

GENERAL TERMS & CONDITIONS OF PURCHASE

1. **Scope:** These General Terms and Conditions ("T&C") shall apply to all Siemens' Purchase Orders and shall constitute an integral part thereof. In any event of a contradiction of any kind and/or nature between the provisions hereof and those prescribed in any of Siemens' Purchase Orders or Agreement signed with the Supplier, the provisions of such Purchase Order or Agreement (as applicable) shall prevail.
2. **Definitions:** As used in these T&C the following terms, when capitalized, shall have the following meanings:
 - "Confidential Information"** - Any information which may be or shall be exposed, disclosed, obtained, and/or related to Siemens, its business, technologies, activities including but not limited to professional secrets, financial and/or commercial information, business plans, know-how, trade secrets, designs, models, data, financial reports, forecasts, software (including all documentation, source code and specifications), methods, systems, research materials, processes, customers, suppliers and all the like, and/or any other proprietary information with regard to Siemens, its members, officers, employees, etc., all whether disclosed in writing, orally, visually or otherwise. **"Purchase Order"** - A written purchase order issued by Siemens to the Supplier, including these T&C and/or all of the requirements, specifications or appendices attached thereto. **"Supplier"** - Any person and/or corporation which shall engage with Siemens regarding the provision and/or sale and/or transfer of any goods and/or services to Siemens.
3. **Purchase Orders:**
 - 3.1** The Purchase Order shall be deemed accepted unless the Supplier had informed Siemens in writing (including by Email) otherwise within two business days. The acceptance of a Purchase Order by the Supplier shall strictly correspond to the Purchase Order, including any and all of its terms and conditions. Any deviation thereof and/or supplement thereto shall not bind Siemens unless otherwise agreed by the Parties in writing.
 - 3.2 Assignment:** Any assignment of any of the Supplier's undertakings under the Purchase Order shall be null and void unless expressly approved in advance and in writing by Siemens.
 - 3.3 Alteration of Purchase Order:** Siemens may require the Supplier, in writing, at any time prior to the delivery of the goods and/or other deliverables and/or the performance of the services, as applicable, to alter the Purchase Order with respect to, inter alia, the products, specifications, requirements, works, or timetable for delivery and/or performance. The Supplier shall not be entitled to additional consideration and/or compensation, unless approved in advance by Siemens and in writing.
 - 3.4 Cancellation of Purchase Orders:** Siemens may, at its sole discretion, at any time, cancel any Purchase Order (or any part thereof) by providing a written cancellation notice to the Supplier. In such instances, the following provisions shall apply: (i) Siemens shall only pay a portion of the consideration prescribed in the respective Purchase Order, prorated to the number of goods and/or other deliverables actually delivered to it and/or to the scope of services actually performed by the Supplier of prior to such date of cancellation; and (ii) other than the aforesaid pro-rated consideration, the Supplier shall not be entitled to any kind of compensation whatsoever in connection with the respective Purchase Order and/or the cancellation thereof by Siemens. Without derogating from the above, Siemens may opt, at its sole discretion to cancel a Purchase Order without incurring any liability whatsoever in connection therewith and without derogating from any of Siemens' rights and remedies, including those under these T&C and/or applicable law, upon the occurrence of any of the following: (i) Failure of the Supplier to approve the Purchase Order pursuant to the terms hereof; (ii) Any material breach of the Supplier's representations, warranties and undertakings under any Purchase Order, agreement and/or any other written instrument signed by Siemens and the Supplier and/or applicable law; or (iii) the initiation of any insolvency proceedings against the Supplier.
4. **Price; Payment:**
 - 4.1 Price:** The prices set in any respective Purchase Order, as approved by the Supplier, shall be set, fixed, final and conclusive, all unless otherwise prescribed herein and/or agreed in advance and in writing by Siemens and the Supplier.
 - 4.2 Invoicing:** All invoices duly issued by the Supplier, shall indicate all of the details of the corresponding Purchase Order and shall be submitted to Siemens immediately following the delivery of goods or completion of services, as applicable. Invoices shall be worded and structured to facilitate both their comparison with the order and their auditing. Invoices relating services priced based on time and scope shall be accompanied by time and scope records confirmed by Siemens. Invoices relating to goods requiring export authorizations shall list all marking requirements fulfilled. Siemens reserves the right to return invoices which do not to comply with its requirements, in particular those regarding purchase order data or VAT rules, unprocessed. In such a case, invoices are considered as not submitted by the Supplier.
 - 4.4** Siemens shall be entitled to set off any sum due to it from the Supplier under these T&C and/or any Purchase Order, agreement and/or any other written instrument signed by Siemens and the Supplier and/or applicable law, from any sum due from it to the Supplier.
 - 4.5 Payment Terms:** Unless otherwise agreed, any payments are to be made by Siemens to the Supplier shall be made within 90 (ninety) days following the end of the months in which the goods were delivered and/or the services were performed, as applicable ("Shotef" + 90). Siemens is entitled to withhold payment until identified defects are remedied. During the warranty period, payment of any consideration by Siemens to the Supplier shall not be considered as an acceptance that the goods or services were delivered in accordance with these Terms and/or the provisions of the respective Purchase Order, nor as a waiver of any rights on the part of Siemens.
5. **Delivery; Export Control:**
 - 5.1** Unless expressly agreed otherwise by Siemens and the Supplier, the delivery lead time, destination and INCOTERMS 2000 prescribed in Siemens' Purchase Order shall be binding upon then.
 - 5.2** The Supplier must inform Siemens in writing and without delay of any foreseeable delays in delivery. In such events of delay, Siemens shall be entitled to cancel such Purchase Order without incurring any liability whatsoever in connection therewith, and without derogating from any of Siemens' rights and remedies, including those under these Terms and/or applicable law.
 - 5.3** Any delay of delivery or performance of a Purchase Order shall constitute a material breach of these T&C and award Siemens with a compensation equivalent to 5% of the aggregate value of such Purchase Order, all without derogating from any of Siemens' rights and remedies, including those under these T&C and/or applicable law.
 - 5.4 Export Control and Foreign Trade Data Regulations:** With respect to all

products and services be delivered by the Supplier to Siemens under any Purchase Order, the Supplier shall comply with all applicable export control, customs and foreign trade regulations ("Foreign Trade Regulations") and shall obtain all necessary export licenses, unless Siemens or any party other than Supplier is required to apply for the export licenses pursuant to the applicable Foreign Trade Regulations. The Supplier shall advise Siemens in writing as early as possible and in no event later than 3 weeks prior to the applicable date of delivery prescribed in the respective Purchase Order, of any information and data required by Siemens to comply with all Foreign Trade Regulations for the applicable products and/or services in the countries of export and import as well as re-export in case of resale. Without derogating from the generality of the above, the Supplier shall provide Siemens with all of the following for each such product and service: (i) the "Export Control Classification Number" according to the U.S. Commerce Control List (ECCN) if the product is subject to the U.S. Export Administration Regulations; (ii) all applicable export list numbers; (iii) the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) coding; (iv) the country of origin (non-preferential origin); and (v) upon Siemens' request - the Supplier's declaration for preferential origin (in case of European suppliers) or preferential certificates (in case of non-European suppliers) ("**Export Control and Foreign Trade Data**"). In case of any alterations to origin and/or characteristics of the products and services and/or to the applicable Foreign Trade Regulations, the Supplier shall update the Export Control and Foreign Trade Data as early as possible but not later than ___ weeks the Delivery Date. The Supplier shall be liable for any expenses and/or damage incurred by Siemens due to the lack of or inaccuracy of said Export Control and Foreign Trade Data.

- 6. Quality of Products and Services:** **6.1** Any goods and/or other deliverables ordered delivered by the Supplier shall be of the kind, brand, nature, size, material, description, specifications and requirements prescribed in the respective Purchase Order and shall be of the best quality of material and workmanship, all unless otherwise agreed in writing by Siemens and the Supplier. **6.2** Any works or services ordered by Siemens and performed by the Supplier shall be performed in a diligent, timely, faithful, responsible, competent and trustworthy manner and shall exercise due professional care, all of the highest level and quality and in compliance with applicable laws (including safety regulations), standards and regulations as well as with Siemens' instructions, as may be provided from time to time. **6.3** The Supplier shall furnish Siemens with all applicable documentation and instructions relating to the goods and/or other deliverables ordered by Siemens and delivered by the Supplier. **6.4 Supervision; Reports:** Siemens' representatives may inspect and supervise the performance of the Supplier's undertakings and obligations under the Purchase Order. The Supplier shall grant Siemens' representatives with full access cooperate therewith and provide them with any required assistance in connection with the foregoing. Siemens may require the Supplier to submit written reports regarding the progress and performance of undertakings and obligations under any Purchase Order, the progress thereof and the timetable

for completion. The Supplier shall cause the incorporation of similar undertakings within the framework of any agreement entered into by the Supplier and any of its suppliers, sub-contractors, consultants and service providers. Nothing in this Section 6.4 shall derogate from the Supplier's obligations, undertakings and liabilities under these T&C and/or any Purchase Order, agreement and/or any other written instrument signed by Siemens and the Supplier and/or applicable law.

Supplier's Liability: 7.1 The supplier shall be fully responsible and liable with respect to any defect, fault, damage, harm, deficiency and/or non-compatibility relating to and/or in connection with any goods and/or other deliverables delivered and/or any services performed by it under any Purchase Order and/or these T&C (each, a "Defect"). **7.2** Acknowledgements of receipt issued by Siemens and/or the mere receipt or temporary use of any goods, services and/or other deliverables and/or the payment of the consideration therefor (or any part thereof) by Siemens shall not constitute an acceptance thereof by Siemens nor a waiver of any of its rights. **7.3** Any goods and/or other deliverables received by Siemens from the Supplier shall be subsequently examined as to their quantity, completeness and any visible defects within a reasonable time following their receipt. In the event random checks shall demonstrate that the delivery (or any part thereof) do not comply with Siemens' requirements, Siemens may reject the delivery as a whole. Siemens shall notify the Supplier of any detected defects as soon as possible. **7.4** Siemens may opt, at its sole and absolute discretion, to either require the Supplier to immediately remedy defects identified, at the Supplier's expense at the relevant Siemens' facilities or on-site or to provide defect-free goods or services within the deadline set thereby. Siemens shall be entitled to claim and receive from the supplier all costs, expenses and damages incurred by it in connection with the defects and/or their rectification of Defects. The Supplier shall reimburse Siemens for any inspection costs if an inspection has revealed defects. In the case of urgent circumstances, e.g. in order to avoid its own default, or if the Supplier fails to rectify Defects within a reasonable time, Siemens shall be entitled to acquire defect-free products from third parties, without prior notification and without prejudice to its warranty claims against the Supplier or to repair or have defective goods repaired at the Supplier's expense. The Supplier shall fully reimburse Siemens for the cost of such repairs and/or rectifications. **7.5** The Supplier shall defend, indemnify and hold harmless Siemens, its Affiliates, successors, assignees, officers, directors, and employees from and against any and all claims, costs, damages, losses, penalties, liquidated damages, liabilities, actions, judgments and expenses (including reasonable attorneys' fees and expenses) arising out of (i) any Defect in and/or related to any goods and/or other deliverables delivered by the Supplier to Siemens and/or any services performed by the Supplier; (ii) any infringement claim with respect to any goods and/or other deliverables delivered by the Supplier to Siemens and/or any services performed by the Supplier, including claims regarding patents, copyrights, trademarks, registered designs and/or other proprietary right; and (iii) any and all product liability claims raised by third parties against Siemens as a result of a Defect in the goods and/or other deliverables delivered by the Supplier

and/or the by-products of the services performed by the Supplier, all upon Siemens' first demand. The Supplier shall further guarantee Siemens the unrestricted use of the delivered goods and/or other deliverables and/or the by-products of the services. **7.6** The Supplier shall purchase and maintain adequate and sufficient insurance covering, inter alia, all of its undertakings, obligations and liabilities under this Section 7 (including with respect to product liability claims) and/or in connection with the Siemens Materials. Upon demand, the Supplier shall provide Siemens with a copy of such insurance policies. **7.7** Installations or products delivered by the Supplier must have the required safety features and comply with the applicable safety standards (for installations or parts thereof in particular with those applicable at the place of destination). **7.8** For a period of 2 (two) years following the last delivery or goods and/or other deliverables by the Supplier to Siemens, the Supplier shall provide Siemens upon its request with the names of the respective manufacturers, importers, upstream suppliers without delay, not later however than 14 (fourteen) days after being requested to do so by Siemens. Furthermore, the Supplier shall provide Siemens immediately with appropriate evidence, such as production records and documents specifying production and delivery batches and/or the date of production and delivery to enable Siemens to oppose product liability claims. **7.9** Siemens reserves the right to demand proof of the Supplier's quality control system and the Supplier's documentation of the quality tests executed and to carry out audits on the Supplier's premises at any time.

- 8. Materials provided to the Supplier by Siemens** **8.1** All materials (including, inter alia, any goods, equipment, specifications, samples, models, profiles, drawings, standard specification sheets, printing templates and materials tools etc.) provided by Siemens to the Supplier, are and shall remain Siemens' sole and exclusive property ("Siemens' Materials"). Siemens Materials shall be: (i) used by the Supplier only for the purpose of performing its undertakings and obligations under the Purchase Order; and (ii) stored, labeled and managed separately by the Supplier free of charge. **8.2** The acceptance of the Siemens' Materials by the Supplier shall serve as decisive proof attesting to the good quality of the Siemens' Materials and their compatibility with the requirements of the Supplier in connection with the performance of its undertakings and obligations under the Purchase Order, all unless the Supplier had provided Siemens with a contradictory written notice, accompanied by objective proof, no later than 7 (seven) days following the receipt thereof. **8.3** The Supplier shall be solely and fully responsible for the handling, care, storing and insuring the Siemens Materials provided to it by Siemens, and to all harm, damage, diminution and/or depreciation of such Siemens Materials (or any part thereof), subject to normal wear and tear. The Supplier shall be so responsible to such harm, damage and/or depreciation, whether it was caused by the Supplier and/or any others on its behalf and/or by any third party whatsoever, and shall fully compensate Siemens for such harm, damage, diminution and/or depreciation. **8.4** Notwithstanding anything to the contrary provided herein and/or under applicable law, neither the Supplier nor any others on its behalf shall have any right of retention or lien with respect to the Siemens Materials (or any part thereof).

8.5 Upon the expiration or termination of the engagement of Siemens and the Supplier or upon Siemens' demand, the earlier to occur, the Supplier shall return all of the Siemens Materials to Siemens in the same condition and quality in which they were transferred thereto, subject to reasonable wear and tear. **8.6** For the avoidance of doubt, it is hereby clarified that the Supplier is and shall be prohibited to manufacture any products and/or provide any services which utilize, whether directly or indirectly, the Siemens Materials (or any part thereof), all without obtaining Siemens' prior written approval thereto.

- 9. Special Conditions for Hardware and Software: 9.1 General Software:** If the Supplier is to deliver software that has not been developed specifically for Siemens, the Supplier will grant Siemens the transferable and non-exclusive right and license to use such software. Apart from this documentation, the Supplier shall provide Siemens with comprehensive written user documentation in the English language and/or in any language selected by Siemens and in a sufficient number before acceptance. **9.2** All tools and related auxiliary devices, in a broad sense, shall be clearly marked as Siemens' property and protected against unauthorized access or use, or maintained and repaired, if and where applicable. They shall be returned either upon execution or cancellation of the order. Subject to any further rights, Siemens may demand the return of such materials if the Supplier violates the duties referred to above. The Supplier has no right of retention.
- 10. Confidentiality: 10.1** The Supplier hereby acknowledges that it may receive from Siemens certain Confidential Information. The Supplier agrees to accept and maintain any and all Confidential Information received from Siemens in strict confidence and at all times and to use the same degree of care the Supplier uses with respect to its Confidential Information, but no less than a reasonable degree of care as well as to prevent the exposure and/or disclosure and/or unauthorized use or dissemination of the Confidential Information. The Supplier shall not, whether directly or indirectly, disclose, expose or make available the Confidential Information, in whole or in part, to any person or entity, excluding a subsequent disclosure of such Confidential Information to the Supplier's employees and consultants who have a need to know of such Confidential Information and who are subject to obligations of confidentiality no less stringent than those set forth herein. **10.2** The Supplier's obligations of confidentiality and nondisclosure hereunder shall not extend to information which must be disclosed by law or pursuant to a ruling of a court of competent jurisdiction. In the event the Supplier is so required, it shall promptly notify Siemens of such requirement, disclose only the Confidential Information expressly prescribed therein and allow Siemens a reasonable time to oppose such disclosure, if and to the extent applicable. **10.3** The Supplier hereby undertakes to return any and all Confidential Information received from Siemens upon Siemens' request. **10.4** The Supplier shall not be entitled to use and/or indicate and/or publish Siemens' name, its engagement therewith (including any of its terms and conditions), the products and services (or any part thereof) provided by it to Siemens, all unless expressly authorized to do so in advance and in writing by Siemens.

11. Compliance; Code of Conduct; Anti-Corruption:

11.1 Compliance with Applicable Law: The performance of any and all of the Supplier's undertakings, obligations and liabilities under these T&C and/or under any other written instrument signed by it and Siemens shall be in compliance with any applicable laws, regulations and decrees, including anti-bribery and anti-corruption laws and regulations, such as Israeli anti-bribery law and to the Organization of Economic Co-operation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions as well as the U.S. Foreign Corrupt Practices Act. **11.2 Government Approvals and Registrations:** The Supplier shall obtain and maintain all necessary permits, licenses and registrations required performance of any and all of the Supplier's undertakings and liabilities under the Purchase Order. **11.3 Code of Conduct:** The performance of any and all of the Supplier's undertakings, obligations and liabilities under these Terms and/or under any other written instrument signed by it and Siemens (including a Purchase Order) shall be in compliance with Siemens Code of Conduct which may be found at https://www.cee.siemens.com/web/il/en/corporate/home/Siemens_Israel/Compliance/Pages/Compliance1.aspx. **11.4 Anti-Corruption:** With respect to any action performed by the Supplier in connection herewith, the Supplier shall not to make any illegal offer or make, or commit to the making of, a transfer of anything of value (in the form of compensation, gift, contribution or otherwise) to any employee, representative, person or organization in any way connected with the other party or any customer of the other party. Notwithstanding anything to the contrary herein, Siemens may cancel any Purchase Order and the Supplier's engagement thereby as well as withhold payments due to the Supplier, at any time without notice, if Siemens shall learn information giving it a reasonable belief that the Supplier may have violated or may have caused the Company to violate, any Anti-Bribery Laws, all without derogating from the Supplier's other undertakings under the Purchase Order or without limiting any of Siemens' other rights and remedies, and without incurring any liability by Siemens.

12. Relationship between Siemens and the Supplier:

Siemens and the Supplier shall act solely as independent contractors. Neither these T&C nor the performance hereof shall be construed as creating any partnership, joint venture, employment relationship, franchise or agency or any other similar relationship between Siemens and the Supplier. No employer-employee relationship is formed not will it be formed between the Siemens and/or the Supplier and/or any of its employees, consultants, sub-contractors and service providers. Without derogating from the above, the Supplier shall act and/or represent itself as a representative of Siemens and shall not make any commitment or enter into any agreement or take obligation on behalf thereof.

13. Occupational Health and Safety

13.1 Supplier shall comply with all statutory provisions on health and safety and shall use its best efforts a) to eliminate hazards for the health and safety of the personnel employed by Supplier and Supplier's direct or indirect subcontractors for the performance of the Works ("Personnel") and b) to ensure that no persons who are legally on the work site, including Personnel, Siemens' personnel and visitors, suffer any

injury. **13.2** Before the commencement of the Works, Supplier shall provide Siemens with a written risk assessment that a) analyzes all potential hazards for the health and safety of the Personnel arising out of the Works and b) determines measures to eliminate such hazards. **13.3** Supplier shall ensure that all Personnel take part in site-specific safety training and receive the appropriate personal protection equipment before starting work on the site. Supplier shall ensure that the Personnel make use of the personal protection equipment in the appropriate manner and that such equipment is maintained in good working order at all times. **13.4** Siemens reserves the right, at its sole discretion, to bar any Personnel from the site and/or to suspend the execution of the Works for security, health and safety reasons, at any time without any liability whatsoever. **13.5** . Supplier shall meet, at all times all requirement imposed by the Israel laws and regulation concerning the protection of the environment. In addition, Supplier shall appoint a competent person as its representative for environmental, health and safety ("Supplier EHS Representative") and shall ensure that the Supplier EHS Representative takes part in safety discussions arranged by Siemens from time to time. **13.6** Supplier shall regularly monitor compliance with statutory and contractual health and safety provisions by performing safety tours on the site. In due time before a safety tour, Supplier shall invite Siemens to participate in the tour. If the Supplier discovers non-compliance with health and safety provisions, it shall restore compliance without undue delay and advise Siemens of findings and of the status of the corrective actions. **13.7** Upon Siemens' request, Supplier shall promptly grant Siemens access to all documents related to health and safety connected with the Works. **13.8** In case of an incident leading to a) the death of any Personnel or b) a severe injury involving more than one day of incapacity of any Personnel or c) more than three workers being brought to hospital, Supplier shall immediately inform Siemens and shall, without undue delay, 1) execute a root cause analysis of the incident, 2) determine appropriate measures to exclude similar incidents in the future, 3) define time periods for the measures to be implemented and 4) provide Siemens with a written report containing sufficient detail on the root cause, the measures determined and the time periods defined. Supplier shall support any additional investigation conducted by Siemens. **13.9** In the event Siemens produces a safety and health document for the site ("EHS Plan") Siemens will provide Supplier with a copy of the EHS Plan. The Supplier shall confirm receipt thereof in writing and comply with the regulations contained therein. The same shall apply to updates of the EHS Plan which Siemens may produce as it deems necessary. Supplier shall ensure that its direct and indirect sub-suppliers contracted to perform the Works commit themselves to the EHS Plan and its updates. **13.10** In addition to any other rights Siemens may have, in the event of Supplier's material or repeated failure to comply with the statutory or contractual health and safety provisions, including the provisions of this Article and the provisions of the EHS Plan, Siemens may terminate this Agreement without any liability whatsoever, after providing Supplier with a reasonable time period within which to remedy the failure

14. General provision: 14.1 Integration/Modification: These T&C are the binding and final expression of the parties' agreements and understandings, as a complete and

exclusive statement with respect to all of its subject matters and supersede any and all prior and contemporaneous

agreements and communications, whether oral, written or otherwise, concerning any and all matters contained herein. No trade customs, course of dealing or performance by Siemens and/or the Supplier shall be relevant to modify, supplement or explain any term(s) used in these Terms.

14.2 Non-Waiver: The failure of Siemens to insist upon strict performance of any provision of these T&C and/or any Purchase Order or to exercise any right arising out of such neither impairs that provision or right nor constitutes a waiver of that provision or right, in whole or in part, in that instance or in any other instance. **14.3. Severability:** If a court of competent jurisdiction adjudicates any part of this Agreement invalid, unenforceable or illegal, such adjudication shall not affect or impair, in whole or in part, the validity, enforceability, or legality of any remaining portions of this Agreement. All remaining portions remain in full force and effect as if the original Agreement had been executed without the invalidated, unenforceable or illegal part. The Supplier's undertakings under this Sections 6, 7, 10 shall survive the expiration or termination of any Purchase Order, agreement and/or any other written instrument signed by Siemens and the Supplier. **14.4 Place of performance:** The place of performance for deliveries or services under these T&C shall be the place of destination. For payments, the place of performance shall be Siemens' seat, all unless otherwise agreed in writing by Siemens and the Supplier. **14.5 Governing Law; Jurisdiction:** This Agreement shall be governed by the laws of the State of Israel with exclusive and sole jurisdiction of the competent courts of Tel Aviv, Israel. **14.6** Siemens shall not be obligated to fulfill this agreement if such fulfillment is prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargoes or other sanctions.