

## **General Terms and Conditions**

1. The Supplier undertakes to act diligently and faithfully to execute the order and to provide the goods at an excellent quality while using the best materials, tools and professional know-how and in accordance with Israeli standards and any other customary standard.
2. The Supplier undertakes to deliver the goods at the time and on the date stipulated in the order and in accordance with Ness' requirements.
3. The Supplier shall not commence its work and shall not deliver the goods prior to receiving a formal procurement order from Ness' procurement division, or a procurement order number.
4. A supplier which, despite the foregoing, decided to deliver goods / commence its work prior to receiving a procurement order or procurement order number, shall not receive any consideration whatsoever for the goods supplied to Ness.
5. Only in exceptional cases will it be possible to commence work/deliver goods without a procurement order, this subject to the sole prior written approval of Ness' procurement division.
6. The Supplier shall submit invoice/s to Ness for the goods/services provided by it on the dates agreed upon by the parties. It is clarified that failing to submit an invoice on the agreed-upon date, or at the very latest within six months from the date of the procurement order, constitutes a waiver by the Supplier of payment of the consideration and the Supplier shall not have any arguments and/or demands associated with payment of the consideration and/or its non-payment by Ness.
7. Ness may, at any stage of production or supply, visit the Supplier and/or its subcontractors (in accordance with section 10 below), at any reasonable time, in order to check the goods and their compatibility with the order. Ness may determine that its inspection of the goods to approve the receipt thereof from the Supplier, shall be performed at the Supplier and/or at Ness' storage facilities and/or at a licensed inspection institute, all at its sole discretion.
8. Samples which the Supplier has undertaken to deliver for Ness' approval as a condition for the continued performance of the order, shall be provided to Ness on the stipulated date, and if no date has been stipulated for their delivery, within a reasonable amount of time which will enable the order to be performed in a timely manner.
9. Ness' confirmation of receipt of the goods from the Supplier is a precondition for payment of the consideration for the order.
10. Confirmation of receipt of the goods under an order does not constitute approval of the

nature and quality of the goods with respect to any defect and/or deficiency not discovered on the date of approval of receipt of the goods by Ness, which may be discovered or revealed by Ness within a year from the date of delivery.

11. Ness may refuse receipt of all or some of the goods, if they have a defect deriving from their non-conformity with the requirements and terms and conditions of the order.
12. The Supplier undertakes to compensate Ness for any damage and/or loss that may be caused to it as a result of the goods not conforming with the requirements and terms and conditions of the order. This provision shall not prejudice Ness' right to any other remedy under the terms of the order and/or under applicable law.
13. The Supplier undertakes to personally perform the order and not through any third-parties who are not its employees or acting on its behalf. In the event that the Supplier wishes to transfer all or some of the performance to others, it is required to request and receive Ness' prior written agreement, however, the provision of this approval shall not constitute a release from the Supplier's responsibility to Ness for the performance of all and/or some of the order. Ness may assign its right to receive the ordered items to other third-parties, without receiving the Supplier's approval for such, provided that they abide by the terms and conditions of this order.
14. Ness may change the terms and conditions of the order to make it consistent with its needs, as it finds correct, and the Supplier undertakes to perform the order in accordance with said changes. In such an event, additional consideration to the Supplier for real additional expenses actually incurred by it as a result of those changes, if at all, shall be discussed.
15. Any change, waiver, extension and/or allowance made with respect to the performance of any undertaking made by any of the parties shall only be binding if made in writing and executed by the parties' authorized representatives.
16. The failure to exercise any of Ness' rights under the order and its appendices and/or under applicable law, shall not be deemed a waiver by Ness of such right.
17. In the event that the Supplier has violated any of its undertakings under the order, then Ness may immediately cancel the order and forfeit the amounts it is required to pay the Supplier, even if the goods have been delivered, as predetermined and agreed-upon damages, this without prejudice to Ness' right to any other legal remedy under the order and/or under applicable law.
18. Ness may cancel the order at any time, through the provision of written notice. In such an event, Ness shall pay the Supplier a relative amount according to the scope of the order actually performed at the time of the notice.
19. Ness may cancel the order without any prior notice in any one of the instances listed below:

- a. Supplier's insolvency
  - b. Corporate liquidation (in the event the Supplier is a corporation)
  - c. If an application has been filed to appoint a receiver over the Supplier
  - d. Non-performance of a judgment against the Supplier within 15 days of it being rendered
  - e. Change of ownership and/or control over the Supplier's assets
20. The amounts specified in the order are final and include consideration for work and materials, purchase tax and any other payment, levy tax and/or other fee of any kind whatsoever, freight, transfer and offloading of the merchandise and any other actions and payments until completion of the order, its approval and receipt by Ness at the place specified by Ness.
21. The Supplier undertakes, both during the period of performance of the order and subsequent thereto, to not disclose to any person any kind of information whatsoever regarding Ness' business affairs, work methodologies, the products and services it is engaged in and any other commercial or industrial information it received as a result of and/or in the course of performance of the order. The Supplier undertakes to exert all the means available to it in order to ensure the aforementioned maintenance of confidentiality by any and all persons engaged by it in the performance of the order or in connection therewith.
22. The Supplier may not handover, assign or transfer to any third person all or part of the performance of the services/delivery of the goods, without Ness' prior written approval.
23. The Supplier shall report any data security event, as defined below, which may occur during the course of the performance of the services for Ness.  
Similarly, upon the completion of the services, the Supplier shall present Ness with all the data security events which occurred during the period of the provision of the services.
- Data security event: Any event or instance which is liable to detrimentally harm the reliability, confidentiality or availability of the data, including intentional and unintentional, permitted and not-permitted actions, and events which caused or which were liable to cause damages.
24. Plans, records, sketches, lists, models and any other technical material prepared by the Supplier to perform the order, shall be provided to Ness upon the completion of the work and shall remain in its possession.
- Similarly, Ness shall have ownership of all rights to patents, prototypes and copyrights in the technical materials which were delivered or which should have been delivered, as said. The Supplier undertakes to not make use of the aforementioned technical

materials and/or rights, for any other purpose other than as what was requested of it by Ness, both during the period of the performance of the order as well as subsequent thereto.

25. The signature of any of the Supplier's drivers, workers or couriers or anyone on its behalf, shall bind the Supplier with respect to a delivery and/or handover of the materials, tools or goods.

26. The Supplier shall perform the works and its other undertakings under the order as an independent contractor, and there is no and shall be no employment relationship between it and Ness.

27. Without prejudice to any of Ness' rights under applicable law and/or the order, Ness shall be entitled to offset and/or forfeit any amount of money from the Supplier's funds and/or amounts owed by it and/or owed by others to the Supplier, either as damages and/or compensation and/or indemnification due to breach of any of the Supplier's undertakings under the order. In the event that the Supplier performed other transactions with Ness, Ness shall also be entitled to offset the amounts from other current and/or future orders made with the Supplier.

28. Any delay with any payment whatsoever owed to Ness under the provisions of the order and/or under applicable law, shall bear interest at the real interest rate customary for the Bank of Israel for overdrafts.

29. The provisions of these general terms and conditions are coming to add to Ness' rights and the obligations owed to it under the order and its provisions.

30. Any dispute which may arise in connection with an order or deriving therefrom, shall be adjudicated by the competent court in Tel Aviv-Yafo.