



General Terms and Conditions of Purchase

1. General

- 1.1. These General Terms and Conditions of Purchase (“Terms and Conditions”), together with a purchase order (“Purchase Order”) issued by RISCO Ltd. or any of its subsidiaries or affiliates (“RISCO”) to a third party supplier (“Supplier”) for the supply of goods, products, parts, software, firmware, documentation (“Goods”) and/or services or the results of services (“Services”), form an agreement (“Agreement”) between the RISCO entity specified in the Purchase Order (“Customer”) and Supplier, for the purchase of Goods and/or Services by Customer from Supplier.
- 1.2. No terms other than the terms of the Agreement shall apply to Supplier’s provision of Goods or Services. Any standard terms and conditions of the Supplier, including, without limitation, Supplier’s terms and conditions of sale, any terms appearing on Supplier’s invoice or any other document issued by Supplier in connection with the Goods or Services, or any attempted variation or amendment of these Terms and Conditions by Supplier, shall be invalid and will have no force and effect. Customer hereby expressly objects to and rejects any such additional or different provisions, and none of such provisions shall be deemed to be a part of this Agreement. This Agreement, together with any documents incorporated herein by reference, constitutes the sole and entire agreement of the parties with respect to the subject matter of such Agreement and supersedes all prior or contemporaneous proposals, representations, agreements, negotiations, understandings or communications, both written and oral, concerning the subject matter addressed herein. Notwithstanding the foregoing, in the event a specific agreement is signed between Customer and the Supplier, the terms hereof shall be complementary to the terms of such specific agreement and in the event of any discrepancies or inconsistencies between the two, the terms of the specific agreement shall prevail as to the subject matter of such inconsistency.
- 1.3. A Purchase Order constitutes an offer by Customer to purchase the Goods and/or Services at the prices mentioned in the Purchase Order pursuant to the terms and conditions described in the Purchase Order and herein. Such offer is not an acceptance or a confirmation of any previous offer or proposal from Supplier, and the offer shall be deemed to be a rejection and counteroffer with respect to any previous offer or proposal from Supplier. Acceptance of any shipment of the Goods shall not be construed as an acceptance of any such previous offer or proposal or an acceptance of any different or additional terms proposed by Supplier. Supplier shall be deemed to have accepted such offer and the Agreement shall be deemed to have been reached upon the first of the following to occur: (a) Supplier making, signing, or delivering to Customer any letter, form, or other writing or instrument acknowledging acceptance or confirmation of the Purchase Order or by any other act or communication constituting legal acceptance, whether or not any such acceptance or confirmation purports to state terms additional to or different from those stated herein.; (b) commencement of performance by Supplier under the Purchase Order, or (c) the passage of ten (10) days after Supplier’s receipt of a Purchase Order from Customer without written notice to Customer that Supplier does not accept the Purchase Order.
- 1.4. Customer may, from time to time, initiate changes by issuing to Supplier written notices (each, a “Change Order”) that alter, add to, or deduct from the Goods or Services, but that are otherwise subject to this Agreement. Supplier will promptly comply with the terms of any Change Order or will notify Supplier of any reservations to such Change Order.

2. Prices, Invoicing and Payment

- 2.1. The price of the Goods and/or Services is the price stated on the face of the Purchase Order (the “Price”). Supplier shall invoice Customer within thirty (30) days of delivery. Invoices shall be addressed to Customer by separate mail in proper form with all related documentation and data. Invoices not submitted properly shall only be considered as submitted to Customer from the moment of rectification. Unless otherwise stated in the Purchase Order, Customer shall pay all properly invoiced amounts due to Supplier within sixty (60) days of the end of the month in which such invoice was received by Customer (current + 60 days), except for any amounts disputed by Customer. The parties shall seek to resolve all such disputes expeditiously and in good faith. Supplier shall continue performing its obligations under this Agreement notwithstanding any such dispute. Payment of an invoice is not evidence or admission that the Goods or Services meet the requirements of this Agreement. Without prejudice to any other right or remedy, Customer reserves the right to set off any amount owing to it by Supplier against any amount payable by Customer to Supplier.
- 2.2. For advance payments to be made by Customer the Supplier shall provide Customer with an adequate security at its request, e.g. an irrevocable bank guarantee.

3. Taxes and Shipment

- 3.1. Unless otherwise specified by Customer on the face of the Purchase Order, the prices are inclusive of, and Supplier shall be solely responsible for and pay, all federal, state, and local taxes, including, but not limited to, value added tax, Goods and services tax, sales, use or consumption tax. No sales or use tax shall be added when a valid tax exemption is indicated on the face of the Purchase Order by Customer.
- 3.2. Supplier shall be solely responsible for and pay all costs of delivering the Goods to the delivery location, including, without limitation, all shipping and freight costs and all duties, fees, tariffs or similar analogous taxes on imports/exports of the Goods (“Customs Duties”). Supplier will take all reasonable steps to minimize Customs Duties costs. Any additional costs for an accelerated mode of transportation to meet the deadlines shall be borne by the Supplier.
- 3.3. Dispatch notes, letters of consignment, invoices, correspondence, packing lists, shipping documents and all other documents pertaining to this Agreement, must include the Purchase Order number of Customer.

- 3.4. Customer shall only accept ordered volumes or quantities. Higher or lower quantities are only acceptable upon prior agreement with Customer. Part deliveries shall not be permitted. Supplier shall not substitute material.
- 3.5. The Goods have to be packed with appropriate packaging and in such a way that transport damage is avoided. Packaging material may only be used to the extent needed for obtaining this objective. Only environment-friendly packaging materials may be used. Shipment shall take place at the risk of the Supplier. All shipments must arrive damage-free, with proper shipping documentation which shall include, without limitation, product name, manufacturer name, quantity, date code and other identifying terms.
- 3.6. The place of performance for the delivery shall be the address for shipment and/or place of use requested by Customer in the Purchase Order issued by Customer. For all other obligations of the parties the place of performance shall be the principal office of the respective Customer entity.
- 3.7. As a minimum requirement, Certification of Compliance (C.O.C) must be attached to each shipment.
- 3.8. Goods must have a date code specified; the date code, if not otherwise specified, must be less than 18 months from production date.
- 3.9. Goods purchased according to Customer's drawing(s) or/and specification(s) must be supplied with a Fine Test Report (FTR) or/and Laboratory Test Report (LTR).
- 3.10. Non-compliance with any of the above provisions of this Section 3 may result, at Customer's discretion, in the return of the Goods to the Supplier as "rejected" items.
- 3.11. Title to and all risk of loss or damage to Goods shall remain with Supplier until acceptance by Customer of conforming Goods at the destination designated in the applicable Purchase Order, subject to timely later rejection of defective, damaged, rejected or unordered Goods as set forth herein. Delivery terms for Goods shall be DDP Customer's designated location (per INCOTERMS 2010).

4. Time of the Essence

- 4.1. Time is of the essence and all dates referred to in the Agreement shall be firm. In the event that Supplier anticipates any difficulty in complying with any delivery date or any of its other obligations under the Agreement, Supplier shall promptly notify Customer in writing. Failure to deliver the Goods or Services in full within the time specified in the Purchase Order shall entitle Customer (at its option) to release itself from any obligation to accept and pay for the Goods or Services and/or to cancel all or part of the Purchase Order, in both cases without prejudice to its other rights and remedies under the Purchase Order, this Agreement, at law or in equity.

5. Delivery

- 5.1. Supplier shall deliver the Goods and/or perform the Services at the delivery point specified by Customer and on the date(s) specified in the Purchase Order. If no delivery date is specified, Supplier shall deliver in full within a reasonable time of receipt of the Purchase Order. Customer maintains the right to postpone delivery (shipment) within 14 (fourteen) days prior to delivery date(s) specified in the Purchase Order.
- 5.2. All Goods will be checked by incoming inspection according to MIL STD 105 latest revision if not otherwise specified.
- 5.3. To the extent material test certificates have been agreed upon, these shall form an integral part of the delivery and be sent to Customer together with the Goods to be delivered. The Supplier shall issue a certificate of inspection for the delivered Goods if so requested by Customer. The Supplier undertakes to include the safety data sheets valid for its deliveries in each respective delivery. The Supplier shall indemnify Customer against all recourse claims by third parties in case it fails to deliver the safety data sheets to Customer or if it delivers them late or faulty.
- 5.4. Relevant for compliance with the delivery date or delivery period shall be the receipt of faultless Goods at the place of receipt and/or place of use specified by Customer or the time of a successful acceptance.
- 5.5. If the Supplier realizes that an agreed deadline cannot be met for whatever reason, it shall immediately so inform Customer in writing, stating the reasons for the delay and its expected duration. In such event Supplier shall pay Customer an amount of one percent (1%) of the value of the respective Purchase Order per commenced week of delay, without prejudice to any other remedy available to Customer under this Agreement, at law or in equity. Once paid, the above amount shall be credited against any further claims for damages due to the same delayed performance. The unconditional acceptance of the delayed delivery or performance shall not constitute a waiver of claims on Customer's side due to the delayed delivery or performance.
- 5.6. In the event the Goods arrive earlier than agreed, Customer reserves the right to refuse acceptance and may return the Goods at the expense of the Supplier. If the Goods are not returned despite a delivery ahead of schedule, they shall be stored at Customer's warehouse at the expense and risk of the Supplier until the actual agreed date of delivery. In such event Customer reserves the right to make payment not earlier than on the agreed due date.
- 5.7. Any access to Customer's premises and any labor or equipment that may be provided by Customer in connection with delivery shall be provided without acceptance of any liability by Customer. The Supplier and its staff shall comply with all security measures implemented by Customer in respect of persons attending those premises. The Supplier shall indemnify Customer against all claims, proceedings, actions, damages, costs, expenses and any other liability or loss, whether direct or indirect, in respect of any death or personal injury, or loss of or damage to property, occurring in the course of delivery or installation to the extent that

such death or injury, or loss or damage, is caused directly or indirectly by any wrongful act or omission of the Supplier or any of its staff.

6. Representations and Warranties

- 6.1. Supplier represents and warrants that, in addition to any and all express and implied warranties provided under the Uniform Commercial Code, all Goods, Services and/or Work Product(s) (as the term is defined below) shall:
- (a) be fit for their intended purpose and shall be new, merchantable, of good quality and free from all defects in design, materials, construction and workmanship, whether latent or apparent;
 - (b) be provided in a competent, professional manner and in accordance with the highest standards and best practices of Supplier's industry;
 - (c) strictly conform in all respects and perform in accordance with the requirements of Customer, all specifications, drawings, approved samples and all other requirements under the Agreement and provided by Supplier;
 - (d) be delivered with all required licenses which shall remain valid and in place, and with the scope to properly cover the intended use. Furthermore, all such licenses shall include the right to transfer and the right to grant sublicenses;
 - (e) be free from any and all liens, security interests and encumbrances of any type whatsoever;
 - (f) strictly conform in all respects and have been designed, manufactured, produced, labeled, furnished and delivered in full and complete compliance with all applicable laws (including labor laws), regulations, statutory provisions and the requirements of any statutes, orders, directives or by-laws and all standards and requirements set forth by authorities, professional associations and trade associations, including (without limitation) EC Directive 2001/95 on General Product Safety. Supplier agrees to cooperate with any audit conducted by Customer or at Customer's direction to confirm that the Goods and/or Services are being generated without reliance on child labor, slave labor or human trafficking. Furthermore, as requested by Customer, Supplier agrees to execute and provide any and all information, documents and certifications reasonably required by Customer pursuant to subsection (f) above, and use due diligence protocols, standards and procedures in its supply chain as are necessary to comply with its obligations herein;
 - (g) be provided with and accompanied by all information and instructions necessary for proper and safe use. Supplier shall furnish to Customer any information required to enable Customer to comply with any applicable laws, rules, and regulations in its use of the Goods and Services;
 - (h) be accompanied by written and detailed specifications of the composition and characteristics, to enable Customer to transport, store, process, use and dispose of such Goods and/or Work Product safely and in compliance with law; and
 - (i) be of state-of-the-art technology and shall operate as intended. Customer relies on the skill and judgment of the Supplier in the supply of the Goods and the performance of the Purchase Order.

For purposes of this Agreement "Work Product" shall mean all deliverables (including future deliverables) and other data, reports, works, inventions, know-how, software, improvements, designs, devices, apparatus, molds, practices, processes, methods, drafts, prototypes, products and other work product or intermediate versions thereof, produced or acquired by Supplier, its personnel or its agents for Customer in the performance of Services under the Agreement.

- 6.2. Supplier represents and warrants that it is qualified and able to perform the Services and that it shall perform the Services with due skill and care, in a good and workmanlike manner, using proper materials and employing sufficiently qualified and trained personnel, free from errors and pursuant to best industry standards. Supplier will report immediately to Customer any event or circumstance which Supplier knows or reasonably suspects is, or results from, a violation of Customer's policies or law.
- 6.3. Supplier represents and warrants that the Goods, Services and Work Product, and the delivery or usage thereof, do not and shall not, alone or in any combination, infringe or violate any third party (including Supplier's employees and subcontractors) intellectual property rights (including any industrial property rights, patents, utility certificates, utility models, industrial design rights, copyrights, database rights, trade secrets, trademarks, any protection offered by law to information, and all registrations, applications, renewals, extensions, combinations, divisions, continuations or reissues of any of the foregoing or which otherwise arises or is enforceable under the laws of any jurisdiction or any bi-lateral or multi-lateral treaty regime).
- 6.4. Supplier warrants and undertakes to use environment-friendly products and processes in its deliveries and performances. Supplier shall be liable for environmental compatibility of the delivered Goods and packaging material and for all damages (including indirect or consequential) resulting from its failure to comply with statutory provisions related to the above.
- 6.5. The warranties hereunder are not exhaustive and are cumulative and in addition to any other warranty provided by law, Supplier's standard warranties or other rights or warranties which Customer may be entitled to. Any applicable statute of limitations runs from the date of Customer's discovery of the noncompliance. The warranties shall survive any delivery, inspection, acceptance, payment or resale of the Goods or Services and shall extend to and be enforceable by Customer and its customers.

7. Open Source Software Warranty

- 7.1. Unless the inclusion of Open Source Software is specifically authorized in writing by duly authorized officers of Customer and unless otherwise stated in the Purchaser Order, Supplier represents and warrants that the Goods, Services and Work Products shall

not include any portion of any Open Source Software. "Open Source Software" shall mean: (1) any software that requires as a condition of use, modification and/or distribution of such software, that such software: (i) be disclosed or distributed in source code form; (ii) be licensed for the purpose of making derivative works; (iii) may only be redistributed free from enforceable intellectual property rights; and/or (2) any software that contains, is derived from, or statically or dynamically links to, any software specified under sub-section (1) above.

8. Changes to Goods

- 8.1. Supplier shall not, without prior written consent of Customer, make any changes affecting Goods, including but not limited to any change in the manufacturing process, formulation, raw materials or production location, process or design changes, changes affecting electrical performance, mechanical form or fit, function, environmental compatibility, chemical characteristics, life, reliability or quality of Goods or changes that could have significant impact upon Supplier's quality system. For any change that could affect performance of the Goods, Supplier shall complete any reasonable qualification processes of Customer and address Customer's concerns in relation to the change.

9. Inspection and Nonconforming Goods or Services

- 9.1. Customer reserves the right to inspect the Goods on or after the delivery thereof. No failure to inspect or make complaint at the time of such inspection or test and no approval given during or after such inspection or test shall constitute acceptance of the Goods and no such approval or acceptance shall constitute a waiver by Customer of any rights or remedies in respect of the Goods or alter the obligations of Supplier or the rights of Customer and its customers under any warranty or any other provision of this Agreement.
- 9.2. If any Goods, Services or Work Products are defective, latent or otherwise do not conform to the requirements of the Agreement, Customer shall notify Supplier and may, without prejudice to any other right or remedy available to it under the Agreement or at law, at its sole discretion:
 - (a) require performance by Supplier;
 - (b) require delivery of substitute Goods or Work Products with Goods or Services which comply in all respects with the requirements of this Agreement. If Supplier fails to timely deliver substitute Goods or Work Products, Customer may replace them with Goods or Work Products from a third party and charge Supplier the cost of such replacement;
 - (c) require Supplier to remedy the lack of conformity by repair;
 - (d) declare the contract rescinded or terminated;
 - (e) reduce the price of the Goods or Services in the same proportion as the value of the Goods or Services actually delivered, even if that results in a full refund of the price paid to Supplier; or
 - (f) obtain a refund from the Supplier in respect of the Goods or Services concerned.
- 9.3. Supplier shall bear all cost and expenses incurred in the course of subsequent performance, such as repair, replacement and transportation of the nonconforming Goods, labor and material and shall reimburse Customer for any expenses it may incur in connection therewith (including, without limitation, inspection, handling and storage costs), in addition to any other remedies available to Customer at law or in equity.
- 9.4. Customer shall have the right to further inspect the Goods or Services after Supplier takes remedial action;
- 9.5. Risk in relation to the nonconforming Goods shall pass to Supplier upon the date of notification thereof.
- 9.6. "Series Defects" are defects in materials, components, part systems or systems which have an error frequency that lies outside the usually expected values or the values indicated by the Supplier. A Series Defect shall also be deemed to exist when the number of rejected Goods exceeds three percent (3%) of the respective delivered batches. In case of a Series Defect the Supplier shall present a root cause analysis of the reasons for the defects and an action plan for remedying the defects. Supplier shall within a reasonable time implement such plan at its sole cost and expense. The action plan must contain measures that compensate the expected behavior of other components of this series due to the similarity of the appeared errors. In case of a Series Defect, in addition to all other rights available to Customer for the delivery of nonconforming Goods, Customer may also demand the replacement of all materials, components, part systems or systems of the same series. If any of the materials, components, parts or products of the Supplier affected by such Series Defect is built into or used by another product or system, or if any Supplier product forming part of such Series Defect or affected by such Series Defect has already been installed by Customer's customers, then Customer shall also be entitled to recall the affected product or system and the Supplier shall reimburse Customer for all costs and expenses incurred by Customer as a result thereof.

10. Quality Assurance

- 10.1. Supplier shall implement a quality assurance system that complies with state-of-the-art technology and standards. Supplier shall conclude a quality assurance agreement with Customer if deemed necessary by Customer.

11. Labeling Products

- 11.1. Supplier shall label the delivery Goods in such a way that they are permanently recognizable as its products unless otherwise agreed under separate agreements between the parties.

11.2. By labeling the Goods or, if this is not possible or inexpedient, by other appropriate measures, Supplier shall ensure that in the event an error appears on its products it can immediately determine which other products might be so affected as well. The Supplier shall inform Customer of its identification systems or methods.

12. Performance of Services

12.1. Only the written confirmation by Customer shall constitute acceptance of the Services performed.

12.2. Without limiting any other provision of this Agreement (including any provisions relating to subcontracting), Supplier shall be fully liable for the acts and omissions of any and all third parties with which it has contracted in connection with the Services.

13. Property Rights

13.1. Customer will furnish materials, equipment and machinery to Supplier in relation to a Purchase Order (or otherwise) only if and to the extent set forth in the Purchase Order. Supplier will, at its sole cost and expense, repair or replace any real or personal property belonging to Customer that Supplier, its employees or agents may damage, destroy or remove while performing the Services.

13.2. All rights (including ownership and intellectual property rights) in any specifications, instructions, plans, drawings, patterns, models, designs, materials, parts, tools, components, goods, equipment, machinery, raw materials, apparatus, documents, literary property (e.g., drawings, manuscripts, artwork, motion pictures, video programs, and computer software), or any other property or material provided or made available to Supplier by Customer, or produced by Supplier in submitting a bid or estimate, or in carrying out a Purchase Order for Customer, or paid for by Customer, shall be and remain the sole and exclusive property of Customer and shall not be furnished to any third party without Customer's prior written consent and all information with respect thereto shall be confidential and proprietary information of Customer. Supplier agrees to return or deliver such material to Customer upon Customer's request and in any event upon completion of the Purchase Order, in the condition in which it was received, reasonable wear and tear excepted. Customer reserves its ownership rights in and to the provided material even in the event of processing and assembly thereof by the Supplier into any product. Except to the extent necessary for the implementation of the Purchase Order, Supplier shall not without prior approval of Customer, use or disclose any such material which the Supplier may obtain pursuant to a Purchase Order. Any such material provided by Customer to the Supplier shall serve exclusively for processing and fulfilling the Purchase Order, shall be marked as owned by Customer, shall be held at Supplier's risk, shall be kept in good condition and, if necessary, shall be replaced by Supplier at Supplier's expense, shall be subject to periodic inventory check by Supplier as reasonably requested from time to time by Customer and shall be returned promptly upon Customer's first request. Except as otherwise expressly agreed in writing, Supplier agrees to furnish at its own expense all machinery, tools, and raw materials necessary to perform its obligations under the Agreement.

13.3. In the event the Purchase Order relates to Services, the Supplier shall be considered a consultant and every work or idea created or acquired by or on behalf of the Supplier for Customer (past and future) and any and all Work Product shall be considered a "work made for hire" on behalf of the Customer and all title thereto shall become Customer's property. It is the intent of the parties that Customer shall have unrestricted ownership in and to all such works and to any derivative works, without further compensation of any kind to the Supplier. To the extent that the law would fail to automatically vest in Customer the full unrestricted ownership of all such works under "work for hire" treatment or similar concepts, the Supplier hereby assigns to Customer the copyright and any and all other intellectual property rights in and to every such work including any derivatives, and the Supplier waives any claim of moral right that it may have in or in connection with such work. Supplier shall execute and deliver any documents and do such things as may be necessary or desirable in order to carry into effect the provisions of this Section 13.5.

13.4. Supplier shall not have any right, title or interest in or to any of Customer's samples, data, works, materials, trademarks and intellectual and other property nor shall the supply of Goods and/or Services alone or in any combination, or the supply of packaging containing Customer's trademarks or trade names give Supplier any right or title to these or similar trademarks or trade names. Supplier shall not use any Customer trademark, trade name or other indication in relation to the Goods or Services alone or in any combination without Customer's prior written approval and any use of any such trademark, trade name or other indication as authorized by Customer shall be strictly in accordance with the instructions of and for the purposes specified by Customer.

14. Indemnification

14.1. Supplier shall defend, indemnify and hold harmless Customer and its subsidiaries, affiliates, successors or assigns and their respective directors, officers, shareholders, suppliers, distributors, agents, employees, customers and users of Supplier's Goods and/or Services (each, a "Customer Indemnitee") against any and all losses, liabilities, damages, injuries, claims, proceedings, actions, judgments, penalties, fines, costs, expenses, (including incidental, special, consequential, indirect and exemplary damages provided such incidental, special, consequential, indirect and exemplary damages actually result in a direct cost, payment or expense actually suffered by the Customer Indemnitee) or any other loss or liability incurred by a Customer Indemnitee, including reasonable attorney's fees and other professional fees and costs incurred in connection with the defending against the subject claim, and the cost of enforcing any right to indemnification hereunder (collectively, "Losses") arising out of or occurring in connection with (i) acts or omissions of Supplier (or its employees, agents, subcontractors, sub-manufacturers, assigns, or its or their employees) in violation of this Agreement or applicable law, or a breach by Supplier (or its employees, agents, subcontractors, sub-manufacturers, assigns or its or their employees) of the representations, warranties or other terms of this Agreement; (ii) the design, manufacture, sale, recall, distribution or use of the Goods; (iii) product liability claims (including negligence and breach of warranty claims, as well as traditional product liability claims); (iv) any death or personal injury or loss of or damage to property, to the extent that such death or injury, or loss or damage, is caused directly or indirectly by any defect in the Goods or any wrongful

act or omission of the Supplier or its staff; and/or (v) in the event of any claim alleging that the possession, sale and/or use of the Goods infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. Supplier hereby voluntarily and knowingly waives any rights it may have to assert what has been referred to in some jurisdictions as the “component parts doctrine,” or similar legal theory or defense, in any product liability claim or indemnity claim, to avoid liability for third-party damages relating to Goods sold under this Agreement or relating to this Agreement; instead, Supplier shall honor in full its indemnification obligation under this Section and shall be responsible for all claims arising out of or relating to the Goods.

- 14.2. With respect to any claims arising under this Section 14, Customer shall provide prompt written notice of any such claim to Supplier and Supplier shall defend, settle or otherwise dispose of such claim with competent and experienced counsel reasonably acceptable to Customer. The parties shall cooperate in the investigation and defense thereof, but Customer Indemnitee shall not pay for or assume charge of the investigation, defense or settlement of any such claim. The Customer Indemnitee shall at any time have the right, and shall be given the opportunity, to be represented by counsel of its own choosing and to become associated with Supplier in the defense of any such claim.
- 14.3. In the event claims are made against Customer by third parties on the grounds that Goods delivered by the Supplier are in breach of any intellectual property rights of such third party and in the event the use of the said Goods is impaired or forbidden as a result thereof, then, in addition to the indemnity provided above and to all other rights of Customer, the Supplier shall either immediately modify the respective contractual performance thereby excluding them from the area of protection so that they do not breach property rights but nevertheless correspond to the contractual obligations in the Purchase Order, or obtain the right for their use as stipulated by the Purchase Order in an unlimited way and without additional costs or expenses to Customer. Customer shall also be entitled to obtain itself the approval for the usage of the respective Goods from the party holding such rights at Supplier’s expense.

The right of Customer to withdraw from the Agreement, however, shall not be affected, as well as any other right or remedy available to Customer under this Agreement, at law or in equity.

15. Insurance

- 15.1. The Supplier shall, at its own expense, effect and maintain in full force and effect, with a financially sound and reputable insurance company, a policy or policies of insurance covering all the matters which are the subject of indemnities under these Terms and Conditions, including a commercial general liability (including product liability) insurance and workers’ compensation insurance in compliance with this Agreement and any applicable laws of each applicable jurisdiction. The Supplier shall produce to Customer, on request, copies of the relevant policy or policies or other evidence confirming the existence and extent of the cover given by those policies, together with receipts or other evidence of payment of the latest premiums due under those policies. The terms of any insurance or the amount of cover shall not relieve or serve to limit any liability of Supplier under this Agreement or any Purchase Order.

16. Health and Safety

- 16.1. Supplier assumes entire responsibility for the safety of all Goods it supplies hereunder and shall take all reasonable measures to (i) ensure that all necessary tests and examinations have been made or will be made prior to delivery of the Goods to ensure that the Goods are designed and constructed so as to be safe and without risk to the health or safety of persons using the Goods, and (ii) comply with the requirements of any applicable health and safety acts, orders and regulations which may apply to the Supplier in the performance hereunder. The Supplier shall make available to Customer adequate information about the use for which the Goods have been designed and tested and about any conditions necessary to ensure that when put to use the Goods will be safe and without risk to health. The Supplier shall take all measures necessary.

17. Termination

- 17.1. Customer may terminate a Purchase Order or this Agreement, in whole or in part, for any or no reason, upon thirty (30) days' prior written notice to Supplier.
- 17.2. In addition to any remedies available to Customer under this Agreement, at law or in equity, Customer may terminate a Purchase Order or this Agreement by written notice to Supplier with immediate effect, either before or after acceptance of Goods or Services, in the event Supplier is in breach of this Agreement, and:
- (a) the Supplier has not remedied the breach to the satisfaction of Customer within 30 days, or such other period as may be specified by Customer, of Customer’s written notice specifying the breach and requiring it to be remedied; or
 - (b) the breach is not capable of remedy; or
 - (c) the breach is a fundamental breach of the Agreement.
- 17.3. Additionally, Customer may terminate a Purchase Order or this Agreement fully or partially immediately in the event the Supplier becomes insolvent, insolvency proceedings are opened up over the Supplier’s assets, an administrator is appointed to the Supplier, the Supplier commences bankruptcy proceedings, receivership, reorganization or assignment for the benefit of its creditors.

18. Liability

- 18.1. The Supplier shall be liable without limitation towards Customer regardless of the type of breach or non-performance, including under theories of contract, impossibility and tort. The Supplier shall be liable towards Customer for any claims for damages by third parties resulting from Supplier's performance or non-performance hereunder.
- 18.2. Customer shall not be liable for any indirect, special, incidental, consequential, or punitive damages, including but not limited to loss of profits, revenue, or data, arising out of or in any way related to this Agreement even if Customer has been advised of the possibility of such damages. IN NO EVENT SHALL CUSTOMER'S AGGREGATE LIABILITY TO SUPPLIER FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM THE AGREEMENT EXCEED THE PRICE ALLOCABLE TO THE GOODS OR SERVICES OR UNIT THEREOF WHICH GIVES RISE TO THE CLAIM. CUSTOMER SHALL NOT BE LIABLE FOR INTEREST CHARGES OR PENALTIES OF ANY KIND. NO LAWSUIT MAY BE BROUGHT AGAINST CUSTOMER ON ACCOUNT OF ANY BREACH BY CUSTOMER UNLESS THE SUIT IS INSTITUTED WITHIN TWO YEARS OF THE DATE OF THE ALLEGED BREACH.

19. Confidentiality

- 19.1. The Supplier undertakes to keep all Confidential Information (as defined below) of Customer strictly confidential and to refrain from copying, distributing, disseminating or otherwise disclosing the Confidential Information to any third party. Supplier further undertakes not to use the Confidential Information for any purpose other than the performance of the Purchase Order or supply of the deliverables contemplated by the parties. "Confidential Information" shall include all non-public, confidential or proprietary information of Customer, including, but not limited to, specifications, samples, patterns, designs, figures, plans, drawings, photographs, models, equipment, samples, analyses documents, data, business operations, pricing, discounts or rebates, calculations, any information regarding the activities and business of Customer, data or technology owned, licensed or held by Customer, in whatever form, source code, technical data, know how, services, solutions, markets, market plans, developments, engineering, hardware configuration information, any formulae, specifications, prototypes, computer programs, research materials, development or experimental work, work in progress, inventions, trade secrets, data, concepts, methods, techniques, processes, production files, systems, memoranda, notes, marketing and customer information and materials, prices, personnel information and customers or supplier lists, products plans, business plans, business strategies, financial information, data derived from financial statements, projections, and any other information, data or technology, as well as improvements and know-how related thereto, disclosed to Supplier in connection with the Purchase Order, whether orally or in written, electronic, or other form or media, and whether or not marked, designated or otherwise identified as "confidential". Upon Customer's request, Supplier shall promptly return all Confidential Information to Customer. Customer shall be entitled to injunctive relief for any violation or attempted violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) rightfully and legally known to the Supplier at the time of disclosure from a third party having the right to so disclose; or (c) rightfully and legally obtained by the Supplier on a non-confidential basis from a third party having the right to so disclose.
- 19.2. The foregoing obligation of confidentiality shall not expire until and insofar the manufacturing knowledge contained in the figures, drawings, calculations and any other documents provided is in the public domain. Subcontractors of Supplier shall commit to secrecy and confidentiality in the same manner as Supplier.

20. Governing Law and Jurisdiction

- 20.1. All matters arising out of or relating to this Agreement shall be governed by and construed in accordance with the laws of Israel, or, at Customer's sole discretion, the laws of the state, province or country in which the Customer's purchasing entity specified in the Purchase Order is registered, in each case excluding its choice or conflict of law rules.
- 20.2. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the competent courts in Israel. At Customer's sole discretion claims may be brought before the federal and/or state, provincial or territorial courts in the state, province or country in which the Customer purchasing entity specified in the Purchase Order is registered.

21. Miscellaneous

- 21.1. Cumulative Remedies. The rights and remedies under this Agreement are cumulative and are in addition to any other rights and remedies available at law, in equity or otherwise.
- 21.2. Social Responsibility. Within its social responsibility the Supplier acknowledges that in the production of Goods delivered to Customer and/or in the provision of Services to Customer, human rights shall be protected, labor standards shall be observed and discrimination as well as forced labor and child labor shall not be permitted.
- 21.3. Anti-Corruption. Supplier shall at all times conduct its activities in accordance with all applicable laws related to anti-bribery or anti-corruption including, but not limited to, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and all national, state, provincial or territorial anti-bribery and anti-corruption statutes. Accordingly, Supplier shall make no offer, payment or gift, will not promise to pay or give, and will not authorize, directly or indirectly, the promise or payment of, any money or anything of value to any Customer employee or agent, any government official, any political party or its officials, or any person while knowing or having reason to know that all or a portion of such money or item of value will be offered, given or promised for the purpose of influencing any decision or act to assist Supplier or Customer or otherwise obtaining any improper advantage or benefit.
- 21.4. Assignment. Supplier shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement without Customer's prior written consent. Any purported assignment or delegation in violation of this Section shall be null and

void. No assignment shall relieve the Supplier of any of its obligations hereunder. The Supplier shall immediately notify Customer in the event of any transfer of the Agreement by operation of law. Customer may assign or otherwise transfer this Agreement to any affiliate or any successor to the business or activities of Customer.

- 21.5. Force Majeure. Neither party shall be liable to the other for any delay or failure in performing its obligations under this Agreement to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party's fault or negligence, and which by its nature could not have been foreseen by such party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, floods, fire, earthquakes, explosion, epidemic, war, invasion, terrorist acts, riots, strike, or embargoes. Supplier's economic hardship or changes in market conditions are not considered Force Majeure Events. Force Majeure Events shall exempt the parties from their obligations of contractual performance for the duration of the event only and to the extent of its impact. Supplier shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance. If a Force Majeure Event prevents Supplier from performance for a continuous period of more than fifteen (15) business days, Customer may terminate the Purchase Order immediately by giving written notice to Supplier and Customer shall be exempt from the obligation to accept the ordered delivery/performance affected by a Force Majeure Event.
- 21.6. Relationship of the Parties. The Supplier is an independent contractor of Customer. Nothing contained herein shall be construed as creating any agency, partnership, employment or fiduciary relationship. Neither party shall have authority to bind the other party in any manner whatsoever.
- 21.7. Severability. If any term or provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any jurisdiction, such invalidity or unenforceability shall not invalidate or render unenforceable any other term of this Agreement, or invalidate or render unenforceable such term in any other jurisdiction, but rather this Agreement shall be construed as if not containing the particular invalid or unenforceable provision and the rights and obligations of the parties shall be construed and enforced accordingly. In addition, the invalid or unenforceable provision shall be deemed replaced with valid and enforceable provision(s) which will achieve the same result (to the maximum legal extent).
- 21.8. Notices. All notices, consents, claims, demands, waivers and communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Purchase Order or to such other address that may be designated by either party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (all fees prepaid), facsimile (with confirmation of transmission), or by electronic mail accompanied by certified or registered mail (return receipt requested, postage prepaid).

Amendment and Waiver. No modification, alteration or amendment of this Agreement shall be binding unless agreed to in writing and signed by Customer. No waiver by any party of any of the provisions of the Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. A waiver of any right or remedy arising from a breach of this Agreement shall not constitute a waiver of any right or remedy arising from any other breach of the Agreement. No failure by Customer to exercise, or delay in exercising, any rights, remedy, power or privilege arising from the Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or privilege hereunder preclude any other exercise of any additional right, remedy, or privilege. Upon Supplier receipt of amounts properly invoiced, Supplier waives and releases all rights to, for itself and its subcontractors, and at its sole cost shall obtain prompt removal of any lien fixed against Customer, for Goods or Services performed under the Agreement.

Last updated: 1st of May 2024