Terms and Conditions

1. General

- 1.1 The scope, quantity, quality, functionality and technical specifications of any goods, equipment, documentation, software, work or services to be provided by Siemens (collectively referred to as "Services") are exclusively defined as the case may be either in the order confirmation of Siemens or the Contract signed by the Customer and Siemens.
- 1.2 The offer letter from Siemens together with these terms and conditions and those other documents expressly identified in the offer letter as forming part of the contract shall together constitute the entire agreement between the parties (the "**Contract**"). Any terms and conditions of the Customer shall apply only where expressly accepted in writing by Siemens.
- 1.3 Works which are not explicitly described in the Contract are not included in the scope of the Services. Unless explicitly agreed otherwise, operating materials, consumables, spare and wearing parts shall not be included in the remuneration for the Services.
- 1.4 Siemens is entitled to provide the Services via a secure remote access ("Remote Services").

The Customer shall verify that the security concept for the remote access proposed by Siemens (see Common Remote Service Platform cRSP – security concept in its current version) is compatible with the technical capability of the Customer and the Customer's safety, cyber security and other requirements. The Customer remains at all times responsible for the safety of humans, machines, and the serviced objects.

The Customer shall grant Siemens access to the serviced objects via remote access. If contractually agreed with the Customer, the Customer shall activate and accept each remote access of Siemens.

The Customer shall provide an internet connection (e.g. broadband cable connection, ISDN connection), which meets the technical requirements for a remote connection. The costs for such internet connection shall be borne by the Customer.

Siemens is entitled to modify or amend the existing security concept, so long as the performance of Services via remote access is not compromised. Prior to implementing an amended security concept, Siemens will inform the Customer of the amended security concept. In the event the implementation is contrary to reasonable interests of the Customer, the Customer shall give written notice to Siemens within 4 weeks after receipt of the notice of the intended change in concept. In the event Siemens and the Customer are unable to agree on the security concept, the Customer is entitled to terminate the Contract in respect of such Services that include Remote Services. In any event Siemens may implement the amended security concept 8 weeks after notifying the Customer.

2. Right of Use

- 2.1 Except as expressly otherwise agreed in this Contract, as between the parties all intellectual and industrial property rights in the Services, in all documents provided by Siemens in connection with this Contract (the "**Documents**") and in all software, hardware, knowhow ("**IPR**") and other things provided with or as part of the Services and the Documents shall be the exclusive property of and vest in Siemens. The Customer shall not reverse engineer, decompile, or reproduce the Services or goods delivered in connection with such Services or parts thereof and shall ensure that third parties will not reverse engineer, decompile, or reproduce the connection with such Services or parts thereof in each case to the extent mandatory law does not prohibit such limitation.
- 2.2 The Customer may use the Documents unmodified and to the extent necessary for operation and routine maintenance of the serviced objects by the Customer's own personnel, unless explicitly agreed otherwise in writing by Siemens.

- 2.3 If the Services include Siemens software, such software is licensed under the license terms contained in the software documentation, the software itself or in the attached license terms (in each case the "applicable license conditions"), which shall prevail over this Clause 2. The software is issued in object code without source codes. The license hereunder only grants the non-exclusive right to use the software as described in the applicable license conditions or, if there are no applicable license terms, for the purpose of operation and routine maintenance of the Services.
- 2.4 The Services may include third party software. Insofar as specific license terms of the third party licensor apply, Siemens will provide such license terms together with the Services. The Customer shall comply with such third party license terms.
- 2.5 Insofar as the software contains Open Source Software ("**OSS**"), Siemens will provide the applicable OSS license terms together with the Services. The OSS license terms shall prevail over this Contract. Details regarding any third-party software and OSS contained in the Services are available in the software documentation (e.g. README_OSS).
- 2.6 The rights granted in Clause 2 shall be transferable to a third party only together with the transfer of ownership of all of the serviced objects to that third party.
- 2.7 Without prejudice to the Customer's intellectual property rights and subject to compliance with applicable law, Siemens and its Affiliates may for its own business purposes collect, use, modify, and copy any data received in connection with the Services.

3. Prices and Terms of Payment

- 3.1 Unless agreed otherwise in writing, prices exclude insurance and any other additional charges (such as inspections by third parties). The price payable by the Customer under this Contract shall be referred to in this Contract as the "**Contract Price**".
- 3.2 The Customer shall bear all incidental costs, e.g. travel expenses, daily allowances, in addition to the Contract Price.
- 3.3 The Contract Price is exclusive of any indirect taxes (such as property, license, sales, use, value added or similar tax) and/or any duties, customs or public charges related to the Contract. The Customer agrees pay to or reimburse Siemens for any taxes, customs, duties or other public charges levied on Siemens in relation to the Services. All payments shall be made to Siemens' bank account without deduction unless such deduction is imposed by law, within 30 days after issuance of the invoice.
- 3.4 Without prejudice to any other rights it may have, Siemens may charge interest at 5 percent per annum on any overdue payments.
- 3.5 Each party must pay all sums that it owes to the other party under this Contract free and clear without any set-off, counterclaim, deduction or withholding of any kind, save as agreed otherwise in writing or as may be required by law.

4. Rights and Obligations of Siemens

4.1 Siemens begins with the Services within a reasonable period of time and performs the Services during its normal service hours (Sunday to Thursday, 8.00 a.m. to 5.00 p.m. except for national and/or local holidays) No Services will be performed on Fridays, Saturdays, Israeli and Jewish Holidays and the day

prior to such holidays ("Erev Hag") or during the specifically agreed service hours, unless otherwise agreed in writing or stated in the Contract subject to Israeli law.

- 4.2 Siemens reserves the right to execute the Services using a different, but technically equivalent method to that set out in the Contract, provided that any such modification does not materially change the agreed characteristics/specifications of the Services to the detriment of the Customer.
- 4.3 Siemens is entitled to subcontract Services to subcontractors. If Siemens commissions subcontractors, Siemens remains responsible for these subcontractors within the scope of the statutory regulations.

Unless otherwise stated in this Contract, Siemens shall not have any responsibility for Customer's scheduling, planning, project-management, quality programs, health, safety, security or environmental management and for any resulting time extension or cost-overrun with the Services.

Siemens shall be responsible for obtaining any work permits required by its personnel. Siemens shall only use suitably qualified and experienced personnel and shall have the right to replace any of its personnel at any time with equivalent personnel.

4.4 Upon Siemens' request, the Customer shall inform the Siemens personnel in time of all their obligations towards the local authorities (such as police registration, etc.) and shall assist such personnel in their dealings with the local authorities. Customer shall provide Siemens all support reasonably required in the procurement of entry, residence and working permits.

Any impossibility or delay in obtaining the necessary entry residence or working permits which is not solely attributable to Siemens shall not constitute a breach of Siemens' contractual obligations and Siemens shall be entitled to an adjustment in deadlines for performance.

4.5 To the extent the Services include supervision, Siemens' only obligation is to provide correct instructions and it shall not be liable for the performance of third parties or Customer's personnel.

5. Delay

- 5.1 Any agreed dates for performance of the Services or any part of them shall be extended by a reasonable period of time if and to the extent that Siemens is delayed or impeded in the performance of its obligations by any third party or by the failure of the Customer to perform its obligations. This includes without limitation the delivery of required documents (such as necessary permits and approvals), timely performance of any work to be undertaken by the Customer or any third party appointed by the Customer, and compliance with the terms of payment.
- 5.2 If Siemens does not meet any binding dates solely due to the fault of Siemens, the Customer shall be entitled to liquidated damages amounting to 0,5% of the price of the delayed part of the Services per complete week of delay, in which the Customer suffered loss as a result of such delay. Liquidated damages payable in case of delay shall be limited to 5% of the price of the delayed part of the Services.

If Services are provided on basis of a flat rate fee, the value of the service fee applicable to one month shall be used for calculating such liquidated damages and the maximum amount of liquidated damages.

- 5.3 Any other liability of Siemens and any claims, rights, and remedies of the Customer in case of delay except as expressly stipulated in this Clause 5 shall be excluded.
- 5.4 If the Customer, the Customer's contractors, or any other third party put in charge by the Customer causes a delay to the provision of the Services, the Customer shall reimburse Siemens all additional costs and expenses incurred due to such delay.

6. Force Majeure

- 6.1 A "Force Majeure Event" means any event which is beyond the reasonable control of a party or its subcontractors, which could not have been prevented by reasonable means and which results in a party (the "Affected Party") being unable to perform or being delayed in performing in whole or in part its obligations under this Contract. Force Majeure Events include, among others, acts of war, riot, civil commotion, terrorism, natural disaster, epidemic, strikes, lock-outs, attacks on Siemens' IT systems (such as virus attacks, hacker attacks), non-issuance of licenses, permits or approvals, or any other act or failure to act by any public authority, or embargos or any other trade sanctions.
- 6.2 If a Force Majeure Event occurs, the Affected Party will be deemed not to be in breach of its obligations under the Contract for so long as and to the extent necessary to overcome the effects of the Force Majeure Event and the Customer shall compensate Siemens for all additional costs incurred by it as a result of the Force Majeure.
- 6.3 The Affected Party shall notify the other party as soon as reasonably practicable of the Force Majeure Event and of its affected obligations.
- 6.4 If one or more Force Majeure Events and their effect last for a period of 180 days in aggregate either party may terminate the Contract by giving to the other a written notice of termination with regard to the part of the Services not yet provided. With regard to the part of the Services not performed, Siemens shall be entitled to reimbursement from the Customer of its unavoidable costs related to such termination in no event shall the Customer's obligations to pay Siemens for Services provided be excused due to Force Majeure event.

7. Obligations of the Customer

- 7.1 The Customer shall apply for and obtain all necessary licenses, permits and approvals required for commissioning, acceptance and use of the Services.
- 7.2 The Customer shall do all that is required for Siemens to commence the performance of the Services in time and to carry out the Services in an uninterrupted manner. In particular, the Customer shall at its cost:
 - (i) support Siemens in problem analysis to the extent necessary, e.g. providing incident reports and error messages.
 - (ii) Coordinate third parties commissioned by the Customer.
 - (iii) provide up to date documents, drawings of and information about the serviced objects before commencement of the Services and without specific request by Siemens. Siemens shall be entitled to use the Customer's documents for the provision of the Services and make them available to Siemens' subcontractors providing Services.
 - (iv) provide current data back-up of the current software version, including the stored data and the system parameters on an appropriate data carrier as well as the provision of a copy of the respective data carrier. Execution of data retrieval if necessary.
 - (v) obtain of any permits, approvals, consents or authorizations from any relevant authority, except to the extent that these can only be obtained by Siemens.
 - (vi) bear costs related to the transportation of the serviced objects to Siemens if the Services are conducted at Siemens' premises, the Customer.
- 7.3 If and to the extent the Services will be performed at the Customer's premises, the Customer shall at its cost additionally:
 - provide unrestricted access to the serviced objects, timely performance of all preparatory work and establishment of the required operating conditions and infrastructural requirements necessary for the performance of the Services (e.g. internet access, electricity and telephone).

- (ii) provide briefings and trainings, including provision of information regarding relevant hazards for humans and machines resulting from the provision of Services, as well as regarding the applicable safety regulations of Customer.
- (iii) ensure and monitor that the serviced objects are in a safe condition so that there are no risks for humans or machines during the performance of the Services. The Customer shall ensure that the serviced objects are disconnected from the mains during the performance of the Services. The switching authorization for the serviced objects and the respective responsibility always remains with the Customer. The same applies to the implementation of other required operational and legal safety measures, as well as to the provision of (special) protective clothing and devices as well as the provision of security and escort personnel to escort the service technicians in accordance with the requirements of work safety, and upon Siemens' request, the provision of a second person required for accident prevention.
- (iv) provide suitably qualified personnel during the performance of the Services with the necessary experience and know-how to operate the serviced objects. Furthermore, the personnel must be able to make and implement any necessary decisions concerning the Services. Unqualified personnel may be rejected by Siemens and shall be replaced at the Customer's cost.
- (v) provide technical resources and auxiliary equipment (e.g. ladders, scaffolding, lifting devices, special tools as well as on-site transportation) with the required operating personnel as well as the operating and production resources and materials and consumables necessary for the performance of the Services.
- (vi) provide power and water supplies together with the necessary connections up to the required location on site as well as heating and general lighting and, if necessary, air-conditioning and ventilation.
- (vii) be responsible for adequate safety precautions on site against theft, damage, destruction and other adverse factors. Material lost or damaged shall be replaced or repaired at the Customer's cost.
- 7.4 If Services cannot be performed in the required manner or can only be performed upon delay on grounds for which Siemens is not responsible, particularly because the Customer has not performed or timely performed its general or special duties of cooperation or the Customer has culpably missed an agreed deadline, Siemens may separately charge to the Customer the additional expenses incurred, including all waiting periods. Agreed-upon dates and deadlines shall be prolonged to a reasonable extent.
- 7.5 The Customer is solely responsible for the conception, implementation and maintenance of a holistic, state-of-the-art security concept to protect its enterprise, plants, systems, machines and networks (including any part of the Services) against Cyberthreats. "Cyberthreat" means any circumstance or event with the potential to adversely impact the Customer's plants, systems, machines and networks (including any part of the Services) via unauthorized access, destruction, disclosure and/or modification of information, denial of service attacks or comparable scenarios. Such concept should inter alia include:
 - a) installation of Updates as soon as they are available in accordance with the installation instructions given by Siemens and using the latest versions (this might include the purchase of upgrades of hardware and software by the Customer). "Update" means any software which primarily contains a correction of software errors in any part of the Services, an Update that fixes a vulnerability ("Patch") and/or minor enhancements or improvements of any part of the Services, but does not contain significant new features. Use of versions that are no longer supported, and failure to install the latest Updates may increase Customer's exposure to Cyberthreats;
 - b) complying with security advisories, installing Patches and implementing other related measures, published, among others, under <u>http://www</u>.siemens.com/cert/en/cert-security-advisories.htm.
 - c) regular vulnerability scanning, and testing, provided however, that (i) it is not performed while the serviced objects are in use, (ii) the system configuration and security level of any part of the Services are not modified; and (iii) if vulnerabilities are identified by the Customer, the Customer shall align with Siemens, shall not refuse acceptance of the Services if Siemens classifies the vulnerability to be irrelevant, and shall not disclose the vulnerability without the prior written consent from Siemens;
 - d) Implementing and maintaining a state-of-the-art password policy;
 - e) only connecting the Customer's systems, machines and components as well as any part of the Services to an enterprise network or the internet if and to the extent such a connection is necessary and only when appropriate security measures (e.g. firewalls, network client authentication and/or network segmentation) are in place and the manufacturers' guidelines are fulfilled;

- f) minimizing the risk of a malware infection (e.g. through content of USB-storage media and other removable storage devices connected to any part of the Services) through malware scanners or other appropriate means.
- 7.6 The Customer acknowledges that Services on site may generate and/or uncover hazardous waste which is subject to specific legal or regulatory requirements under applicable laws "hazardous materials" or "hazardous waste".

If Siemens discovers hazardous materials like asbestos, environmentally hazardous substances, geological or geothermal conditions, archaeological findings or any other local conditions which adversely affect the Services, the Customer shall be liable for any required remediation and also reimburse Siemens for any additional costs and expenses. Siemens shall also be entitled to a reasonable extension of time. The Customer shall, at its expense, provide containers complying with all legal and regulatory requirements and shall handle, store and dispose of hazardous waste in accordance with the applicable laws.

7.7 Siemens shall comply with the Customer's site rules and regulations when performing Services on the Customer's premises, provided that the Customer informs Siemens, in writing, of all relevant site rules and regulations in force at the premises within a reasonable period prior to performance of the Services.

The Services shall not be carried out in unhealthy or dangerous surroundings. All the necessary safety and precautionary measures shall have been taken by the Customer, at no cost to Siemens, before Services commence and shall be maintained by the Customer during Siemens' performance of the Services.

The overall responsibility for the health and safety conditions on Site is with the Customer. Siemens will not be considered as the Main Contractor ("Kablan Rashai") or Construction Executor ("Mevatzea Habneya") on Site.

The Customer shall inform Siemens prior to the execution of any Services about potential health or safety risks which may originate from the Customer's plant or equipment or may exist at Customer's site, including but not limited to hazardous materials which may exist in addition to those already specifically addressed in the Contract or which may be generated or released in the course of the Services ("**HS Risks**").

If a potential health or safety risk arises, then, without limiting its other rights and remedies, Siemens may suspend its work until the respective health or safety risk has been permanently eliminated, or protective and preventive measures required by Siemens have been taken by the Customer.

The Customer shall reimburse Siemens all additional costs incurred by any special protective and preventive measures as deemed necessary by Siemens to deal with existing HS Risks as well as costs resulting from the suspension. The contractual schedules and time limits shall be adjusted accordingly.

The Customer is responsible for the health and safety conditions on site, shall comply with any applicable laws as well as the laws, regulations and requirements of the European Union, and shall implement and conduct a risk assessment of potential hazards for the health and safety of the personnel on site, measures to control such risks (including suitable safety and working regulations for the work on site, emergency and evacuation procedures, and effective medical aid systems and resources), and potentially necessary corrective measures. Prior to their performance of any activity on site, Customer shall provide Siemens' and its subsuppliers' personnel with the required safety and working regulations and related trainings. If Siemens provides Customer with a safety and health document for the site, the Customer shall comply with the regulations contained therein, including provided updates.

The Customer is responsible for ensuring that the site, including the ambient air and all parts of the plant Siemens' employees or subcontractors may come in contact with, are free of asbestos. The ambient air shall be deemed free of asbestos if the airborne asbestos fiber concentration does not exceed 1,000 fibers/m³ measured with SEM or 10,000 fibers/m³ measured with PCM. Upon request by Siemens, the Customer shall certify these conditions by a licensed and independent institute. Siemens shall be entitled to perform corresponding measurements.

In case aforementioned parts or ambient air is not free of asbestos or as long as the permanent absence of asbestos is not ensured, Siemens may, without limiting its other rights and remedies, suspend any work in affected areas and reject any delivery of asbestos-containing parts to its factory or workshop until it is certified by a licensed and independent institute that the site and the parts are free of asbestos. The costs of such certification and/or other expenses related to on site asbestos shall be borne by the Customer. Siemens may nevertheless agree to perform certain limited scope of work under defined protection measures to the extent determined by Siemens. Siemens shall be entitled to compensation for any additional cost incurred and to an equitable adjustment to the schedule.

All local transportation, provided or arranged by the Customer shall be booked with companies which are certified in terms of quality and safety. Local cars used for crew transportation shall be safe, in a good state of maintenance, equipped with safety belts, headrests, airbags, and where required, 4-wheel drive. The drivers shall be experienced and have good company records. When required by the country, special guidance, protection, special or spare tires and safety measures shall be arranged by the Customer.

Basic Customer HS Risks work location requirements are: fenced-in work area; controlled entrance; first-aid staff and equipment; plant gas and fire alarm system; site emergency plan; full time HS Risks coordinator; sanitary provisions and canteen facilities; good house-keeping and waste control; permit-to-work system and regular site inspections; personal protection equipment; hoisting, fire-fighting, electrical and hydraulic equipment; to be yearly inspected and in good working order.

7.8 For any portion of the Services performed by Siemens and/or its subcontractors on a time basis, the Customer shall confirm Siemens on a weekly basis of the hours worked by Siemens' and/or its subcontractors' personnel.

8. Changes to the Services, Variations

8.1 Either party may at any time request in writing changes, modifications or additions to the scope of the Services (hereinafter referred to as "**Variation**"). Upon receipt of such Variation request, Siemens may either: (i) decline the variation request, or (ii) provide the Customer with a written quotation for the requested Variation, specifying the effects of the requested Variation on the Contract, including any necessary adjustment of the Contract Price, time schedules and agreed dates, scope of the Services and any other affected provisions of the Contract.

If the Customer wishes to proceed with a requested Variation on the basis of a Siemens Variation quotation, the Customer shall notify Siemens thereof in writing within 14 days of receipt of such Variation quotation. Siemens is not obliged to give effect to the Variation until it has been agreed in writing by the parties.

8.2 If applicable laws, rules and regulations, engineering standards and codes of practice, and decisions or guidance issued by courts or public authorities are amended or added to after the date of Contract signature, Siemens shall be entitled to an adjustment of the Contract, including inter alia an adjustment of the Contract Price to reflect any additional costs to be incurred by Siemens, the time schedules and scope of Services, as necessary in order to compensate for any adverse effects or additional requirements deriving from such changes.

9. Acceptance and Risk of Accidental Damage

9.1 Unless otherwise agreed in writing, an acceptance of the Services is not required. Where the parties have agreed on an acceptance in writing, the Customer shall declare acceptance within 1 week of completion of performance of the Services by Siemens, or of the notice of completion, whichever is earlier. The Customer is not entitled to refuse acceptance due to non-significant defects. Acceptance shall be deemed to have occurred within 1 week of completion of performance by Siemens or if the serviced objects have been put into operation.

- 9.2 All costs and expenses of the Customer and any third parties (other than those of Siemens' own personnel or contractors) incurred in connection with inspections, tests, approvals, acceptance procedures etc. shall be borne by the Customer.
- 9.3 The Customer shall bear the risk of accidental damage to or loss of the Services and the serviced objects. Goods and materials included in the Services are delivered EXW (Incoterms 2010).

10. Defects Liability

- 10.1 Siemens shall be liable for the proper performance of the Services in accordance with this Contract. If Siemens delivers materials and goods in connection with the Services, Siemens shall be liable to the Customer for any non-conformity with express terms of this Contract resulting from circumstances existing at the time of the transfer of risk.
- 10.2 The Customer shall immediately notify Siemens in writing of any defective Services or defective materials and goods without undue delay. The Customer's claims in respect of defects shall be excluded for any apparent defects if the Customer has failed to do so.

Upon such written notification, Siemens shall be given a reasonable period of time and opportunity to re-perform the Services and/or, at its option, repair or replace defective materials or goods. The Customer shall grant Siemens working access to the defective Services, material, or goods, and shall undertake any necessary disassembly and reassembly, and shall provide access to operation and maintenance data, all at no charge to Siemens. Upon Siemens' request, the Customer shall ensure that the title to the replaced parts/items shall pass to Siemens.

10.3 The defects liability period for any part of the Services shall expire 12 months after provision of the defective Services or acceptance if agreed. For materials and goods, the defects liability period shall expire 12 months after the transfer or risk. Unless agreed otherwise in writing, transfer of risk to the Customer shall occur when Siemens has notified the Customer that the Services are complete, or, if the Services are subject to acceptance as per Clause 9, at the acceptance date.

For re-performed Services and replaced or repaired materials and goods, the defects liability period is 6 months from the date of re-performance, replacement, or repair, if the original defects liability period expires earlier. In any event, the defects liability period shall end no later than 24 months from the beginning of the original defects liability period.

- 10.4 There shall be no warranty claim for insignificant deviations from the agreed quality, of only minor impairments of usability, for normal wear and tear, or impairments due to improper or negligent handling by Customer, unsuitable equipment provided by Customer, non-reproducible software errors or special external influences which are not identified within the Contract. In addition, software errors are only deemed a defect if the defect occurs in the most current software version at the given time.
- 10.5 Siemens does not warrant or guarantee that any part of the Services will be secure from Cyberthreats and does not contain any vulnerability. If software is defective, Siemens shall only be obliged to provide the Customer with an updated version of the software in which the defect has been remedied when Siemens can be reasonably expected to provide such updated version or, if Siemens is only licensee, such updated version is reasonably available from Siemens' licensor. If the software has been modified or individually developed by Siemens, Siemens shall in addition provide the Customer with a workaround or other interim error correcting solution until the provision of an updated version of the software in which the defect is remedied, if such workaround or interim solution is feasible at reasonable expense and if otherwise the Customer's business operations would be stopped or substantially impeded.
- 10.6 If Siemens re-performs allegedly defective Services and it is ultimately not established that the Services were defective, the Customer shall pay Siemens for such re-performance.

10.7 Any other liability of Siemens and any claims, rights and remedies of the Customer in case of defective Services or defects shall be excluded except as expressly stipulated in this Clause 10. All warranties, representations, conditions, and all other terms of any kind whatsoever implied by statute or common law are, to the fullest extent permitted, excluded from this Contract.

11. Intellectual Property

- 11.1 If a third party asserts legitimate claims against the Customer that the Services infringe an IPR owned by such third party, then subject to the following provisions of this Clause11, Siemens shall, at its option and expense, either
 - a) obtain a right to use the relevant IPR in connection with the Services;
 - b) modify the works forming part of the Services so as not to infringe the relevant IPR; or
 - c) replace the infringing part of the Services.

If, in the opinion of Siemens, none of the foregoing is reasonably possible, Siemens may take back the relevant part of the Services and reimburse the price for such part.

- 11.2 Siemens' obligations in Clause 11.1 are subject to the following conditions:
 - a) The Customer has immediately notified Siemens in writing of the third party's claim and furnished Siemens with a copy of each communication, notice or other action relating to the alleged infringement,
 - b) the Customer does not acknowledge an infringement and provides Siemens with the authority, information and assistance reasonably required by Siemens to defend or settle such claim, and
 - c) Siemens is given sole control of the defence (including the right to select counsel), and the sole right to settle such claim.

If the Customer ceases to use the works forming part of the Services or any relevant portion thereof, it shall notify the third party in writing that its cessation of use is not an admission of IPR infringement.

- 11.3 Any claims of the Customer shall be excluded if the Customer (including its agents, employees or contractors) is responsible for the IPR infringement. The Customer shall be deemed responsible for the claimed IPR infringement if, without limitation, it was caused by (i)specific demands of the Customer, (ii) use of the works forming part of the Services for a purpose or in a manner not foreseeable by Siemens, (iii) a modification of the works forming part of the Services by the Customer, or (iv) use of the works forming part of the Services in connection with other equipment.
- 11.4 This Clause 11 sets forth Siemens's entire liability for infringement of third party IPRs. Any other claims, rights, and remedies of the Customer shall be excluded.

12. Liability

Unless explicitly stipulated in this Contract, this Clause 12 shall exclusively govern the liability of Siemens for damages, costs and expenditures, regardless of the legal theory upon which it is based, including, but not limited to liability in Contract, in tort (including negligence), misrepresentation, indemnity, under warranty or otherwise.

- 12.1 Siemens shall be liable for bodily injuries and for intentional acts or omissions pursuant to the applicable law.
- 12.2 Siemens shall in no event be liable, whether pursuant to any indemnity or in contract, tort (including negligence and statutory duty), Defects, warranty or otherwise for loss of profit or revenue, loss of production, interruption of operations or loss of use, cost of capital, loss of interest, loss of information and/or data, for claims arising from Customer's contracts with third parties, loss of hydrocarbons, loss of power, voltage irregularities, frequency fluctuations, cost of purchased or replacement power, loss of



hydrocarbons, loss of power, cost of purchased or replacement power, or for any indirect or consequential damage.

- 12.3 Siemens' total liability, whether pursuant to any indemnity or in contract, tort (including negligence and breach of statutory duty) or otherwise arising by reason of or in connection with the Contract or the termination thereof shall not exceed 50% of the Contract Price, if a lump sum has been agreed, or 50% of the fees paid in the 12 months preceding the month in which the claim arose if no lump sum has been agreed.
- 12.4 Any limitations of liability set forth in this Contract shall also apply for the benefit of Siemens' Affiliates, subcontractors, employees, agents or any other person acting for Siemens.
- 12.5 If the Customer is not or shall not be the sole end user and ultimate owner of the works forming part of the Services or is procuring them for the benefit of any kind of joint venture, the Customer shall include a clause in its contracts with the end user, ultimate owner or joint venture participants so that Siemens is given the benefit of the indemnities, exclusions and limitations of liability in the Contract by all such users, owners or participants (which shall apply as if the user, owner or participant were the Customer) and shall indemnify Siemens against claims by them to the extent that Siemens would not be liable therefor to the Customer under the Contract if the claim had been made by the Customer.
- 12.6 Any and all liability of Siemens under this Contract shall cease with the expiry of the defects liability period of the Services.
- 12.7 Any rights, and remedies of the Customer against Siemens that are not expressly stipulated in the Contract shall be excluded.

13. Assignment and Sub-contracting

- 13.1 The Customer may not assign this Contract or any part thereof without Siemens' prior written approval.
- 13.2 Siemens may transfer, assign, or novate the Contract or any part of it to an affiliated company ("Affiliate"), being any legal entity ("Company") which directly or indirectly is controlled by Siemens, controls Siemens or is controlled by a Company which directly or indirectly controls Siemens.
- 13.3 Siemens shall further be entitled to assign the whole Contract or a part of it to any third party, in the event of a sale or other transfer of the business or a part of the business of Siemens to a third party.
- 13.4 Siemens may sub-contract parts (but not all) of the Services.

14. Confidentiality, Data Protection

- 14.1 The parties shall use any documents, know-how, data or other information provided by the other party ("**Information**") exclusively for the purpose of this Contract and keep the same confidential subject to the following. The parties may disclose Information to employees of the receiving party and to third parties who reasonably need to know such Information for the purpose of the Contract provided such employees and third parties are bound by equivalent confidentiality obligations. The party disclosing Information shall be held liable for a breach of such obligations by its employees or a third party.
- 14.2 This confidentiality obligation shall not apply to Information which
 - a) is or becomes part of the public domain other than by fault of the receiving party;
 - b) is disclosed to the receiving party in good faith by a third party who is entitled to make such disclosure;
 - c) is developed independently by the receiving party without reliance on Information;
 - d) was known to the receiving party prior to its disclosure by the other party; or
 - e) is required to be disclosed by law (subject to the receiving party's obligation to notify the disclosing party in a timely manner of such requirement, to the extent permitted under law).

- 14.3 The Customer shall only be entitled to take photographs or videos or to otherwise record the performance of the Services with Siemens' prior consent. In addition, only personnel of the Customer who operate the plant shall be entitled to be present during the carrying out of the Services by Siemens.
- 14.4 This confidentiality obligation shall survive the expiration or termination of this Contract for 5 years.
- 14.5 Siemens and the Customer shall comply with the statutory provisions relating to protection of personal data. The Customer is obliged to create the prerequisites required by law (e.g. to obtain declaration of consents) to enable Siemens to perform the Services without any breach of law. The Customer is advised to take appropriate measures as far as possible to prevent access of Siemens to personal data or trade secrets of the Customer while providing the Services. In the event that it cannot be prevented that Siemens is granted access to personal data of the Customer, the Customer is obliged to inform Siemens in due time before the Services are performed. The Customer and Siemens shall then agree on the actions to be taken.

15. Suspension

- 15.1 Siemens may suspend performance of its obligations under the Contract, if (i) the Customer is in delay with any payment or in providing any payment security required under this Contract for more than 30 days or (ii) the Customer fails to perform those of its obligations necessary for Siemens to perform the Services, or (iii) the Customer otherwise materially breaches the Contract.
- 15.2 If Siemens suspends the Contract in accordance with Clause 15.1 or in the event the Customer suspends the Contract without the express written agreement of Siemens, the Customer shall become immediately liable to pay Siemens for all parts of the Services already provided. The Customer shall further reimburse Siemens all reasonable additional costs and expenses incurred as a result of such suspension (e.g. payments to subcontractors, cost of waiting time, demobilization and remobilization, etc.). Any contractual dates shall be extended for a reasonable period to overcome the effects of the suspension.

16. Termination

- 16.1 Either party may terminate this Contract with immediate effect by written notice, if the other party becomes bankrupt or insolvent, is under a 'stay of proceedings order', has a receiving order made against it or compounds with its creditors, or carries on business under a receiver, trustee or manager for the benefit of its creditors or goes into liquidation or a third party commenced any liquidation or bankruptcy or receivership proceedings against the Party, which have not been terminated within 30 days thereafter.
- 16.2 Save as provided under Clause 6.4 and Clause 16.1, the Customer may terminate the Contract only in the circumstances set out below and in each case upon 14 days written notice to Siemens:
 - a) Reserved.
 - b) in the event Siemens has materially breached the Contract and has not remedied the breach within a reasonable period after receiving a written notification of the breach from the Customer.
- 16.3 Any termination by the Customer shall not affect those parts of the Services already performed in accordance with the Contract prior to the termination. In the event of termination of the Contract in accordance with Clause 16.2, the Customer shall remain liable to pay Siemens for all parts of the Services already performed prior to termination. The Customer shall be entitled to compensation for the reasonable documented costs incurred in excess of the Contract Price if it had the defective Services completed by a third party. For the avoidance of doubt, Clause 12 shall apply in case of termination.
- 16.4 Notwithstanding any other rights it may have under this Contract, Siemens may terminate the Contract a) if the Customer comes under the direct or indirect control of any competitor of Siemens, or
 - b) if the Customer materially breached the Contract and has not remedied the breach within a reasonable period after a notification by Siemens or is in delay in making any payment or in providing any payment security required under this Contract for more than 60 days; or

- c) if the Contract has been suspended for more than 60 days.
- 16.5 In the event of termination by Siemens, Siemens shall be entitled to recover from the Customer the Contract Price less any saved or avoided expenditure and any additional cost and expenses incurred by Siemens due to such termination.

17. Dispute Resolution, Applicable Law

- 17.1 The Contract and any dispute or claim arising out of, or in connection with, it or its subject matter or formation (including non-contractual disputes or claims) shall be exclusively and solely governed by and construed in accordance with the substantive laws of Israel. The UN Convention on Contracts for the International Sale of Goods shall not apply.
- 17.2 The courts of Tel Aviv-Jaffa shall have exclusive jurisdiction over any and all disputes, claims pr lawsuits arising out of or in connection with this Agreement.

18. Export Regulations

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18.1 <u>Compliance with Export Control Regulations - General</u>

- 18.1.1 If Customer transfers to a third party hardware and/or software and/or technology (including corresponding documentation,) delivered by Siemens (in this Clause 18 "Goods"), or works and services (including all kinds of technical support and information) performed by Siemens (in this Clause 18 "Services"), Customer shall comply with all applicable national and international (re-) export control regulations. In any event of such transfer of Goods and/or Services, Customer shall comply with the (re-) export control regulations of the Federal Republic of Germany, of the European Union ("EU"), of the United States of America ("USA") and of the jurisdiction in which the Goods and Services are made available to Customer.
- 18.1.2 Prior to any transfer of Goods and/or Services to a third party, Customer shall in particular check and guarantee by appropriate measures that
 - there will be no infringement of an embargo imposed by the EU, USA, the jurisdiction in which the Goods and Services are made available to Customer, and/or by the United Nations by such transfer, by brokering of contracts concerning Goods or Services or by provision of other economic resources in connection with Goods or Services;
 - such Goods and Services are not intended for use in connection with armaments, nuclear technology or weapons, if and to the extent such use is subject to prohibition or authorization, unless required authorization has been obtained;
 - the regulations of all applicable sanctioned party lists of the EU, USA and the jurisdiction in which the Goods and Services are made available to Customer, concerning the trading with entities, persons and organizations listed therein are considered.
- 18.1.3 Upon request by Siemens, Customer shall promptly provide Siemens with all information pertaining to the particular end customer, the particular destination and the particular intended use of Goods and Services, as well as any export control restrictions existing.
- 18.1.4 Customer shall indemnify and hold harmless Siemens from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any noncompliance with export control regulations by Customer, and Customer shall compensate Siemens for all losses and expenses resulting thereof.

18.2 Compliance with Export Control Regulations – Software and Mobile Apps

18.2.1 Customer shall comply with all applicable sanctions, embargoes and (re-)export control regulations, and, in any event, with those of the European Union, the United States of America and of the jurisdiction in which the Goods and Services are made available to Customer

(collectively "**Export Regulations**"). In particular, the information, software and documentation provided by Siemens shall not be used, accessed or transferred, unless permitted by the Export Regulations or respective governmental licenses or approvals, (i) in or to any location prohibited by or subject to comprehensive sanctions (including Cuba, Iran, North Korea, Syria, and the Crimea, Donetsk and Luhansk regions of Ukraine) or license requirements according to the Export Regulations; (ii) by or to any individual or entity designated on a sanctioned party list of the Export Regulation; (iii) for any purpose prohibited by the Export Regulations (e.g. use in connection with armaments, nuclear technology or weapons); or (iv) to upload any content unless it is non-controlled (e.g. in the EU: AL = N; in the U.S.: ECCN = N or EAR99).

- 18.2.2 Upon request by Siemens, Customer shall promptly provide Siemens with all information pertaining to the Customer, the intended use and the location of use of the Goods and Services.
- 18.2.3 Customer acknowledges that Siemens may be obliged under the Export Regulations to limit or suspend access by Customer to the Goods and Services.

18.3 Compliance with Export Control Regulations – Cloud-based services

- 18.3.1 Customer shall comply with all applicable sanctions, embargoes and (re-)export control regulations, and, in any event, with those of the European Union, the United States of America and the jurisdiction in which the Goods and Services are made available to Customer (collectively "Export Regulations").
- 18.3.2 In particular, Customer shall not, unless permitted by the Export Regulations or respective governmental licenses or approvals, (i) access or use the Goods and Services from any location prohibited by or subject to comprehensive sanctions (including Cuba, Iran, North Korea, Syria, and the Crimea, Donetsk and Luhansk regions of Ukraine) or to license requirements according to the Export Regulations; (ii) grant access to, transfer or otherwise make available the Goods and Services to any individual or entity designated on a sanctioned party list of the Export Regulations; (iii) use the Goods and Services for any purpose prohibited by the Export Regulations (e.g. use in connection with armaments, nuclear technology or weapons); (iv) upload to the platform any content unless it is non-controlled (e.g. in the EU: AL = N; in the U.S.: ECCN = N or EAR99).
- 18.3.3 Customer shall provide any individual or entity to whom Customer grants access, transfers or otherwise makes available the Goods and Services (collectively "User(s)") with all information necessary to ensure compliance with the Export Regulations. Customer shall (i) be responsible for the use of the Goods and Services by any User; (ii) procure to pass on all of Customer's obligations under this Clause 18.3 to each User; (iii) ensure that all Users comply with Customer's obligations under this Clause 18.3. Should Customer become aware of any violation of its obligations under this Clause 18.3, Customer shall immediately terminate the relevant User's access to the Goods and Services.
- 18.3.4 Upon request by Siemens, Customer shall promptly provide Siemens with all information pertaining to User(s), the intended use and the location of use of the Goods and Services.
- 18.3.5 Customer shall indemnify and hold harmless Siemens from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any noncompliance with Export Regulations by Customer and/or User(s), and Customer shall compensate Siemens for all losses and expenses resulting thereof.
- 18.3.6 Customer acknowledges that Siemens may be obliged under the Export Regulations to limit or suspend access by Customer and/or User(s) to the Goods and Services.
- 18.3.7 Customer shall not:
 - access the Services from any location prohibited by or subject to sanctions or license requirements according to applicable sanctions and/or (re-)export control regulations, including those of the European Union, the United States of America and/or any other applicable country/ies;
 - grant access, transfer or otherwise make available to any individual or entity designated on any applicable sanctioned party list;

- use the Services for any purpose prohibited by applicable export control regulations; and
- upload to the Services platform any content unless it is non-controlled (e.g. in the EU: AL = N; in the U.S.: ECCN = N or EAR99).

18.4 .

19. Miscellaneous

- 19.1 Nothing in this Contract shall be deemed to create an employment relationship between Siemens and the Customer or any of their personnel or subcontractors, and the Customer shall indemnify Siemens in full for all such claims including legal expenses.
- 19.2 The Customer is not entitled to issue instructions to Siemens' employees. Siemens is free to select and allocate the personnel deployed for the performance of the Services. Siemens alone shall pay for all compensation and social benefits of its employees.
- 19.3 Siemens shall not be obligated to fulfill this Contract 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.
- 19.4 If any provision of this Contract is prohibited or declared invalid or unenforceable by a court of competent jurisdiction, this shall not affect the validity or enforceability of any other provision. The parties shall use their reasonable efforts to substitute such provision by a legal, valid or enforceable one with the same or a similar result.
- 19.5 Any amendments, changes or additions to this Contract must be made in writing in the form of a written agreement signed by authorised representatives of both parties. The parties may waive this demand in writing only.
- 19.6 No delay or omission by either party in exercising any right, power or remedy provided by law or under this Contract shall affect, impair or operate as a waiver of such right, power or remedy.
- 19.7 This Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter. Each party acknowledges that in entering into this Contract it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation based on any statement in this Contract.
- 19.8 The parties do not intend that this Contract shall be enforceable by any person who is not a party to this Contract, except in relation to Siemens Affiliates' rights under this Contract. Notwithstanding that this Contract may be or become enforceable by a person who is not a party, any and all of the terms of this Contract may be varied, amended or modified and this Contract may be suspended, cancelled, rescinded or terminated by agreement in writing between the parties (whether or not to the detriment of any person who is not a party but benefits under it), without requiring notice be given to or any consent being obtained from any such person who is not a party.
- 19.9 The words "including" and "includes" and any like words shall be construed without limitation to the generality of the preceding words.
- 19.10 Save as otherwise stated in any other provision of this Contract, each party shall pay its own costs and expenses in connection with the negotiation, preparation and implementation of this Contract.
- 19.11 Nothing in this Contract is intended to or shall operate to create a partnership or joint venture of any kind between the parties. Neither party shall have authority to act in the name or on behalf of or otherwise to bind the other in any way.

- 19.12 No provision of this Agreement shall be applied or interpreted adversely to a party solely because that party was responsible for the preparation of this Agreement. The provisions of Section 25(b1) of the Contracts Law (General Part), 1973 shall not apply.
- 19.13 This Contract is drawn up in the English language. If this Contract is translated into another language, the English language text shall in any event prevail.