

GENERAL TERMS & CONDITIONS OF SALE

These General Terms and Conditions ("**GTC**") by and between Oran Palmach Tzuba ACC, Ltd., a corporation organized and existing under the laws of Israel, with its principal place of business at: Kibbutz Palmach Zova, D.N. Harei Yehuda, 90870, Israel and/or any of its subsidiaries and/or affiliated companies ("**Seller**") and the purchaser identified and defined in the relevant purchase order that these GTC are annexed to and form an integral part thereof ("**Buyer**").

- 1. <u>Effect</u>: These terms and conditions shall supersede and prevail over any other terms and conditions pertaining to the sale of the product/s and may be amended or supplemented only by written document duly signed by authorized representatives of both parties. Neither receipt by the Seller of any form of terms and conditions or other document (including Buyer's general terms and conditions), nor annexing or enclosing the same to any document, shall be deemed to amend the terms hereof or incorporate such terms herein.
- 2. <u>Quality</u>: The products are materially warranted to meet the Seller's specified characteristics. This warranty is in lieu of all other warranties, express or implied, as to the quality, description, fitness of the product/s for any purpose or use, merchantability or otherwise. Unless the Seller receives, within fourteen (14) days after the products' arrival at the agreed delivery location(s), a written notice stating otherwise, the products will be deemed to conform to the said characteristics/specifications.
- 3. <u>Warranties for End Users.</u> Seller hereby undertakes to provide the product to end users under warranty against defects in accordance with Seller's standard warranty certificate (to the extent provided with the product), from the date of delivery to Buyer for the duration ascribed in the warranty certificate. For the avoidance of doubt, it is clarified that if no specific warranty certificate shall be provided, then the provisions of article 2 shall apply.
- 4. <u>**Re-export**</u>: The Buyer undertakes not to re-export the products from the country of destination, unless applicable law does not restrict the re-exportation of the products and/or unless otherwise agreed in writing by the Seller.
- 5. <u>Licenses/Duties</u>: Unless otherwise stipulated in writing by Seller, all import charges including duties, taxes and license fees, shall be borne by the Buyer. The Buyer shall be responsible for obtaining all necessary licenses and permits for the sale of the Products in the country of destination. Buyer's failure to do so will entitle the Seller, without prejudice to any other rights, to cancel or to suspend the deliveries concerned and/or to terminate the transaction of sale.
- 6. <u>**Title/Risk**</u>: Title in products shall pass to Buyer upon: (i) receipt by Seller of full payment therefor; or (ii) delivery of the products to Buyer, whichever is the later date. Risk of loss and damage in and to the products shall pass to Buyer EX Works Seller's premises (Incoterms 2010), as shall be instructed by Seller in writing.
- 7. <u>Liability</u>: Notwithstanding anything to the contrary herein or elsewhere contained, the Seller's sole liability shall be to replace non-conforming product/s, or if the Seller shall so elect, to refund Buyer with the amount paid therefor to the Seller, all provided that a written claim with respect thereto shall be received by the Seller within 14 (fourteen)



days of delivery thereof to Seller or during the warranty period as reflected in article 3 above, to the extent applicable. Failure on the part of Buyer to make a written claim within the time specified above shall constitute complete and final waiver by Buyer of all claims in respect of products delivered and such products shall be deemed, for all intents and purposes, to fully conform to agreed specifications or to the relevant samples, as the case may be. Seller shall not be liable for any indirect, punitive or consequential damages (including loss of profit) and in no event will the Seller's liability exceed the amount actually paid to the Seller for the products in respect to which the claims are made. If any limitation of liability shall be deemed invalid by any applicable law, then the Seller's liability shall be within the limitation permitted by that law.

- 8. <u>Suspension or Cancellation of Deliveries</u>: If the Buyer fails to pay the Seller on the due date any amount owed under the agreement, or passes a resolution for winding up, or applies for bankruptcy and/or any other similar proceedings, or if Buyer breaches any obligation under the agreement, or should other circumstances arise that may jeopardize the implementation of the transactions of sale, the Seller may, without prejudice to its other rights, either suspend further deliveries or terminate the agreement, as the Seller shall determine fit at its discretion.
- 9. <u>**Payment**</u>: Payments shall be made in full without any withholding, set-off or deductions on account of claims regarding quality or for any other reason whatsoever. No claim with respect to the products sold shall serve as justification for non-payment. Any delay of more than 7 (seven) days in payment of any amount due shall bear interest at the US Dollar LIBOR rate for a 3 months' period, plus 5% (five percent).
- 10. **Force Majeure**: The Seller shall have the right to cancel or delay deliveries or to reduce the amount to be delivered if it is prevented from or hindered in manufacturing or delivering the products by normal route or means of delivery due to any circumstances beyond its reasonable control, including but not limited to, acts of God, floods, fires, storms, act of government and/or other competent authorities, war, acts of hostility, acts of terror, armed insurrection, strikes, lock-outs, accidents, breakdowns of plant or machinery, shortage or unavailability of raw materials from normal sources of supply, delay in or unavailability of transportation, and the Seller shall not be liable for damages of any nature whatsoever caused by or resulting from any such event or occurrence whether herein specified or not.
- 11. <u>Governing Law and Jurisdiction</u>: The validity, construction, performance, termination and any other aspect of this agreement shall be governed by the laws of the State of Israel (not including, however, rules relating to choice of conflict of laws). The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded. Exclusive jurisdiction shall be vested in the competent courts of Tel-Aviv, Israel. No claim of forum non-convenience shall be entertained.

Notwithstanding the above provisions, Seller hereto may institute legal proceedings against the Buyer in the country of registration of Buyer, in which event the applicable law shall be that of the country where legal proceedings were instituted.



- 12. <u>Assignment</u>: Buyer may not assign this agreement or any part thereof to any third party whatsoever, whether affiliated thereto or not, without the prior written consent of the Seller. It is agreed that the Seller may assign the receivables due to the Seller from the Buyer, to any third party, without any further notice or consent.
- 13. <u>Set-off</u>: Buyer may not set-off any amount which is due to be paid by the Seller to the Buyer, against any payment that is due to be paid by the Buyer to the Seller.
- 14. <u>Waiver of Default</u>: Any failure by Seller to to enforce or require the strict keeping and performance of any term and condition of this agreement shall not constitute a waiver by Seller of any subsequent breach of such term or condition, or of the right of Seller to avail itself of such remedies as it may have for any subsequent breach.
- 15. <u>Severability</u>: The invalidity of any provision of these terms and conditions shall not invalidate or render unenforceable any other provision of these terms and conditions.

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