



PLEASE CAREFULLY READ THE FOLLOWING GENERAL TERMS AND CONDITIONS OF SALE OF GOODS BEFORE ORDERING ANY GOODS. BY CLICKING THE "I ACCEPT" BUTTON YOU (EITHER INDIVIDUALLY OR ON BEHALF OF THE ENTITY OR COMPANY THAT YOU DULY REPRESENT) ARE ACCEPTING AND AGREEING TO BE UNCONDITIONALLY BOUND BY THESE TERMS AND CONDITIONS. YOUR CONTINUED USE OF THE WEBSITE AND THE PURCHASE OF GOODS/SERVICES SHALL ALSO CONSTITUTE YOUR CONSENT TO THESE TERMS AND CONDITIONS. IF YOU DO NOT UNCONDITIONALLY AGREE TO ALL OF THE TERMS OF THESE TERMS AND CONDITIONS, DO NOT CLICK ON THE "I ACCEPT" BUTTON AND CEASE ALL USE OF THE WEBSITE. YOU SHOULD PRINT A COPY OF THIS AGREEMENT FOR FUTURE REFERENCE.

## **GENERAL TERMS AND CONDITIONS OF SALE OF GOODS**

### **1. BASIS OF CONTRACT.**

These General Terms and Conditions of Sale of Goods ("Terms") constitute a legal agreement between RISCO Ltd., a corporation incorporated under the laws of the State of Israel and with registered offices at 14 Chomat St. Rishon LeZion, Israel ("RISCO", "Us," "We," or "Our") and you which governs your purchase of goods through our Website.

1.1. The term "Customer" shall mean you ("You") being the party placing a purchase order or otherwise desiring to purchase products from RISCO. The term "Goods" or "Products" means the goods/services set out by RISCO in a written order confirmation.

1.2. By processing an order via Your credit account at RISCO, YOU AGREE THAT YOU HAVE ENTERED INTO A LEGAL AND ENFORCEABLE ONLINE CONTRACT WITH RISCO Ltd., AND ACCEPT THAT THE TERMS AND CONDITIONS AS STATED IN THESE "TERMS AND CONDITIONS OF SALE OF GOODS" WILL GOVERN YOUR PENDING TRANSACTION WITH RISCO Ltd.

1.3. These Terms as amended from time to time (collectively "Agreement") shall apply to any and all orders that you place on this website ("Website") online and constitute a binding contract between You and RISCO for the sale and purchase of Goods. These Terms prevail over any terms in any documents of the Customer. We reserve the right to amend or change the Terms at any time, with details of any and all amendments published on our Website. In order to place an order and to enter into a legally binding contract with us, you must be over 18 years old. RISCO reserves the right to refuse to accept your Order if it finds that you are in breach of this Agreement.

### **2. ORDERS**

2.1. A purchase order ("Order") placed via Our Website constitutes an offer by You to purchase Goods in accordance with this Agreement. After you submit an Order you will receive a notice that the requested Goods are in stock and available for shipment at the delivery schedule provided by RISCO or currently out of stock and available as a back order. In the event that the Goods are currently out of stock and you don't agree to the terms of the back order the Order will terminate. Your order will only be deemed to be accepted when you receive the following message on the screen "Order submitted successfully" with an Order number and thereafter, on the "Pending Order" screen, for the same Order number the status shows: "Web Despatch". If you have a valid Credit Line with RISCO the Order shall be deemed finally "Confirmed" upon receiving RISCO's confirmation. If you don't have a valid credit with RISCO, the Order shall be deemed confirmed only upon successful completion of payment process using Credit Card (i.e. receipt of credit company's approval for the payment transaction). The foregoing approval shall be referred to as "Order Confirmation" at which point a contract will come into existence to which these Terms apply in their entirety and without exception.

2.2. Verbal orders will be accepted by Us at Your risk. The conversations are sometimes taped and may sometimes be listened to by US, for monitoring purposes. Our records will be conclusive evidence as to the content thereof and Your verbal requests and/or instructions will be agreed with You before Your Order is confirmed and/or processed. In placing an Order with Risco other than via the Website, You accept and acknowledge that these Terms will apply in their entirety and without exception.

2.3. Once Your Order has been confirmed under status (as per Section 2.1 above), it may not be cancelled or rescheduled without RISCO's written consent. All Orders must include delivery dates, quantities and complete description of Goods being purchased including such other information as may be requested by RISCO from time to time. RISCO may designate certain Goods as non-cancellable ("NC"), non-returnable ("NR") or customer specific ("CS") Goods and the sale of such Goods shall be subject to the special terms and conditions contained in a separate agreement with any such Customer, which shall prevail and supersede any inconsistent terms and conditions contained herein or elsewhere, except any terms and conditions which are not severable by law.

2.4. In order to be able to purchase Goods through the Website, You are required to complete the registration process and establish a user account. Upon completion of such registration, You shall be granted user name and password to your own user account (the “**User Account**”). By opening the User Account You hereby agree to be responsible for securing your password and log in procedure details. Any purchase of Goods through the Website shall be regulated through your designated User Account.

### 3. **PRICES**

3.1. Our prices are given in the currency determined in the establishment of the User Account and are subject to change at Our absolute discretion and without notice. Our Website and marketing and Product materials contain a large number of Goods. It is possible that, despite Our best efforts, some of the Goods listed may be incorrectly priced. RISCO will verify prices when processing Your Order and as part of our dispatch procedures. The price of the Goods shall be the price as at the date of Order Confirmation notwithstanding any price specified in any other instrument, and will be invoiced to You at that price. Pricing for undelivered Goods may be increased in the event of any increase in RISCO's cost, change in market conditions or any other causes beyond RISCO's reasonable control.

3.2. RISCO shall be under no obligation to supply the Goods to Customer at an incorrect (lower) price even after status of Order is Confirmed. RISCO has sent confirmation of dispatch, if the pricing error is obvious and unmistakable and could have reasonably been recognized by Customer as a mispricing.

3.3. Prices are Door to Door (i.e. Ex works (incoterms 2010) RISCO's distribution center in any location determined by RISCO (“**Distribution Center**”) plus additional payment for transportation and insurance according to the price list (as may be amended from time to time) posted on the Website). You agree to indemnify and hold RISCO harmless for any liability for tax in connection with the sale, as well as the collection or withholding thereof, including penalties and interest thereon. Where applicable, transportation shall appear as separate item on RISCO's invoice.

### 4. **PAYMENT TERMS**

4.1. Payment shall be made according to terms of payment and currency specified on the front of RISCO's invoice or set out on the Website or as notified to the Customer by any other means from time to time. Payment shall be made in full in cleared funds using Credit Card (subject to credit card company approval) or Credit Line (if applicable). RISCO at all times maintains a secure system for online payment. Time of payment shall be of the essence. The Customer may not withhold payment of any invoice or other amount due to RISCO by reason of any right of setoff or counterclaim which You may have or allege to have or for any other reason whatsoever.

4.2. If You fail to make any payment due to RISCO by the due date for payment then RISCO reserves the right to:

4.2.1. charge default interest (without notice) at the rate of 8% above currency LIBOR interest rate per annum. Such default interest shall accrue until the date payment in full is received by Us in cleared funds, including all accrued interest; and/or

4.2.2. charge a reasonable administration fee to reflect the costs incurred by RISCO in recovering such debt, including any fees payable by RISCO to any debt recovery agency appointed to recover such debt on RISCO's behalf.

4.2.3. treat such failure as repudiation of the Agreement and recover damages for breach of Agreement, subject to these Terms.

4.3. In the event that RISCO agrees in writing to receive payment by installments, any overdue payment shall cause the entire outstanding payment amount to become due for immediate payment, and said amount shall bear interest as set forth in clause 4.2.

4.4. RISCO reserves the right to conduct a credit check against You and may request prepayment or a bank guarantee in a form to be approved by RISCO and issued by a bank acceptable to it in an amount not exceeding the total price of the Order. If You fail to make payment for the Goods ordered, or if, in RISCO's opinion, a change in Your financial circumstances creates reasonable concerns as to Your credit rating, RISCO may at any time request (additional) guarantees or may demand prepayment before delivery of any part of the Goods.

4.5. RISCO reserves the right to establish and/or change credit and payment terms extended to You at any time when, in RISCO's sole opinion, Your financial circumstances or previous payment record warrants such action. Further, on delinquent accounts, RISCO shall not be obliged to continue performance under this or any other agreement with You.

4.6. If RISCO believes in good faith that your ability to make payment may be impaired or if You fail to pay any invoice when due, RISCO may suspend delivery of any Order or any remaining balance thereof until outstanding payments are made, or We may cancel any Order or any remaining balance thereof, and You will remain liable to pay for any Goods already shipped and all NC, NR and CS Goods ordered.

### 5. **TITLE**

5.1. Legal and beneficial ownership in the Goods shall remain with RISCO and will not pass to Customer until RISCO has received in full in cleared funds all amounts owed by Customer with respect to: (a) the Goods; (b) any other Goods that RISCO has supplied to Customer; and (c) any other charges or fees due from the Customer to RISCO.

5.2. Until title to the Goods has passed to the Customer, the Customer shall: (a) hold the Goods on a fiduciary basis as RISCO's bailee; (b) store the Goods separately from all other goods held by Customer so that they remain readily identifiable as RISCO's property; (c) maintain the Goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery; (d) notify RISCO immediately if it becomes subject to any event of force majeure; and (e) give RISCO such information relating to the Goods as RISCO may reasonably require from time to time. However, the Customer may resell or use the Goods in the ordinary course of its business.

5.3. For as long as payment is overdue for all or part of a certain shipment, the Customer shall, if requested by RISCO, return the shipment to RISCO. If Customer refuses to return the shipment when so requested, RISCO or its duly authorized agent is hereby irrevocably authorized by the Customer to enter into the Customer's premises during normal business hours to take possession of the shipment.

5.4. RISCO retains any security provided in respect of the Goods delivered to Customer, including accounts receivable (collectively, the "**Collateral**") to secure payment of any and all amounts due under this Agreement or any other agreement between RISCO and Customer. The Customer's failure to pay any and all amounts when due and payable will constitute a default of this Agreement and will give RISCO all rights of a secured party. If the Customer fails to pay any amount when due, RISCO shall have the right to repossess and remove all or any part of the Collateral from the Customer, but not from Customer's customers. Any repossession or removal shall be without prejudice to any other remedy of RISCO hereunder, at law or in equity. The Customer agrees, from time to time, to act on and/or execute and deliver any document reasonably requested by RISCO to transfer, create, perfect, preserve, protect and enforce the security provided.

## 6. **DELIVERY**

6.1. The ordered Goods are delivered on terms agreed with the Customer as part of the confirmed Order. Packaging is done according to RISCO's policies.

6.2. Risk of loss in any and all Goods supplied (Ex works (incoterms 2010) RISCO's Distribution Center shall pass to Customer Upon Customer's receipt of the Goods and execution of Proof of Delivery ("**POD**") form by Customer. ANY AND ALL CLAIMS FOR LOSS OR DAMAGE IN TRANSIT TO GOODS DELIVERED DOOR TO DOOR MUST BE MADE TO Us AND NOTED ON THE POD.

6.3. The time or date given to You by RISCO for either the dispatch or delivery of the Goods shall be deemed to be an estimate only given by RISCO in good faith. No such time or date shall be binding upon RISCO and the time of delivery shall not be of the essence. RISCO will use commercially reasonable efforts to initiate shipment and schedule delivery as close as possible to Customer's requested delivery schedule but shall not be liable to Customer for failure to meet any delivery schedule or for the cost to procure or design substitute goods. In the event of delay caused by such event, the date of delivery shall be extended for a period equal to the time lost as a consequence of the delay in delivery without subjecting RISCO to any liability or penalty. If the Goods perished while in the custody of the carrier, RISCO shall be deemed to have performed its obligations in full.

6.4. Any delay or change in schedules resulting from Customer's acts or negligence may be subject to a price adjustment. If a delivery is delayed at Customer's request by more than one month after Confirmed delivery date, RISCO may charge demurrage costs in the amount of 0.5% of the purchase price of the order for each started month of delay up to a maximum of 5% of the total purchase price. If Customer fails to pick up the goods within two (2) months after notification, RISCO will be free to sell the Goods to other customers without any indemnity. If delivery of the Goods is delayed through any act or omission of the Customer, RISCO may store the Goods at Customer's expense and both delivery and the passage of risk in the Goods shall be deemed to occur when RISCO informed Customer the Goods were available for delivery.

6.5. RISCO reserves the right to make deliveries in installments, each forming a separate contract. Any delay in delivery or defect in an installment shall not entitle Customer to cancel any other installment. Delivery of a quantity that varies +/- 20% from the quantity specified in Customer's Order shall constitute compliance with Customer's Order and shall not relieve Customer of its obligation to accept delivery and pay for the Goods delivered. Customer shall not refuse to accept delivery or any consignment or installment on account of any shortage or defect in any other delivery.

## 7. **INSPECTION**

7.1. Customer undertakes to inspect the Goods on delivery and shall note on POD all discoverable defects, including, but not limited to, quantity shortages, incorrect Goods, and visible defects and will notify RISCO promptly in writing of all non-discoverable defects, within five (5) days from the date of receipt of Goods as per the POD.

7.2. In the event that Customer fails to inspect the Goods or does not present written notice of rejection of the Goods within five (5) days of the delivery date, the Goods shall be deemed accepted. At that time, Customer's only recourse or remedy for non-conforming or defective Goods shall be RISCO's standard warranty as provided for in clause 9.

## 8. SPECIFICATIONS

8.1. RISCO reserves the right to change the specifications of its Goods (including all statements and data appearing in RISCO's catalogues, data sheets and advertisements) without notice, but in any event the Goods will conform in all material respects with the specification of the Goods at the time that the contract of sale is made. RISCO will publish the modified specifications on the Website and will notify Customer if it properly subscribed on the Website to receive this information. If such changes to specifications are made, RISCO shall have no obligation to provide the change on Goods previously purchased.

## 9. WARRANTY

9.1. RISCO warrants to Customer that ("**Product Warranty**"):

9.1.1. Products delivered hereunder will at the time of delivery and for: (i) the period set forth in the applicable Product Warranty Certificate attached to the Product or as published in the Website or ; (ii) such other shorter or longer period mutually agreed with the Customer regarding the specific Product ("**Warranty Period**") conform in all material respects to the specifications, be of satisfactory quality and free from material defects in design, material and workmanship; and

9.2. **Contact with Customers Only.** This Product Warranty is solely for the benefit of the Customer who purchased the Products directly from RISCO,. Nothing in this Warranty obligates RISCO to accept Product returns directly from end users that purchased the Products for their own use from RISCO'S customer or from any installer of RISCO, or otherwise provide warranty or other services to any such end user. You shall handle all interactions with its end users in connection with the Warranty, *inter alia* regarding the Warranty. You shall make no warranties, representations, guarantees or statements to Your customers or other third parties that suggest that RISCO has any warranty or service obligation to, or any contractual privity with, any recipient of a Product.

9.3. **Return Material Authorization.** In the event that a material defect in a Product shall be discovered and reported during the Product Warranty Period, RISCO shall, at its option, and at Customer's expense, either: (i) accept return of the defective Product and repair or have repaired the defective Product, or (ii) accept return of the defective Product and provide a replacement Product to the Customer. The Customer must obtain a Return Material Authorization ("**RMA**") number from RISCO prior to returning any Product to RISCO. The returned Product must be accompanied with a detailed description of the defect discovered ("**Defect Description**") and must otherwise follow RISCO'S then-current RMA procedure in connection with any such return. If RISCO determines in its reasonable discretion that any Product returned by Customer conforms to the applicable warranty ("**Non-Defective Products**"), RISCO will notify the Customer of such determination and will return the applicable Product to customer at Customer's expense. In addition, RISCO may propose and assess Customer a charge for testing and examination of Non-Defective Products.

9.4. **Entire Liability.** The repair or replacement of Products in accordance with this Product Warranty shall be RISCO'S entire liability and Customer's sole and exclusive remedy in case a material defect in a Product shall be discovered and reported as required herein. RISCO'S obligation and the Product Warranty are contingent upon the full payment by customer for such Product and upon a proven weekly testing and examination of the Product functionality.

9.5. **Limitations.** The Product Warranty is the only warranty made by RISCO with respect to the Products. The warranty is not transferable to any third party. To the maximum extent permitted by applicable law, the Product Warranty does not apply and will be void if: (i) the conditions set forth above are not met (including, but not limited to, full payment by Customer for the Product and a proven weekly testing and examination of the Product functionality); (ii) if the Products or any part or component thereof: (a) have been subjected to improper operation or installation; (b) have been subject to neglect, abuse, willful damage, abnormal working conditions, failure to follow RISCO'S instructions (whether oral or in writing); (c) have been misused, altered, modified or repaired without RISCO'S written approval or combined with, or installed on products, or equipment of the Customer or of any third party; (d) have been damaged by any factor Beyond RISCO'S reasonable control such as, but not limited to, power failure, electric power surges, or unsuitable third party components and the interaction of software therewith or (e) any delay or other failure in performance of the Product attributable to any means of communications, provided by any third party service provider (including, but not limited to) GSM interruptions, lack of or internet outage and/or telephony failure.

9.6. BATTERIES ARE EXPLICITLY EXCLUDED FROM THE PRODUCT WARRANTY AND RISCO SHALL NOT BE HELD RESPONSIBLE OR LIABLE IN RELATION THERETO, AND THE ONLY WARRANTY APPLICABLE THERETO, IF ANY, IS THE BATTERY MANUFACTURER'S WARRANTY.

9.7. RISCO MAKES NO OTHER WARRANTY, EXPRESSED OR IMPLIED, AND MAKES NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE. FOR THE SAKE OF GOOD ORDER AND AVOIDANCE OF ANY DOUBT.

9.8. **DISCLAIMER.** EXCEPT FOR THE WARRANTIES SET FORTH HEREIN, RISCO AND ITS LICENSORS HEREBY DISCLAIM ALL EXPRESS, IMPLIED OR STATUTORY, REPRESENTATIONS, WARRANTIES, GUARANTEES, AND CONDITIONS WITH REGARD TO THE PRODUCTS, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATIONS, WARRANTIES, GUARANTEES, AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND LOSS OF DATA. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, RISCO AND ITS LICENSORS DO NOT REPRESENT OR WARRANT THAT: (I) THE OPERATION OR USE OF THE PRODUCT WILL BE TIMELY, SECURE, UNINTERRUPTED OR ERROR-FREE; (ii) THAT ANY FILES, CONTENT OR INFORMATION OF ANY KIND THAT MAY BE ACCESSED THROUGH THE PRODUCT BY CUSTOMER OR END USER SHALL REMAIN SECURED OR NON DAMAGED. CUSTOMER ACKNOWLEDGES THAT NEITHER RISCO NOR ITS LICENSORS CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, GSM OR OTHER MEANS OF COMMUNICATIONS AND THAT RISCO'S PRODUCTS, MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH MEANS OF COMMUNICATIONS. RISCO IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES, OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS.

9.9. RISCO does not install or integrate the Product in the end user security system and is therefore not responsible for and cannot guarantee the performance of the end user security system which uses the Product.

9.10. RISCO does not guarantee that the will prevent any personal injury or property loss by burglary, robbery, fire or otherwise; or that the Product will in all cases provide adequate warning or protection.

9.11. No employee or representative of RISCO is authorized to change this warranty in any way or grant any other warranty.

#### 10. **INTELLECTUAL PROPERTY RIGHTS**

10.1. Risco and its licensors (if any) retain all rights, title and interest, including Intellectual Property Rights in and to the Goods and any component thereof, and all modifications, enhancements, improvements, and/or derivatives to any of the foregoing.. Nothing in this Agreement is intended to confer on Customer or third parties any rights or interests therein unless specifically suggested herein otherwise.

10.2. Customer agrees and acknowledges that any Intellectual Property Rights to an improvement in or modification to drawings, specifications, technical information, tools, know-how used by RISCO shall be irrevocably transferred to and become the sole property of RISCO, regardless of whether any such improvement or modification was developed by or made on specific request of Customer.

10.3. Customer further agrees to use and respect all appropriate copyright and proprietary notices and markings on all Goods delivered hereunder regardless of their intended use, and shall ensure that such notices and markings remain apposed upon delivery.

10.4. “**Intellectual Property Rights**” shall mean, any and all intellectual property rights, whether registrable or not, in any jurisdiction worldwide *inter alia*, patents, trademarks, patent designs, designs (including applications), copyrights (including moral rights), domain names, trade secrets, know-how and Confidential Information.

#### 11. **INFRINGEMENT ON INTELLECTUAL PROPERTY RIGHTS**

11.1. RISCO shall defend any legal proceeding brought against Customer insofar as such legal proceeding is based on a claim that any Goods provided by RISCO infringe any patent(s), copyright(s) or trademark(s) in the country of the place of delivery, if RISCO is notified promptly in writing of the existence of such suit or proceeding or the risk of such suit or proceeding being initiated and is given full and complete authority, information and assistance by Customer for such defense.

11.2. In the event that such goods are held in such suit or proceeding to be infringing and their use is enjoined, RISCO will use its reasonable efforts, at its option and at its expense, to either:

- 11.2.1. Procure for Customer the right to continue using such Goods;
- 11.2.2. Modify such Goods so that they become non-infringing;
- 11.2.3. Replace such Goods with non-infringing goods;
- 11.2.4. Accept the return of such Goods, granting Customer a refund or credit equal to the depreciated value thereof.

11.3. Any provision herein to the contrary notwithstanding, RISCO shall have no indemnification obligation to Customer and Customer shall indemnify and hold RISCO harmless against any claim made against Risco arising from any infringement, misappropriation or misuse claimed by any third party or parties if any such claim arises out of:

- 11.3.1. A modification of the Goods not introduced or approved by RISCO; or
- 11.3.2. The interconnection or use of the Goods in combination with goods or other devices or with a manufacturing, assembly or other process; or

- 11.3.3. The use of the Goods in other than an application recommended by RISCO; or
- 11.3.4. Compliance with Customer's design, specifications and/or instructions.

11.4. RISCO shall notify Customer promptly in writing of a proceeding provided for in clause 11.3 and give Customer full and complete authority, information and assistance for such defense. Customer shall pay all damages and costs finally awarded against RISCO in any such suit or proceeding or as part of an agreed settlement, but Customer shall not be responsible for any settlement in this respect made by RISCO without the written consent of Customer (which consent shall not be unreasonably withheld or unduly delayed).

11.5. The foregoing clauses state the sole and exclusive liability of the parties in respect of infringement of intellectual property rights.

## 12. **CONFIDENTIALITY**

12.1. For the purpose of this Agreement, "**Confidential Information**" shall mean: all information (in whatever format) which: (i) relates to the Agreement; (ii) is designated as confidential by either party; or (iii) relates to the business, affairs, networks, customers, Products, developments, trade secrets, know-how and personnel of either party (including customer data) and which may reasonably be regarded as confidential information of the disclosing party.

12.2. Subject to clause 12.3, each of RISCO and the Customer shall:

12.2.1. Only use Confidential Information of the other party for the purposes of this Agreement;

12.2.2. Only disclose Confidential Information of the other party to a third party with the prior written consent of the other party (except that RISCO may disclose Confidential Information of Customer to RISCO's affiliates or to its employees, agents or contractors, including professional advisors or auditors on a need to know basis, and Customer may disclose Confidential Information of RISCO to Customer's affiliates on a need to know basis for the purposes of this Agreement);

12.2.3. Ensure that any third party to whom Confidential Information of the other party is disclosed (the "**Recipient Third Party**") executes a confidentiality undertaking substantially similar to the terms of this clause 12. It is clarified that the recipient party shall be responsible towards the other party for the compliance of the Receiving Third Party with the confidentiality obligations set forth herein;

12.3. The provisions of clause 12.2 shall not apply to any Confidential Information which the recipient party can demonstrate: (i) is or comes into the public domain other than by breach of this clause 12 or (ii) is or has been independently generated or devolved by the recipient party as supported by written records; or (iii) is properly disclosed pursuant to a separate written consent or a statutory obligation, the order of a court of competent jurisdiction or the requirement of a competent regulatory body.

## 13. **NON-EXCLUSIVITY**

13.1. In the event that RISCO shall design a Product or parts of a Product for Customer, all Intellectual Property Rights shall belong to RISCO.

13.2. There is no exclusivity for custom Products and/or parts, including cells, designed by RISCO. RISCO has the right to sell the said component as a catalogue item to third parties without any obligations or liability whatsoever to the originator of the custom designed part.

## 14. **FORCE MAJEURE**

14.1. RISCO shall not be liable for delay in performance or failure to perform in whole or in part the terms of this Agreement due to causes beyond the reasonable control of RISCO, including, without limitation, strike, labor disputes (whether or not in relation to one of the parties workforce), shortages of material, war, acts of terrorism, riot or civil commotion, acts of the public enemy, insurrection, sabotage, or fire, flood or other acts of God.

14.2. The period for performance for the party affected by such a cause shall be extended by the duration of the condition, provided, however, if any such delay shall continue for more than three consecutive (3) months, each party may terminate this Agreement or any purchase order without liability.

## 15. **ASSIGNMENTS & SUBCONTRACTING**

15.1. The Customer may not assign, charge, transfer or otherwise dispose of any rights or obligations under this Agreement in whole or in part, without the prior written consent of RISCO

15.2. Notwithstanding clause 15.1, RISCO may assign any and all of its rights and obligations hereunder upon notification to (i) any RISCO affiliated company; (ii) a third party pursuant to any sale or transfer of all or part of the assets, shares or business of RISCO; or (iii) a third party pursuant to any financing, merger, or reorganization of RISCO.

15.3. RISCO may subcontract any part of the work or services to be provided under the Agreement.

16. **INDEMNIFICATION**

16.1. Customer acknowledges that use of RISCO's Goods is fully at its own risk and the Customer is responsible for the verification and validation of the suitability of RISCO's Goods for its own purpose. The Customer agrees that RISCO is not and shall not be liable, in whole or in part, for any claim or damage arising from their operation in accordance with the instructions supplied by RISCO, including any breakdown of the Goods. The Customer agrees to indemnify, defend and hold RISCO harmless from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of or in connection with such use or any other liability which cannot be excluded by law, including the acts or omissions of the Customer or its agents or servants, and any injury to or death of any person arising from the operation of the Goods.

16.2. The Customer shall indemnify and hold harmless RISCO from any claims based on RISCO's compliance with the Customer's designs, specifications or instructions, or modification of any goods by third parties, or use in combination with other goods or Products.

16.3. The Indemnity contained in this clause 16 is subject to the Warranty contained in clause 9.

17. **LIMITATION OF LIABILITY**

17.1. SUBJECT TO CLAUSE 17.3 BUT OTHERWISE NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT, RISCO'S TOTAL LIABILITY IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE ARISING IN CONNECTION WITH THE AGREEMENT, OR ANY DISPUTE OR CLAIM HEREUNDER, SHALL BE LIMITED TO THE LOWER OF AMOUNTS PAID BY CUSTOMER FOR THE GOODS (EXCLUDING EXPENSES, VAT AND OTHER SALES TAXES) GIVING RISE TO SUCH CLAIMS IN THE CALENDAR MONTH PRECEDING THE EVENT OR USD 1,000.

17.2. NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT, RISCO SHALL IN NO EVENT BE LIABLE FOR INDIRECT, INCIDENTAL, COLLATERAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR LOSSES SUCH AS BUT NOT LIMITED TO LINE STOP, RECALLS, HARM TO BUSINESS OR BUSINESS REPUTATION, LOSS OF REVENUES, LOSS OF ANTICIPATED SAVINGS OR LOST PROFITS, LOSS OF DATA OR OTHER EQUIPMENT OR PROPERTY, REMOVAL OR REINSTALLATION COSTS, WHETHER OR NOT FORESEEABLE AND WHETHER ARISING IN CONTRACT (INCLUDING WARRANTY), TORT (INCLUDING ACTIVE, PASSIVE OR IMPUTED NEGLIGENCE), STRICT LIABILITY OR OTHERWISE OR FOR BREACH OF STATUTORY DUTY OR MISREPRESENTATION. "CONSEQUENTIAL DAMAGES" FOR PURPOSES HEREOF SHALL INCLUDE, WITHOUT LIMITATION, LOSS OF USE, INCOME OR PROFIT, OR LOSSES SUSTAINED AS THE RESULT OF INJURY (INCLUDING DEATH) TO ANY PERSON OR LOSS OR DAMAGE TO PROPERTY (INCLUDING, WITHOUT LIMITATION, PROPERTY HANDLED OR PROCESSED BY THE USE OF THE GOODS).

17.3. Notwithstanding anything else in this Agreement, RISCO shall not be liable for and the Customer agrees to indemnify and hold RISCO harmless from all liability for any and all damages arising from or in connection with the Customer (its employees, customers and others) subsequent use or misuse of the goods including (without limitation): (a) fair wear and tear; (b) willful damage; (c) Customer's negligence, or that of its agents, employees, customers or any failure to follow RISCO's instructions as to use of the goods; (d) abnormal working conditions beyond those referred to in the Specification; and (e) any alteration or repair of the goods by any manufacturing process or otherwise, save for any latent defect which means that the goods did not comply with the Specification.

18. **TERMINATION**

18.1. RISCO may terminate this Agreement or any Order immediately upon notice in writing if the Customer: (a) has a receiver or an administrator appointed to it or over any part of its undertakings or assets; or (b) passes a resolution for winding up or a court of competent jurisdiction makes an order to that effect; or (c) otherwise enters into any voluntary arrangement with its creditors or ceases or threatens to cease to carry on business; or (d) undergoes or is subject to any analogous acts or proceedings under any foreign law; or (e) suffers a deterioration in its financial position that in RISCO's opinion jeopardizes the Customer's ability to adequately fulfill its obligations under this Agreement; or (f) fails to make any payment when due to RISCO.

18.2. If RISCO terminates the Agreement or any Order pursuant to this clause 18, RISCO may, without prejudice to its other rights, demand immediate payment by the Customer of all unpaid accounts and suspend further deliveries and cancel this and any other contract between RISCO and the Customer without any liability attaching to RISCO in respect of such suspension or cancellation, and debit the Customer with any loss sustained thereby.

18.3. Either RISCO or Customer may terminate this Agreement or any purchase order by agreement or by notice in writing following a Force Majeure Event pursuant to clause 14.1.

18.4. If the Customer terminates this Agreement or any Order, other than in accordance with clause 18.3, RISCO shall be entitled at its discretion to recover from Customer any loss sustained

18.5. Clauses 1, 5, 9, 10, 11, 12, 13, 16, 17, 18, 20, 21, 22 and 23 of these Terms will survive the termination or expiration of the Agreement.

19. **CANCELLATIONS**

19.1. No cancellation of Orders by the Customer will be accepted if (i) made more than 14 days after the date of shipment; or (ii) the Product has been used by the Customer.

19.2. Any Orders cancelled by the Customers after the date of shipment shall be returned to RISCO in their original packaging at the Customer's own expense.

19.3. All cancellations of Orders by the Customer prior to the earliest requested ship date will result in a cancellation charge to be reasonably determined by RISCO based on such factors as whether the Product was manufactured specifically for the Customer, RISCO's ability to change its production schedule within the period of the notice provided by the Customer and whether RISCO acquired or allocated particular supplies or equipment to meet Customer's order, with a minimum of:

19.3.1. Fifty (50)% of the total price set forth in the Order acknowledgement that is being cancelled if cancellation is received sixty (60) days prior to the earliest requested ship date;

19.3.2. Twenty five (25) % of the total price set forth in the Order acknowledgement that is being cancelled if cancellation is received between sixty-one (61) and ninety (90) days prior to the earliest requested ship date.

19.4. Payment of any cancellation charge shall be made within 7 days of receipt of the cancellation charge notice and the provisions of clause 4 (Payment Terms) shall apply.

19.5. Goods or parts will not be accepted for return or credit without agreement in writing from RISCO.

20. **NOTICES**

20.1. All notices given by the Customer to RISCO must be submitted to RISCO's registered office address or to the email address stated on the written Order acknowledgement. RISCO may give notice to the Customer at either the e-mail or postal address the Customer provides to RISCO when placing an Order, or registering an account with RISCO, or in any of the way specified in clause 20.2 below. Notice will be deemed received and properly served immediately when posted on the Website, 24 hours after an email is sent, or three days after the date of posting of any letter. In proving the service of any notice, it will be sufficient to prove, in the case of a letter, that such notice was properly addressed, stamped and placed in the post and, in the case of an e-mail that such e-mail was sent to the specified e-mail address of the addressee.

20.2. When using the Website, the Customer accepts that communication with RISCO will mostly be in electronic form. RISCO will contact the Customer by e-mail or provide the Customer with information by posting notices on its Website. For contractual purposes, You agree to this electronic means of communication and acknowledge that all contracts, notices, information and other communications that We provide to You electronically comply with any legal requirement that such communications be in writing. This condition does not affect Your statutory rights.

21. **IMPORT LICENSES**

21.1. Customer is responsible for obtaining, at its own cost, such import licenses and other consents in relation to the Goods as are required from time to time and, if required by RISCO, the Customer shall make those licenses and consents available to RISCO prior to the relevant shipment.

21.2. The Customer must comply with all applicable laws and regulations of the country for which the Goods are destined. RISCO will not be liable for any breach by the Customer of any such laws.

22. **APPLICABLE LAW & JURISDICTION**

22.1. Governing Law; Courts. This Agreement will be governed by and interpreted under the laws of the State of Israel without regard to its choice of law provisions. All disputes that may arise out of or in connection with this Agreement including disputes regarding the validity thereof shall exclusively and finally be settled by the competent courts in the Tel –Aviv – Jaffa district in Israel.

23. **MISCELLANEOUS**

23.1. **Severability.** If any provision of the Agreement, including any limitation of warranty or liability, is held by a court or any government agency or authority to be invalid, void or unenforceable, the remainder of this Agreement shall nevertheless remain legal, valid, and enforceable.

23.2. **No Waiver.** Failure or delay by either party to exercise or enforce any right conferred by this Agreement, including RISCO's right to deliver invoices in accordance with clause 3, shall not be deemed to be a waiver of any such right and does not affect the enforcement of this Agreement or operate as an estoppel against the party who seeks to rely on this clause 23.2.

23.3. **Relationship.** Nothing in this Agreement and no action taken by the parties pursuant to the Agreement shall constitute or be deemed to constitute a partnership, agency, association, joint venture or any other co-operative between the parties.

23.4. **Variation.** No modification of this Agreement shall be effective unless signed by a duly authorised officer of RISCO. RISCO's failure to object to provisions contained in any Customer document or communication shall not be deemed a waiver of the terms and conditions contained herein. RISCO reserves the right to revise and amend these terms and conditions from time to time. The Customer will be subject to the terms and conditions in force at the time of the Customer's order, unless any change to these terms and conditions is required to be made by law or government authority (in which case it will apply to orders previously placed by Customer), or if RISCO notifies the Customer of the change to these terms and conditions before dispatch of the goods, in which case RISCO has the right to assume that the Customer has accepted the change to the terms and conditions, unless the Customer notifies RISCO to the contrary within 5 working days of receipt by the Customer of the Products.

23.5. **Entire Agreement.** These Terms set out the entire and exclusive agreement between RISCO and Customer and, as the case may be, supersedes all prior proposals, representations, agreements or understandings concerning the subject matter addressed herein. The Customer acknowledges that, in entering into this Agreement, it has not relied on any statement, promise, undertaking or representation, express or implied, made or given by or on behalf of RISCO in any negotiations, which is not set out in this Agreement. Without limiting the generality of the foregoing, any terms or conditions set forth on any Customer documents and any communications (written or oral) between the parties that are inconsistent with, or are not included within, the terms and conditions of this Agreement shall not be binding on RISCO unless agreed in writing and signed by an authorized officer of each party. Notwithstanding the above, in the event that a specific agreement is signed between RISCO and Customer, the terms hereof shall be complementary to the terms of such agreement and in the event of any discrepancies between the two, the terms of the specific agreement shall prevail save for the essential Terms of this Agreement which will survive.

23.6. **Third Parties.** A person who is not a party to these Terms shall not have any rights under or in connection with it.

23.7. **Translations.** The Terms are entered into in the English language. If the parties make a translation thereof in another language, such translation will be for information purposes only and the English version will apply in case of discrepancies or in case of inconsistency between the two versions.

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General Terms and Conditions of Sale of Goods last updated: May 4th 2015