

DISTRIBUTION AGREEMENT

This Distribution Agreement ~~Agreement~~ entered into on 31th of March 2015.

BY AND BETWEEN

Erkunt Traktör Sanayii A, a manufacturer of Tractors, duly organized under the laws of Turkey and having its principal office of business at Organize Sanayi Bölgesi, Bat Hun Cad. No:2, Sincan 06930 Ankara, TURKEY registered with the number [182625] and represented by [Tolga SAYLAN], CEO, duly authorized representative for the purpose hereof (hereinafter referred to as "**Erkunt**", which expression shall, unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the One Part;

AND

SRL AGROTRAC PRIM, a company registered and validly existing under the laws of Moldova having its registered office mun. of Chisinau, Muncesti Highway, 300/2, registered with the number 1014600005618, represented by Alexandr Djichia, and duly authorized representative for the purpose hereof (hereinafter referred to as "**Distributor**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the Other Part.

(Erkunt and the Distributor hereinafter shall be individually referred to "**Party**" and collectively as "**Parties**").

WHEREAS

- (a) ERKUNT is in the business of manufacturing and exporting inter alia of tractors, machinery spare parts, and accessories thereof.
- (b) The Distributor is engaged inter alia in the business of tractor, agricultural equipment at Moldova
- (c) The Distributor has represented it has the requisite capability to act as a distributor of ERKUNT's Products in the Territory and is desirous of selling Products (as defined below), in the Territory, and has approached ERKUNT for the same;
- (d) Relying on the representations of the Distributor and on the basis of the mutual understanding arrived at between/among the Parties, the Parties hereby enter into this Agreement for the aforesaid purpose on terms and conditions stated hereunder

NOW, THEREFORE, consideration of the mutual covenants and obligations contained herein, the sufficiency of which are hereby acknowledged, ERKUNT and the Distributor agree as follows:

1. **DEFINITIONS:**

The following words and terms will, when used in this Agreement; have the meaning as set forth in this Clause:1

"Agreement" shall mean this Agreement.

"Anti-Corruption Laws" means any foreign or domestic anti-bribery and anti-corruption laws and regulations, as amended from time to time, including without limit Turkey's Prevention of Corruption Act, the UK Bribery Act 2010, the US Foreign Corrupt Practices Act and any laws intended to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

"Confidential Information" shall mean all confidential and proprietary information and trade secrets of ERKUNT and its subsidiaries, including but not limited to information concerning the business or operations of ERKUNT, design changes, improvements, inventions, know-how, plans or intentions, market opportunities and business affairs, Product information and process of the Products, including drawings, designs, documents.

"Force Majeure" for the purpose of this Agreement, means an event beyond the reasonable control of the Party claiming relief from the consequences of such event and which event, such Party could not have foreseen or prevented. Force Majeure events include (but are not limited to), fires, earthquakes, floods, epidemics, natural calamities, other acts of God, wars or acts of war, outbreak of hostilities (regardless of whether war is declared), terrorist acts, embargoes, lockdowns, blockades, the imposition of, or changes to, Sanctions and Export Rules; or other governmental or regulatory authority action, revolutions, riots, civil commotions or sabotage.

"PDI" shall mean Pre-Dispatch Inspection.

"Distributor" shall mean SRL AGROTRAC PRIM, which shall purchase Products from ERKUNT pursuant to the terms of this Agreement. Distributor shall not be a Dealer for purposes of this Agreement, nor will it be a dealer for purposes of any law (whether established by statute, by code, under common law or otherwise) governing the relationships between automobile manufacturers and automobile dealers.

"Dealer" shall mean the party/ parties appointed by Distributor in accordance with Clause 19 herein for the purpose of marketing and distribution of the Products within the Territory and shall include sub-distributors.

"Products" shall mean tractors, farm equipments as specifically mentioned in Annexure

"Territory" shall mean the country of Moldova

"Homologation" shall refer to the process of making any modifications to the Products that are necessary in order to bring them into compliance with all laws applicable to tractors sold in the Territory, as well as the process of self-certifying that the Products are in compliance with all applicable laws and regulations and/or applying for and obtaining certification, whether from a governmental authority or otherwise, any required certification that the Products are in compliance with all applicable laws and regulations.

ERKUNT's IPR / Intellectual Property Rights shall mean and include any and all kinds of intellectual properties of ERKUNT including without limitation to the following:

- Trade Marks, trade name, logos and any other insignia and trade dress elements, (whether registered or not), owned by and/or licensed to ERKUNT, details whereof specified in this Agreement and or any such other marks in addition thereto, or in substitution of them as may be specified by ERKUNT from time to time;
- Domain Names, websites including its webpages, other web-contents and lay-outs, developed / used / owned by ERKUNT in relation to the Products;
- Copyright and design copyright including (but not limited to) design, décor, color scheme equipment, furniture, promotional material, of ERKUNT, including any material in writing or in source or object code form (including but not limited to the Standard Operations Manual), software's, source codes, or other work relating to the Products;
- Patents, Know-how, trade secrets, compilations, case-studies, customer data, vendor lists, marketing plans, business methods/concepts and any other proprietary information, developed / used by ERKUNT in or in connection with the Products;

"Sanctions and Export Rules" includes any trade or economic sanctions, export control, embargo or similar laws, regulations, rules, measures, restrictions, restricted or designated party lists, licenses, orders, or requirements, in force from time to time, including without limit those of the UN, the USA and the EU and its Member States.

"Public Official" means any (a) officer, employee, representative or any other person acting in an official capacity on behalf of a government or any department, agency, or body thereof; (b) legislative, administrative, or judicial official; (c) candidate for political office or an official of a political party; (d) official of a supra-national or international organization; or (e) employee or officer of a state-owned or controlled enterprise.

"Distributor's Personnel" means the Distributor's officers, directors, officers, employees, direct or indirect beneficial owners or shareholders, or any other party engaged by THIRD PARTY to act on its behalf in performance of the Agreement and/or the business resulting therefrom, including (but not limited to) affiliates and/or sub-contractors.

2. **APPOINTMENT:**

ERKUNT hereby appoints Distributor as an authorized distributor within the Territory for sale of Products. ERKUNT has agreed to enter into this Agreement based on Distributor's representations and assurances that it is competent and will promote, sell and service the Products in the most effective manner.

RIGHT OF DISTRIBUTION:

Distributor shall have the right to sell the Products to Dealers in the Territory. Neither Distributor nor Distributor's dealers will sell the Products outside the Territory without the prior written consent of ERKUNT. Distributor will comply with all the terms and conditions stipulated by ERKUNT and will cause its Dealers to comply with all such terms and conditions if such consent is given.

4. **DISCRETIONARY DIRECT SALES:**

- (a) ERKUNT reserves the right to sell the Products directly within the Territory in case of special transactions such as against international tenders, credits and grants where in ERKUNT's opinion direct participation by it is desirable. In such event, compensation, to be paid to Distributor will be mutually decided by the Parties.
 - (b) The Government of Turkey requires ERKUNT to make direct sales in the Territory, in which case the compensation, if any, to be paid to Distributor shall be
- REPRESENTATIONS AND WARRANTIES OF PARTIES:**
decided by the Parties.

5.1 The Parties represent and warrant as follows:

- (i) that each Party is a company duly incorporated, validly existing and in good standing under the laws of their respective countries, and that each Party has the requisite power and authority to carry on business as is currently being conducted and to perform all obligations under this Agreement.

- (ii) that each Party is permitted by their respective organizational or charter documents, to enter into this Agreement, and is not otherwise restrained, prevented, or inhibited from entering into this Agreement or from undertaking the obligations herein contained;
- (iii) that each Party's signatory to this Agreement is duly authorized to execute the same in a manner binding upon it and that all corporate approvals and procedures necessary for entering into this Agreement and vesting the authority in such signatory have been duly obtained and complied with.

5.2 The Distributor further represents and warrants that:

A. Neither Distributor nor Distributor Personnel, or other persons associated with it:

- i. has been convicted of any offence involving Sanctions and Export Rules;
- ii. has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence under Sanctions and Export Rules;
- iii. is listed as a designated or restricted party under the Sanctions and Export Rules ("**Sanctioned Party**"); or
- iv. is owned or controlled by a Sanctioned Party.

B. The Distributor shall not, directly or indirectly, in connection with this Agreement and/or the business resulting therefrom:

- i. offer, pay, promise to pay, or authorise the giving of any monies or financial or other advantage to any person: (i) for the purpose of inducing or rewarding that person or any other person to perform their role or function improperly; (ii) for the purpose of influencing a Public Official in relation to any decision, act or other performance of their official role or function, including a decision to fail to perform that role or function, so as to obtain or retain business or a business advantage of any kind;
- ii. make any funds or economic resources available, directly or indirectly, to or for the benefit of any person or entity that is currently targeted as a restricted party under Sanctions and Export Rules (including any funds or economic resources paid by the Distributor on behalf of ERKUNT or received by the Distributor from ERKUNT in accordance with this Agreement), unless authorised by a relevant authority to the satisfaction of ERKUNT; and/or
- iii. do or omit to do any act that is otherwise in breach, or may cause or lead ERKUNT to be in breach, of any Anti-Corruption Laws and/or Sanctions and Export Rules.

The Distributor shall alert ERKUNT immediately should any of the circumstances listed in clause 5.2 above apply, and ERKUNT shall be entitled to terminate this Agreement

with immediate effect if at any time after entry into this Agreement any of the circumstances listed in clause 5.2 above apply.

6. PRICE:

The price of the Products (Annexure I) supplied shall be EXW-ANKARA. The currency in which prices will be quoted shall be EURO.

Price changes during the period of this Agreement can be put into effect at the sole discretion of ERKUNT by giving 30 days prior notice to Distributor.

7. TERMS OF PAYMENT:

- a) Firm orders for the Products shall be placed by Distributor on ERKUNT and shall be confirmed by Distributor by means of an order confirmation to such effect.
- b) Payment terms of (90) days from invoice date by a Credit Limit of Exim Bank or Cash in Advance.
- c) Payment shall be made in the currency in which the invoice is drawn. All bank charges outside Turkey shall be paid by Distributor and all bank charges within

TRANSFER OF TITLE OF THE PRODUCTS

- 8. The title in the Products shall transfer from ERKUNT to Distributor as per the agreed INCOTERMS between the Parties.

9. PURCHASE ORDERS

- a) Distributor agrees to place firm orders for Products.
- b) Products will be ready for dispatch from Factory, within 8 to 12 weeks from the date of placing the firm order by Distributor on ERKUNT, however the exact delivery period shall be communicated by ERKUNT to Distributor from time to time.
- c) ERKUNT shall endeavor to fulfill the accepted orders of Distributor for the Products with all reasonable dispatch but shall not be liable in any way for the loss of trade or profit occurring to Distributor in the event of non-delivery or delayed delivery of the Products.
- d) ERKUNT reserves the right to reject orders received for any models of Products which are determined to be unavailable for export sales or unsuited for use in Distributor's Territory, and ERKUNT reserves the right (after prior intimation to Distributor) to alter specifications of Products ordered by Distributor or in order to make such products adaptable for use in Distributor's Territory or to make them in accordance with the Export Policy of the Government of Turkey, from time to time.

- e) The Parties acknowledge that orders placed by Distributor with ERKUNT shall not be cancelled or reduced subsequently, unless ERKUNT agrees in writing to such cancellation or reduction.

10. CLAIMS FOR SHORTAGE

As a condition precedent to recovery for a shortage in any shipment, claim for such alleged shortage must be made by Distributor within thirty (30) days of the arrival or delivery at Distributor's port of entry of the shipment on which the said shortage is claimed.

In the event of the complete loss of the shipment, claim must be made by Distributor within the time stipulated in the insurance documents or as soon as Distributor comes to know about the loss, whichever is earliest. However, any claim made by Distributor later than one (1) month will be invalid.

11. FAILURE TO FILL ORDERS DUE TO FORCE MAJEURE

Neither Party shall be held liable for any failure or delay on its part to perform its obligations under this Agreement, if such failure or delay is, in whole or in part, due to a Force Majeure event, provided that the Party affected by a Force Majeure event shall promptly notify the other Party, (i) describing the Force Majeure event in reasonable detail, (ii) stating, to the extent reasonably practicable, an estimate of the duration of the Force Majeure event, and (iii) setting out in reasonable detail the obligations which cannot be performed as a result of the occurrence of the Force Majeure event. The affected Party shall use all reasonable efforts to remedy or mitigate such Force Majeure event and the effects thereof. Notwithstanding the foregoing, if any Party is prevented from performing its obligations as a result of such Force Majeure event lasting continuously for a period of 30 days, then affected party shall have a right to terminate this Agreement by providing a written notice to the other Party, which will be effective immediately.

It is expressly agreed between the Parties that mechanical breakdowns, lack of necessary utilities, labor unrest, transport problems, lack of funds, and similar events shall not be deemed to be Force Majeure events for the purpose of this Agreement, unless such events are caused solely due to a Force Majeure event.

12. CUSTOMS LAWS & REGULATIONS

Distributor will comply at all times with the requirements of the customs law and regulations as applicable in its country with respect to the shipment of the Products. ERKUNT will not assume any responsibility or liability for any failure on Distributor's part to comply with any such requirements, nor will ERKUNT assume any responsibility or liability for any penalties which may result from the packing, invoicing, or shipping documents not being in accordance with the requirements of the country of Distributor.

13. INVENTORY OF PRODUCTS:

In order to properly represent and promote the sale of Products to each price category in Distributor's potential market and to properly serve its Dealers, Distributor shall keep on hand, at all times, an adequate inventory of current models of Products as the Parties may deem necessary.

Further, in order to provide proper service to owners of Products in the Territory and to properly serve Dealer located in the Territory, Distributor shall also purchase and keep on hand at all times a stock of genuine new company parts and accessories which stock shall at all times, be adequate, in order to properly perform such service. ERKUNT and/or its authorized representatives shall have the right to audit and inspect inventories of parts and accessories at all reasonable times to determine the adequacy and genuineness thereof.

14. HOMOLOGATION:

It is understood and agreed that Distributor will complete the Homologation requirements for the Products in the Territory, if required. It is agreed by Distributor that all Homologation will be the property of ERKUNT. All the applications for homologation and type approvals for the Products in the Territory shall be in ERKUNT's name, and the homologation certificates and type approvals shall belong solely and exclusively to ERKUNT. In case for any reason the applications are required to be made in Distributor's name, it shall take ERKUNT's prior written approval and upon receipt of the homologation certificates/type approvals, it shall promptly transfer/assign them in ERKUNT's name, without any cost to ERKUNT.

The successful achievement of Homologation is the essence of this Agreement. If Distributor for any reason is not able to complete or achieve Homologation, then ERKUNT shall have the right, at its sole discretion, to terminate this Agreement. If ERKUNT elects to terminate the Agreement pursuant to this paragraph 14, the termination shall release and forever discharge ERKUNT for any liabilities or obligations arising out of or relating to this Agreement.

15. DISTRIBUTOR'S RETAIL PRICES:

Distributor will establish retail selling prices for each model of Products in such a manner so that the prices are competitive in the market and that it will not hamper the sales of the Products in the Territory. Distributor shall also extend a reasonable discount in prices for genuine parts and accessories to all legitimate garages and repair men who desire to repair such Products, and who request such parts and/or accessories for that purpose from Distributor.

16. SALES AND SERVICE FACILITIES:

Distributor will be responsible to ERKUNT for the proper representation of the Products and will maintain a place of business, showroom, parts department, and service station and/or other facilities with suitable organization and equipment in connection

therewith, satisfactory to and in accordance with the policies of ERKUNT, and Distributor will make the best efforts to actively promote and develop the sale and service of the Products throughout the Territory, give prompt and efficient service to its customers/buyers residing in the Territory and confirm in all respect to the policies recommended by ERKUNT from time to time.

Distributor shall offer exclusive showrooms in major locations like Chisinau and her important cities/towns in Moldova exclusively for ERKUNT Products as per ERKUNT standards.

17. ADVERTISING:

As Distributor is aware and understands the effect that advertising may have on the sales of ERKUNT's Products and the goodwill of ERKUNT. Distributor agrees to advertise the Products throughout the Territory at its cost in such a manner so as to secure proper and due publicity, which shall be as extensive and effective as that done for other tractors of like character by other distributors.

In all its advertising materials, Distributor shall comply with ERKUNT's advertising policies as set forth by ERKUNT from time to time. ERKUNT will provide Distributor with marketing material developed by ERKUNT in Turkey wherever possible.

18. AUTHORITY AND DUTIES OF PARTIES:

- a. Distributor shall have the right to purchase and resell the Products as an authorized distributor of ERKUNT
- b. Distributor will comply with all applicable laws, rules and regulations governing the duties and responsibilities of Distributor under this Agreement.
- c. Distributor agrees to use its best efforts to promote the sale of the Products within the Territory. ERKUNT will provide training programs and such other programs as ERKUNT shall deem reasonably necessary, for Distributor's personnel at Distributor's or ERKUNT's facilities.
- d. ERKUNT and Distributor shall comply with all applicable laws, rules and regulations governing the duties and responsibilities of the Parties in Turkey and Moldova respectively, under this Agreement.

19. APPOINTMENT OF DEALERS AND DISCOUNTS TO DEALERS:

- a. Distributor agrees to appoint within the Territory Dealers only after ascertaining the suitability for such appointment, in order to ensure proper and satisfactory representation and service within the Territory.

- b. In case ERKUNT suffers any losses or damages or incurs any costs and expenses on account of such appointment, Distributor shall indemnify ERKUNT to the extent of such losses, damages, costs and expenses.
- c. All agreements between Distributor and its Dealers shall be in writing, and in substantially the same form as this Agreement, and shall embody terms satisfactory to ERKUNT who reserves the right to require any amendment as it deems fit, and a signed copy of each Dealer's agreement executed by Distributor shall be furnished to ERKUNT by Distributor. It is understood and agreed that the termination or expiration of this Agreement will automatically terminate all such Dealer's agreements and any modifications, amendments, or changes in this Agreement will automatically modify, amend, or change the Dealer's agreements. Distributor shall besides ensure such termination also indemnify ERKUNT in case ERKUNT suffers any losses or damages or incurs any expenses or costs due to the failure on the part of Distributor to modify, amend, or change, or terminate its agreement/s with its Dealer/s, on such termination or expiration, or on such modification, amendment, or change of this Agreement.
- d. Distributor will organize a Dealer network commensurate with the business potential within the Territory. The channel will be appropriate in size and spread to adequately cover the markets for the Products within the Territory. Distributor will ensure that the channel is trained to provide sales and service for the Products and that they follow the rules of ERKUNT's corporate identity.
- e. Terms of the agreements between Distributor and its respective Dealers shall be finalized in accordance with the ERKUNT approved form of Dealer contract. Distributor shall ensure that all its agreements with its Dealers shall be sent for approval/consent of ERKUNT before appointment of such Dealers. It is understood and agreed that the termination of this Agreement will ipso facto terminate all such Dealer agreements. In case of termination or lapse of this Agreement, ERKUNT is free to accept or negotiate with the existing Dealers in the network. Distributor will inform its Dealers accordingly.
- f. The discount accorded to its Dealers by Distributor should be so fixed as to reflect the value of the sales efforts put forth and financial risk assumed by such Dealers, so that the best possible Dealers may be secured by and retained in, Distributor's sales organization.

20. **REPORTS AND ESTIMATES:**

In order to assist ERKUNT in scheduling production, Distributor shall furnish ERKUNT with monthly reports of its sales of the Products, stocks on hand, orders on hand, warranty claims received, as well as such other information as ERKUNT may request from time to time. Distributor will also submit a monthly estimate of its requirements during such periods as ERKUNT may specify.

21. WARRANTY:

- a. Except for the "Warranty" annexed in Annexure II, ERKUNT makes no other warranties, express or implied, and expressly disclaims any warranty of merchantability or fitness for a particular purpose. Indirect, incidental, consequential and/or punitive damages are expressly excluded.
- b. For the parts and components warranted by ERKUNT, Distributor shall submit warranty claims to ERKUNT as per procedure set by ERKUNT from time to time. Warranty liability of ERKUNT shall be limited to the parts supplied by ERKUNT. Distributor hereby commits to obtain a product liability insurance policy that covers the distributor responsibility before start of operations.
- c. Notwithstanding anything contained in the Warranty terms, it is agreed that the liability of ERKUNT to Distributor in respect of the Products shall cease at the expiry of the Warranty period.
- d. Distributor shall ensure that all the advertising and promotional material will expressly state that Distributor and not ERKUNT would be responsible for warranty obligations in respect of the Products in the Territory.

22. COMPLIANCE OF LAWS AND REGULATIONS:

Distributor shall support and provide information from time to time relating to all statutory, mandatory, self-regulatory and or non-mandatory requirements applicable in the Territory pertaining to specifications and/or technical details, safety or other features of the Products to ERKUNT.

In case there are any claims, actions or proceedings resulting from inaccurate/incomplete information or non-provision of information by Distributor Parties shall consult with each other to arrive at a fair and equitable solution. Notwithstanding the above, Distributor shall indemnify ERKUNT for all such claims, actions or proceedings.

22A. COMPLIANCE WITH ANTI-CORRUPTION LAWS AND SANCTIONS AND EXPORT RULE

The Distributor shall, and shall ensure that the Distributor Personnel shall:

- a) comply with Anti-Corruption Laws and Sanctions and Export Rules; and
- b) not deal directly or indirectly with any Sanctioned Party or party owned or controlled by a Sanctioned Party, including (but not limited) with respect to sales of product and payments.
- c) comply with ERKUNT's Anti-Bribery Policy and/or Sanctions and Export Policy which may be updated by ERKUNT from time to time.

ERKUNT shall not be obliged to perform any obligation under this Agreement and shall not be liable for damages or costs of any kind (including but not limited to penalties) for any delay or non-performance, if ERKUNT in its sole discretion determines that such performance would be in violation of, inconsistent with, or could expose ERKUNT to a breach, punitive measure or other negative consequences under Anti-Corruption Laws and/or Sanctions and Export Rules.

23. PRODUCT LIABILITY:

- a. Distributor shall promptly notify ERKUNT of any such third-party claims and/or actions arising out of sale of the Products within the Territory, brought against Distributor and /or ERKUNT. ERKUNT shall assist Distributor in defending all such actions. All expenses and costs that may be incurred in defending such actions and all damages that may be payable to third parties shall be borne by Distributor.
- b. Within sixty (60) days from the date of the execution of this Agreement or prior to ERKUNT making shipment of the Products to Distributor, whichever is earlier, Distributor shall, throughout the term of this Agreement, take annually and keep in force a comprehensive Product liability insurance policy for a sum adequate to cover the population of Products in the market. The premium on the said policy shall be paid by Distributor. The scope of such policy shall include insurance against all damages, and penalties requested by final customers of the Products. The said policy shall incorporate ERKUNT as an additional insured with Distributor. Such insurance policy shall not be cancelled by Distributor, without the prior written consent of ERKUNT. A copy of such insurance policy shall be delivered by Distributor to ERKUNT, as soon as the policy is taken.
- c. It is understood and agreed by Distributor that the product liability insurance policy is the essence of this Agreement and any failure to so take the policy within the time stipulated hereinabove, shall entitle ERKUNT to terminate this Agreement, without any liability to Distributor.

24. PARTS AND ACCESSORIES:

- a) Distributor will not sell, offer for sale, or use in repair work, as genuine parts or accessories, any parts and/or accessories which are not, in fact, manufactured or approved by ERKUNT and sold as per this Agreement for use in making service parts replacements in Products or for installation thereon.
- b) ERKUNT shall have the option to continue to supply spare parts to Distributor for a period of five (5) years from the date of supply of Products. After the expiry of such five (5) Year period, prior to the discontinuance of any parts supplies, Distributor shall purchase a "lifetime supply" of all required parts to enable servicing of the Products through their running life in accordance with local laws. The prices charged by ERKUNT during any such Compliance Period shall be ERKUNT's distributor list prices applicable at the time of supply.

- c) Distributor shall warrant that all spare parts distributed by them for the Products in the Territory, whether during the validity of any Agreement or any Compliance Period, shall be purchased exclusively from ERKUNT, and that in no circumstances shall Distributor procure such parts from any other source. Notwithstanding the earlier termination or expiration of the Agreement, ERKUNT shall warrant to supply spare parts to Distributor for a period of five (5) years after the discontinuance of supply of Products by ERKUNT to Distributor to enable Distributor to service customers of the Products in compliance with Territory local laws.

25. DISCONTINUATION, CHANGES, OR IMPROVEMENTS:

ERKUNT may make changes in design or make any improvements on Products, parts and/or accessories at any time and shall provide information to Distributor for the same.

ERKUNT may at any time change or discontinue any model of Products or its parts and/or accessories by giving six (6) months prior notice to Distributor, without incurring any liability or obligation to Distributor by reason of its previous purchase.

26. INTELLECTUAL PROPERTY RIGHTS:

- (a) The Distributor acknowledges and confirms that ERKUNT is the sole and exclusive owner of ERKUNT's IPR and undertakes not to claim any right, title, or interest therein.
- (b) ERKUNT hereby grants to the Distributor, a one-time, non-exclusive, royalty free, non-assignable, and limited license to use, print, affix, incorporate and/or reproduce ERKUNT's IPR, by itself and through its authorized Dealers, on or in relation to the Products including any containers, packing materials, advertising or promotional materials, for the purpose of sale, marketing, distribution of and render after-market services in relation to the Products in the Territory, strictly in accordance with this Agreement **(Permitted Use)**.
- (c) To protect ERKUNT's rights in ERKUNT's IPR and the goodwill associated therewith, the Distributor hereby agrees and undertakes that it shall:
- (i) Make Permitted Use of ERKUNT's IPR only for authorized purposes as provided herein and not for any other purposes whatsoever.
- (ii) Strictly comply with ERKUNT's requirements as to use of ERKUNT's IPR and its form, manner, scale, and context of marketing indicia and of such statements to accompany them, in line with its corporate standards, guidelines, code of practice and other policies, as communicated by ERKUNT from time to time.
- (iii) Make Permitted Use of the ERKUNT's IPR in compliance with all other requirements of all applicable laws, rules and regulations applicable to the Distributor, failing which it shall compensate ERKUNT for any loss caused by its willful default or negligence to comply.

- (iv) Not use its own trademarks or trade name or logos or any other trademark, trade name (or any abbreviation, modification, or colorable imitation) in relation to the Products, other than what is expressly authorized by ERKUNT in writing.
- (v) Not, at any time during or after the Term contest, or assist any other person in contesting, the validity or ownership or registration or enforceability of any of ERKUNT's IPR and/or claim adversely or assist in any claim adversely to ERKUNT concerning any right, title or interest therein.
- (vi) Not, directly or indirectly apply for, register, attempt to, or obtain control of, or interfere with ERKUNT's efforts to obtain registration or ownership of ERKUNT's IPR or part thereof, or any name, corporate name, trading name, trademark, service mark, domain name or other identifying name related to ERKUNT anywhere in the world; Provided however that In the event Distributor decides to develop or register website(s)/domain name(s) containing the name "Erkunt, Mahindra, Armatrac or Hisarlar" or any Trademarks, in whole or in part, it shall request ERKUNT to do so and ERKUNT on its part shall register such website(s)/domain name(s). Thereafter ERKUNT shall allow Distributor the rights to host, control, operate and administer such website(s)/domain name(s), together with reasonable online access to all management tools as may be required by Distributor for use and administration of such website(s)/domain name(s).
- (vii) Not at any time do anything which may in any way prejudice the rights of ERKUNT in ERKUNT's IPR, nor shall authorize any other person to take any action that is likely to prejudice their rights and use its best endeavor to preserve and maintain the distinctiveness thereof;
- (viii) Not alter, modify, obscure, remove, distort, or disparage ERKUNT's IPR or part thereof and use the same only in such manner such that its distinctiveness, reputation, or validity, used as trade name, trademark or marketing indicia is not impaired or its identity tampered in any manner whatsoever.
- (ix) Not assign, sub-license, transfer or create any rights in favor of third parties relating to ERKUNT's IPR, without prior written consent of ERKUNT.
- (x) Not incorporate any of the ERKUNT's IPR other than for Permitted Uses as part of any corporate or trade name or internet domain name or with any prefix, suffix or other modifying trademark, logos, words, terms, designs or symbols, or in any other modified form or in any language, or use any of the same in connection with the sale of any unauthorized or illegal product or service or in any other manner which has not expressly been authorized under this Agreement or permitted by ERKUNT hereafter.
- (xi) Not advertise, exploit, promote, market, or otherwise offer any products / services in any manner which may adversely affect the reputation or goodwill of ERKUNT.

- (xii) Place a notice with its use of the ERKUNT's IPR if so, reasonably required by the ERKUNT.
- (xiii) Promptly notify ERKUNT of any apparent infringement of or challenge to its use of any ERKUNT's IPR, or any claim by another person of any rights in any of ERKUNT's IPR. ERKUNT will have sole discretion to take such action as deemed appropriate and will have the right to control exclusively any litigation or trademark office or similar proceeding arising out of any such infringement, challenge or claim or otherwise relating to any ERKUNT's IPR.
- (xiv) Co-operate with ERKUNT in taking such legal or other necessary action relating to ERKUNT's IPR and sign all documents, render such assistance, and do such things as may be advisable in the opinion of ERKUNT to protect its interests in any litigation or trademark office or other administrative proceeding or, including becoming a nominal party to any legal action. To the extent that such litigation is the result of the Distributor's or Dealer's use of ERKUNT's IPR in a manner inconsistent with the terms of this Agreement, the Distributor shall indemnify ERKUNT of all the losses, costs including attorney's fees, damages or cost of settlement.
- (d) The Distributor further acknowledges and confirms that the use of ERKUNT's IPR by the Distributor as well as the Dealers and any goodwill established thereby, shall inure to the sole and exclusive benefit of ERKUNT and this Agreement does not create any goodwill or other interests in ERKUNT's IPR in favor of them. In the event, the Distributor or Dealer derives any rights or goodwill in ERKUNT's IPR or creates, generates or develops any new intellectual properties based on ERKUNT's IPR or part thereof, they agree and undertake to assign the same in favor of ERKUNT by executing assignment or other necessary documents ERKUNT may request to evidence or secure its ownership in such ideas, concepts, methods, techniques and/or any form of intellectual property rights.
- (e) The Distributor hereby acknowledges, undertakes, agrees, and confirms that:
- (i) it shall authorize the Dealers to use ERKUNT's IPR in writing in accordance with the terms and conditions specified above and shall ensure that its authorized Dealers comply with the above provisions to the satisfaction of ERKUNT, failing which it shall indemnify ERKUNT from any losses/damages arising therefrom.
- (ii) ERKUNT reserves its right and the Dealer acknowledges such right to (a) periodically supervise usage of the ERKUNT's IPR and compliance of Distributor's / Dealer's obligations hereunder; (b) conduct, by itself or through its authorized representatives, an audit at the offices, manufacturing areas and plants of the Distributor / Dealer on a business day after giving them reasonable prior notice; (c) demand any evidence, in relation to such audit or otherwise confirming compliance of the terms and conditions of this Agreement; and/or (d) disapprove in its sole discretion uses of the ERKUNT's IPR that do not comply with ERKUNT's standards and the Dealer shall make any such changes that ERKUNT may reasonably request from time to time.

- (iii) in the event of any misuse of ERKUNT's IPR by the Dealers or violation of the terms and conditions specified above, it shall initiate necessary legal action against such Dealer, under intimation to ERKUNT
- (iv) notwithstanding the above, any use of ERKUNT's IPR by the Distributor and/or its Dealers/service stations, agents, printers, packers, and other representatives, in violation of the provisions of this Agreement will cause irreparable damage to ERKUNT and will constitute an incurable and material breach of this Agreement and will be a ground for immediate termination of this Agreement, without any prior notice to the Distributor.
- (v) the obligations set out under this clause shall continue to remain in full force and effect even after the termination of this Agreement and shall be binding on the Distributor and/or its successors/ permitted assigns/ agents/ vendor printers/ packers/ representatives, as the case may be.

27. CONFIDENTIAL INFORMATION:

Distributor agrees to keep confidential, at all times, all information concerning the business or operations of ERKUNT or in regard to the design changes, improvements, inventions, know-how, or process of the Products, including confidential information, drawings, designs, documents etc. if any, provided by ERKUNT pursuant to this Agreement, so as to protect ERKUNT's lawful interests. Distributor and Shwe Tun shall also consult with ERKUNT and obtain the prior written consent of ERKUNT in case it needs to disclose any such information. Further, Distributor and Shwe Tun shall not use such information for any purpose other than for the purpose of performing its obligations under this Agreement.

Distributor also agrees that it will include in all its "Agreements" with its Dealers each and every provision hereinabove set forth to the satisfaction of the ERKUNT.

28. DUTIES OF DISTRIBUTOR

- a) Distributor shall use its best endeavors to promote and extend the sale of the Products throughout the Territory and will study and keep under review market conditions to ascertain the most likely areas where or classes of persons to whom sales may be made and will endeavor to obtain maximum order.
- b) Distributor shall promptly inform ERKUNT of any facts or opinions likely to be relevant in relation to the marketing of the Products.
- c) Distributor shall keep ERKUNT informed from time to time of any developments and changes/amendments in the laws, rules and regulations and policies of the Government of the Territory in which it has been granted the rights to sell the Products under this Agreement.

d) Distributor shall not develop or register in its name, any website containing the name "ERKUNT" or any mark identical or deceptively similar thereto, disclosing any information regarding ERKUNT, the relationship between the Parties and/or the subject matter of this Agreement, without prior written consent of ERKUNT.

e) Distributor will notify to ERKUNT any change in the management of Distributor in writing within 15 days of its occurrence.

f) Distributor shall comply with all applicable laws.

29. MAINTENANCE OF RECORDS AND AUDIT

The Distributor shall also furnish ERKUNT periodic certifications in such formats as may be prescribed by ERKUNT from time to time confirming its compliance with laws, rules, regulations, export control rules, international trade sanctions, etc. ERKUNT also reserves right to conduct periodic audits of Distributor's records to ensure Distributor's compliance with all applicable laws as well as export control rules and international trade sanctions.

30. NECESSARY FUNDS:

Distributor has represented that it has necessary funds for distribution of Products in the Territory. In the event that Distributor does not have sufficient working capital to finance the business plan and fulfill the terms of this Agreement according to market demand in the Territory, Parties shall terminate forthwith this Agreement by mutual consultation.

31. TERM OF THE AGREEMENT:

This Agreement shall be deemed to have commenced on 15.12.2022 and shall remain in full force for a period of 3 years, i.e., till 15.12.2025 where after it shall get automatically terminated, unless renewed for such further period as may be mutually agreed by the Parties. Such renewal shall not take effect unless so expressed in writing by the Parties. Mere continuation of business transaction on ~~case~~ case basis after expiry of the Agreement shall not amount to deemed renewal of the Agreement.

32. TERMINATION:

In addition to the termination rights granted to ERKUNT elsewhere in this Agreement, this Agreement shall be terminated, as set forth below, upon any of the following events:

a) If any Party shall require a license or permit of any governmental and/or other relevant authority for the performance of its obligations under this Agreement or in connection with this Agreement in any state or jurisdiction where this Agreement is to be performed, and if any Party fails to secure or maintain or renew such license or permit or if such license or permit shall be suspended or revoked, irrespective of the

cause or reason thereof, the other Party may immediately terminate this Agreement by giving written notice of such termination.

- b) Either Party shall have the right to immediately terminate the Agreement by giving written notice, in the following circumstances:
- i. the other Party has committed a breach of any of the terms and conditions of this Agreement and has not cured such breach within a period of thirty (30) days from the date of the receipt of the notice from the aggrieved Party requesting it to do so; or
 - ii. the other Party makes an assignment for the benefit of its creditors; or
 - iii. the other Party goes into liquidation, or a winding up order is made against it, or it suffers the appointment of a receiver, trustee, or similar officer for the whole or part of its business or assets, or it files a petition seeking reorganization, composition or a similar relief, or it takes any action under any law regarding insolvency; or
 - iv. the representations and warranties made by the other Party under this Agreement are false or misleading.

In addition, ERKUNT may, at its option, terminate this Agreement immediately upon giving written notice of such termination on the happening of any of the following events:

- (1) Distributor discontinues distribution and resale or after sale service in the Territory.
- (2) Distributor or any of their senior officers or managers in charge ~~of day-~~ operations of the company such as CEO, CFO, COO, Managing Director or other Directors, are convicted of any felony or convert or embezzlement of any property or funds of others so that would affect the business of the Company.
- (3) Distributor fails to secure or renew a license or permit for its business required by law or such license or permit revoked or suspended for whatever reason for a period of 30 days.
- (4) Distributor assigns this Agreement without ERKUNT's prior written consent.
- (5) If there is any negative controversy/publicity in the media involving Distributor or its directors and/or shareholders which in the opinion of ERKUNT is likely to adversely affect and/or harm the image or reputation of ERKUNT or its brand/trademark "MAHINDRA, ERKUNT, ARMATRAC OR HISARLAR
- (6) Distributor alters, obscures, removes, conceals or otherwise interfaces with any marking or nameplates or other indication of the source of original which may be placed by ERKUNT on the Products.

ERKUNT shall further be entitled to terminate this Agreement with immediate effect upon giving written notice to Distributor where ERKUNT determines in its sole discretion that:

- (1) Distributor or Distributor's Personnel have breached the provisions of clauses [5, 22A and 29] above;
- (2) where the Distributor or the Distributor's Personnel:
 - a. pleads guilty to or is convicted of any offence involving the Anti-Corruption Laws and Sanctions and Export Rules;
 - b. is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence under the Anti-Corruption Laws and Sanctions and Export Rules; or
 - c. is or becomes listed as a Sanctioned Party, or becomes owned or controlled by a Sanctioned Party; or
- (3) any obligation under this Agreement is adversely impacted by any applicable Anti-Corruption Laws and Sanctions and Export Rules.

If ERKUNT terminates this agreement in accordance with this clause, Distributor shall not be entitled to claim compensation or any further remuneration, regardless of any activities or agreements with additional third parties entered into before termination of this Agreement.

Distributor shall indemnify ERKUNT, including its directors and employees, against any claims, actions or proceedings, liabilities, damages, costs (including but not limited to legal fees) and expenses incurred by, or awarded against them arising out of the failure to comply with any of the applicable laws stated above and/or any breach by Distributor or Distributor's Personnel of clauses [5, 31 and 32] above. This clause shall survive any termination of the Agreement.

Subject to clause 35, expiration or termination of this Agreement will not affect any rights, remedies, obligations, or liabilities of the parties that have accrued up to the date of termination or expiry, nor will it release either Party from the payment of the sums owed by it to the other Party, prior to such expiration or termination of this Agreement.

Any provision of this Agreement that expressly or by implication is intended to continue in force on or after termination or expiration of this Agreement shall remain in full force and effect.

On expiration or termination of this Agreement, Distributor shall forthwith:

- (a) terminate all its existing agreements with its Dealers or any other parties;
- (b) cease to, and shall cause its Dealers to cease to, represent itself as ERKUNT's authorized distributor or Dealer (as applicable), and shall otherwise desist from all conduct or representations that might lead the public to believe that Distributor is authorized by ERKUNT to sell the Products; and

(c) return to ERKUNT or destroy all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on ERKUNT's Confidential Information.

33. TRUE REPRESENTATION:

Distributor have represented that to the best of its knowledge and belief, no criminal proceeding / investigation is pending against them or their Directors, Promoters, or beneficial owners. Distributor recognizes that ERKUNT has entered into this Agreement in good faith relying on such representation; event of such representation being found to be untrue at any time, ERKUNT will be entitled to terminate forthwith this Agreement with immediate effect without any liability to Distributor.

34. NO LIABILITY BY REASON OF EXPIRATION OR TERMINATION:

The rights of termination provided herein are absolute and both the Parties have considered the possibility of making expenditures in preparing for the performance of this Agreement and possible losses and damages incident and resulting to each of them in the event of termination, and each has agreed to the provisions with respect to termination with full knowledge of such possibility and it is therefore the express intention and desire of both the Parties that neither shall be liable to the other for damages, including any indirect, incidental, and/or consequential losses, or otherwise by reason of the termination or expiration of this Agreement at any time unless specified otherwise under this Agreement, other than such damages arising from fraud, willful misconduct or gross negligence. Notwithstanding the above, nothing in this Clause 35 shall affect any rights or obligations that were incurred by the parties prior to the termination of this Agreement.

35. SUMS OWED TO ERKUNT PRIOR TO TERMINATION/ EXPIRATION:

Notwithstanding the expiration or termination of this Agreement for whatever reason, Distributor will continue to be liable to provide effective servicing and attend to warranty claims in respect of the Product sold to customers. Likewise, ERKUNT will also continue to be liable to Distributor for third party warranty/ PDI claims for the valid period in respect of the Products, and to the extent warranted by ERKUNT and sold by Distributor in the Territory prior to the expiration or termination of this Agreement. Further, Distributor will not be released from its liability to make payment of any money owing to ERKUNT prior to the expiration or termination of this Agreement.

36. FURTHER EFFECTS OF TERMINATION/EXPIRATION:

- (a) Subsequent to the termination or expiration of this Agreement, the continuance of the sale of Products in the Territory herein defined with the consent of ERKUNT or the forwarding of enquiries by ERKUNT to Distributor, shall not be construed as a renewal of this Agreement or a waiver of the termination or of any right to terminate, but all orders received and/or executed by ERKUNT after such termination or expiration shall be received and/or executed on a ~~case~~ case-by-case basis and upon terms and conditions identical to those mentioned in this Agreement.

- (b) Distributor shall ensure that Product Liability insurance obtained by Distributor in accordance with Clause 23, shall continue to be valid and in full force and effect after the termination or the early expiration as the case may be.

37. RELATIONSHIP BETWEEN THE PARTIES:

This Agreement does not in any respect make Distributor an agent or a partner of ERKUNT, nor does it establish any joint venture between the parties or authorize Distributor to transact any business in the name of ERKUNT or to incur any obligation or liability for or on behalf of ERKUNT, unless specifically authorized by a special Power of Attorney by ERKUNT, duly executed under the relevant laws. It is further clarified that in the event any other writing or agreement or arrangement oral or written between the Parties is contrary to this clause, this clause shall prevail.

Each party confirms it is acting on its own behalf and not for the benefit of any other person.

38. SET OFF:

ERKUNT shall have the right to set off any of its dues under this Agreement against any sums of Distributor held by it under this Agreement, after due written intimation of the same to Distributor.

39. PAYMENT OF TAX:

Distributor shall, as part of the expense of its business, be responsible for and pay any applicable tax, duty, fee or other charge that may be levied upon or against or on account of such business or upon any of the Products, part and/or accessory that may be in Distributor's possession and any tax, duty, fee or other charge that may be levied upon or against or incurred or paid by ERKUNT on account of sale of any of the Products, part or accessory, and shall jointly and severally hold ERKUNT harmless therefrom. In the event that ERKUNT pays such amounts, Distributor, shall reimburse ERKUNT for the amounts so paid.

40. WAIVER:

Failure or delay of either Party at any time to require performance of any provision of this Agreement shall not affect the right to require full performance thereof at any time thereafter and the waiver by either Party of a breach of any provision shall not be taken or held to be a waiver of any subsequent breach thereof or as nullifying or restricting the effectiveness of such provision.

41. NO VERBAL AGREEMENTS OR CHANGES IN AGREEMENT:

It is mutually agreed by the Parties that no amendment or variation of this Agreement shall be effective unless it is in writing and duly executed by both Parties hereto.

42. NOTICES:

Any notice or other information required under or in connection with this Agreement to be given by either Party to the other Party, must be in writing and may be given by courier, facsimile transmission, email or comparable means of communication, to the other Party at the following address:

For ERKUNT: Erkunt Traktör Sanayii A. .

Organize Sanayi Bölgesi Bat hun Cad. No:2

06935, Sincan, Ankara/TURKEY

Attention: Mr. Tolga SAYLAN

Title: CEO

Fax: **+90 0312 267 4490**

For Distributor:

"AGROTRAC PRIM" LTD

Republic of Moldova, Mun. of Chisinau

Muncesti Highway 300/2

Attention: Alexandr Djichia

Title: CEO

Fax: -

Email: vulcan-service@mail.ru

Any notice or other information given by courier shall be deemed to have been given on signature of a delivery receipt or on the fifth (5th) day after the envelope containing the same was so sent by courier, and proof that the envelope containing any such notice or information was properly addressed and sent by courier and that it has not been so returned to the sender.

Any notice or other information sent by facsimile transmission or e-mail or any other comparable means of communication (with confirmation of transmission) shall be deemed to have been duly given on the next Business Day after transmission.

Service and any legal proceedings concerning or arising out of this Agreement shall be effected by causing the same to be delivered to the Party to be served, at its registered office, or to such other address as may from time to time be notified in writing by the Party concerned.

43. ARBITRATION:

In the event of any dispute between the Parties, arising out of or as a result of this Agreement and the arrangement herein, which cannot be settled amicably between the Parties, then all such disputes shall be finally settled by arbitration in accordance with the Singapore International Arbitration Centre (SIAC) Rules, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The award of the arbitral tribunal shall be a reasoned award and shall be final and binding on the Parties. The seat of arbitration proceedings shall be Singapore. The arbitration proceedings shall be conducted, and the award shall be stated in English language.

44. GOVERNING LAW AND SEVERANCE:

This Agreement, including non-contractual rights and obligations arising out of or on connection with this Agreement, shall be governed by the laws of Turkey without recourse to conflicts of laws rules. If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement, unless such above mentioned contravening provision relates to a material part of this Agreement and / or is not severable, in which case, the whole Agreement would be terminated by way of the parties' agreement or an arbitral award.

45. AGREEMENT NOT ASSIGNABLE:

This Agreement is based on the professional competence of Distributor and hence Distributor shall not transfer or assign the same, or any part thereof or any rights or responsibilities there under without the prior written consent of ERKUNT. It shall, however, inure to the benefit of and be binding upon ERKUNT, its successors and assigns.

46. DATE OF EFFECTIVENESS:

This Agreement shall become effective only after ERKUNT obtains necessary approvals of the relevant governmental authorities and / or any other third party, and ERKUNT reserves the right to amend, modify or change any of the clauses or sub clauses in this Agreement, if so desired necessary as per the Government of Turkey's Rules and Regulations.

47. ENTIRE AGREEMENT:

This Agreement, including and together with any related annexures, sets forth the entire agreement and understanding between the Parties with respect to the subject

matter hereof and supersedes and cancels all earlier discussions and negotiations of understandings, agreements, representations, warranties, MOUs and LOIs, whether written or oral, express or implied, between them.

48. **NO THIRD-PARTY BENEFICIARIES**

Any agreement herein contained, express or implied, shall be only for the benefit of the parties to this Agreement and their respective successors and permitted assigns, and such agreements shall not inure to the benefit of any other party, whomsoever, it being the intention of the parties to this Agreement that no one shall be deemed to be a third-party beneficiary of this Agreement.

49. **COUNTERPARTS**

This Agreement may be executed in two counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto, through their duly authorized representatives, have signed this Agreement, which is finally executed in duplicate, on the day and year first herein above written.

For and on behalf of
ERKUNT TRAKTOR SANAYI A.S

BY ERKUNT TRAKTOR SANAYI A.S.
Name: Organize Sanayi Binası Batuhan Cad.
Title: No. 2 06938 Sincan Sincan / ANKARA
Ankara Kurumlar V.D. 363 017 8028

In the presence of:

By : _____
Name: _____
Title: _____

For and on behalf of
"AGROTRAC PRIM" LTD

BY _____
Name: _____
Title: _____



In the presence of:

By : _____
Name: _____
Title: _____

ANNEXURE I

DEFINITION OF "Products"

"Products" shall mean Erkunt, Mahindra, Armatrac and Hisarlar brand tractors and farm machinery

Tractors

- 1) All models
- 2) _____
- 3)

Farm Machinery

- 1) All models
- 2)
- 3)

ANNEXURE II

MANUFACTURER'S WARRANTY

Erkunt Spare Parts and Warranty Policy to be mentioned here

ERKUNT TRAKTÖR SANAY A. . AFTER SALES SERVICES AGREEMENT

This agreement is concluded between "ERKUNT TRAKTÖR SANAY A. ." (hereinafter referred to as "ERKUNT TRACTOR") and "AGROTRAC PRIM" LTD (hereinafter referred to as "Distributor / Dealer") and under the following conditions.

Subject of the supplemental agreement:

It has been issued in addition to the Distributor / Dealership agreement, which was or will be signed mutually with the sales department.

This agreement is concluded, within the region / country that the Distributor / Dealer is responsible for, maintenance and repair of tractors, combine harvesters, all kinds of agricultural equipment or similar items manufactured or sold by ERKUNT TRACTOR, without any prejudice to the market reputation of ERKUNT TRACTOR and ARMATRAC brands, to regulate the conditions of providing focused, complete and quality service.

Distributor / Dealer cannot provide authorized service for products that are not trained by ERKUNT TRACTOR and do not have a training certificate. Otherwise, any responsibility belongs to him.

Agreement Period and Validity

This agreement is made for 1 (one) year. If either party fails to notify the other party that they have terminated the agreement at least 1 (one) month before the agreement expires, the agreement will automatically extend for 1 year. The same procedure will apply in the following periods. In addition, if the distributorship / dealership period validity expires, this agreement will terminate itself.

PRODUCT WARRANTY TERMS

When any malfunction caused by parts and / or labour that may occur within the warranty period agreed by the parties, the following arrangement processes will be activated. The warranty period, scope and basic terms are given in the table below. Unless otherwise stated, will be acted according to Erkunt Tractor main policy titled "Warranty Booklet". Unless otherwise specified in the main distributorship / dealership agreement, the following terms are valid for products with engines above Euro 0 in first chart. Second chart is for Euro 0 Engines and the third table includes agricultural equipment.

PRODUCT	SCOPE	PERIOD	SCOPE
	All	" (24) months after delivery to the customer, or " (1500) hours, or " (30) months after being invoiced by us, whichever comes first	PARTS
	**ENGINE & COMPONENT	" (24) months after delivery to the customer, or " (1500) hours, or " (30) months after being invoiced by us, whichever comes first	PARTS
	All	" (24) months after delivery to the customer, or " (1500) hours, or " (30) months after being invoiced by us, whichever comes first	PARTS
	**ENGINE & COMPONENT	" (24) months after delivery to the customer, or " (1500) hours, or " (30) months after being invoiced by us, whichever comes first	PARTS
EQUIPMENT (FRONT LOADER, ETC)		" (12) months after sold to the customer	PARTS
PARTS REPLACEMENT		" (3) months warranty if the tractor is not under warranty. If it is under warranty, until the expiry date of the warranty.	PARTS

Tractors with "Euro 0" emission level engines, guarantee condition scopes below

PRODUCT	SCOPE	PERIOD	SCOPE
	All	" (12) months after delivery to the customer, or " (1000) hours, or " (18) months after being invoiced by us, whichever comes first	PARTS
	**ENGINE & COMPONENT	" (12) months after delivery to the customer, or " (1000) hours, or " (18) months after being invoiced by us, whichever comes first	PARTS
TRACTOR (LEASED OR COMMERCIAL)	All	" (12) months after delivery to the customer, or " (1500) hours, or " (18) months after being invoiced by us, whichever comes first	PARTS
	**ENGINE & COMPONENT	" (12) months after delivery to the customer, or " (1000) hours, or " (18) months after being invoiced by us, whichever comes first	PARTS
EQUIPMENT (FRONT LOADER, ETC)		" (12) months after sold to the customer	PARTS
PARTS REPLACEMENT		" (3) months warranty if the tractor is not under warranty. If it is under warranty, until the expiry date of the warranty.	PARTS

PRODUCT	SCOPE	PERIOD	SCOPE
	All	" (12) months after delivery to the customer or " (16) months after being invoiced by us, whichever comes first	PARTS
PARTS REPLACEMENT		" (3) months warranty if the equipment is not under warranty. If it is under warranty, until the expiry date of the warranty.	PARTS

* Non-leased and Non-Commercial Use Definition: agricultural or non-commercial use by a natural or legal person.

* Leased and Commercial Use Definition: Commercial use of the equipment for profit making or leasing purposes, or non-agricultural commercial use.

Note: The warranty of Front Loaders and / or Equipment Used is only valid when the product was originally purchased from Erkunt Tractor and installed according to Erkunt Tractor recommendations. Otherwise, it is covered by its own manufacturers, not by Erkunt Tractor. In the use of non-original equipment, the parts of the Tractor that may be damaged will not be considered under the warranty.

**** Warranty provided for the engine, powertrain system and equipment are excluded in the following cases.**

- 1- Malfunctions caused by maintenance and repairs that are not made to the authorized services on time,
- 2- Malfunctions in cases of not using original spare parts,
- 3- Malfunctions caused by using the tractor for non-agricultural purposes,
- 4- In case of any modification or intervention on the defective part,
- 5- Engine, fuel pump and injection pump as well as whole fuel injection system failures caused by dirty or unsuitable fuel.
- 6- Malfunctions caused by violating the issues specified in the user manual,
- 7- Parts that complete their life normally or due to their ways of using;
 - Lining (clutch, power take-off): Excessive wear is related to wrong gear selection and / or the driving technique of the user.
 - Brake and Brake Disc: The life of these parts depends on the terrain conditions, driving style, the total weight of the tractor and the suitability of the towed equipment.
 - Materials such as oil, filter, belt, etc. to be used in all maintenance operations and their Labour,
- 8- Repair and maintenance operations that will be required as a result of accident or misuse,
- 9- Causing the economic life of the tractor to be completed or shortened due to excessive loading or abnormal usage,
- 10- Malfunctions that may occur if the products such as battery, air conditioner etc. are not self-maintained as specified in the User's Guide.

The Distributor / Dealer will receive support directly from the authorized service point determined by the engine manufacturer in his country for the warranty and service of the motors.

Also;

In order to provide support to the product within the scope of the warranty, the periodical maintenance determined must be done within the working hours (-, + 25) specified in the relevant product manuals and the CRM record must be created.

Original spare parts (maintenance package) should be preferred in maintenance. For the product whose maintenance information is not processed into the CRM system, no warranty request can be created.

Again, for the warranty requests, the 'Maintenance Form' tab will be used in the CRM program and the warranty request will be evaluated on this form.

In case of a rightful warranty request, the Distributor / Dealer has the right to the following:
PARTS:

- For the product in the warranty period, the requested part(s) / complete Erkunt Tractor is sent to the Distributor after the warranty approval. No other payments etc. are made.
- Warranty Certificate and Usage Maintenance Booklet are an integral part of this agreement.

SPARE PARTS POLICY

The spare parts policy is applied in the agreements between ERKUNT TRACTOR and distributor / dealer. The spare parts manager of the distributor / dealer is deemed to have a clear understanding of the contents of this manual. Understanding the procedure contained here will enable ERKUNT TRACTOR to work efficiently and effectively in spare parts operations.

ERKUNT TRACTOR is not responsible for the responsibilities, duties and rights arising from the agreements between the distributor / dealer and the end user.

The policies and procedures contained in this agreement can be changed by the agreement of both parties. ERKUNT TRACTOR notifies the necessary changes to the distributor / dealer on time.

SPARE PARTS PRICES

All parts prices that will be stated in the correspondence about the parts are Ex-works prices, excluding additional fees.

Additional fees such as packaging, transportation, FOB and C&F fees can be added to Ex-works prices in accordance with the desired terms and conditions. These additional costs are calculated in accordance with the general practices of ERKUNT TRACTOR.

All orders and / or offers are in Euros or Dollars and are priced according to the current price list.

ERKUNT TRACTOR reserves the right to change the part price by notifying at least 15 days before the change takes effect. ERKUNT TRACTOR can change the part prices completely or partially when it deems it appropriate or periodically. ERKUNT TRACTOR will provide a new parts price list to the distributor / dealer at least 15 days before the change in the list price, or the part price will be available on the CRM screen when the new price list is activated.

When part price revision is made, part bulletins will be announced by ERKUNT TRACTOR via CRM announcement screen or e-mail.

Contact information to discuss all your correspondence regarding spare parts order;

ERKUNT TRAKTÖR SANAYİ A.Ş.

**Organize Sanayi Bölgesi Batı Caddesi No:2-4
4488**

Sincan /Ankara

Postal Code: 06935

Tax Office: Sincan

Tax Number: 3630178028

Telephone Number: +90 0312 267

Fax Number: +90 0312 267 4490

PARTS ORDER

CRM Spare Parts order screen will be used in ordering spare parts.

CLASSIFICATION OF ORDERS

ERKUNT TRACTOR has two types of parts order classification;

1. Regular Parts Order
2. Emergency Parts Order

Each order has a different purpose, discount structure and priority.

Procedure

Stock orders are orders to provide adequate parts service to the customers of distributor / dealer, taking into account products sold or sold by them.

Carefully prepared, regularly ordered Regular Parts Ordering:

1. Reduce the number of expensive emergency orders to the distributor and the final consumer of the part,
2. Fast parts will increase customer satisfaction and brand addiction,
3. It will reduce shipping costs.

Regular orders should be at least 500 Euro / Dollar in any case, but this is not required for urgent orders. Regular orders become ready to ship within 60 days after the order reaches ERKUNT TRACTOR. ERKUNT TRACTOR will provide a 20% discount for such orders.

Note: The validity period of the quotes is 30 days.

Procedure

The emergency order indicates the customer's demand and the emergency order is the primary priority. For international shipping, the order processing time is at least 5 (five) days, which means the time it takes to receive, collect, pack and ship the order. This time depends on normal working hours and availability of parts. In emergency orders, the order that is collected is shipped within 7 days after the emergency order is processed, ERKUNT TRACTOR applies 5% discount for such orders.

TRAINING and TECHNICAL SUPPORT POLICY

The distributor / dealer will be responsible for providing all technical support services (including repairs under the warranty) of the Armatrac/Erkunt/Hisarlar branded products it has sold, and providing the necessary training to both the dealer, service and end user of any product.

The Distributor / Dealer will ensure that its technical staff and technical staff of its sub-dealer / service are adequately trained in the service and repair of the Products. In addition, all new directives will ensure that sub-dealers, technical personnel are always informed about compliance with service and other issues related to repairs and that they are always compliant with these directives.

ERKUNT TRACTOR will provide this type of training to the service team of the distributor / dealer free of charge in the ERKUNT TRACTOR FACTORY once for each new product; however, the distributor / dealer will cover the travel and accommodation expenses of the employees of the distributor / dealer.

The first training is completed within 60 days as the first tractors / equipments arrive in the country.

If Erkunt Tractor is invited to the training and has not attended the training within 6 months, warranty approval is not given for the parts requested under warranty.

The distributor / dealer may request training on the products in a place he determines. For this place, two companies agree primarily. Training can be given at this place by ERKUNT TRACTOR. However, in such a case, the distributor / dealer will bear the travel,

This agreement has been signed by the parties on 30 / 03 / 2023 together in two copies and became valid from the moment it was signed. A wet signed copy of the agreement was taken by the parties.

ERKUNT TRAKTÖR SANAYİİ A.Ş.
Organize Sanayi Bölgesi / Beşirhan Cad.
No: 2 06935 Sincan / ANKARA
Ankara Kurumlar V.D. 363 017 8028