

Festo Pneumatic (Israel) Ltd.

General Sales Terms and Conditions (referred to below as "GTC")

Version: 05/2026

1. Scope of application

- 1.1 These GTC apply to all business transactions between Festo Pneumatic (Israel) Ltd. (hereinafter "**Festo**") and any individual or entity purchasing Festo's products and/or services (hereinafter "**Customer**"), even if they are not mentioned in later contracts. They apply mutatis mutandis to work services and services. Delivery of the delivered products shall be replaced by acceptance in the case of work services and receipt of the service in the case of services.
- 1.2 Conflicting, additional or deviating terms and conditions of the Customer shall not become part of the contract between Festo and Customer, unless Festo has consented to their validity in writing. These GTC shall also apply if Festo makes a delivery to the Customer without reservation in full knowledge of its conflicting, additional or deviating terms and conditions.
- 1.3 Agreements which are to the contrary of, additional to or deviating from these GTC which are concluded between Festo and the Customer for the execution of a contract shall be set out in writing in the contract. This shall also apply to the cancellation of this requirement for the written form.
- 1.4 Rights to which Festo is entitled in accordance with the statutory provisions or other agreements beyond the scope of these GTC shall remain unaffected.

2. Conclusion of contract

- 2.1 Offers made by Festo are subject to confirmation and non-binding, unless Festo advises the contrary in writing.
- 2.2 Illustrations, drawings, weight, dimension, performance and consumption data as well as other descriptions of the products from the documents belonging to the offer are only approximate unless they are expressly designated as binding. They do not constitute an agreement or guarantee of a corresponding quality or durability of the products, unless they have been expressly agreed as such in writing. The Customer's expectations regarding the products or their use do not constitute an agreement or guarantee either.
- 2.3 The provision of goods and services in the Festo Online Shop does not constitute an offer to conclude a contract, but merely an invitation to place a purchase order. Upon submitting a purchase order, the Customer submits an offer to Festo to conclude a sales contract. Only purchase orders for deliveries to Israel are accepted via the Festo Online Shop. Purchase orders that are to be delivered to

- a different country shall be directed to the local sales company in the country concerned.
- 2.4 A purchase order shall only become binding if it has been confirmed by Festo in writing (by order confirmation or acceptance letter, see Section 2.5) or if Festo executes the purchase order, in particular if Festo fulfils the purchase order by sending the products. Insofar as the order confirmation or acceptance letter contains obvious errors, spelling or calculation errors, it shall not be binding on Festo. Customer does not have the right to ask for a compensation.
- 2.5 If such products are (also) part of the Customer's order for which a specific delivery date cannot be confirmed at the time of the order, the Customer will receive an acceptance letter. The Customer's order shall become binding once it receives the acceptance letter. With regard to such items for which a delivery date cannot be confirmed in the acceptance letter, the delivery date shall be confirmed separately to the Customer as soon as it has been determined by Festo.
- 2.6 In cases where software is being purchased via the App World, a contract will be concluded at the latest when the software is provided.
- 2.7 Festo's silence with regard to offers, purchase orders, requests or other declarations by the Customer shall only be deemed consent if previously agreed in writing.
- 3. Scope of delivery / shipment / product changes / electrical equipment / packaging**
- 3.1 Festo's order confirmation or acceptance letter shall be decisive for the scope of delivery. Changes to the scope of delivery by the Customer shall have to be confirmed in writing by Festo in order to be effective. Festo reserve the right to make design and shape changes to the products if these deviations are customary in the industry or if the deviations are within the DIN tolerances, or if the changes are not substantial and it is reasonable for the Customer to accept them. The same applies to the choice of material, specification and design.
- 3.2 Delivery in parts shall be permissible unless delivery in parts is unreasonable for the Customer taking into account Festo's interests.
- 3.3 Shipment of the products is carried out by Festo. Collection of the products by the Customer is not allowed.
- 3.4 If Festo provides documents (e.g. manuals) for certain products, these are available to the Customer as a free download on the website www.festo.com. Festo can provide the Customer with printed versions of such documents for a charge as a separate purchase order.
- 3.5 The Customer shall inform itself before the purchase order about eventual changes of catalogue products by means of the product documentation. Festo is not obliged to permanently provide products in unchanged material, specification or design even if the Customer purchases specific products repeatedly. Section 3.1 remains unaffected.
- 3.6 If Festo is legally obligated to take back goods according to applicable law and the Customer returns the goods under that law. The Customer shall bear the costs of disposal. Disposal of electrical equipment by the Customer may not be

made via the municipal waste garbage can. In any case, the Customer is obliged to remove personal data on electrical equipment before disposal.

- 3.7 If Festo is obligated to take back packaging in accordance with the applicable law and the Customer return packaging under that law, the Customer shall bear the transportation.

4. Delivery time

- 4.1 The agreement of delivery times (delivery periods and dates) shall be made in writing. Delivery periods and dates are not binding unless they have previously been designated as binding in writing by Festo.

- 4.2 The delivery period begins with the conclusion of the contract, but not before the complete provision of the documents, approvals and releases to be procured by the Customer, the clarification of all technical questions and the receipt of an agreed down payment. Delivery dates shall be postponed appropriately if the Customer fails to provide the documents or permits to be procured by it in good time, fails to issue releases in good time, fails to clarify all technical questions in good time or fails to make the agreed down payment in full to Festo. The observance of the delivery time presupposes the timely and proper fulfilment of the other obligations of the Customer.

- 4.3 The delivery time shall be deemed to have been observed if the products have left the factory or Festo has informed the Customer that they are ready for collection or dispatch by the end of the delivery time. Compliance with the delivery time shall be subject to the provision that Festo itself is properly supplied, in particular on time, unless Festo is responsible for the delivery to itself not being undertaken correctly. Festo shall inform the Customer immediately if Festo exercises its right of withdrawal and shall return any advance services provided by the Customer. In case of delay due to force majeure, Festo is not deemed liable.

- 4.4 Any contractual penalties of the Customer due to delayed deliveries are expressly objected to.

5. Export Control

- 5.1 Any deliveries of products (hardware and/or software and/or technology and the respective documents, irrespective of the manner in which they are made available) as well as work and services including technical support of all kinds by Festo to the Customer (collectively called "Festo Performance") shall be subject to the precondition that such Festo Performance is not prohibited according to national or international export control regulations, in particular embargos or other sanctions. The Customer undertakes to provide all information and documentation which is required for export and shipment. Delays due to export examinations or approval procedures render deadlines and delivery dates inapplicable. If necessary approvals are not granted or if the delivery and service

are not capable of being approved, the contract shall be considered not concluded with respect to the parts affected.

- 5.2 Festo shall be entitled to terminate any contract regarding Festo Performance without notice if such termination is necessary for Festo in order to comply with national or international legal provisions.
- 5.3 In the event of termination pursuant to section 5.2, the Customer is excluded from raising a claim for any damage or other rights on account of the termination.
- 5.4 When passing on any of the Festo Performance to third parties, the Customer must comply with the respectively applicable provisions of national and international (re-) export control law. In particular the Customer shall not sell, export or re-export, directly or indirectly, (i) to the Russian Federation or for use in the Russian Federation any of the Festo Performance that fall under the scope of the Council Regulation (EU) No 833/2014 and /or (ii) to the Republic of Belarus or for use in the Republic of Belarus any of the Festo Performance that fall under the scope of the Council Regulation (EG) No 765/2006. Any violation of this section 5.4 by Customer shall constitute a material breach of an essential element of the contract and Festo shall be entitled to seek appropriate remedies. In addition, section 5.2 and 5.3 shall apply respectively. The Customer shall immediately inform Festo about any problems in applying this section 5.4 including any relevant activities by third parties that could frustrate the purpose of section 5.4. The Customer shall make available to Festo information concerning compliance with the obligations under section 5.4 immediately upon request by Festo.

6. Delivery prices and payment / surcharge for small quantities

- 6.1 Unless otherwise agreed, delivery prices are ex works and do not include shipping, packaging, insurance, statutory taxes, customs duties or other charges. The costs incurred in this respect, in particular the costs for packaging and transport of the products, shall be invoiced separately. The statutory value added tax shall be shown separately on the invoice at the statutory rate applicable on the date of invoicing.
- 6.2 Unless otherwise agreed, the delivery price shall be payable net from the date of invoice. Sections 6.3, 6.5 and 6.6 of these GTC shall remain unaffected. Festo reserves the right in certain cases to deliver only after prepayment.
- 6.3 Contrary to Section 6.2 of these GTC, Customer-specific purchase orders, i.e. purchase orders for products which are not included in Festo's catalogue or are included in Festo's catalogue but are to be adjusted at the Customer's request, will only be processed upon prepayment of 50% of the delivery price. Therefore, the Customer receives a respective payment request. Upon receipt of the prepayment Festo will process the purchase order. The remaining 50% of the delivery price shall become due on the date of invoice.
- 6.4 For purchase orders outside the Festo Online Shop with a net goods value of less than EUR 50.00, Festo shall charge the Customer a surcharge for minimum quantities amounting to the difference between the value of the purchase order

and this net goods value. This does not apply to purchase orders placed via the Festo Online Shop.

6.5 If delivery is scheduled to take place more than six months after conclusion of the purchase contract and Festo has generally increased its prices for the products concerned by a certain percentage in the meantime, this general price increase may be passed on to the Customer. The prices increased by the respective percentage shall then apply in deviation from the prices stated in the order confirmation. In this case, the Customer will receive a corresponding change order confirmation with the new price.

6.6 If Festo offers payment by credit card for orders via the Festo online shop and the Customer chooses this payment method, the Customer will transmit his credit card data to the third-party payment service provider Ingenico. The transmission of the credit card data is made via secure connection from Ingenico. The credit card will be charged as follows:

- If the order is made via "Express Checkout" without registration, the credit card will be charged as soon as the order has been placed and the credit card data has been transmitted. The products will be shipped only after payment has been made.
- If the order is made after registration as a registered user, the credit card will be charged as follows: (1) if advanced payment has been specified for the Customer by Festo, the credit card will be charged as soon as the order has been placed and the credit card data has been transmitted; Festo reserves the right to charge shipping costs to the credit card separately when the products are shipped to the Customer. (2) If payment in advance has not been specified for the Customer, the credit card will be charged when the products are shipped to the Customer.

Online payment transactions are subject to validation checks and Festo is not responsible if the Customer's card issuer declines to authorise payment for any reason. It is possible that the Customer's card issuer charges the Customer an online handling fee or processing fee. Such fees must be borne by the Customer.

7. Passing of risk

7.1 If not otherwise agreed, the risk of accidental loss and accidental deterioration shall pass to the Customer as soon as the products are handed over to the person carrying out the transport. Section 3.3 remains unaffected. This shall also apply if delivery is made in parts or Festo has assumed further services, such as transport costs or assembly of the products at the Customer's premises.

7.2 If dispatch is delayed due to circumstances for which the Customer is responsible, or if the Customer is in default of acceptance, the risk shall pass to the Customer upon notification of readiness for dispatch.

8. Software

8.1 In the case of contracts for the provision of software and apps (hereinafter referred to collectively as "Software"), Festo shall be responsible for providing the

- Customer with access to the Software offered (license). Access shall be provided in digital form.
- 8.2 The Software shall be delivered (1) by providing the purchased licenses in a suitable form and, unless otherwise agreed, by sending the license key by e-mail or (2) by means of a download link, which Festo shall send to the Customer by e-mail (including a license key) to an e-mail address provided by the Customer. The Software shall be deemed to have been delivered upon provision of the license key.
- 8.3 The type and scope of use of the purchased Software, system requirements and license fees can be found in the respective product description, the respective license certificate and/or the respective sales documents (offers, order confirmations).
- 8.4 Festo shall only be obliged to provide consultancy services if this is expressly and separately agreed in a service level agreement. Adjustments or modifications to the Software and the creation of interfaces to third-party software by Festo shall only be owed if this is expressly and separately agreed.
- 8.5 The manufacturer of the software sold by Festo is Festo SE & Co. KG. The rights of use of the purchased Software are granted by Festo SE & Co. KG. The content and scope of the respective rights of use shall be governed by the End User License Terms of Festo SE & Co. KG ("EULA"), available at https://www.festo.com/de/en/e/legal-information/end-user-licence-agreement-id_45479/
- 8.6 Insofar as the Software (also) contains components or modules from other software manufacturers, in particular open-source software components, Section 9 shall apply.
- 8.7 If the license certificate and/or the respective sales documents (offers, order confirmations) specify a certain number of natural persons (named users) who may use the Software, the right of use granted shall only extend to these named users. A named user is a specifically named employee of the customer who directly or indirectly accesses the Software provided. Use of the Software by other third parties who are not named users is only permitted in exceptional cases and after consultation with Festo.
- 8.8 The Customer shall fulfill all duties and obligations necessary for the performance of the contract. In the absence of other agreements, the customer shall in particular
- a) keep any user and access authorizations assigned to named users secret, protect them from access by third parties and not pass them on to unauthorized users; the Customer shall inform Festo immediately if there is

- any suspicion that the access data and/or passwords may have become known to unauthorized persons,
- b) define contact persons and ensure that they are available in the event of updates or works that must be carried out on site by Festo,
 - c) to grant Festo remote access to the parts of the Software installed locally on the Customer's computer systems and to maintain this access permanently,
 - d) provide the infrastructure and backup strategies required to operate the Software,
 - e) to store all copies of the Software in a protected location,
 - f) to report defects in the Software to Festo without delay and to take into account information from Festo within the scope of what is reasonable for him and to forward to Festo all information available to the Customer which is necessary for the rectification of the defect.
- 8.9 Festo shall be entitled to carry out a license audits. If a license audit reveals that the use of the Software by the Customer exceeds the contractual agreements, a further contract must be concluded with Festo for additional licenses to the extent used to date. In this respect, Festo reserves the right not to grant any agreed discounts in this case. Festo reserves the right to claim damages and interest.
- 8.10 The following shall apply to contracts for the **permanent provision of a specific software version (purchase)**:
- a) Festo shall provide the Customer with the Software defined in more detail in the respective product description, the respective license certificate and/or the respective sales documents (offers, order confirmations) in the defined software version. Upgrades are not owed.
 - b) Updates and maintenance services are only owed within the scope of the warranty, unless such services have been ordered separately by the customer for a fee.
- 8.11 The following applies to contracts for the **temporary provision of software (rental)**:
- a) The term is defined in the license certificate and/or the respective sales documents (offers, order confirmations).
 - b) Unless otherwise stipulated therein, the term shall be 12 months beginning on the date stated in the invoice (contract year). The term shall be extended by a further 12 months in each case unless the contract is terminated with 30 calendar days' notice to the end of the respective contract year. The right to terminate the contract for good cause remains unaffected.
 - c) Unless otherwise agreed, free trial licenses are always limited to three months and then end automatically without the need for termination. There is no automatic transfer to a fee-based contract.
 - d) The agreed remuneration is to be understood as an annual lump sum starting with the conclusion of the contract. The remuneration is due in advance at the beginning of each contract year for the entire contract year. The agreed remuneration shall be increased by the applicable value added tax.
 - e) In the case of fixed terms of more than 12 months, indefinite terms and terms with automatic renewal, Festo shall be entitled, in the absence of any special provisions, to increase the remuneration after the expiry of 12 months with two months' written notice to the end of the month. The Customer shall have

the right to terminate the contractual relationship within a period of four weeks after receipt of the notification of the increase.

- f) If the Software is made available to the Customer as part of a service as **"Software as a Service" (SaaS)**, the following shall also apply:
- (1) The Customer receives access to a service provided by Festo via the internet and uses the web application via the internet.
 - (2) For certain Software, an app for mobile devices (smartphone and tablet) is made available for download in the app stores for the mobile platforms "iOS" (Apple App Store) and "Android" (Google PlayStore). Such app is linked to the web application.
 - (3) Festo shall not be responsible for establishing and maintaining the data connection between Customer's IT systems and the service.
 - (4) Unrestricted availability of the service is not part of the service. System maintenance and other interventions in operations that may lead to non-availability are possible at any time. As far as possible, Festo will be inform the Customer in advance. However, Festo tries to keep unavailability as low as possible and, in particular, to use times outside normal business hours. Despite a high level of system stability, it is recommended that all data entered is backed up regularly by the Customer, at least once a day. If the non-availability for these or other reasons exceeds a time value of 10%, the Customer is entitled to a pro rata reduction of the license fees. Any special agreements in a service level agreement shall always take precedence.
 - (5) Festo reserves the right to switch off the Software at some point in the future and to no longer make it available from then on. In this case, the Customer shall receive a pro rata refund of the overpayment. Further claims are excluded in such cases. Festo must give at least 6 months' notice of any shutdown of the Software.

9. Free and Open Source Software

- 9.1 Festo products may contain Free and Open Source software (FOSS). According to the Open Source definition by the Open Source Initiative (<https://opensource.org/osd>) FOSS is software which is licensed by the respective holders of rights to everyone with extensive rights of use and without license fees and for which the source code is available. A list of the concerned software components and the respectively applicable license conditions as well as additional information (e.g. on the availability of source code) are delivered along with the product. As long as the Customer only uses the FOSS components internally, there are no license obligations for the Customer towards the holders of rights of these FOSS components. However, the Customer may additionally obtain a simple right of use for the contained FOSS from the respective holders of rights under the respective FOSS license conditions. Every use of FOSS on the basis of these FOSS licenses and outside of the intended use of our products

is undertaken at the Customer's own risk and is not subject to the contractual relationship with us.

- 9.2 This Agreement also applies to those products that contain FOSS, they do, however, not restrict the rights of use and freedoms of use granted by the FOSS licenses. Insofar, the FOSS licenses take precedence over this Agreement.
- 9.3 The Customer is permitted to modify our software components for the Customer's own use and to perform reverse engineering of our software components for debugging of such modifications if these software components are linked with libraries licensed under the GNU Lesser General Public License (LGPL). However, forwarding the knowledge acquired during reverse engineering or forwarding modified software to third parties is prohibited.
- 9.4 Warranty for defects of our products that are due to a modification of FOSS is excluded. The Customer bears the burden of proof that a defect of our product would also occur without the modification of the contained FOSS.

10. Warranty claims

- 10.1 Festo warrants that its products shall be free of defects in material and workmanship and shall conform to the data set out in the applicable Festo specification or data sheet, at the time of shipment.
- 10.2 No further warranty with regard to (objectively) expected properties (e.g. durability, functionality, compatibility) or fitness for a particular purpose, which goes beyond Section 10.1, shall be granted unless otherwise agreed. The Customer is responsible for checking whether the purchased products are suitable for the intended use. Festo products are not developed and intended for use in safety-relevant nuclear energy applications.
- 10.3 The Customer's rights in respect of defects shall be subject to the condition that the Customer has duly complied with its obligations to inspect the delivered products and to give notice of defects to Festo within 8 days following delivery of the products to Customer. The Customer shall describe the defects in detail when notifying Festo in writing. The Customer shall also comply with the specifications, notes, guidelines and conditions in the technical notes, assembly, operating and operating instructions, in particular with regard to the conditions of use of the products (e.g. oiling notes, quality of compressed air or other operating media, ambient conditions) and other documents relating to the products during the planning, construction, assembly, connection, installation, commissioning, operation and maintenance of the products; in particular the Customer shall carry out and prove maintenance work properly and use recommended components. Warranty claims for defects resulting from the violation of this obligation are excluded.
- 10.4 In the event of defects in the products, Festo shall be entitled, at its option, to subsequent performance by remedying the defect or delivering a defect-free product. Replaced parts become the property of Festo and shall be returned to Festo. The limitation period shall not start to run again in the event of subsequent performance.
- 10.5 Products which, after delivery to the Customer, have been in contact with materials, substances or similar which may be classified as hazardous to health must be properly decontaminated by the Customer before being returned. Such

products may only be returned after consultation with Festo and only after submission of a completed contamination declaration (available at: https://www.festo.com/net/de_corp/SupportPortal/Files/707454/Declaration%20of%20Contamination_EN.pdf).

- 10.6 In all other cases, defective products may only be returned after prior notification of the return (e.g. via the Festo After Sales Portal) and after the Customer received of a corresponding return request from Festo. The Customer must provide reasons for each return. If the requirements set out in this Section 10.6 are not met, Festo shall be entitled to refuse acceptance of the return and any resulting costs shall be borne by the Customer.
- 10.7 The Customer's right of withdrawal from the contract in case of defects shall be excluded if Festo is not responsible for the defect.
- 10.8 No claims for defects shall arise as a result of natural wear and tear, in particular in the case of wearing parts, improper handling, assembly, use or storage or improperly carried out modifications or repairs to the products by the Customer or third parties. The same applies to defects attributable to the Customer or to a technical cause other than the original defect.
- 10.9 Festo does not assume any guarantees, in particular no guarantees of quality or durability, unless otherwise agreed in writing in individual cases. The indication of B10-values is non-binding and does not constitute a guarantee of durability.
- 10.10 The limitation period for the Customer's warranty claims is one year from delivery. Section 12.1 of these GTC shall remain unaffected.

11. Supplementary provisions on defect rights for software

- 11.1 The subject of the delivery is software which basically corresponds to the information given in the respective product description. Subject to any express assumption of a guarantee by Festo, the information in the product description and program documentation shall not be deemed to be quality guarantees.
- 11.2 For customised software, Festo shall warrant compliance with the functions and features stipulated in the specifications, the Festo order confirmation or acceptance letter, documentation or the jointly defined work/procedure descriptions.
- 11.3 A defect exists if the software does not fulfil the functions and features stated in the product description – in the case of Customer-specific software created in the documents pursuant to Section 11.2, delivers incorrect results, uncontrollably interrupts its running or otherwise does not function properly, so that the use of the software is prevented or impaired not merely insignificantly.
- 11.4 Festo shall not be liable for errors in the software,
 - which have been caused by application errors on the part of the Customer and which could have been avoided if the program documentation had been consulted carefully; this also applies to non-existent or insufficient backup measures;
 - due to the actions of a virus or other external influences for which Festo is not responsible, such as fire, accidents, power failure, etc.;
 - which are based on the fact that the software was used in connection with a hardware product other than that specified by Festo or in an operating

environment other than that approved by Festo, or are attributable to faults in the hardware, the operating system or computer programs of other manufacturers which the Customer uses in connection with the software;

- which are based on the fact that the software was changed by the Customer or a third party without authorization.

11.5 Furthermore, Festo shall not provide any warranty for components or modules supplied free of charge by other manufacturers (third-party software), in particular open-source software, which can be used in connection with the software provided by Festo

11.6 In the event of defects within the meaning of Section 11.2 occurring, the Customer shall be obliged to provide Festo with all information necessary for error analysis and subsequent performance and to grant Festo or the persons commissioned by Festo unrestricted access to the software and the system of the Customer on which it is installed. An error message shall contain information about the type of error, the application in which the error occurred, and the work performed to correct the error. If Festo carries out an error analysis at the Customer's request and it turns out that there is no error which Festo is obliged to remedy, Festo can invoice the Customer for the corresponding expenditure on the basis of Festo's applicable hourly rates.

12. Liability of Festo

12.1 Festo shall not be liable for loss of revenue, profits, or production, or for special, indirect, incidental, or consequential loss or damage, unless its directors, or management personnel acted wilfully. Customer waives the right to seek punitive damages in any jurisdiction that permits such damages.

12.2 Festo's liability under these GTC and/or in connection with the sale of products and/or provision of services, including whether asserted as a tort claim or contract claim (for the avoidance of doubt, for all cumulative incidents and not for each incident separately), howsoever arising, shall not exceed the total amount of purchases paid by the Customer to Festo under the contract between them during the twelve (12) months preceding the date on which the claim arose

12.3 Insofar as Festo's liability is excluded or limited, this shall also apply to the personal liability of Festo's employees, workers, staff, representatives and vicarious agents.

13. Product liability

13.1 The Customer shall not modify or remove existing warnings about dangers arising from improper use of the products. If the Customer modifies the product or uses the product for purposes other than those for which it was intended, this shall be at the Customer's own risk.

13.2 In the event of a breach of the obligation according to Section 13.1 sentence 1 and if the Customer modifies the product or uses the product for purposes other than those for which it was intended according to Section 13.1 sentence 2, the Customer shall indemnify Festo internally against all resulting claims by third

parties, irrespective of the legal grounds, unless the Customer has acted without fault.

- 13.3 If Festo is prompted to recall or warn of a product due to a product defect in the products, or if Festo deems a product recall to be indicated for safety reasons, the Customer shall cooperate to the best of its ability in the measures which Festo considers necessary and expedient and which support Festo in this, in particular in determining the necessary Customer data.
- 13.4 The Customer shall immediately inform Festo in writing of any risks that become known to him or her when using the products and of possible product defects.

14. Force majeure

- 14.1 Failure on the part of Festo to fulfill any obligation or meet any of the terms and conditions herein or under any agreement with the Customer due to Force Majeure shall not constitute a breach of this Agreement and shall excuse Festo from any action by Customer. "**Force Majeure**" means any circumstances which are beyond Festo's control, including acts of war, riot, strike, earthquake, fire, flood, epidemic, public health restrictions, delay in transportation, shortage of labor and/or raw materials, strikes, changes in laws, regulations and/or standards, as well as any resumption or increase in the severity of any of the foregoing and any governmental action or restriction imposed. It is hereby clarified that increase in severity of the Covid-19 pandemic, war in Israel, and/or the crisis between Russia and Ukraine may constitute Force Majeure.
- 14.2 If the Force Majeure event lasts for a period longer than 90 days, Festo is entitled to withdraw from the contract.

15. Retention of title

- 15.1 The delivered products shall remain the property of Festo until full payment of the delivery price and all claims to which Festo is entitled from the business relationship with the Customer.
- 15.2 Risk of loss of or damage to the products shall pass to the Customer as soon as the products are handed over to the person carrying out the transport, as further detailed in Section 7 above.

16. Confidentiality

- 16.1 The Customer shall be obliged to keep secret all information which becomes accessible to it and which is designated as confidential by Festo or which is recognisable under other circumstances as business or trade secrets of Festo for a period of five years from delivery and not to record it, pass it on or exploit it, unless required for the business relationship. Prices and other contractual provisions shall also be treated as business or trade secrets.
- 16.2 The obligation to maintain confidentiality shall not apply if the information was demonstrably known to the Customer prior to the commencement of the contractual relationship with Festo or was generally known or accessible prior to the commencement of the contractual relationship with Festo or becomes

generally known or accessible through no fault of the Customer. The Customer bears the burden of proof.

- 16.3 The Customer shall ensure by means of suitable contractual agreements with the employees and agents working for it, in particular its freelancers and the contractors and service providers working for it, that for a period of five years from delivery these also refrain from any own exploitation, passing on or unauthorised recording of such business and trade secrets.

17. Compliance

The Customer shall comply with Festo's "Code of Conduct for Business Partners" (available at https://www.festo.com/group/de/repo/assets/pdf/corporate/Code_of_Conduct_for_Business_Partners_EN.pdf).

18. Final provisions

- 18.1 The transfer of rights and obligations of the Customer to third parties is only possible with the prior written consent of Festo.
- 18.2 The Customer shall only be entitled to offset counterclaims if they are legally established or undisputed.
- 18.3 The Customer can only assert a right of retention if his or her counterclaim is based on the same contractual relationship.
- 18.4 The legal relationship between the Customer and Festo shall be governed exclusively by the laws of the State of Israel, without reference to its conflicts of law's provisions and, excluding the rules of private international law and all bilateral and/or multilateral agreements on the sale of goods and in particular to the exclusion of the United Nations Convention on the International Sale of Goods (CISG).
- 18.5 Festo and Customer agree that all disputes hereunder shall be solely and exclusively determined by the competent courts of Tel Aviv, Israel. Notwithstanding the above, in the event that Festo requires immediate injunctive relief, such as but not limited to, in order to prevent any infringement of its intellectual properties and/or unauthorized disclosure of its confidential information, Festo may initiate appropriate legal proceedings and seek such injunctive relief before the competent courts in any territory where such infringement or unauthorized disclosure takes place or is about to take place, and in such cases lex fori shall apply to such proceedings.
- 18.6 Unless otherwise agreed, the place of performance for all services provided by the Customer and Festo shall be the registered office of Festo.