## **GENERAL TERMS AND CONDITIONS OF PURCHASE**

- 1. Scope and Acceptance. When Netafim Irrigation India Pvt. Ltd.'s engagement with a supplier to purchase goods and/or services (collectively, "Items"), is done via issuance of individual purchase orders (the "Purchase Order"), then the Purchase Order, as applicable, along with these Terms and Conditions of Purchase, constitutes the entire and exclusive agreement ("Agreement") between the supplier identified in the Purchase Order (the "Supplier") and Netafim Irrigation India Pvt. Ltd. ("Netafim India") for the purchase of such Items. No change, additional or modified term, or revision to this Agreement will be effective unless set forth in a record that is signed by a duly authorized representative of Netafim India. If the Supplier proposes its own terms and conditions, then such terms and conditions shall not be binding on Netafim India save to the extent they are expressly accepted in writing by an authorized Netafim India representative and include a specific waiver of this Agreement. Acceptance of and/or payment for Items by Netafim India shall not be construed as acceptance by Netafim India of Supplier's terms and conditions even if Netafim India is aware of such terms and conditions. Supplier's signature on a Purchase Order or commencement of performance constitutes Supplier's acceptance of these terms and conditions.
- 2. Confidentiality Undertaking and Prohibited Activities. A. General. Supplier shall treat and maintain all Confidential Information (as such term is defined herein) in the strictest confidence, using a degree of care considered acceptable and reasonable in the industry, and in any event not less than that degree of care that the Supplier uses to protect its own Confidential Information. "Confidential Information" shall mean confidential or proprietary information concerning Netafim India or any of Netafim India 's processes, inventions, formulas, IP Rights, customers, suppliers, prices, business and financial information, any commercial sensitive information or any trade secret which has heretofore or may hereafter be disclosed to Supplier, provided that disclosure of Confidential Information shall be permitted if (i) expressly assented to in writing by Netafim India; (ii) or such Confidential Information is in the public domain or was known to, or developed independently by, the Supplier, without any breach of this Agreement; or (iii) the disclosure of such Confidential Information is required under any applicable law. This obligation will survive termination of this Agreement for a period of 5 years. B. Further Information. On request, and in any event, upon termination of this Agreement, Supplier will either destroy or return all Confidential Information to Netafim India, according to Netafim India's instructions. C. Prohibited Activities. Supplier will not reverse engineer, develop, design, manufacture, refurbish, sell or offer for sale any Items about which Supplier has received or obtained Information or assist any third party to perform any of such activities. D. Injunctive Relief. Supplier understands that any violation of this section may cause immediate and irreparable harm to Netafim India, which monetary damages cannot adequately remedy. Therefore, Supplier hereby agrees that injunctive relief may be sought against it, in order to remedy, or to prevent, a violation hereof. Supplier shall obtain Netafim India's written consent prior to any publication, presentation, public announcement, or press release concerning its relationship as a supplier to Netafim India. Any knowledge or information that Supplier may disclose to Netafim India shall not be deemed to be confidential information and shall be acquired by Netafim India free from any restrictions as to use or disclosure thereof, unless Netafim India agrees to accept confidential information from Supplier pursuant to a duly executed nondisclosure agreement defining Netafim India's obligations with respect to such information.
- **3. Warranty.** A. General. Supplier warrants that, for a minimum period of 24 months after delivery to Netafim India, or for the warranty period it generally provides its customers, whichever comes later, all Items shall be free from defects in design, workmanship, material, and manufacture and free form computer viruses and malfunctioning; shall be of merchantable quality and be fit and suitable for the purpose intended by Netafim India; all Items shall comply with the requirements of this Agreement, including conforming to and/or performing in accordance with any of Netafim India's specifications, drawings or samples; all Items shall consist of new (not used or recycled) material; Netafim India shall acquire good and marketable title to all Items, free and clear of all liens, claims and encumbrances; and all Items shall be supplied in a





workmanlike and professional manner in accordance with the highest industry standards. The foregoing warranties are in addition to all other warranties, express or implied, and survive delivery, inspection, acceptance, or payment by Netafim India. B. Infringement. Supplier warrants that all Items, the sale of Items by Supplier, and the use and sale of Items by Netafim India are and will be free from liability for infringement of, or claim of royalties for, patent rights, copyright, trademark, trade secrets or confidential or proprietary intellectual property rights, mechanic's liens and other encumbrances of any person or entity (collectively "Rights and Encumbrances"). C. Remedies. If an Item does not meet its warranty requirements, then in addition to remedies available under applicable law, Netafim India may, at its option, require Supplier to replace the Item or repair the Item; return the Item to Supplier and recover the purchase price; correct the Item itself and charge Supplier the reasonable cost of correction; or return the Item to Supplier, purchase a comparable Item in the open market, and charge Supplier with differential cost (including expedited manufacturing and delivery charges, if applicable).

- **4. Inspection.** Items are subject to inspection and test by Netafim India at reasonable times and places, including during the period of manufacture, and in any event, at any time prior to final acceptance. Supplier shall provide all reasonable facilities and assistance for the safety and convenience of Netafim India 's personnel engaged in such testing. Items are not considered to be accepted due to any preliminary inspection or payment of any invoice. If rejected or required to be corrected, Items shall be returned to Supplier for a refund or credit, replaced or corrected, in the most expeditious manner possible, by and at the expense of Supplier as directed by Netafim India (including storage charges, while awaiting Supplier's return shipping instructions). Any payment by Netafim India to Supplier for work prior to Netafim India's rejection of such Items as non-conforming will not be deemed as acceptance by Netafim India.
- **5. Disclaimer and Limitation of Liability for Damages.** IN NO EVENT SHALL NETAFIM INDIA BE LIABLE TO SUPPLIER OR TO ANY OTHER PERSON OR ENTITY UNDER ANY EQUITY, COMMON LAW, TORT, CONTRACT, ESTOPPEL, NEGLIGENCE, STRICT LIABILITY, OR OTHER THEORY, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, CONSEQUENTIAL OR CONTINGENT DAMAGES, OR ANY DAMAGES RESULTING FROM LOSS OF SALE, BUSINESS, PROFITS, DATA, OPPORTUNITY OR GOODWILL, EVEN IF NETAFIM INDIA HAS BEEN ADVISED OR KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.
- 6. Intellectual Property Rights and Licenses. A. Transfer to Netafim India. As partial consideration for this Agreement, any rights arising under any patent, copyright, trade secret, trademark, know-how, mask works, moral rights, or other intellectual property rights under any jurisdiction (collectively, "IP Rights"), that are created, conceived, made or reduced to practice by or for Supplier and that are related to Items, are hereby irrevocably assigned and transferred to Netafim India by Supplier, and Supplier shall cause its employees, agents, contractors and sub-tier suppliers (regardless whether they sell directly to Supplier) to also assign and transfer all such IP Rights to Netafim India unless such IP Rights (a) were developed independent of, and do not contain or reflect the assistance (financial or otherwise), collaboration, input, involvement, development efforts, or creative or inventive contribution of Netafim India or Netafim India employees, consultants, contractors or other suppliers, and (b) do not reflect or rely upon Netafim India's Proprietary Information and/or Confidential Information, and are not an improvement, enhancement, modification, or derivative work of any IP Right belonging to Netafim India or transferred to Netafim India by this Section. B. License to Netafim India. If any Item incorporates or relies upon any IP Rights created, conceived, made or reduced to practice by or for Supplier that are not transferred to Netafim India by this Section (collectively "Supplier IP Rights"), then Supplier, as partial consideration for this Agreement, grants to Netafim India an irrevocable, perpetual, non-exclusive, royalty free, paid-up, world-wide right and license, with rights of sublicense, to use, distribute, import, improve, sell and have sold such Supplier IP Rights as is necessary for Netafim India to fully exploit the Items. Netafim India shall also be entitled to grant licenses to its customers to use such Supplier IP Rights as related to the operation of Netafim India's products. C. No Unauthorized Modification of Netafim India IP Rights. Supplier shall not (and shall cause its employees,





agents, contractors and sub-tier suppliers not to) improve, enhance, or modify IP Rights of Netafim India without Netafim India's prior written consent; if such an improvement, enhancement, or modification is nevertheless made, Supplier hereby irrevocably assigns and transfers to Netafim India, and Supplier shall cause its employees, agents, contractors, and sub-tier suppliers (regardless of whether they sell directly to Supplier) to also assign and transfer to Netafim India, all IP Rights in each such improvement, enhancement, or modification. If any of the foregoing transfers and assignments are to any extent ineffective, Supplier shall grant to Netafim India an irrevocable, perpetual, royalty free, non-exclusive, paid-up world-wide right and license with rights of sublicense, to use, distribute, import, improve, sell and have sold, and make and have made such modifications to Netafim India's IP Rights.

- 7. Responsibility for Goods; Risk of Loss. Notwithstanding any prior inspections, Supplier bears all risks of loss, damage, or destruction to Items until final acceptance by Netafim India at Netafim India's delivery destination. Supplier bears all risks with respect to any Items: (a) rejected by Netafim India; or (b) required to be remedied or corrected; provided, however, that Netafim India shall be responsible for loss occasioned solely by willful misconduct of Netafim India's employees acting within the scope of their employment. Items shall be shipped to Netafim India by Supplier in accordance with the terms of this Agreement.
- 8. Cancellation. A. General. Netafim India may cancel the Purchase Order, this Agreement, or both, in whole or in part by written or electronic notice, if Supplier: (1) fails to deliver Items in accordance with specified delivery times, Item requirements or other specifications; (2) fails to replace or correct defective Items as Netafim India requires; (3) fails to comply strictly with any provision of or repudiates this Agreement; (4) becomes insolvent, files a petition for relief under any bankruptcy, insolvency or similar law, makes an assignment for the benefit of its creditors, or takes any action for (or in anticipation of) any of the foregoing or (5) there is a material change in control or ownership of Supplier's business. B. Upon Cancellation. Upon cancellation pursuant to this Section, Supplier shall: (1) supply any portion of the Items for which this Agreement is not cancelled; (2) be liable for additional costs, if any, for the purchase of similar goods and services to cover such default; and (3) at Netafim India's request, transfer title and deliver to Netafim India: (a) any completed Items, (b) any partially completed Items and (c) all unique materials and tooling. Prices for partially completed Items and unique materials shall be negotiated, but in no event shall they exceed the price set forth herein. Netafim India's rights and remedies as described herein are in addition to any other rights and remedies provided at law or in equity.
- 9. Indemnity by Supplier. Supplier shall defend, indemnify and hold harmless Netafim India (and its officers, directors, agents and representatives and affiliates) from and against any and all claims, suits, losses, penalties, damages (whether actual, punitive, consequential or otherwise) and associated costs and expenses (including attorney's fees, expert's fees, and costs of investigation) and all liabilities that are caused in whole or in part by: (a) any actual or alleged infringement of any Rights and Encumbrances; (b) any breach by Supplier of this Agreement; (c) any negligent or intentional act, error or omission by Supplier, its employees, officers, agents or representatives in the performance of this Agreement; (d) any act or omission of Supplier, its employees or agents in connection with the performance of any Purchase Order; or (e) any claims that are for, in the nature of, or that arise under warranty, strict liability or product liability with respect to or in connection with the Items. Nothing in this section shall limit any other remedy available to Netafim India.
- 10. Force Majeure. A failure by either party to perform its obligations due to causes beyond the control of and without the fault or negligence of such party is deemed excusable during the period in which such cause of failure continues. Such causes may include acts of God, or the public enemy, acts of Government (in sovereign or contractual capacity), accidents, fire, flood, epidemic, pandemic, lockout, strike, freight embargo or unusually severe weather. When Supplier becomes aware of any actual or potential force majeure condition, Supplier shall immediately notify Netafim India of such force majeure condition. Supplier is not excused from any of its obligations pursuant to this Agreement due to any reasonably foreseeable or





preventable situation (including, but not limited to, late or insufficient deliveries by other suppliers, personnel turnover, labor disputes or strikes involving Supplier's own personnel or third party equipment).

- 11. Shipping and Delivery. Time is of the essence. No partial delivery or delivery of added quantities shall be made unless Netafim India has given prior written consent. All prices for Items shown in this Agreement shall be deemed to include any fees or costs related to handling, packaging, crating, export, insurance, shipping or other related delivery expenses unless otherwise set forth in this Agreement. Unless specifically approved by Netafim India in advance and in writing, Netafim India shall not be responsible for delivery costs and expenses (i) for a service level (ground, air, second-day, next-day) that exceeds the authorized shipping service level; (ii) in excess of the costs determined by Netafim India; (iii) for Supplier to use expedited delivery methods; or (iv) incurred in connection with the transportation of Items between Supplier and a sub-tier supplier or any other supplier. Netafim India may recover and offset or adjust payment for those delivery costs and expenses that Netafim India incurs, and for which Netafim India is not responsible under this Section. Supplier will preserve, pack, and handle the Items so as to protect the Items from loss or damage and in accordance with best commercial practices in the absence of any specifications that Netafim India may provide. Delivery method and delivery dates shall be as set out in the Purchase Order.
- 12. Termination for Convenience. Netafim India may terminate the Purchase Order, this Agreement, or both for its convenience in whole or in part at any time by written or electronic notice. Upon such termination, Supplier shall, to the extent practicable and at the time specified by Netafim India, stop work and terminate outstanding orders under the Agreement, protect all property in which Netafim India has or may acquire an interest, and transfer title and make delivery to Netafim India of all Items, materials or other property held or acquired by Supplier in connection with the terminated portion of this Agreement. Netafim India's maximum liability for Items related to such termination shall be a pro-rata amount of the total Agreement price, less advances or other payments, based upon the price for Items delivered or completed prior to termination, and the actual costs (including a reasonable profit) for work in process incurred by Supplier which are allocable to the terminated portion of this Agreement. Netafim India shall have no liability at law or in equity under this Section.
- 13. Change Orders. By written notice, Netafim India may suspend performance under this Agreement, change the quantities of Items, extend or shorten delivery requirements or make other changes within the general scope of this Agreement, including without limitation, to: (a) applicable specifications, drawings, and other documents; (b) method of shipment or packing; and (c) the place or date of delivery, inspection or acceptance. If such a change causes an increase in the cost of or time required for Supplier's performance, then an equitable adjustment shall be made in the price or other terms of this Agreement if requested by Supplier in writing prior to change implementation and subject to mutual consent of Netafim India and Supplier. Supplier shall continue with performance of this Agreement in accordance with the notice of change or amendment. A change by Netafim India pursuant to this Section shall not constitute a breach or default by Netafim India.
- **14. Invoices; Payment Terms.** Invoices shall contain purchase order number, a description of Items, quantities, unit prices, extended totals, applicable taxes and any other information specified by Netafim India. Payment of an invoice shall not constitute acceptance of Items and shall be subject to adjustment for errors, shortages, defects, or other causes. Netafim India may set off any amount owed by Netafim India against any amount owed by Supplier or any of its affiliated companies to Netafim India. Payment in connection with any discount term will be calculated from: (a) scheduled delivery date, (b) actual delivery date, or (c) the date an acceptable invoice is received, whichever is latest; payment under a discount term is deemed made on the date of mailing of Netafim India's check. If payment is made electronically, payment shall be deemed made when the Supplier's depository institution receives or has control of the payment.
- **15. Taxes.** Goods and Service Tax ("**GST**") which, if applicable, shall be at the rate valid at the time of delivery. Supplier is responsible for all taxes imposed by any taxing authority or government entity in connection with





any Purchase Order. Each payment to be made by Netafim India under a Purchase Order shall be subject to any deduction, withholding or set-off of tax as may be required under applicable laws, and Supplier will upon request provide Netafim India with appropriate tax documentation that is necessary to prevent or minimize such deduction, withholding or set-off of tax. Every invoice must include Supplier's GST Identification Number. Any liability arising out of the default of Supplier to comply with provisions under applicable laws, including but not limited to filing of returns, shall be attributed to the Supplier alone and shall be recovered by Netafim India from the Supplier.

**16. Insurance**. Supplier will secure and maintain insurance providing coverage for liabilities to third parties for bodily injury (personal injury) and damage to property in amounts sufficient to protect Netafim India in the event of such injury or damage, and will be in compliance with any and all laws, regulations or orders addressing the liabilities of an employer to its employees for injuries suffered in connection with employment. Supplier will further maintain such additional types of insurance as is customary for a company of similar size and similar operations to Supplier in the jurisdiction or jurisdictions in which Supplier's operations take place and in any event an insurance sufficient in order to cover its obligations under this Agreement.

17. Compliance. A. Supplier warrants and represents that no applicable law, rule, regulation, order or ordinance of any state, any governmental agency or authority of any country has been violated in supplying the Items ordered herein B. Anti-Corruption and Anti Bribery Laws and Conduct: The Supplier, including its applicable stakeholders, including, inter alia, any owner, shareholder (direct or beneficial), officer, director, employee, agent, third party representative, subcontractor, contractor or other individual with any direct or indirect beneficial interest, shall comply with Anti-Corruption Laws (defined below) and shall not cause Netafim India, its subsidiaries or affiliates (collectively, "Affiliates") to be in violation of any Anti-Corruption Law. "Anti-Corruption Laws" mean collectively applicable foreign and domestic anti-bribery and anticorruption laws, regulations, orders, judicial decisions, conventions and international financial institution rules regarding domestic or international corruption, bribery, ethical business conduct, money laundering, political contributions, gifts and gratuities, or lawful expenses to public officials and private persons, agency relationships, commissions, lobbying, books and records, and financial controls. The Supplier represents and warrants that it, its owners, directors, employees and its agents, and employees have not and will not pay, offer, or promise to pay any money, financial benefit or thing of value to any government, or party official, candidate or employee at any level, including employees of state owned or controlled enterprises ("Government Officials") (i) for the purpose of influencing any act or decision of such person or party in order to obtain or retain business, or to direct business to any person; or (ii) with regards to Government Officials and/or private individuals, to induce that person to, or reward that person not to perform its functions in connection with that person's employment or engagement. The Supplier further represents that the Supplier, nor any of its Affiliates or representatives have, directly or indirectly, taken any action that would cause them to be in violation of any Anti-Corruption Laws. The Supplier represents and warrants that no owner, shareholder (direct or beneficial), officer, director, employee, agent, third party representative, subcontractor, contractor or other individual with any direct or indirect beneficial interest in Supplier or Supplier's payments under this Agreement, or any immediate family relation of any such person (collectively, "Interested Persons"), is a foreign Public Official or Entity. A "Public Official or Entity" means (i) an officer, employee, agent, contractor or representative of any government or military, including, but not limited to, a customs official; (ii) any department, agency, corporate entity, instrumentality or political subdivision of any government or military; (iii) any person or commercial entity acting in an official capacity for or on behalf of any government or military; (iv) any candidate for political office, any political party or any official of a political party. Supplier shall notify the Company immediately if it learns at any time during the term of this Agreement that (i) an Interested Person becomes a foreign Public Official or Entity, or (ii) a foreign Public Official or Entity acquires an ownership, voting, or economic interest in Supplier or a legal or beneficial interest in Supplier's payments under this Agreement. C. The Supplier (a) is not a Sanctioned Person, (b) has not, in the past five





(5) years engaged in, has any plan or commitment to engage in, direct or indirect dealings with any Sanctioned Person or in any Sanctioned Country, or (c) has in the past five (5) years violated, or engaged in any conduct sanctionable under, any Sanctions Law, nor been the subject of an investigation or allegation of such a violation or sanctionable conduct. The Supplier shall conduct itself in accordance with Sanction Laws for the purposes of this Agreement. For the purposes herein, "Sanctioned Person" means, at any time, (a) any person listed in any sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or by the United Nations Security Council, the European Union or any European Union member state, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b). "Sanctioned Country" means at any time, a country or territory which is the subject or target of any economic or financial sanctions or trade embargoes. "Sanction Laws" means laws and executive orders of the United States of America, the United Nations Security Council, the European Union the United Kingdom, and the applicable laws of the jurisdictions under which the Supplier operates, imposing economic or financial sanctions or trade embargoes, and regulations implementing such laws and executive orders. D. Privacy. Supplier shall comply with the applicable laws pertaining to privacy in its jurisdiction or jurisdiction of activities pertaining to its relationship with Netafim India. In the event of a breach of the obligations contained in this section 16, the Agreement is void and the Company may cease making any subsequent payments hereunder.

18. Miscellaneous. A. Assignments and Subcontracting. No right or obligation under this Agreement and/or Purchase Order may be assigned or subcontracted by Supplier without prior written consent of Netafim India. Netafim India may assign the rights and/ or obligations of this Agreement in whole or part at any time. B. Waiver. If Netafim India fails to insist on performance of any term or condition, or fails to exercise any right or privilege hereunder, such failure shall not constitute a waiver of such term, condition, right or privilege. C. Survival of Obligations; Severability. Provisions of this Agreement including but not limited to Warranty, Indemnity by Supplier, Intellectual Property Rights and Licenses, Confidentiality Undertaking and Prohibited Activities, or like, which by their nature should survive termination of this Agreement shall survive. Any provision of this Agreement that is held unenforceable or invalid for any reason shall be severed and the remainder of the Agreement shall continue in effect. D. Full Power; Compliance with Laws. Supplier warrants and represents that it has full power to enter into the Purchase Order and to perform its obligations under the Purchase Order and the Agreement. E. Dispute Resolution. The parties shall endeavor to settle any disputes or differences arising in connection with this Agreement amicably between themselves. Should they fail to agree, all matters in dispute arising from this Agreement shall be finally determined in accordance with the Arbitration & Conciliation Act, 1996 or any statutory modifications or re-enactment thereof. The Parties hereby unanimously agree to refer the dispute to the sole arbitration of an advocate of Gujarat High Court for adjudication of the dispute. The venue of arbitration shall be Ahmedabad and the decision of the arbitrator shall be final and binding on the Parties. The proceedings will be conducted in English language. Cost of arbitration shall be shared equally between Parties. This Agreement shall be governed by Indian laws. F. Notices or other communications. Notices provided for in these Terms shall be in writing and shall be delivered, given or otherwise provided (i) by hand, in which case, will be effective upon delivery, (ii) email, in which case, on the date sent if sent during normal business hours of the recipient, and on next business day if sent after normal business hours of the recipient, or (iii) by overnight delivery by recognized courier service, prepaid for next day delivery, in which case, it will be effective two (2) business days after being deposited with such courier service. G. Relationship of Netafim India and Supplier. The relationship of Netafim India and Supplier is that of independent contractors. Nothing in this Agreement shall be construed as creating a partnership, joint venture, employment, or other relationship between Netafim India and Supplier and their respective shareholders, directors, employees and/or consultants. H. Conflict. If there is a conflict between or among a Purchase Order and these general terms and conditions of purchase (the "Terms"), such a conflict will be resolved in favor of these Terms.



