices submitted by SELLER shall not be deemed as acceptance of the respective Works covered under such invoice and SELLER shall not claim any rights based on such invoices.
- (d) Payment for partially accepted Works may be made only if deemed appropriate by ASELSAN.
- (e) In case that the SELLER is required to pay any amount to ASELSAN within the scope of this Order, the said amount shall be paid by the SELLER within 10 (ten) days following the notification to be made by ASELSAN. In case there is a payment to be made by ASELSAN to the SELLER within the said period, ASELSAN has the right to deduct the relevant amount from this payment. In this case, if there is an outstanding balance to be paid, the notification will be valid for this outstanding balance. In case the payment is not made, ASELSAN, without the need to give any notice and without prejudice to its rights for the excess amount, shall have the right to deduct the related amount from the payments to be made to SELLER or to draw down the said amount from the performance bond/letters of bank guarantee together with the interest of annual SOFR +%2 to be calculated for the overdue amount, for each day of delay starting from the 10th day. If the aforementioned amount is collected from the performance bond, the SELLER is obliged to restore the performance bond to its full amount or provide a new performance bond with the same conditions within 7 (seven) days following such draw down. In both cases, the performance bond shall be issued in accordance with the conditions specified in Article 1.(f). In the case that the performance bond is not restored to its full amount by the SELLER as stated above or an additional performance bond is not submitted, ASELSAN shall have the right not to make any payment until this obligation is fulfilled by the SELLER. In addition, if the payments to be made to the SELLER and performance bond are insufficient to collect the relevant amount, SELLER's liability for the relevant amount shall continue, provided that all rights of ASELSAN are reserved.
- (f) If SELLER fails to fulfill any of its obligations arising out of the Order or breaches any term and condition of the Order, without prejudice to its other rights and remedies, ASELSAN reserves the right to suspend all payments with a notice to the SELLER, stating the non-fulfilled obligations or the breach, as long as such breach or failure continues.
- (g) Unless otherwise specified in the PO; (i) all Turkish taxes, direct or indirect, including if any VAT, duties, levies, customs, tolls, charges/surcharges, withholdings and similar expenses, which become due in connection with this Order and Works ordered hereunder, shall be borne by ASELSAN, and (ii) all other taxes, direct or indirect, including if any VAT, duties, levies, customs, tolls, charges/surcharges, withholdings and similar expenses outside Turkey, which become due in connection with this Order and Works ordered hereunder, shall be borne by SELLER. Notwithstanding the foregoing; if any Service ordered under the Order is requested by ASELSAN to be performed in Turkey by the SELLER's expatriate(s), any taxes, direct or indirect, including if any VAT, duties, levies, customs, tolls, charges/surcharges, withholdings and similar expenses due in connection with such Service and also any other costs and expenses of the SELLER's expatriate(s) shall be borne by the SELLER. Unless otherwise stated in the PO, all costs and expenses for packing, packaging or similar expenses shall be borne by the SELLER. If the aforementioned expenses or payments are covered by ASELSAN, the relevant amounts, including penalties and interest, if any, shall be paid to ASELSAN by the SELLER in accordance with the provisions of Article 4(e).



(h) Invoices shall indicate the Order number, the description of Works within the scope of the invoice (in compliance with the items in the PO), unit price, quantity, total price, the amount of the advance payment made and its rate (if paid), the amount and the rate of the balance payment and deferred payment (if any), and any other information requested by ASELSAN in the Order.

<u>5. PENALTIES FOR DELAY:</u>

- (a) If SELLER, for reasons other than force majeure specified under Article 8, fails to deliver/perform the Works, at the time specified in the Order, fails to perform its warranty obligations on the due date in accordance with Article 6, if the Works are rejected by ASELSAN as per Article 3 or the SELLER fails to fulfill its other obligations within the periods specified in the Order, unless a different rate/amount and/or procedure is specified in the Order, for each day of delay, the SELLER shall pay to ASELSAN a penalty for delay, beginning from the first day of delay of the relevant obligation, at a rate of three per thousand (% 0,3) of the price of the delayed Works, in accordance with the provisions of Article 4.(e). Penalties for delay does not correspond to any damage or loss incurred by ASELSAN, therefore ASELSAN reserves all other rights and remedies provided by law.
- (b) The payment of the penalties for delay specified hereabove shall not relieve the SELLER of its obligations to complete the delivery/performance of the delayed Works and to fulfill its other obligations under the Order.
- (c) Expiration of this Order for any reason, including termination, shall not relieve the SELLER of its obligation to pay to ASELSAN any penalties arising from this Order.

<u>6.</u> WARRANTY:

- (a) Unless otherwise stated in the Order, SELLER warrants that the Works will be free from defects in material, assembly, workmanship, design and installation for a period of twenty-four (24) months following the acceptance of the Works as specified in the Order.
- (b) SELLER warrants that the Supplies and their components to be delivered hereunder shall be brand new, not used or reconditioned, repaired, refurbished or overhauled.
- (c) SELLER shall, correct the defects determined in the Works or replace/re-perform the defective Works upon ASELSAN's request, within fifteen (15) days (unless an extension is provided in writing by ASELSAN) following the date of; (i) receipt of the defective Supply by the SELLER, and (ii) notification by ASELSAN of the defective Service to the SELLER. Unless otherwise stated in the Order, all costs and expenses, including but not limited to the costs and expenses with respect to; repair/replacement/re-performance of the defective Works and transportation and insurance of the defective items from ASELSAN's facility to SELLER's facility and transportation and insurance of the repaired/replaced items from the SELLER's facility to ASELSAN's facility, shall be borne by the SELLER.
- (d) If the SELLER fails to fulfill its obligations under this Article within the period specified above, without prejudice to SELLER's warranty obligations, ASELSAN at its discretion and at SELLER's own risk and expense, has the right to have them fulfilled by a third party or to fulfill such obligation itself. All other rights and remedies of ASELSAN provided by law are reserved.

7. EXPORT/IMPORT, LICENSES AND GOVERNMENT APPROVALS:

(a) The SELLER shall be responsible for the application, follow-up, and delivery of all export licenses, import licenses, government approvals, permits, and similar documentation necessary for the performance of the Works. These efforts shall be undertaken at the SELLER's expense and without causing any restriction or delay to the performance of the Works. The SELLER shall, without causing any restriction or delay to the performance of the Works, be responsible for obtaining; (i) any additional and/or new export licenses that may be required as a consequence of any amendment in the laws and regulations of the related



- countries and (ii) any renewals and/or extensions to the Export Licenses, after the Order Date. The process regarding documents which require approval by or through ASELSAN for obtaining export licenses and/or permits shall be coordinated with ASELSAN. However, such documents shall not restrict ASELSAN's rights under this Order.
- (b) The SELLER shall, in connection with the performance of the Order, comply with all applicable import/export controls and regulations on foreign trade and other requirements, and provide ASELSAN, when requested to do so, with the related export control compliance information and documentation.
- (c) The SELLER shall notify ASELSAN in advance regarding the applicable export control requirements (including the specific terms and conditions of respective export legislation to be complied) and export classification information of any export-controlled item (including hardware, software, service, data, information and other items) covered by the Order, and shall notify ASELSAN of any changes to the export classification information and the export control requirements.
- (d) SELLER shall incorporate this section requiring compliance with applicable export control regulations into its subcontracts and/or suppliers and ensure its subcontractors and/or suppliers to comply with the relevant provisions.
- (e) The SELLER shall be responsible for all losses, costs, claims, damages, liabilities and expense arising from any act or omission of the SELLER, its officers, employees, agents, suppliers or subcontractors at any tier, in the performance of any of its obligations under this Article 7.
- (f) The SELLER shall act as a diligent merchant with due care on the risks related to the movement of goods in the international supply chain.

8. FORCE MAJEURE:

- (a) Events which can be considered as force majeure within the scope of Order are limited to natural disasters, general epidemic diseases, general mobilization, war and other events deemed appropriate by ASELSAN. In order for these events to be accepted as force majeure, such event; should arise after the Order Date, should be unforeseeable by the SELLER, should be beyond the control of the SELLER, could not be prevented despite the SELLER's efforts as a prudent merchant, should be of such a nature as to prevent the fulfillment of the SELLER's commitments under the Order and should not be the indirect or direct results of the failure of the SELLER to fulfill any of its obligations under the Order.
- (b) If any force majeure event occurs, the SELLER shall notify ASELSAN within 15 (fifteen) days as of date of occurrence of the force majeure event, specifying the date of occurrence, the detailed description of such event, the estimated period that the effects of the force majeure are expected to continue, measures taken to avoid this event and eliminate its effects, and effects on performance of the SELLER's obligations under the Order; with the documents issued by official authorities evidencing the occurrence of such event.
- (c) Upon ASELSAN's evaluation of the SELLER's force majeure notification, the affected delivery/performance period may be extended by the period determined and notified by ASELSAN.
- (d) Such extension due to force majeure may be granted by ASELSAN provided that; (i) there is no increase in the prices stated in the Order for the Works, (ii) the performance bonds/letters of bank guarantee periods are extended for the additional period or additional performance bonds/letters of bank guarantee is given within this scope, and (iii) there is no claim by the SELLER for any compensation (including loss of profit), escalation or right due to force majeure.



9. TERMINATION:

ASELSAN shall have the right to terminate the Order within the scope mentioned in its termination notice to the SELLER, without necessity of granting any time extension and without prejudice to other rights arising from this Order and/or legislation, if: (i) the SELLER does not fulfill its obligations partially or completely in accordance with the provisions of the Order or acts contrary to it, (ii) the SELLER becomes financially insolvent or becomes bankrupt or enters into liquidation or a trustee or another person entitled to do so is appointed for the SELLER's assets or suffers any execution against its property or any analogous event in any jurisdiction shall take place, (iii) the SELLER assigns the Order or any of its rights under the Order, without obtaining ASELSAN's prior written consent, (iv) there is a conviction against the SELLER, its partners or senior executives for crimes under any Anti-Terrorism Law or similar regulations or organized crime or the SELLER's affiliation with terrorist organizations or contact with them is determined, (v) the SELLER cannot make progress in the Works and therefore its clearly understood that the Works will not be delivered/performed in accordance the date and manner specified in the Order, without having to wait for the day determined for delivery/performance or (vi) the SELLER is found to have violated ASELSAN's company policies and ethical principles mentioned hereunder. In this case, ASELSAN shall not have any financial or legal liability towards the SELLER.

In this case, if the Works delivered/accepted until the termination date are returned to the SELLER by ASELSAN at ASELSAN's discretion, the SELLER shall take back these items and reimburse ASELSAN the amounts paid to the SELLER by ASELSAN in respect to such Works in accordance with the provisions of Article 9.(c).

If there are Works that have been completed but not delivered by the SELLER prior to the date of termination, ASELSAN shall have right to request the transfer of title or any other rights of these Works, by paying their prices stated in the Order and following their acceptance.

In case of termination of the Order, ASELSAN shall have right to forfeit the performance bond (if any) given by the SELLER as a penalty clause. ASELSAN shall have right to request all of its losses and damages from SELLER and acquire the Works from the third parties or perform them itself. In such case SELLER shall pay to ASELSAN, in accordance with Article 4.(e), the excess costs for those supplies/services so acquired from third parties and/or performed by ASELSAN.

- (b) In case the force majeure event still exists at the end of the period notified by ASELSAN as per Article 8, ASELSAN shall have right to the terminate the Order without any prior notice or granting additional time, by paying the price of the Works accepted according to Article 3 and delivered to ASELSAN until the end of such period. ASELSAN shall not have any financial or legal liability towards the SELLER, except for the payment stipulated at Article 9.(c).
- (c) In any case of termination of the Order, the SELLER shall return ASELSAN, completely and in its original condition, all documents and their copies, AFP and all other items belonging to ASELSAN that were provided by ASELSAN for the terminated part, as its own expense and within ten (10) days after the receipt of termination notice from ASELSAN. If ASELSAN returns the Works delivered/accepted in accordance with Article 9.(a), the SELLER shall refund all amounts paid to it until the termination date with the interest stated below, in accordance with Article 4.(e).

If ASELSAN has made any advance payment to the SELLER within the scope of the Order, the portion of the advance payment made to SELLER that has not been deducted from the payments, shall be refunded to ASELSAN as per Article 4.(e) with the interest stated below. If the advance payment is not refunded on time, the relevant amount shall be collected from the letter of bank guarantee for advance payment without prior notice or granting additional time.



The interest rate to be applied for the amounts to be repaid to ASELSAN by the SELLER is SOFR (Secured Overnight Financing Rate) plus 2%, which will be calculated and applied on an annual basis, for the period between the date the relevant payment was made to the SELLER and the date of repayment to ASELSAN.

10. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS:

- (a) Unless otherwise specified in the PO; ASELSAN shall have the exclusive ownership of all intellectual (right to reproduce, adapt, publish, performance, communication to the public) and industrial property rights (trademark, patents, utility model, design etc.) of the Works and any document, information, product and work, which is developed, conceived, generated in relation to the Works, including preparatory works previously performed by the SELLER in relation to the Works. The SELLER hereby assigns all rights, title and interests in the foregoing to ASELSAN. Unless otherwise specified in the PO; the SELLER shall not use or allow the use of these in other works or projects, or produce or have them produced for third parties, or disclose them, or file any applications regarding them, or grant any right to a third party with respect to the same.
- (b) The SELLER shall obtain a written commitment or execute a written agreement with its subcontractors, suppliers, and any other relevant right holders, to ensure that all intellectual and industrial property rights described in this Article 10, including rights arising from the previously performed preparatory works, shall belong to ASELSAN as defined herein under Article 10. The SELLER shall ensure that such commitments or agreements are no less stringent than the provisions of this Article 10. The SELLER shall also provide all necessary information, documents, and support in the scope and detail requested by ASELSAN to exercise its rights stipulated in this Article 10.
- (c) SELLER warrants that the Works furnished hereunder do not cause an infringement of any intellectual and industrial property rights and shall be free of any liens and encumbrances as well as any rightful claim of any third party for infringement of any industrial and/or intellectual property right and/or any other right. SELLER shall indemnify ASELSAN and/or ASELSAN's customers, hold them harmless from and against all consequences, claims, damages, losses, costs, and expenses arising out of any action by a third party that is based upon a claim relating to the Works under this Order which is alleged to breach or violate the intellectual and/or industrial property rights and/or other rights of any person or entity. SELLER shall be solely liable of any legal action and other legal procedures (prevention of infringement, criminal and/or nullity actions etc.) based on an intellectual and industrial property right infringement. In case of an infringement; SELLER shall further, at its own expense and at ASELSAN's discretion; (i) cause the continuation of the right of use of ASELSAN and its customers, as well as continuation of other rights of ASELSAN under this Order, or (ii), modify the Works in such a way that they become non-infringing without degradation of the specifications/properties of the Works, or (iii) change the Works with the non-infringing Works having an equivalent utility, effectiveness and performance.
- (d) While performing the Works, SELLER shall not use and/or deliver any fake/counterfeit products/materials and/or product/material violating the right of third parties, and shall act in diligence and conduct necessary inspections/controls in that regard. In case use and/or delivery of fake/counterfeit products/materials and/or product violating the right of third parties have been determined, such products/materials may be returned by ASELSAN at SELLER's expense and responsibility, without prejudice to ASELSAN's rights as per Article 10 (c). SELLER shall be fully responsible for the compensation of any loss and damage which may occur due to or in relation to said products/equipment.



11. CONFIDENTIALITY:

- (a) Regardless of the time of their provision by/acquisition from ASELSAN (prior to the effectivity of this Order, during the course of this Order or at the time of termination); the SELLER hereby agrees and undertakes to regard and treat all information, document, software, hardware and items of similar nature that has been provided by ASELSAN or that has been acquired from ASELSAN via joint studies, as confidential. Without prior written approval of ASELSAN; SELLER hereby agrees not to provide, grant any rights, disclose, publish or reproduce the foregoing that has been provided by/acquired from ASELSAN to third parties or make advertisement with respect to the Works that has been undertaken under this Order. ASELSAN reserves all the rights and remedies provided by law against the SELLER or the SELLER's personnel's breach of the confidentiality obligations. Additional matters (if any) in connection with confidentiality shall be as stated in relevant annexes of this Order.
- (b) SELLER; shall not use the works performed under the Order for advertisement, promotion, marketing etc. purposes, without obtaining ASELSAN's prior written permission.
- (c) SELLER agrees, undertakes and declares to process, store any information relating to an identified or identifiable natural person (hereinafter such persons shall be referred as "Data Subject" and their data shall be referred to as "Personal Data") disclosed by the ASELSAN, obtained from the ASELSAN and/or authorized by the ASELSAN to be accessed under this Order and ensure its protection in accordance with the procedures and principles stated under the applicable legislation (including but not limited with the General Data Protection Regulation, Law on the Protection of Personal Data and applicable legislation, relevant regulatory acts and provisions and related principles (hereinafter referred to as "Legislation"); to take all required technical and administrative measures; to notify and inform on all information related to the Personal Data required under the Legislation; to obtain/that it has obtained all required consents from Data Subjects; to delete, destruct or anonymize the Personal Data when required by the Legislation, not to transfer the Personal Data to any resident or non-resident third party and not to process the Personal Data for any purpose other than explicitly stated under this Order and/or approved by ASELSAN in writing. Parties are obliged to ensure that their personnel comply the responsibilities and obligations stated under this Article and the Legislation. SELLER is responsible for its employee's compliance of the requirements of this Article and Legislation.

12. ASELSAN FURNISHED PROPERTY ("AFP"):

- (a) If specified in the PO; ASELSAN may provide equipment, materials, documents and/or software (hereinafter collectively referred to as "AFP") to SELLER to be used for the performance under this Order. SELLER shall, from the date of their delivery to SELLER until their return to ASELSAN, be liable for risk of loss or damage to AFP as well as all damages that may arise due to legal restrictions such as mortgage, confiscation, sequestration, preliminary injunction or precaution. SELLER shall label AFP as "ASELSAN Property".
- (b) Dispatch list issued by ASELSAN and/or forwarder and delivery records (if any) shall be admitted as binding documents for the delivery of AFP to SELLER. When delivered SELLER shall check the AFP, condition of its packaging and information on the dispatch list upon receipt of the AFP and notify ASELSAN of any loss and damage and/or inconformity within 1 (one) day from the receipt of AFP. If a damage is found in the packaging SELLER shall prepare a written report which includes the images of the damages and submit such report to the forwarder. If SELLER fails to notify ASELSAN of any loss of and/or damage to the AFP within the abovementioned period, the SELLER shall be fully responsible for such loss and damage pursuant to Article 12 (c).
- (c) All risks of loss of the AFP shall belong to SELLER until its return to ASELSAN and Seller shall take the necessary measures for its protection at his own expenses. In the event that AFP is lost, destroyed,



- damaged or malfunctioned; SELLER shall, at ASELSAN's discretion and upon prior approval of ASELSAN, repair or replace AFP at his own expense or, if such AFP is repaired by ASELSAN, reimburse ASELSAN's repair costs (including transportation and insurance costs to ASELSAN facilities and return to the SELLER). If repair or replacement of AFP is not possible, SELLER shall be fully responsible to compensate ASELSAN for such loss, damage, destruction and/or malfunction.
- (d) SELLER shall not; use the AFP for the purposes other than fulfillment of the obligations under this Order, transfer AFP to third parties or reproduce (unless it is required for the performance of the Works) AFP, without ASELSAN's prior written consent.
- (e) ASELSAN/ shall at any time have the right to audit/inspect the AFP and request from the SELLER a report about the condition of the AFP.
- (f) Unless otherwise notified by ASELSAN, AFP shall be returned to ASELSAN within ten (10) days following; the completion of acceptance of Works under Article 3 or expiration of this Order for any reason, including termination.

13. STOP-WORK ORDER:

- (a) ASELSAN may, at any time, notified by an order to SELLER, require SELLER to stop all, or any part of the Works, for the period determined in its order. Upon receipt of the order, SELLER shall immediately comply with its terms and take all the necessary measures to minimize the incurrence of costs allocable to the Work covered by the stop-work order during the period of work stoppage.
- (b) Upon ASELSAN's notification to SELLER that the stop-work order issued under this Article is cancelled or the period of the order or any extension thereof expired SELLER shall immediately resume the Work covered by the stop-work order.
- (c) If stop-work order extends the performance time of the Works and SELLER submits a written adjustment request to ASELSAN within 7 (seven) days expiration or cancellation of the stop-work order; ASELSAN shall evaluate such request and at its own discretion may make an equitable adjustment it deems appropriate for the performance time of the Works (such adjustment shall at all times be limited with the duration of the stop-work order). SELLER shall not have any claim due to stop-work order other than abovementioned time adjustment.

14. LEGAL RESPONSIBILITIES AND COMPLIANCE WITH LABOR REOUIREMENTS:

- (a) The SELLER is exclusively responsible for all obligations regarding the worker's rights, working conditions and occupational health and safety of its personnel to be assigned by the SELLER in the performance of the Works within the scope of the Order under applicable labor and social security law, occupational health and safety legislation, environmental law and other relevant laws and regulations (including any relevant legislation and/or changes that may occur in the relevant legislation that will come into force after the Order Date) and the SELLER shall also ensure occupational health and safety, take all kinds of measures in terms of eliminating occupational risk factors, prevent accidents and health conditions, and provide all necessary training to the its personnel and comply with all applicable laws and regulations. Legal and criminal liability with respect to these matters and taxes, duties, charges and liabilities arising from labor legislation belongs to the SELLER.
- (b) SELLER is exclusively liable for, including but not limited to, the death and/or injury of any person (including ASELSAN's personnel and third parties) and/or occupational accident and/or occupational disease and/or the loss of or damage to a property and/or for all kinds of lawsuits, administrative proceedings, claims for compensation, other claims, damages, losses and expenses, arising from and/or in connection with the performance of the Works and/or the fault of its own personnel, officers or representatives. In case of accidents that may occur during the performance of the works despite the



- measures taken by SELLER, the compensation to be paid to the SELLER's workers and personnel and/or their families (including their dependents) in case of accident or death, shall solely belong to SELLER. SELLER shall notify ASELSAN within 2 (two) working days upon receipt of any claim, request for action and/or compensation.
- (c) SELLER and SELLER's personnel are obliged to comply with the working conditions of ASELSAN and/or ASELSAN's customer/sub-contractor, not to disrupt the working order; if Works needs to be performed in one of these facilities. SELLER undertakes that the personnel it will employ will comply with this Order and internal guidelines and safety rules of ASELSAN/ASELSAN's customer/sub-contractor. SELLER's personnel, who does not comply with these obligations may be promptly dismissed from the facilities, without prior notice to SELLER. SELLER is obliged to replace the personnel dismissed with another personnel within 24 (twenty-four) hours following the notification to be made to SELLER. SELLER shall compensate any loss and damage which may occur due to breach of abovementioned obligations.
- (d) Without prejudice to its other rights and remedies, ASELSAN has the right to recourse and collect from the SELLER any damages and/or losses and/or any amount that ASELSAN may have to pay under Article 14, in accordance with the provisions of the Article 4.(e).
- (e) The SELLER shall perform all its obligations related to this Order in accordance with;
 - i. The governing law stated hereunder and the law of the country where the Work is being performed and,
 - ii. All ASELSAN's company policies and ethical principles (related links are given below) including but not limited to Anti-Bribery and anti-Corruption Policy,

https://www.aselsan.com/en/investor-relations/policies https://www.aselsan.com/en/investor-relations/ethical-principles

SELLER shall not in any way breach the provisions of the law and principles stated above.

(f) SELLER is responsible to reflect its obligations stated under this Article 14 to its suppliers or subcontractors at any tier, and to secure their implementation by them.

15. MISCELLANEOUS:

- (a) SELLER shall not assign the Order in whole or in part or any of its rights and/or obligations under this Order, without the prior written approval of ASELSAN.
- (b) Failure of either Party to insist on strict compliance with any of the provisions of the Order or to exercise any of its rights under the Order shall not constitute a waiver of its rights in any way.
- (c) In case of any inconsistency between the PO, these General Purchasing Terms and Conditions, and any documents referred thereunder, following order of precedence shall apply:
 - 1. The special terms and conditions stated in the purchase order form (including, if any and if mentioned in the purchase order form, the related contract signed between the Parties),
 - 2. These General Purchasing Terms and Conditions,
 - 3. The annexes of the purchase order form (if any),
 - 4. Other documents referred to in the Order (if any)
- (d) Unless otherwise stated under the PO, the provisions of; Article 4.(e), Article 5, Article 7, Article 10, Article 11, Article 14, Article 15.(e) and Article 15.(e) and SELLER's obligations arising therefrom, shall survive the expiration or termination of the Order.
- (e) The Order shall be governed by and construed in accordance with the Laws of Republic of Türkiye, excluding its conflict of law rules. The provisions of "United Nations Convention on Contracts for International Sale of Goods" shall not apply to this Order. All disputes arising in connection with this



Agreement which cannot be amicably settled between the Parties, shall be finally settled under the International Arbitration Law No 4686 of the Republic of Türkiye by one or more arbitrators appointed in accordance with the Law. The venue of arbitration shall be Ankara, Türkiye. The English language shall be the language of the proceedings. The award shall be final and binding upon parties. SELLER is obliged perform its pending obligations under this Order during the course of settlement of disputes.

(f) All notifications between the Parties shall be made in written form. Any notification made via e-mail shall be valid upon an acknowledgement of receipt from the other Party.