

## GENERAL TERMS AND CONDITIONS FOR THE SALE OF GOODS AND SERVICES

### 1. Applicability.

(a) These terms and conditions of sale (these "**Terms**") are the only terms which govern the sale of the goods ("**Goods**") and services ("**Services**") by **RNC GROUP LTD.** ("**Seller**") to the buyer named on the Order Confirmation (as defined below) ("**Buyer**"). Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods and Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.

### 2. Price Quotation and Order Confirmation.

(a) Price Quotation. Seller shall issue a written Price Quotation to Buyer, via E-mail ("**Price Quotation**").

(b) Purchase Order. In response to Price Quotation, Buyer shall issue to Seller a Purchase Order via E-mail ("**Purchase Order**").

#### (c) Acceptance and Rejection of Purchase Orders.

(c.1) Seller shall confirm to Buyer in writing the approval or denial of the Purchase Order within seven (7) business days following receipt of the Purchase Order by means of an "**Order Confirmation**". If Seller fails to issue an Order Confirmation within the time set forth above, Seller will be deemed to have reject the Purchase Order.

(c.2) No order submitted by Buyer shall be deemed to be accepted by Seller unless confirmed according (c.1) above.

(c.3) Seller has the sole discretion to decide if to accept or reject any Purchase Order.

(d) Order of Precedence. The express terms and conditions contained in the Order Confirmation exclusively govern and control each Party's respective rights and obligations regarding the purchase and sale of the Goods and Services, and the parties' agreement is expressly limited to such terms and conditions. Notwithstanding the foregoing, if any terms and conditions contained in an Order Confirmation conflict with any terms and conditions contained in this Terms, the order of precedence is: (a) the Order Confirmation; (b) the Terms; and (c) the remaining non-conflicting terms of the Order Confirmation.

(e) For the avoidance of doubt, in the case of cancellation of custom-made product after an Order Confirmation, Buyer agrees to pay Seller for all of Seller's out-of-pocket costs associated with the cancellation of the order including, but not limited to: (i) raw materials, (ii) work in process, (iii) inventory carrying costs, (iv) scrapping and disposal fees, and (v) a reasonable and equitable profit for Seller, which shall not be less than twenty percent (20%) of such costs. In no case will the cancellation

charge be less than Seller's actual costs (including overhead and other indirect costs). The amount of cancellation charge to be charged to Buyer shall be determined at the sole discretion of Seller and may equal 100% of the amount of the order at the time of Seller's receipt of Buyer's request for cancellation. Buyer is entitled to receive a written notice from Seller setting forth how the cancellation charge was calculated. Upon payment of the cancellation charge, Buyer shall be entitled to receive all raw materials and work in process, and Seller agrees to ship such goods to Buyer at Buyer's expense.

(f) Notwithstanding anything to the contrary contained in these Terms, Seller may, from time to time change the Goods and the Services without the consent of Buyer provided that such changes do not materially affect the nature or scope of the Goods and the Services, or the fees or any performance dates set forth in the Sales Confirmation.

### 3. Delivery of Goods and Performance of Services.

(a) The Goods will be delivered within a reasonable time after the receipt of Buyer's purchase order, subject to availability of finished Goods. Seller shall not be liable for any delays, loss, or damage in transit.

(b) Unless otherwise agreed in writing by the parties, Seller shall deliver the Goods to Seller's warehouse (the "**Delivery Point**") using Seller's standard methods for packaging and shipping such Goods. Buyer shall take delivery of the Goods within 3 days of Seller's written notice that the Goods have been delivered to the Delivery Point. Buyer shall be responsible for all loading costs and provide equipment and labor reasonably suited for receipt of the Goods at the Delivery Point and will unload and release all transportation equipment promptly so Seller incurs no demurrage or other expense.

(c) If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller's notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Goods shall pass to Buyer; (ii) the Goods shall be deemed to have been delivered; and (iii) Seller, at its option, may store the Goods until Buyer picks them up, whereupon Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

(d) Seller shall use reasonable efforts to meet any performance dates to render the Services specified in the Sales Confirmation, and any such dates shall be estimates only.

(e) With respect to the Services, Buyer shall (i) respond promptly to any Seller request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Seller to perform Services in accordance with the requirements of this agreement; (ii) provide such customer materials or information as Seller may reasonably request to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects; and (iv) obtain and maintain all necessary licenses and consents and

comply with all applicable laws in relation to the Services before the date on which the Services are to start.

4. Non-Delivery.

(a) The quantity of any installment of Goods as recorded by Seller on dispatch from Seller's place of business is conclusive evidence of the quantity received by Buyer on delivery unless Buyer can provide conclusive evidence proving the contrary.

(b) Seller shall not be liable for any non-delivery of Goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the non-delivery within 3 days of the date when the Goods would in the ordinary course of events have been received.

(c) Any liability of Seller for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or adjusting the invoice respecting such Goods to reflect the actual quantity delivered.

(d) Buyer acknowledges and agrees that the remedies set forth in Section 4 are Buyer's exclusive remedies for any non-delivery of Goods.

5. Quantity. If Seller delivers to Buyer a quantity of Goods of up to 5% more or less than the quantity set forth in the Sales Confirmation, Buyer shall not be entitled to object to or reject the Goods or any portion of them by reason of the surplus or shortfall and shall pay for such Goods the price set forth in the Sales Confirmation adjusted pro rata.

6. Shipping Terms. Delivery of the Goods shall be made EXW Seller's warehouse.

7. Title and Risk of Loss. Title and risk of loss pass to Buyer upon dispatch of the Goods from the Seller's warehouse. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title, and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest.

8. Buyer's Acts or Omissions. If Seller's performance of its obligations under this agreement is prevented or delayed by any act or omission of Buyer or its agents, subcontractors, consultants, or employees, Seller shall not be deemed in breach of its obligations under this agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Buyer, in each case, to the extent arising directly or indirectly from such prevention or delay.

9. Inspection and Rejection of Nonconforming Goods.

(a) Buyer shall inspect the Goods upon/within 5 days of receipt ("**Inspection Period**"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Nonconforming Goods during the Inspection Period

and furnishes such written evidence or other documentation as required by Seller. "**Nonconforming Goods**" means only the following: (i) product shipped is different than identified in Buyer's purchase order; or (ii) product's label or packaging incorrectly identifies its contents.

(b) If Buyer timely notifies Seller of any Nonconforming Goods, Seller shall, in its sole discretion, (i) replace such Nonconforming Goods with conforming Goods, or (ii) credit or refund the Price for such Nonconforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to Seller's facility. If Seller exercises its option to replace Nonconforming Goods, Seller shall, after receiving Buyer's shipment of Nonconforming Goods, ship to Buyer, at Buyer's expense and risk of loss, the replaced Goods to the Delivery Point.

(c) Buyer acknowledges and agrees that the remedies set forth in **Section 9(b)** are Buyer's exclusive remedies for the delivery of Nonconforming Goods. Except as provided under Section 9(b), all sales of Goods to Buyer are made on a one-way basis and Buyer has no right to return Goods purchased under this agreement to Seller.

#### 10. Price.

(a) Buyer shall purchase the Goods and Services from Seller at the price[s] (the "**Price[s]**") of the Order Confirmation.

(b) All Prices are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any Governmental Authority on any amounts payable by Buyer. Buyer shall be responsible for all such charges, costs and taxes; provided, that, Buyer shall not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, personal or real property, or other assets.

#### 11. Payment Terms.

(a) Buyer shall pay all invoiced amounts due to Seller at the time of each shipment, on payment terms of cash in advance, except where open account credit is established and maintained to Seller's satisfaction, in which case payment terms shall be net thirty (30) calendar days from date of shipment. All payments shall be in U.S. Dollars, unless stated otherwise.

(b) Buyer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these Terms or at law (which Seller does not waive by the exercise of any rights hereunder), Seller shall be entitled to suspend the delivery of any Goods or performance of any Services and stop Goods in transit if Buyer fails to pay any amounts when due hereunder, and such failure continues for 7 days following written notice thereof.

(c) Buyer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Seller, whether relating to Seller's breach, bankruptcy or otherwise, unless approved in advance by Seller.

12. Limited Warranty.

(a) Seller warrants to Buyer that for a period of one year from the date of shipment of the Goods ("**Warranty Period**"), that such Goods will materially conform to the specifications set forth in Seller's published specifications in effect as of the date of shipment and will be free from material defects in material and workmanship.

(b) Seller warrants to Buyer that it shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this agreement.

(c) **EXCEPT FOR THE WARRANTIES SET FORTH IN SECTIONS 12(A) AND 12(b), SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS OR SERVICES, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; OR (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; OR (e) LOSS OF DATA; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.**

(d) Products manufactured by a third party ("**Third Party Product**") may constitute, contain, be contained in, incorporated into, attached to or packaged together with, the Goods. Third Party Products are not covered by the warranty in Section 12(a). For the avoidance of doubt, **SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD-PARTY PRODUCT, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.**

(e) The Seller shall not be liable for a breach of the warranties set forth in Section 12(a) and Section 12(b) unless: (i) Buyer gives written notice of the defective Goods or Services, as the case may be, reasonably described, to Seller within 5 days of the time when Buyer discovers or ought to have discovered the defect; (ii) if applicable, Seller is given a reasonable opportunity after receiving the notice of breach of the warranty set forth in Section 12(a) to examine such Goods and Buyer (if requested to do so by Seller) returns such Goods to Seller's place of business at Seller's cost for the examination to take place there; and (iii) Seller reasonably verifies Buyer's claim that the Goods or Services are defective.

(f) The Seller shall not be liable for a breach of the warranty set forth in Section 12(a) or Section 12(b) if: (i) Buyer makes any further use of such Goods after giving such notice; (ii) the defect arises because Buyer failed to follow Seller's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods; or (iii) Buyer alters or repairs such Goods without the prior written consent of Seller.

(g) Subject to Section 12(e) and Section 12(f) above, with respect to any such Goods during the Warranty Period, Seller shall, in its sole discretion, either: (i) repair or replace such Goods (or the defective part) or (ii) credit or refund the price of such Goods at the pro rata contract rate provided that, if Seller so requests, Buyer shall, at Seller's expense, return such Goods to Seller.

13. Limitation of Liability.

(a) **IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT [OR LOSS OF DATA OR DIMINUTION IN VALUE], OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.**

(b) **IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS AND SERVICES SOLD HEREUNDER [or \$[NUMBER], WHICHEVER IS LESS].**

(c) The limitation of liability set forth in Section 13(b) shall not apply to (i) liability resulting from Seller's gross negligence or willful misconduct and (ii) death or bodily injury resulting from Seller's acts or omissions.

14. Compliance with Law. Buyer shall comply with all applicable laws, regulations, and ordinances. Buyer shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under this agreement. Buyer shall comply with all export and import laws of all countries involved in the sale of the Goods under this agreement or any resale of the Goods by Buyer. Buyer assumes all responsibility for shipments of Goods requiring any government import clearance. Seller may terminate this agreement if any governmental authority imposes antidumping or countervailing duties or any other duties or penalties on the Goods.

Without derogating the generality of the aforesaid, in connection with any anticipated use of products, Buyer acknowledges and agrees that: (a) Seller's products are manufactured under normal industrial conditions, which may not satisfy the requirements applicable to products manufactured for certain applications. It is the sole responsibility of persons contemplating

uses of Seller's products to comply with all applicable laws, regulations, codes and standards. Seller's products have not been designed, manufactured, tested, or qualified for all uses, and Seller has not sought or received any rulings from any federal, state, or local government agency as to the safety, effectiveness, or appropriateness of its products for all uses. Persons intending to evaluate or to use Seller's products must rely on their own personal judgment and their own legal judgment without any representation on Seller's part; (b) Buyer will indemnify, defend, and hold harmless Seller and its officers, directors, employees, agents, and contractors from and against any and all losses, claims, damages, liabilities, and expenses (including reasonable attorneys' fees) arising out of or based upon any bodily injury or property damage arising from Buyer's incorporation of Products. Seller shall give Buyer written notice of any such claim and shall cooperate in the defense of such claim at Buyer's expense.

15. Termination. In addition to any remedies that may be provided under these Terms, Seller may terminate this agreement with immediate effect upon written notice to Buyer, if Buyer: (a) fails to pay any amount when due under this agreement and such failure continues for 30 days after Buyer's receipt of written notice of nonpayment; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors.

16. Waiver. No waiver by Seller of any of the provisions of this agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

17. Confidential Information. All non-public, confidential or proprietary information of Seller, including but not limited to, specifications, samples, patterns, documents, customer lists, pricing, discounts, or rebates. Any materials, software, technology, patents, trademarks, copyrights, know-how, design rights, or other forms of protection of industrial or intellectual property, whether registered, non-registered or in the process of application, formulas, processes, algorithms, ideas, strategies, network configurations, system architecture, designs, flow charts, drawings, computer programs, software and hardware, electrical circuits, electronic boards, diagrams, drawings, design automation, editing, design verification and signoff, experimental works or specifications relating to inventions or improvements, discoveries, prototypes, samples, processes, procedures, techniques proprietary information, business and marketing plans, financial and operational information, and all other non-public information, material or data relating to the current and/or future business and operations, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential" in connection with this agreement is confidential, solely for the use of performing this agreement and may not be disclose, copy, reverse engineer, disassemble or decompile any prototypes, software or other tangible objects which embody the Confidential Information, unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b)

known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.

18. Intellectual Property. Buyer acknowledges and agrees that:

(a) Except as otherwise agreed between Buyer and Seller in a separate agreement, Seller will retain all rights, titles and interests, including all Intellectual Property Rights and ownership rights used to create, embodied in, used in and otherwise relating to the Goods and any of their component parts, regardless whether developed under a commission of Buyer and/or the NRE costs (non-recurring engineering) were paid or reimbursed by the Buyer.

(b) Any and all Seller's Intellectual Property Rights are the sole and exclusive property of Seller or its licensors.

(c) Buyer shall not acquire any ownership interest in any of Seller's Intellectual Property Rights under these Terms.

(d) Any goodwill derived from the use by Buyer of Seller's Intellectual Property Rights inures to the benefit of Seller or its licensors, as the case may be.

(e) if Buyer acquires any Intellectual Property Rights in or relating to any product (including any Good) purchased under these Terms (including any rights in any Trademarks, derivative works or patent improvements relating thereto), by operation of law, or otherwise, such rights are deemed and are hereby irrevocably assigned to Seller or its licensors, as the case may be, without further action by either Party.

(f) Buyer shall use Seller's Intellectual Property Rights only in accordance with these Terms and any instructions of Seller.

(g) Buyer hereby grants to Seller the non-exclusive, non-transferable, non-sublicensable, revocable license to use and display Buyer's Trademark in connection with the Seller's obligations under these Terms.

**"Intellectual Property Rights"** means all industrial and other intellectual property rights comprising or relating to: (a) Patents; (b) Trademarks; (c) internet domain names, whether or not Trademarks, registered by any authorized private registrar or Governmental Authority, web addresses, web pages, website, and URLs; (d) works of authorship, expressions, designs, and design registrations, whether or not copyrightable, including copyrights and copyrightable works, software and firmware, application programming interfaces, architecture, files, records, schematics, data, data files, databases and other specifications and documentation; (e) Trade Secrets; (f) all industrial and other intellectual property rights, and all rights, interests, and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing, however arising, in each case whether registered or unregistered and including all registrations and applications for, and renewals or extensions of, such rights or forms of protection pursuant to the Laws of any jurisdiction throughout in any part of the world.

19. Force Majeure. The Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this agreement, for any failure or delay in fulfilling or performing any term of this agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic (including, without limitation, COVID-19), lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage [provided that, if the event in question continues for a continuous period in excess of 90 days, Buyer shall be entitled to give notice in writing to Seller to terminate this agreement.

20. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this agreement.

21. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

22. No Third-Party Beneficiaries. This agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Terms.

23. Governing Law. All matters arising out of or relating to this agreement are governed by and construed in accordance with the internal laws of the State of Israel without giving effect to any choice or conflict of law provision or rule of any other jurisdiction that would cause the application of the laws of any jurisdiction other than those of the State of Israel.

24. Submission to Jurisdiction. Any legal suit, action, or proceeding arising out of or relating to this agreement shall be instituted in courts of competent jurisdiction of Be'er Sheva, Israel, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

25. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the parties at the addresses set forth on the face of the Sales Confirmation or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission), certified or registered mail (in each case, return receipt requested, postage prepaid) or by email (with electronic confirmation of receipt). Except as otherwise provided in this agreement, a Notice is effective only (a) upon receipt of the

receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

26. Severability. If any term or provision of this agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

27. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this agreement including, but not limited to, the following provisions: Compliance with Laws, Confidential Information, Governing Law, Submission to Jurisdiction and Survival.

28. Amendment and Modification. These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each party.