



The Israel Electric Corporation Ltd.
ANNEXURE "A"
Rev. 05.08.2026

**GENERAL TERMS AND CONDITIONS FOR SALE OF GOODS AND/OR
PRODUCTS AND/OR EQUIPMENT
(SHORT VERSION)**

1. DEFINITIONS:

- 1.1. Contract/Order - shall mean the Order/Contract issued or a framework contract comprising of draw orders including any change orders and/or price adjustments and/or options exercised and/or any flexibility increase, unless explicitly stated otherwise, including this annexure and any other attachments thereto, by which the seller sells the Goods/Products/Equipment to the Purchaser, as specified in Annexure B..
- 1.2. "Goods " - shall mean all or part of the goods/products/equipment described in the Order/Contract.
- 1.3. Purchaser - shall mean the party, whose offer in the Tender/ RFP has been accepted by the Seller.
- 1.4. Seller - shall mean the Israel Electric Corporation Ltd.
- 1.5. Tender/RFP shall mean the process by which the Purchaser's proposal has been solicited, including any documents attached as part of the Seller's invitation to submit/solicit proposals.

2. GENERAL

These Terms and Conditions shall apply to sale of Goods by the Seller to the Purchaser to the exclusion of all other terms and conditions referred to, offered or relied on by the Purchaser whether in negotiation or at any stage in the dealings between the parties, including any standard or printed terms tendered by the Purchaser, unless the Purchaser specifically states in writing, separately from such terms, that it wishes such terms to apply and this has been acknowledged by the Seller in writing.

Any variation to these Terms and Conditions (including any special terms and conditions agreed between the parties) shall be inapplicable unless agreed in writing by the Seller.

3. DESCRIPTION

Any description given or applied to the Goods is given by way of identification only and the use of such description shall not constitute a sale by description. For the avoidance of doubt, the Purchaser hereby affirms that it does not in any way rely on any description when entering into the Contract/Order.

4. RISK

Risk in the Goods shall pass to the Purchaser upon receipt of the Goods. Where the Purchaser chooses to collect the Goods itself at a later stage then agreed to with the Seller, risk will pass when the Goods are entrusted to it or set aside for its collection, whichever happens first. The above shall not derogate from Seller's right to claim liquidated damages.

5. TITLE

Title to the Goods shall pass to Purchaser upon delivery of possession, or control over the Goods, to Purchaser's representative, at the designated port or location, unless otherwise provided.

6. PRICE

The price proposed by the Purchaser and described in the proposal includes the net price for the Goods. Any additional costs that might incur such as but not limited to delivery costs, transport and export costs are solely at Purchaser's responsibility and cost.

7. PURCHASER'S UNDERTAKING

The Purchaser undertakes as follows:

- 7.1. To use the Goods only for its original intended use.
- 7.2. not to burn any waste mixed with the Goods;

8. PAYMENT

- 8.1. Within 21 calendar days from issuance of the Order/Contract to the Purchaser, the Purchaser must effect payment by direct payment (direct payment or swift to Seller's designated bank account, details of which will be provided at a later stage). Failure by the Purchaser to transfer the amount within the time period stipulated above shall result in the Purchaser, (without derogating from Seller's rights in connection with the late payment) paying arrears interest for each day of delay;

- 8.2. Arrears interest: shall be in accordance with the interest published on the following websites: Ministry of Finance, Accountant General, under the heading "Accountant's General arrears Interest";
- 8.3. The Purchaser must pay for the Goods and ensure they are removed from the delivery location defined in Article 13 below within 30 calendar days from issuance of the Order/Contract to the Purchaser (hereinafter referred to as "**Day of Collection**").

9. LIQUIDATED DAMAGES

- 9.1. In the event the Purchaser, for reasons attributable to it, fails to remove the Goods within the time period stated in Article 8 above, the Purchaser awarded the Contract/Order shall pay Seller, as liquidated damages, NIS 250 per day for every day of delay, beginning on the first Day of Collection, provided that the total maximum amount of liquidated damages, payable by the Purchaser awarded the Contract/Order, shall not exceed 10% of the total Order/Contract.
- 9.2. Said liquidated damages shall not be Seller's exclusive monetary remedy, in the event of delays in collection up to a maximum of 10 working days.

10. LIMITATION OF LIABILITY

The Purchaser shall be held fully and solely liable for any damage or loss of any kind caused to it, to anyone on its behalf or to the Seller, due to any act or omission, in connection with or resulting from the Goods.
For this purpose, it does not matter whether the damage or loss was caused by the Purchaser and/or anyone on its behalf.

It should be noted that either party's limitation of liability towards the other shall not exceed the value of the Contract/Order and such liability will not include indirect or consequential damage or loss.

11. FORCE MAJEURE:

- 11.1. Neither party shall be responsible to the other for loss or damage due to circumstances directly affecting the performance of the Contract/Order beyond such parties' control - which could not have been prevented by reasonable foresight at the time of signature of the Contract/Order such as but not limited to: acts of war, invasion, act of foreign enemy, whether war be declared or not, hostile action, civil war, rebellion, civil strife, sabotage, strikes and/or industrial disputes, act of Government, natural disasters (any or all of which are in these Terms and Conditions referred to as "**Force Majeure**").
- 11.2. Upon occurrence of any such circumstances, the party affected shall notify the other party in writing by the fastest means possible within seven (7) days of the occurrence, of the occurrence or existence thereof and the parties shall promptly thereafter consult with one another for the purpose of finding a solution to the Force Majeure problem.
- 11.3. Any delays resulting from any such cause shall extend performance time, unless it shall become impossible to perform the Contract/Order in whole or a substantial part thereof, in which case the Order/Contract may be cancelled, in writing, by either party. In the case of such cancellation, the Seller shall be paid for all Goods received by the Purchaser pursuant to the Order/Contract.

12. INTELLECTUAL PROPERTY

Purchaser hereby declares that with the use of the Goods it will not infringe any intellectual properties rights. Purchaser shall defend all suits or proceedings, instituted against Seller for the infringement of any intellectual property rights, associated with the use of the Goods and shall hold Seller harmless against and/or indemnify Seller for any damages, sustained by Seller, in connection with such infringement, or the violation of any intellectual property rights of any third parties.

13. COLLECTION OF GOODS

All Goods must be collected by the Purchaser from IEC's premises as specified in Annexure [1] to the Invitation to Submit Proposals. In the event packing is required, the Purchaser shall be responsible for such packing and shall bear all costs related thereto. The Purchaser shall be responsible and shall bear all costs in connection with the collection and transportation of the Goods.

14. DISCLAIMER OF WARRANTY

- 14.1. The Goods are being sold "**as is**" and the Seller disclaims all warranties including that of quality, whether express or implied, including the warranties of merchantability and fitness for particular purpose.
- 14.2. The Purchaser acknowledges that it has not been induced by any statements or representations of any person with respect to the quality or condition of the Goods and that no such statements or representations have been made.

14.3. The Purchaser acknowledges that it has relied solely on the investigations, examinations, and inspections as the Purchaser has chosen to make and that the Seller has afforded the Purchaser the opportunity for full and complete investigations, examinations, and inspections.

14.4. Seller shall not be liable for any damage caused to the Purchaser or any person working on its behalf, due to any installations, shipping, delivery, use or any other incident related to the Goods.

15. RELATIONSHIP OF PARTIES

Nothing contained in these Terms and Conditions shall be construed as establishing or implying any partnership or joint venture between the Seller and the Purchaser and nothing in these Terms and Conditions shall be deemed to construe either of the parties as the agent of the other.

16. RIGHT TO RETAIN OR WITHHOLD PAYMENT

16.1. In addition to, and without derogating from any other remedy available to Seller, Seller shall have the right to retain or withhold or set off payment from any contract/order entered into with the Purchaser, Seller's damages, from sums due to the Purchaser, in the event of the occurrence of any of the following:

- breach of the Order/Contract in whole or in part by the Purchaser,
- lawsuits filed against Seller and/or in the event of damages caused to Seller and/or any other person as a result of the Order/Contract,

16.2. In the event Seller cancels the Order/Contract due to breach by the Purchaser, Seller shall be entitled at its sole discretion to withhold sums due to the Purchaser from any contract/order entered into with the Purchaser, until such time as the scope of damages incurred to Seller by the Purchaser's breach has been determined, and Seller shall have the right, at its sole discretion, to set-off its damages from the sums withheld from the Purchaser (without derogating from Seller's right to recover amounts due to Seller not included in the said sums set-off) from any other contract/order entered into with the Purchaser.

17. INDEMNITY:

The Purchaser shall be liable for any damage or loss of any kind caused to a third party due to any act or omission in connection with or resulting from the Goods delivered all in accordance with the law, except in instances of death, bodily injury, intellectual property infringement, fraud, and malice in which case the Purchaser shall be fully and solely liable.

For this purpose, it does not matter whether the damage or loss is caused by the Purchaser and or anyone on its behalf.

The Seller shall inform the Purchaser, in advance, of any suit or proceeding and enable the Purchaser to defend itself against such suit or proceeding and any compromise reached shall require the prior written consent of the Purchaser.

18. ASSIGNMENT:

- (a) Neither party may assign the Order/Contract, or any duty/right thereunder, without the prior written consent of the other, which shall not be unreasonably withheld.
Assignment and/or transfer and/or pledge that were not approved as stated, or occurred without fulfillment all of the conditions set forth by the other party to the Order/Contract for providing such consent, shall be null and void.
- (b) Notwithstanding the above, the Seller shall be entitled to assign and/or transfer and/or pledge the Contract or Order or any obligation and/or right and/or benefit included in them to a subsidiary, or affiliate of the Seller, and shall also be entitled to assign and/or transfer and/or pledge the Contract or Order or any obligation and/or right and/or benefit included in them, to anyone, in the event of a change and/or structural division or sale of assets of the Seller which is/are required under any law, including under the Electricity Sector Law, 1996, and/or the Government Companies Law, 1975, and/or pursuant to Government decisions and/or according to the directive of an authorized regulator and/or carried out with its/their approval. The Seller shall notify the Purchaser's /Contractor/Service Provider of any such assignment and/or transfer and or pledge in writing in advance.

“Affiliate” – in this clause, as defined in the Securities Law, 1968

In addition, the Purchaser shall be entitled to pledge the Contract and/or Order from time to time as part of the floating charge over its assets in favour of financing entities.

19. INSURANCE:

19.1. Without derogating from the Purchaser's liabilities under the Contract and any applicable law, the Purchaser or on its behalf shall take out and maintain in force until the end of the contract period, on its own account at least the following insurance policies:

19.1.1. Third-Party Liability Insurance or CGL insurance

19.1.2. Compulsory Third-Party Liability Vehicle Insurance.

20. GOVERNING LAW AND SETTLEMENT OF DISPUTES:

- a) This Order shall be governed by and construed solely under the laws of the State of Israel
Notwithstanding the above, the Law of Sale (International Sale of Goods), 5760-1999 shall not apply.
- b) The Purchaser shall conform in all respects with the laws, rules and regulations of the State of Israel and any authorities having jurisdiction over the Goods, and shall keep the Seller indemnified against all penalties and liabilities imposed upon the Seller by any public authority for any kind of breach attributable to Purchaser of aforesaid laws, rules or regulations.
- c) Both Parties shall attempt to resolve their disputes pertaining to the Order amicably between themselves.
- d) Without derogating from other rights and remedies available to the parties under the Order, in the event the nominated senior representatives of the parties are unable to resolve their disputes amicably within thirty (30) days after receipt by one party of the other party's written request for such amicable settlement, either party may approach a competent Israeli court located in Tel Aviv to have the dispute settled, and such court shall have exclusive jurisdiction.

21. IMPROPRIETY:

The Purchaser hereby acknowledges that it has been informed of, and agrees to abide by the Seller's Impropriety clause as that clause is set forth on Seller's website at the following link: [Terms, Conditions and Annexures - Israel Electric \(iec.co.il\)](https://www.iec.co.il/terms-conditions-annexures) version 04.08.2026.

22. SEVERABILITY

If any term or provision of these Terms and Conditions is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if these Terms and Conditions had been agreed with the invalid, illegal or unenforceable provision eliminated.

23. CONFIDENTIALITY

- a. The Purchaser and any person acting on its behalf, shall treat any information whatsoever relating to the Contract/Order as private and confidential, except to the extent necessary to carry out its obligations under the Contract/Order or under any applicable law or judicial order. The Purchaser shall not publish, permit to be published, or disclose any information whatsoever relating to the Contract/Order without the prior written consent of the Seller, which consent shall not be unreasonably withheld.
- b. Without derogating from the generality of the above, the Purchaser hereby acknowledges that the confidential information set forth in articles a above, may be considered either in whole or in part to be Insider Information, as such term is defined under the Securities Law — 1968 and the Purchaser is aware of the applicable legal restrictions imposed by this law on the use of Insider Information. The Purchaser hereby undertakes not to make any use of the confidential information in any manner that will breach the provisions of the Securities Law.

24. NUCLEAR USAGE

24.1. The Purchaser hereby declares that the Goods are not intended for application (and shall not be used) in connection with any nuclear installation or activity and Purchaser warrants that it shall not use the Goods or any parts for any such purpose, or permit others to use the Goods or any parts of them for any such purpose.

24.2. If, in breach of the foregoing, any such use occurs, Seller shall have no liability for any nuclear or other damage, injury or contamination, and Purchaser shall indemnify Seller against any such liability, whether arising as a result of breach of contract, warranty, indemnity, tort/ extra contractual liability (including negligence), strict liability or otherwise .

25. TERMINATION

25.1. The Seller shall have the right, at its sole discretion, to terminate the Contract/Order in whole or in part, for any reason, at any time during the term of the Contract/Order, after providing the Purchaser thirty (30) calendar days written notice. The Seller shall not be required to state the reasons for such termination

25.2. Nothing in this article shall derogate from the Seller's right to terminate the Order/Contract, in the event of breach by the Purchaser, after providing the Purchaser a prior written notice of 7 days (seven days), during which the breach was not remedied, which entitles the Seller the right to cancel such Order/Contract and to invoke any other remedy available to it under the Order/Contract and or the law including but not limited to: non participation of the Purchaser in future tenders, claiming compensation for damages incurred, deducting and or retaining sums and/or exercising a performance guarantee (which shall not be considered as invoking liquidated damages).

25.3. Without derogating from anything stated above and any right available to the Seller under the Order/Contract and/or by law, the Seller shall be entitled to terminate the Contract/Order upon occurrence of any of the following:

25.3.1. .

25.3.2. The Purchaser made application to court under any bankruptcy legislation or is declared bankrupt or insolvent or went into liquidation, voluntary or otherwise, or is placed under administration, receivership, trusteeship, judicial management, or compound with or made any arrangement with its creditors, or is suffering any similar action in consequence of debt.

25.3.3. Where a lien has been imposed on the Goods of the Seller in whole or in part, or where action is taken regarding the said Goods which may prevent or is preventing the Seller from providing the Goods fully or partially.

26. ORDER OF DOCUMENTS:

In the event there are any conflicting provisions or requirements in the Order/Contract documents, the documents shall prevail in the following descending order:

- (i) Order/Contract
- (ii) RFP document/Invitation (including, as applicable, Special Conditions)/Ann. "D"/Ann. "Z" or "Z1"
- (iii) Annexure "A"
- (iv) Annexure "B" (Technical Specification)
- (v) All other docs

27. USE OF ARTIFICIAL INTELLIGENCE-BASED TOOLS

27.1 In this section, "Artificial Intelligence System" (AI) or the "System" means a computer system capable of, on the basis of objectives or variables predefined by humans, inferring predictions, recommendations, decisions, outputs, or choices from the input provided to it, and which operates with varying levels of autonomy and adaptivity. This includes systems utilizing deep learning models, machine learning, language models, prediction engines, third-party components, plugins, agents, or any similar technological component, including hardware and ancillary equipment.

27.2 The Seller agrees and undertakes that any use of AI-based systems regarding Israel Electric Corporation ("IEC") data within the framework of the engagement (hereinafter: "Use of Company Data") shall be conducted solely for the purpose of providing the services under this Contract/Order, subject to the following conditions:

27.2.1 The Seller shall provide IEC, upon its request, with details regarding the AI tools used, including responses to any clarifications required in connection with such use.

27.2.2 Use of Company Data shall be subject to compliance with applicable law and strict adherence to appropriate information security and confidentiality rules in accordance with the terms of the engagement, its annexes, and IEC's instructions.

27.2.3 Use of Company Data in AI tools shall be conducted under an enterprise-level business license only. It is clarified that the Seller is prohibited from using free versions, private versions, or services that do not include adequate contractual commitments regarding privacy and information security.

27.2.4 Company Data shall not be used, directly or indirectly, for the purposes of training, learning, improving, or developing models, and shall not be transferred to any third party without IEC's prior express written consent.

- 27.2.5 Access to Company Data shall be restricted to authorized employees only who require such access for the performance of the engagement.
- 27.2.6 Company Data shall not be saved, stored, or held beyond the minimum period required for the execution of the action. A full deletion shall be performed immediately upon the conclusion of processing and at the end of the engagement, including the deletion of backups. A confirmation of deletion shall be presented to IEC upon its request. It is clarified that the storage and/or processing of Company Data outside the borders of Israel is contingent upon IEC's prior express written consent.
- 27.2.7 The Seller shall report any security incident or data breach immediately to IEC.
- 27.2.8 The Seller shall ensure human oversight of the AI system's operation at all times. It is clarified that the Seller shall bear sole responsibility for the examination, verification, and control of the AI tool's outputs before their delivery to IEC or any reliance upon them for the purpose of providing the services.
- 27.2.9 AI tool outputs shall be considered "Service Material" and, in accordance with the provisions of the relevant ownership section, shall constitute the exclusive property of the Israel Electric Corporation. IEC shall be entitled to treat and use such outputs at its sole discretion, for any purpose whatsoever and without limitation.
- 27.2.10 The Seller shall document the system's operation and provide IEC with documentation and logs upon its request for audit, compliance with applicable law, and explainability purposes.
- 27.2.11 Regarding liability and the obligation of indemnification in connection with any damage, loss, claim, or demand arising from the use of data in AI tools, the provisions of the "Liability and Indemnification" section within the procurement documents shall apply.

End.

General Safety Appendix

This General Safety Appendix shall form an integral part of Annexure A above and the order/contract and the laws referred to in this Annexure shall be deemed to constitute part of the order/contract including provisions relating to breach of contract and remedies related thereto.

1. Terms and Definitions

1.1 Work

All the direct and indirect activities, which the Purchaser has to carry out in accordance with the contract

1.2 The beginning of the works

The time of commencing of carrying out the contract

1.3 The Purchaser's representative

The proxy of the Purchaser, who is responsible, on behalf of the Purchaser, for the Purchaser's employees and for carrying out the works

1.4 The Seller's representative

The person, who was assigned by the Seller as responsible for carrying out the contract with the Purchaser or anyone on the Purchaser's behalf

1.5 Obstacle

A situation or an obstruction, which is expected to cause damage to the health of a person, or damage to property or to the vicinity

2. General

The Purchaser takes upon himself to take all the safety means that are required in order to carry out the works and to keep all the instructions of the Ordinance of Safety at Work, the regulations that were set in accordance with it, The Law of Organizing the Supervision on Works – 1954 and the regulations that were set in accordance with it and any instruction or another demand according to any law. The Purchaser also takes upon himself to keep all the instructions that will be demanded by the Seller's representative and the commissioner of safety on behalf of the Seller, which relate to safety in works, health and usage of equipment, notwithstanding the Purchaser's liability according to any law.

3. Responsibility

3.1. The Purchaser or anyone on his behalf is the sole responsible for the matter of safety and health of his employees.

The Seller will not be liable to any damage that will be caused to the Purchaser's employees and/or his emissaries and/or anyone on his behalf and/or in his service, arising from an accident or damage, which will be caused during and as result of carrying out the works.

3.2. The Purchaser or anyone on his behalf shall conduct recording on the location of all his employees at any time.

3.3. The Seller's representative will be allowed to carry out inspections of the Purchaser and his employees, in order to verify that the Purchaser meets his obligations, which are detailed in this safety appendix, without the said inspections imposing any liability on the Seller and without derogating the Purchaser's responsibility. The Purchaser takes upon himself to act in accordance with instructions of the Seller's representative / the safety commissioner on the matter of handling defects that will be found by him, as much as required.

4. Familiarity with the Work and its Vicinity

The Purchaser declares that he visited the location of carrying out the works and its vicinity and inspected the access ways to the location and is aware of the nature of the work, the risks that are involved in it and the means, which should be taken, in order to carry out safe work.

The Purchaser and/or the Purchaser's representative and/or workers on his behalf shall not enter places / facilities to which they are not allowed to enter by the Seller's representative / the safety commissioner and shall not carry out tasks that are not connected to carrying out their work.

5. Entrance to the Seller's Facilities and Reception of Access Badge

Reception of access badge to the site for the Purchaser's employee is subject to the Purchaser submitting to the Seller's representative a copy of a form signed by the employee, which confirms that the employee received safety briefing, as said in Chapter 7 hereinafter.

Any access of the Purchaser and/or his employees to the Seller's facilities shall be accompanied by an entity on behalf of the Seller, excluding Purchaser's employees who are posted in the Seller's sites as routine manner.

6. Training / Certifying Purchaser's Employees

6.1 The Purchaser shall carry out the works only with professional worker, with appropriate training and high

proficiency, who hold all the certifications and licenses that are required by any law, for carrying out their work. The Purchaser shall be responsible to verify that all his employees are health wise qualified, as required by any law, for carrying out their work.

The Purchaser shall, as part of his responsibility, verify that worker, who use special medical equipment (such as pacemaker, electronic or ferromagnetic devices and similar devices) shall not be employed in the vicinity of electric facilities, which may cause interruption to their correct operation, in accordance with the instructions of any law.

- 6.2 The Purchaser shall present, upon demand of the Seller's representative / the safety commissioner, the list of all his employees, any license, certificate and all the rest that belongs to him or to his employees.
- 6.3 The Purchaser shall not employ workers who are not his employees, but according to a written permission of the Seller's representative.

7. Safety Training

- 7.1 The Purchaser and/or the Purchaser's representative takes upon himself to arrive at the site, prior to commencing the works, to receive safety training on the matter of the risks in the premises in which the works will be carried out by his employees. This training will be given by the Seller's representative / the safety commissioner at least once a year.
- 7.2 The Purchaser and/or the Purchaser's representative shall sign on the reception of the safety training at the Seller's representative / the safety commissioner.
- 7.3 The Purchaser shall take care to train his employees, who carry out works for the Seller (whether in the Seller's premises or outside the Seller's premises) and to give them all the information on the matter of the risks existing in the premises in which the employees will be employed and also updated instructions for safe using, operating and maintaining of equipment, materials and work processes in the location, in accordance with his duty in accordance with the regulations of the Organization of Supervision of the Work (providing information and training of workers) – 1999 and any other instruction or demand in accordance with any law. The Purchaser shall also verify that each employee understood the risks and is familiar enough with the issues of the training, according to his role and the risks to which he is exposed. In the framework of this obligation of the Purchaser, the Purchaser shall, among others:
 - 7.3.1 To carry out trainings of the employees by the Purchaser's representative, prior to commencing carrying out the works and at least once a year, in a language that the employees understand.
 - 7.3.2 To verify and to declare that the training was given by a holder of any certification that is required in order to brief the employees.
 - 7.3.3 To sign each Purchaser's employee, who was trained, on a form that testifies that the employee received safety training and understands the contents of the training. Copies of the forms shall be submitted to the contract manager or his representative and/or the Seller's safety commissioner (see attached a form of declaration on reception of training in Appendix 1).
 - 7.3.4 To train each new Purchaser's employee who will be employed in carrying out the works or any Purchaser's employee that his employment or work station was changed and to report the said training to the Seller's representative.
 - 7.3.5 To pass to the employees a written essence of information, on the issue of risks in the work in which the employees will be employed and also any written essence that will be given to him by the Seller's representative, on the issue of risks in the work place and to verify that the contents of the essence of information as said will be passed to the employee in a language he understands, if the employee is not familiar with the languages in which the essence was given.
- 7.4 An employee shall not be employed in a work place, unless he received safety training, as detailed in the instructions of this clause.
- 7.5 Every day, before commencing the work:
 - 7.5.1 The Purchaser's representative will be briefed on the risks in the location in which that day's work will be carried out, Seller's representative / the safety commissioner, except cases of works that are carried out the Seller's premises.
 - 7.5.2 The Purchaser's representative shall carry out safety training to his employees, in accordance with the work that they will carry out and the location of the employees' work and shall confirm, in writing, in the work log carrying out this training.

8. Preparation of Safety Management Plan

The Purchaser shall submit to the Seller's representative / the safety commissioner, prior to commencing the works, a plan of management of safety, in accordance and subject to the regulations of the Organization of Supervision of the Work (Plan of Management of the safety)) – 2013 (including the chapter of risk management, in respect to all the works that

will be carried out by the contractor). The plan shall be updated in accordance with the works that will be carried out by the Purchaser.

9. Supply of Personal Protective Equipment, Equipment, Machines, Materials and Tools, including Storing

- 9.1 The Purchaser takes upon himself to supply to all his employees tools, personal protective equipment and rescue means, in accordance with the regulations of safety at work (such as: work clothes, standard work shoes, boots, all types of gloves, glowing vest, hearing protection, protective goggles, protective helmet, breathing protection, protective equipment for works at height, protective equipment for work in surrounded location, including air monitoring appliance, etc.) which are fit for carrying out the works and in accordance with the specified in the contract / specifications and/or as will be requested by the Seller's representative.
- 9.2 No work will be carried out without the personal protective equipment / tools/ materials/ machines that fit the type of work.
- 9.3 The Purchaser takes upon himself to keep inventory of personal protective equipment, as required for the matter of carrying out the works. Items of personal protective equipment and/or tools will not be supplied to the Purchaser by the Seller. The Purchaser's usage of the Seller's equipment / tools shall be done only after receiving the explicit written consent of the Seller.
- 9.4 The Purchaser takes upon himself that the personal protective equipment, the equipment, machines, vehicles, materials and tools that he will supply to his employees shall be serviceable, standard and shall pass periodic inspections as required, in accordance with the manufacturer's instructions, the acceptable professional rules and in accordance with the required by any law and circumstances of the work.
- 9.5 The Purchaser shall care that the equipment, tools, the materials and the waste shall be concentrated in the place that was assigned for this in the work site and shall be placed in a manner and location that shall prevent any possible obstacle or damage to persons or property.
- 9.6 The Purchaser shall take care that of the mechanical – engineering equipment, vehicles, lifting machines, lifting accessories, etc. shall be serviceable and shall have valid inspection survey and/or valid license, as required by any law.
- 9.7 The Purchaser takes upon himself that every operator of mechanical – engineering equipment, operator of lifting machine and anyone who drives another vehicle shall have the required certification and valid license, as required by any law.
- 9.8 The Purchaser shall supervise the fitness and adaptation of the equipment at all the time of carrying out the work and shall present the inspection certificates to the Seller's representative.
- 9.9 In the case the Purchaser carries or transports food, the Purchaser shall present the required certifications for the vehicles that are allowed to carrying and transport food.
- 9.10 The Seller shall have the right to inspect, at any time, the safety of the Purchaser's equipment and/or oblige the Purchaser to present to the Seller any license, certificate and any other permit of equipment, machines, materials and tools that the Purchaser uses for carrying out the works, without this inspection imposing any liability on the Seller and without derogating the responsibility of the Purchaser.
- 9.11 Storing of materials, including hazardous materials, shall be done by the Purchaser and under his responsibility and will be coordinated with the Seller's representative. Separation of materials and adequate marking shall be adhered to, as required in accordance with any law and the instructions of the Seller's representative.

10. Environmental Inspections – Occupational and Health Booklets

- 10.1 The Purchaser is responsible to carry out environmental – occupational inspections to his employees (hereinafter: "**Inspections**"), in accordance with the conditions and instructions of the Regulations of Safety at Work (Environmental Monitoring and Biologic Monitoring of Workers in harmful conditions) – 2011 and/or the regulations of safety of work in connection with unique harmful agents (hereinafter: "**The Health Regulations**"), in every location in which inspections are obliged according to the health regulations.
- 10.2 The Purchaser shall present to the Seller's representative the results of the inspections, upon receiving them and at any time, upon the demand of the Seller's representative and shall act in accordance with the results of the inspections and in accordance with the instructions of the health regulations, including carrying out repeated inspections and medical inspections to his employees where needed.
- 10.3 For the purpose of fulfilling his obligation as said, the Purchaser can carry out the inspections through the Seller or in the framework of the connection that the Seller has with a certified laboratory, at the Purchaser's cost. In order to avoid any doubt, it is clarified that the said does not derogate the Purchaser's responsibility to carry out the inspections.
- 10.4 The Purchaser takes upon himself to carry out medical inspections to his employees in a certified location (occupational clinic) and to keep health booklets of all his employees, who are occupied in works for the Seller, in accordance with the instructions of the health regulations. The Purchaser takes upon himself to present to the

Purchaser's representative / the safety commissioner, the health booklets prior to commencing the works and at any time, upon the Seller's representative demand.

10.5 The Purchaser and his employees shall cooperate at the time of carrying out environmental occupational inspections, which shall be carried out in the site in which they work.

11. Coordination and Approval of Carrying out Works / Changes

11.1 The Purchaser shall begin carrying out each new work (both in the Seller's sites and outside them), only after coordination (in all in respect to the character of the activity, the time, the location of the work, etc.) and obtaining the Seller's representative's approval.

11.2 Any change in the work or in carrying out any activity that is not included in the framework of the work, which was approved in advance, requires the new approval of the Seller's representative.

12. The work site and Removal of Obstacles

12.1 The Purchaser takes upon himself to keep the vicinity of the location of carrying out the work in clean, organized and safe manner, in order to prevent safety obstacles. The Purchaser also takes upon himself to arrange (if such do not exist) adequate and safe access and evacuation ways in the area of the location of carrying out the works, in coordination and upon the approval of the Purchaser's representative and to keep them clear of any obstacle, material or equipment.

12.2 The Purchaser takes upon himself to clean immediately any spilling of material, food, etc. and to handle immediately any obstacle that will be found by him or by the Seller's representative.

12.3 Vehicles shall not be entered to the work sites, but upon the advanced approval of the Seller's representative.

Vehicles that are entered to the site shall not be parked close to cranes or other tools and shall not block access ways or passages or the access to facilities, elevators, etc.

12.4 The Purchaser shall carry out his works with maximum caution, in order to not damage facilities, structures, cable systems, etc., which exist in the work area or close to it.

12.5 Carrying out the various works, at any stage, shall not interrupt the correct proceeding of activities of the existing facility and the Purchaser shall avoid any action that may interrupt the correct activity of the facility.

12.6 The Purchaser shall inform the Seller's representative on any failure in any system and shall stop the work in this area, until receiving instructions for the required handling.

12.7 Following the completion of carrying out his works, the Purchaser shall take upon himself to remove any temporary structures, equipment, facilities or waste of any kind and to leave the work site with all the required safety means, which are required by any law and in accordance with the demand of the Seller's representative / the safety commissioner are present in it, located in it.

13. Fencing, Signs, Lighting and Warning Means

The Purchaser takes upon himself to install, supply and maintain, at his own cost: guarding, fencing, adequate lighting, warning signs, including blinking lamps and other standard caution means in sufficient quantity to support the safety of the work site and the safety and convenience of the public and the workers, in any place in which it will be necessary, or as will be demanded by the Seller's representative, or will be demanded by any law of instruction of any certified authority. If the Purchaser does not adhere to the instructions of this clause, the Seller shall be entitled to do the said arrangements, at the cost of the Purchaser, and to deduct its expenses from any sum that is due to the Purchaser from the Seller.

14. Electric Works and/or Works in which there is Hazard of Electrification

14.1 Electric works shall be carried out by a licensed electrician with adequate license in accordance with The Law of Electricity – 1954 and its regulations.

14.2 Repair of electric tools and electric equipment shall be done by a certified electrician.

14.3 The Purchaser takes upon itself to verify that all the electric portable and handheld tools and electricity panels shall be serviceable and standard and shall meet all the requirements of The Law of Electricity – 1954 and its regulations, including the requirements on the matter of double insulation, in accordance with the Regulations of Safety at Work (Electricity) -1990.

14.4 Disconnection of the electrical power, connection / returning the electrical power, connection to electrical power source, disconnecting / connecting of electrical appliances, shall be done only at the knowledge and approval of the Seller's representative or the maintenance worker, who is responsible at the place.

14.5 The Purchaser shall verify, prior to commencing the work, that the work vicinity, in which he intends to work, is dry and "clean" of exposed leads.

14.6 Any portable tool shall be connected to a panel in which there is a protective leakage switch, whether the panel is permanent or movable.

- 14.7 In installation works the Purchaser shall keep the continuity of the grounding by bridging.
- 14.8 The Purchaser shall verify that all his employees keep safety distances from live, exposed leads, in accordance with The Regulations of Safety at Work (Works at Height) – 2007, or in accordance with The Law of Electricity – 1954.
- 14.9 If work, at distances smaller than the said in clause 14.8 above, is required, the Purchaser shall ask the Seller's representative to disconnect the leads from the voltage sources. In such case, the work shall be carried out under constant supervision of the Seller's representative, who will be present in the place at any time the work is carried out.
- 14.10 In places in which there is suspicion that electrical cables exist and/or hazardous proximity to live leads, the Purchaser shall work only under the constant supervision of the Seller's representative, who will be present in the place at any time the work is carried out.
- 14.11 The presence of the Seller's representative, as said, shall not derogate the Purchaser's responsibility to the safety of the workers and the facilities and he shall take all the means to meet the required safety conditions.
- 14.12 During carrying out the works, if the Purchaser is faced with electric facility / cables, or any other thing, the Purchaser shall stop the works and shall report to the Seller's representative, in order to receive instructions for continuing the work. In such case, the Seller is entitled to carry out the works, or part of them, by itself or by its proxy and the Purchaser shall cooperate and shall not have any financial demands in this connection.
- 14.13 Work or movement in the vicinity of electricity lines or on electricity rooms structures, shall be carried out such that hazardous proximity or close approach to live leads or pillars, including their equipment, foundations, or anchors, shall be avoided.
- 14.14 The ground surface in the vicinity of electricity pillars, their foundations and anchors and under electricity wires shall not be changed, unless it was approved in writing by the Seller.

15. Works at Height

In case in which work that is defined as work at heights, in accordance with the Regulations of Safety at Work (Work at Heights) - 2007, the Purchaser shall take safety means, as required by the regulations.

The Purchaser takes upon himself to carry out the work in accordance with the regulations of work at heights and also not to employ a worker in work at heights, who does not have valid qualification, as required by any law. The Purchaser takes upon himself to present to the Seller's representative valid qualifications of his employees, who are intended to work at heights, upon the Seller's representative demand. The Purchaser takes upon himself to follow up the validity of the qualification of his employees for work at heights and to carry out refreshment training to his employees, in accordance with the regulations. Work in sliding shall be carried out only if it was found that this is the necessary and safe method to carry out the work and there is no permanent facility / system to carry it out. If carrying out the work by the sliding method is decided, the work shall be carried out in accordance with The Regulations of Safety at Work (Work at Heights).

16. Work in Surrounded Location

In cases in which work is carried out in a surrounded location, as defined in the Ordinance of Safety at Work, the regulations that were set according to it and the Seller's safety instructions – prior to carrying out the work, the Purchaser's representative shall have to pass dedicated safety training for work in surrounded location. The Purchaser shall train all his employees in work at surrounded location.

An employee shall not be employed in a surrounded location, unless he passed dedicated training.

The Purchaser or the foreman / head of group on his behalf, shall not commence the work in a surrounded location before receiving the Seller's representative approval.

17. Work with Exposed Fire

In cases in which works such as: heating, cutting, welding, sharpening and any other action, which causes creation of fire sparks, or exposed fire, the Purchaser shall take all the means to prevent the spreading of the fire / explosion, including keeping available fire extinguishing means, distancing and/or neutralizing of flammable materials, partitioning, etc. Notwithstanding the said above, the Purchaser shall carry out the works in accordance with and subject to the instructions of carrying out works with exposed fire by the Seller's contractors.

18. Work with Hazardous Materials and Handling and Removal of Hazardous Waste

In this Clause:

- **Hazardous Material (HAZMAT)**
Any material that may cause damage to person, vicinity or property, having one of the following characteristics: explosive, ignitable, corrosive, oxidizing, poisonous, reactive, radioactive, compressed gas, etc.
- **Hazardous Waste**
Any kind of material, which contains hazardous material, which is removed or intended to be removed, or should

be removed according to the ruling of the general manager of the Ministry of Ecology.

- 18.1. In cases of work with hazardous materials, the work shall be carried out by the Purchaser in accordance with The Regulations of Safety at Work and subject to the instruction of the safety sheet, as defined in the Regulations of Safety at Work (Safety Sheet, Classification, Packing, Labeling and Marking of Packages) – 1998 (hereinafter: "The Safety Sheet") of the material. The Purchaser shall verify that all his employees and/or anyone on his behalf, who use various materials in the framework of carrying out the works, shall operate in accordance with the instructions of the materials' safety sheets.
- 18.2. The Purchaser shall report to the Seller's representative any HAZMAT that is inserted into the Seller's site, in order to obtain a written approval, prior to inserting them and also prior to carrying activities on-site, which may cause the creation of HAZMAT.
The Purchaser takes upon himself to submit to the Seller's representative safety sheets of materials he uses, prior to commencing the work. The Purchaser shall not bring HAZMAT to the Seller's sites / power stations and shall not use it without the approval of the commissioner of poisons in the site / power station.
- 18.3. Handling of HAZMAT or hazardous waste and/or removing them from the Seller's premises shall be carried out by the Purchaser in accordance with any law, the Seller's procedures and the instructions of the Seller's representative / the safety commissioner.
- 18.4. The transporting vehicles of the various kinds of HAZMAT / hazardous waste shall have all the licenses and permits that are required by any law.
- 18.5. Removal of the various kinds of HAZMAT / hazardous waste shall be to a certified site (if required by any law). Upon completion of the removal, the Purchaser shall present to the Seller's representative the certifications of removing the HAZMAT / hazardous waste to the certified site.
- 18.6. The Purchaser is prohibited of using any material, which is prohibited to be used in accordance with any law, such as: asbestos.

19. Appointing a Safety Commissioner

- 19.1 In any case in which the number of the Purchaser's employees exceeds 50, the Purchaser shall take upon himself to appoint, prior to commencing the works, a safety commissioner, with qualification certificate, in accordance with the conditions and instructions of The Regulations of Organization of Supervision of the Work (Safety Commissioners) – 1996 (hereinafter in this clause: "**The Regulations**").
- 19.2 The Purchaser takes upon himself to present to the regional work supervisor on behalf of The Ministry of Economy, on the form that is intended for this, a notice with the name of the safety commissioner and to send a copy of the notice to the Seller's representative.
- 19.3 The safety commissioner on behalf of the Purchaser shall act to maintain the plan of safety management for the Purchaser and shall operate in accordance with the instructions of the regulations.
- 19.4 The safety commissioner on behalf of the Purchaser shall prepare a monthly report, in which the actions he took for raising the level of safety and prevention of risks in the works shall be recorded and also any additional report that shall be demanded by the Seller on the issues of safety and health. The said report shall be submitted to the seller's representative upon demand.

20. Presence of the Foreman / Responsible for a Group of Employees

The Purchaser takes upon itself that the foreman / responsible for a group of employees on his behalf shall be present in the work site as obliged by any law and/or the instructions of the regional supervisor of the works, at any time of carrying out work of his employees and shall have any certification that is required for carrying out the works.

21. Stopping the Work as Result of Deviation from the Safety Instructions

- 21.1 The Seller's representative / the safety commissioner shall have the authority to stop immediately the works in a work site in which severe safety defects were found, among others in the following cases:
 - 21.1.1 In cases in which it seems to the Seller's representative / the safety commissioner that there are severe safety defect and not stopping the works immediately may cause an accident.
 - 21.1.2 There are severe safety defects on-site and the Purchaser's representative or anyone on his behalf do not act immediately and in the adequate manner to improve the safety situation on-site.
 - 21.1.3 Not keeping safety instructions or an instruction of the instructions of this appendix.
- 21.2 In a work site in which the work was stopped, it shall be renewed only after the situation was repaired and a written report was received from the Purchaser's representative on fixing the defects, which caused the stopping of the work.
- 21.3 All the implications that arise out of the stopping of the work as said shall be on the Purchaser.

22. Investigation and Reporting Safety Events

- 22.1 The Purchaser shall report immediately, in writing, to the Seller's representative and to the various authorities, as obliged by any law, any case of an accident as result of which a bodily damage was caused to a worker and/or to third party and/or to property. Or case of "Almost Accident" (hereinafter: "**Safety Event**").
- 22.2 Any safety event shall be investigated and inspected by the Purchaser and/or entities on his behalf, to review the factors that caused the occurrence of the event and in order to take conclusions and steps to prevent repetition of similar events in the future.
- 22.3 Any investigation of a safety event shall be summarized and documented in a written report, which shall be submitted to the Seller's representative / the safety commissioner.
- 22.4 Any information to external entities on the progress of the investigation, conclusions, results, etc. shall be submitted only by the authorized entities on behalf of the Seller.
- Notwithstanding the said above, as much as the Seller will investigate the safety event on its own, the Purchaser shall cooperate with the Seller as much as required, in order to carry out the inspection.

23. Selling Goods

In cases of selling goods, the Seller does not carry out inspections and/or responsible to the safety of the items it sells and the Purchaser is responsible to inspect their correct state.

24. Delivery of Goods

In the event the Purchaser delivers food to the Seller, the Purchaser shall deliver the goods in accordance with and subject to the instructions of The Regulation of Safety at Work – Sales and Renting of Machines, Facilities and Equipment – 2001 and subject to any law.

25. Speed of Driving in the Seller's Sites

The speed of driving in the Seller's sites shall be in accordance with the traffic signs that are installed on-site. Upon lack of traffic signs, the maximum speed on-site shall be 30 kmh.

26. Providing First Aid

The Purchaser shall keep in the works site a first aid kit and any other medical equipment that is required according to the essence of the work and shall care to provide medical treatment services and first aid to his employees according to the needs and in accordance with the instructions of any law.

In the case, in which during carrying out the work and/or providing service, the evacuation of one of the Purchaser's employees by, ambulance, to receive medical services is needed, the Purchaser shall assign one of his employees to accompany and stay with the evacuated employee until he is hospitalized, or until a family member / relative arrives, or until the employee is discharged.

27. Discipline and Fining as Result of Deviation from the Safety Instructions

- 27.1 Not keeping an instruction of the instructions of this appendix shall be regarded as fundamental breach of the contract.
- 27.2 Notwithstanding the Seller's right to receive compensation according to the agreement and/or in accordance with any law, in the event the Purchaser breached one of the instructions of this appendix and after he received a warning from the Seller's representative / the safety commissioner, the Purchaser shall pay the Seller an advanced agreed and fixed compensation of 1,000 NIS for each breach as said.
- Purchaser, who was fined and breached again one of the instructions of this appendix, shall pay the Seller, for any additional breach, Seller an advanced agreed and fixed compensation of 5,000 NIS.
- 27.3 The agreed sum of compensation shall be attached to the Index of Consumer's Prices and shall be increased in accordance with the rate of raise of the index between the basic month in which the work had to be finished and the month in which the work was actually finished.
- 27.4 The Seller shall be entitled, at its sole discretion, to deduct the agreed sum of compensation from any sum that is due to the Purchaser at any time, or to collect it from the Purchaser at any other mean, including by offsetting or forfeiting of collaterals. Paying the compensations, deducting them or collecting them does not exempt the Purchaser from his obligation to complete carrying out the works or any other obligation in accordance with the agreement.

28. The Purchaser's Declaration

I, the undersigned, hereby declare that I have read and understood the contents of the safety appendix and that I take upon myself to work according to it and in accordance with the instructions of any law.

Name of the Purchaser

Purchaser's Signature

Date

Appendix 1

Form of Recording of Periodic Training on the Issues of Safety to Purchaser's Employees

Reference: The instructions of The Organization of Supervision the Work

(Providing Information and Training of Employees) - 1999

The following are the details of the training that was carried out in the day of _____, between the hours _____.

The name of the Purchaser: _____

The name of the foreman / responsible for the workers' team on behalf of the Purchaser: _____

The name of the Trainer / Instructor: _____

The topics of the safety training:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

Details of the Employees who were Trained and the Declaration

By this signature of mine I Hereby confirm that I received the safety training, understood all the risks that are involved in the works and will act accordingly.

No.	First and Last Name	ID Number	Language of the Training	Employee's Signature
01				
02				
03				
04				
05				
06				
07				
08				
09				
10				
11				
12				
13				
14				
15				

The trainer's signature _____

Cc:

The supervisor on behalf of the appointed department

The Safety Commissioner

The site's manager

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