



**The Israel Electric Corporation Ltd.
ANNEXURE "A10"**

GENERAL CONDITIONS FOR PURCHASE OF SERVICES ABROAD

Version: 05.08.2026

1. DEFINITIONS:

- A) Draw Order shall mean the draw order issued under the Contract/Order, including this annexure and any other attachments or annexures thereto, by which the Purchaser purchases the services from the Supplier.
- B) "Contract/Order" - shall mean the order/contract issued or a framework contract comprising of draw orders including any change orders and/or price adjustments and/or options exercised and/or any flexibility increase, unless explicitly stated otherwise, including this annexure and any other attachments thereto, by which the Purchaser purchases the Services, Supervisory Services, Maintenance from the Supplier, as specified in Annexure B.
- C) Purchaser - shall mean the Israel Electric Corporation Ltd. ("IEC").
- D) Supplier shall mean the party, whose offer in the Tender/ RFP has been accepted by the Purchaser.
- E) Services, Supervisory Services, Maintenance- shall mean the field of services as described in the Contract/Order and/or in Annexure B.
- F) On Site Services- services performed by Contractor or its subcontractor's personnel at the site or such other place as indicated by the Purchaser and as required by the Services as further detailed in Annexure "B" and/or the Contract/Order;
- G) Tender/RFP shall mean the process, by which the Supplier's proposal has been solicited, including any documents attached as part of the Purchaser's invitation to submit/solicit proposals.

2. UNDERTAKINGS AND DECLARATIONS OF THE SUPPLIER:

Without derogating from the remaining undertakings of the Supplier that are specified in these General Terms and Conditions, the Supplier undertakes as follows:

- 2.1. To perform the Services with dedication, trust, skill, expertise and at a level of proficiency to be expected of a supplier with the background and experience that Supplier has represented it has, through investment of its maximal efforts and capabilities and/or those of any of the Supplier's employees and/or subcontractors that will be occupied with performance of the Services, and according to the optimal rules of the profession, throughout the entire Order, and through fulfillment of the provisions of these General Terms and Conditions and the instructions submitted thereto by the Purchaser from time to time. The Supplier will carry full and exclusive responsibility for the nature and quality of the Services provided by it and/or ordered by the Purchaser. The Purchaser shall provide such access to its information, property and personnel as may be reasonably required in order to permit the Supplier to perform the Services.
- 2.2. Not to publish, in any manner, any matter, without limitation, relating to and/or involved with the Services and the performance thereof or deriving therefrom, including the very provision of the Services – unless having received the explicit consent of the Purchaser in advance and in writing.
- 2.3. For removal of doubt, it is hereby made explicit that the aforesaid provisions do not derogate from the Supplier's responsibility or exempt the Supplier from any of its undertakings towards the Purchaser according to the Order/Contract.
- 2.4. If a lawsuit and/or demand is filed against the Purchaser due to and/or in connection with the performance of the Services, or if the Purchaser files a lawsuit and/or demand against any third party due to and/or in connection with the performance of the Services, at any time, even after the termination of the Service's provision period, then the Supplier will provide the Purchaser all the assistance that is necessary for defense of the lawsuit or for the sake of filing of the lawsuit, as the case may be, including the submission of a written or oral opinion, testimony, submission of documents, etc.; this will be done without additional payment being required .

PLEASE NOTE: This information may include "Inside Information" in accordance with Israel's Securities Law, 1968, and making use of this information may constitute a criminal offence pursuant to that Law .Therefore please treat this information as CONFIDENTIAL.

“Lawsuit”, in this context – whether having reached deliberation before a judicial body of any kind (court, tribunal, arbitrator, etc.) or not having reached such deliberation. Violation of this section will constitute a fundamental violation of the Order.

3. QUALITY INSPECTION, DELIVERY AND PERFORMANCE:

- 3.1. The Services shall be performed according to the agreed schedule, as set forth in the Order/Contract, or as designated by the Purchaser, as applicable .
- 3.2. In every case of delay or anticipated delay, from whatever cause, in performance of the Services, which is likely to postpone the dates set forth in the Order/Contract, the Supplier will advise the Purchaser immediately in writing within 24 hours of the event. Such notification however, does not in any way absolve the Supplier from making every endeavor to overcome the delay.
- 3.3. Unless otherwise stated in the RFP/Tender documents/Specification, where the value of the Order is in excess of \$ 2,000 or the equivalent thereto, based on the applicable exchange rate, between the U.S. Dollar and the currency nominated in the Order, as set out by the Bank of Israel on the first working day prior to the date of issuance of the Order/Contract, and there are delays in the performance of the Services of more than 10 working days beyond the specified date/s (excluding delay/s for which the Supplier is not liable under the Contract), the Supplier shall pay to the Purchaser, at Purchaser's sole discretion, as liquidated damages, half a percent (0.5%) of the Contract/Order value or in the event of a framework contract, half a percent (0.5%) of the applicable draw order issued under the framework contract, per full week of delay, beginning on the first week of delay, provided that the total maximal amount of liquidated damages, payable to the Purchaser, shall not exceed five (5%) of the total Contract/Order value.
- 3.4. Liquidated damages shall not be the Purchaser's only remedy in the event of delays in excess of ten (10) weeks.

4. ABSENCE OF EMPLOYMENT RELATIONS:

- 4.1. No provision of this Contract forms may be interpreted as forming employment and/or agency and/or partnership relations between Purchaser and the Supplier and/or between Purchaser and any other person or body with which the Supplier engages and/or anyone that is employed thereby for the sake of performance of this Contract. For removal of doubt, it is made explicit that the Supplier or its alternate or anyone on its behalf, in its place or in lieu thereof performs the training, instructions and the provisions of this Contract as an independent supplier for all matters, according to the meaning of such in the various laws.
- 4.2. The Supplier declares that he provides training and instructions to another/others as well, and that it is not integrated in the organizational framework of Purchaser and has no intention of doing so.
- 4.3. It is explicitly agreed upon between the parties that if, in the future, it is determined by a competent court or tribunal, pursuant to a lawsuit submitted by the Supplier or its alternate or by anyone on its behalf, in its place or in lieu thereof, including its inheritors, executors, trustee in bankruptcy and/or any other body in the name and on behalf of the Supplier, that during the period of this Contract, there existed employment relations between the Supplier and Purchaser, and that Purchaser must pay to the Supplier wages and/or additional conditions that are required by law, a recalculation shall be performed of the sums that Purchaser must pay as employer, in such a manner that instead of the consideration determined in this Contract, Purchaser will pay to the Supplier the minimum wage that applies during the Contract period, as amended from time to time.

In such case as aforesaid, any surplus sum that the Supplier receives according to this Contract and that exceeds the minimum wage as said, will be returned thereby to Purchaser upon receiving the demand, linked to the Consumer Price Index and carrying interest according to any law.

The parties hereby explicitly agree that the provisions of this Article will apply throughout the Contract period, as well after the termination thereof.

5. TRAINING AND INSTRUCTION (Where applicable):

Supplier undertakes to provide those of Purchaser's employees who will be engaged in the use of the system/software/hardware/goods/products/equipment related to the Services, from time to time, with such training and instruction as shall be reasonably necessary to enable the optimal and efficient use of the system/software/hardware/goods/products/equipment related to the Services, by such employees. Details of the manner in which such training and instruction are provided by Supplier are set out in the specification.

6. WARRANTY FOR SERVICES:

The Supplier warrants for all its Services rendered under the Order that:

- 6.1. The advice, recommendations, technical information, reports, analysis and performance of its personnel will reflect competent professional knowledge and judgment rendered by skilled and qualified personnel in accordance with accepted industry standards and practices; and
- 6.2. the Services provided shall be free from design, patent or copyright infringement, errors and defects; and
- 6.3. If, , the Services (or any part thereof) or the system/software/hardware/goods/products/equipment related to the Services fail to conform with this warranty, due to any act and/or omission of the Supplier, and Purchaser notifies the Supplier of any such failure or non-conformance in writing, the Supplier will promptly remedy, replace or re-perform the defective Services or part thereof or the system/software/hardware/goods/products/equipment related to the Services , at Purchaser's discretion, on Supplier's own account.
- 6.4. THE WARRANTIES SET FORTH ABOVE ARE IN LIEU OF AND EXPRESSLY EXCLUDE ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. SERVICE PERSONNEL:

- 7.1. The Supplier shall be responsible for the professional suitability and skill of its personnel.
- 7.2. To perform the Services with dedication, trust, skill, expertise and at a level of proficiency to be expected of a supplier with the background and experience that Supplier has represented it has, through investment of its maximal efforts and capabilities and/or those of any of the Supplier's employees and/or subcontractors that will be occupied with performance of the Services, and according to the optimal rules of the profession, throughout the entire Order, and through fulfillment of the provisions of these General Terms and Conditions and the instructions submitted thereto by the Purchaser from time to time. The Supplier will carry full and exclusive responsibility for the nature and quality of the Services provided by it and/or ordered by the Purchaser. The Purchaser shall provide such access to its information, property and personnel as may be reasonably required in order to permit the Supplier to perform the Services.
- 7.3. IEC shall be entitled to request the Supplier to replace any of its personnel considered by the IEC to be unsuitable for any reasonable cause. Transportation of replacement personnel to Israel including other traveling and living expenses en route and all baggage charges shall be at the expense of the Supplier (if any).
- 7.4. To obviate problems of communication related to the work, the Supplier shall ensure that its personnel are fully conversant in either English or Hebrew. In the absence thereof, the Supplier shall ensure that the services of a qualified translator are provided with no charge to IEC.
- 7.5. The Supplier is responsible for ensuring that all employees brought by it and/or on its behalf for works at IEC sites, whether the Supplier's employees or employees of its sub-contractors, possess safety training and certification for the types of works they will perform, including certification for work at heights (if needed), all in accordance with the relevant Israeli legislation. The Supplier shall ensure that all such employees sign IEC's safety instructions documents, as shall be required, before the commencement of the works.
- 7.6. All Supplier's personnel sent to Israel will possess a mobile telephone to facilitate communication with Purchaser's site personnel.
- 7.7. Where Services are to be performed at IEC's premises (except in cases of theoretical guidance/teaching) Supplier shall be obliged to sign the General Safety Appendix attached to the tender/RFP documents.

8. LIMITATION OF LIABILITY:

The Supplier shall be held fully and solely liable for any damage or loss of any kind caused to it, to anyone on its behalf or to the Purchaser, due to any act or omission, in connection with or resulting from the Goods delivered and/or the Services performed.

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

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

9. PAYMENT FOR SERVICES AND/OR TRAINING: יש לשים לב כי לפי סעיף זה, התשלום כולל הכל. חח"י לא תשלם עבור אש"ל נסיעות וכו'

9.1. Digital platform

9.1.1. The Purchaser shall upload the orders, services sheets and/or confirmation of receipt of goods, to the digital platform.

9.1.2. The Supplier will submit the commercial/ tax invoice through a digital platform (herein after referred to as the "Invoice"), as defined by the Purchaser.

All costs, if any, in connection with submitting the Invoice, shall be borne by the Supplier awarded the tender/procurement procedure and shall be paid directly to the platform provider.

9.2. Terms of payment

Unless otherwise agreed by the parties, payment shall be made 45 calendar days from receipt of invoice and compliance with all the terms of the Order/Contract.

9.3. Invoice submission

9.3.1. An Invoice shall be submitted for each order separately, upon receiving the Goods or completion of the Services

9.3.2. The Supplier shall submit a separate Invoice for each type of service (services abroad, services in Israel, software, legal services, professional literature, equipment repair, rent equipment) and a different one for Goods.

9.3.3. In the case of an Invoice for Services, the Invoice submission shall be linked to the service sheets.

9.3.4. The Supplier shall not split the Invoices for the Services or Goods delivered.

9.3.5. If the terms of the contract/ order include linkage differentials, the Invoice amount shall include such linkage differentials. The submission of the Invoice shall be in the total amount (base amount + linkage differentials) for each item.

9.4. Bank account verification

Contract/ purchase Order with an overall monetary value of NIS 20,000 or more, or the equivalent of the foreign currency in NIS - shall be subject to a verification process, by a company appointed by the Purchaser, for any change in bank account details. The verification process requires a one-time payment of 10.00 USD, exclusive of bank commissions. A Supplier, whose new bank account has been verified, for Purchaser or any other client of the Supplier, through above procedure, is exempt from the verification process.

9.5. Terms of payment for down payment, where applicable

Unless otherwise agreed, the down payment shall be paid 45 days after signature of the Contract/Order, subject to receiving a down payment guarantee and Supplier's request for payment.

Each Invoice shall be submitted for the contract/order value of the Goods and/or Services actually delivered, and Payment of each Invoice shall then be made after deduction of down payments.

9.6. Terms of payment for retention, where applicable

In the event that retentions apply under the Contract/ Order, The retention payments shall be affected against Supplier's request for payment 45 days after receipt of the Provisional Acceptance Certificate, unless otherwise agreed upon by the parties.

For each Invoice submitted, the retention component will be deducted from the payment.

9.7. **Payment**

Payments shall be affected against Supplier's Invoices, after deducting down payments, retentions and all other charges such as but not limited to: liquidated damages, agreed charges between the parties, charges for missing items, charges for negative linkage differentials.

10. **RIGHT TO RETAIN OR WITHHOLD PAYMENT:**

- 10.1. In addition to, and without derogating from any other remedy available to Purchaser, Purchaser shall have the right to retain or withhold or set off payment from any contract/order entered into with the Supplier, Purchaser's damages, from the sums due to the Supplier under the Order/Contract in the event of the occurrence of any of the following:
- breach of Contract/Order in whole or in part by the Supplier,
 - failure to provide a required guarantee on the date stipulated in the Order/Contract, as set forth under the terms of the Order/Contract,
 - lawsuits filed against Purchaser and/or in the event of damages (including but not limited to defects in the performance of the Services) caused to Purchaser and/or any other person as a result of the Order/Contract,
- 10.2. In the event Purchaser cancels the Order/Contract due to breach by the Supplier, Purchaser shall be entitled at its sole discretion to withhold sums due to the Supplier, until such time as the scope of damages incurred to Purchaser by the Supplier's breach have been determined and Purchaser shall have the right, at its sole discretion, to set-off its damages from the sums withheld from the Supplier (without derogating from Purchaser's right to recover amounts due to Purchaser not included in the said sums set-off) or from any other contract/order entered into with the Supplier.

11. **TAXES:**

- (a) **For the purpose of this article only, the following terms shall have the meaning ascribed to them below:**
- i. Foreign Supplier for tax purposes shall have the meaning ascribed to the term "foreign resident" under the Israeli Income Tax Ordinance 1961.
 - ii. Israeli Supplier for tax purposes shall have the meaning ascribed to the term "Israeli resident" it under the Israeli Income Tax Ordinance 1961.
- b. **Taxes and Duties.**
- 1. In the case of an Israeli and a Foreign Supplier for tax purposes, the taxes will be dealt with in accordance with Israeli laws.
 - 2. Foreign and Israeli supplier for tax purposes shall be responsible for all taxes imposed or other compulsory payments of Non-Israeli origin imposed as a result of or in connection with the Order/Contract.
 - 3. If required, taxes of any nature whatsoever would be levied by any taxing authority in Israel. According to the Israeli domestic tax law or to the relevant Double Taxation Treaty, taxes will be withheld by Purchaser at source, unless the Foreign and Israeli Supplier for tax purposes, will present a written approval issued by the competent Israeli authority confirming that the Foreign Supplier for tax purposes, is exempt from such withholding tax in whole or in part.
 - 4. Foreign and Israeli Supplier for tax purposes shall bear all costs and expenses incurred in obtaining any required certificates of exemption, and the Foreign Supplier for tax purposes shall have no claim against Purchaser for reimbursement of such costs and expenses.
 - 5. A Foreign and Israeli Supplier for tax purposes, awarded the Contract/Order, shall, within 14 working days from receipt of notice of being awarded the Contract/Order, submit to the Purchaser, the following documents:
 - i. Certificate of residency.
 - ii. A declaration stating that it has or does not, as the case may be, have a permanent establishment in Israel.
 - iii. If the Foreign Supplier for tax purposes, is registered as a foreign company in Israel, the Foreign Supplier for tax purposes must present a certificate from the Israeli tax authority.

- iv. The supplier required to fill a tax questionnaire provided by the purchaser , if applicable .
- v. Any other document / declaration as requested by the purchaser

Failure to submit the above documents within the time period stipulated above, Purchaser might deduct any tax rate up to the maximum according to Israeli law and/or cancel the Contract/Order.

Purchaser shall have no obligation to reimburse or indemnify the Foreign Supplier for tax purposes, or any person on its behalf, for any taxes imposed by tax authorities pursuant to any law or with respect to any deductions made by Purchaser to Foreign Supplier for tax purposes.

12. PERFORMANCE OR DOWN PAYMENT GUARANTEE:

It is hereby clarified that the guarantee/s requested during the Contract/Order period, as set out below, can be issued either as an irrevocable Standby Letter of Credit (hereinafter: "**SBLC**") or as a bank guarantee issued by an Israeli bank. SBLC shall be provided to the advising bank in Israel as an authenticated SWIFT. Bank guarantee shall be provided to the Purchaser by way of digital media, in which case the electronic signature on the guarantee/s shall be authenticated in accordance with the Electronic Signature Law, 5761-2001. Supplier asking to provide a bank guarantee to Purchaser in a printed format duly signed instead, shall submit its justified request in advance, which shall be subject to Purchaser's approval.

The guarantee/s requested during the period of the Contract/Order stated below, shall be issued for the specific Order/Contract.

IEC will not accept a guarantee issued for more than one Contract/Order.

The name appearing on the guarantee shall be identical to that appearing on the Contract/Order **only**.

12.1. PERFORMANCE GUARANTEE

12.1.1. Where the value of the Order/Contract is in excess of NIS2,000,000 (in this case Order/Contract excluding options and/or flexibilities and/or VAT) or the equivalent of the foreign currency in NIS (in accordance with the applicable exchange rate, as set forth by the Bank of Israel, on the first working day prior to the date of submission of the price proposals to the Tender/RFP) and without in any way derogating from Supplier's duty to perform its obligations under the purchase Order/Contract, the Supplier shall, at its expense, within 30 (thirty) days from the issuance of an Order, provide the Purchaser with a guarantee for the due performance of the Contract/Order, (in the form of SBLC/bank guarantee, attached to the Tender/RFP documents), to be given by the entities stated in Annexure Y, in an amount equal to 5% of the Contract/Order value (in this case Order/Contract excluding options and/or flexibilities and/or VAT).

12.1.2. Where Purchaser has decided to exercise an option and its value exceeds NIS2,000,000 (excluding options and/or flexibilities and/or VAT) or the equivalent of the foreign currency in NIS (in accordance with the applicable exchange rate, as set forth by the Bank of Israel, on the first working day prior to the date of the Tender Committee's decision to exercise the option), the Supplier hereby undertakes to provide to the Purchaser, at Supplier's expense, immediately upon receipt of notice of Purchaser's exercise of the option, a performance guarantee for the due performance of the option, (in the form of SBLC/bank guarantee, attached to the Tender/RFP Documents), to be given by the entities stated in Annexure Y), in an amount equal to 5% of the option price (excluding options and/or flexibilities and/or VAT).

12.1.3. In a framework Contract/Order, the performance guarantee delivered by the Supplier, to the Purchaser, shall be in an amount equal to 5% of the annual value of the Order/Contract (in this case Order/Contract excluding options and/or flexibilities and/or VAT).

- 12.1.4. The guarantee shall remain in effect until sixty (60) days after the expiration of the warranty period. Where the Order/Contract does not provide for a warranty period, the performance guarantee shall remain in effect until sixty (60) days after the actual termination of the Contract period as prescribed in the Order/Contract or the actual performance of the Services, as applicable.
- 12.1.5. Failure to provide the guarantee as specified in Articles 12.1.1, 12.1.2 and 12.1.3 above, shall constitute a fundamental breach of the terms of the Order/Contract. IEC shall thereupon have the right to resort to all remedies as set forth in the Order/Contract, in addition to any other remedy available to IEC by law, including the right to terminate the Order/Contract for fundamental breach.
- 12.1.6. Any failure or omission by IEC after the issuance of the Order/Contract, to request the issuance of the guarantees, shall not constitute a waiver of any right available to IEC under the Order/Contract or by law.
- 12.1.7. In the event of an addition in an amount exceeding NIS2,000,000 to the Contract/Order, a performance guarantee shall be required as set forth above, regardless whether the original Order/Contract included a performance guarantee or not.

12.2. DOWN PAYMENT GUARANTEE

- 12.2.1. Where the Purchaser is required by the terms of the Order/ Contract to make down payments prior to delivery, such payments shall be secured by a guarantee, as follows:
- 12.2.1.1. SBLC issued, or established by the Supplier at a first class bank, and advised through an Israeli bank, both banks to be approved by the Purchaser or bank guarantee issued by an Israeli bank;
- 12.2.1.2. issued or established against the receipt of down payment, in an amount, which is not less than that being drawn; Said guarantee shall be amended from time to time to reflect the adjusted Contract/Order price, due to the issuance of change Orders.
- 12.2.1.3. valid until 60 days after the scheduled performance of the Services (to be extended upon the occurrence of any event of Force Majeure, or due to any delay on account of the Supplier, or as a result of any delay in scheduled delivery, agreed to between the parties).
- 12.2.2. The Purchaser may draw on the performance and/or the down payment guarantee, in the event that the Supplier fails to remedy a breach of Contract, or fails to take such steps as are satisfactory to the Purchaser in Order to remedy the same, after having been given ten (10) days prior written notice of intent to draw on the guarantee.
- 12.2.3. Any amount/s drawn by Purchaser pursuant to the guarantee, shall be set-off against the overall damages/compensation, recoverable by Purchaser, in connection with the Supplier's breach.

13. PRICES:

The prices shall be firm unless stated otherwise in the Contract/Order.

14. FORCE MAJEURE:

- 14.1. Neither party shall be responsible to the other for loss or damage due to circumstances directly affecting the performance of the Contract/Order beyond such parties' control - which could not have been prevented by reasonable foresight at the time of signature of the Contract/Order such as but not limited to: acts of war, invasion, act of foreign enemy, whether war be declared or not, hostile action, civil war, rebellion, civil strife, sabotage, strikes and/or industrial disputes, act of Government, natural disaster, embargo (any or all of which are in this Contract referred to as "**Force Majeure**").

- 14.2. Upon occurrence of any such circumstances, the party affected shall notify the other party in writing by the fastest means possible within seven (7) days of the occurrence or existence thereof and the parties shall promptly thereafter consult with one another for the purpose of finding a solution to the Force Majeure problem.
- 14.3. Any delays resulting from any such cause shall extend performance time, unless it shall become impossible to perform the Contract in whole or a substantial part thereof, in which case the Order/Contract may be cancelled, in writing, by either party. In the case of such cancellation, the Supplier shall be paid for all Services received by the Purchaser pursuant to the Order/Contract.
- 14.4. If due to Force Majeure it shall become impossible to perform the Contract/Order in whole or a substantial part thereof, the parties can either mutually agree to cancel the Contract/Order or if the Force Majeure continues for a period up to 120 days in the aggregate, the Contract/Order may be cancelled in writing by either party.

15. INDEMNITY:

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

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

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

16. INTELLECTUAL PROPERTY RIGHTS:

Supplier shall pay all royalties and license fees, which may be due or payable to third parties, in connection with the Services under the Order/Contract. Supplier shall defend all suits or proceedings, instituted against Purchaser for the infringement of any intellectual property rights, associated with the performance of the Services under the Order/Contract and shall hold the Purchaser harmless against and/or indemnify the Purchaser for any damages, sustained by the Purchaser, in connection with such infringement, or the violation of any intellectual property rights of any third parties.

Each party shall retain ownership of all intellectual property it had prior to the Order/Contract.

Any other intellectual property right that was generated as part of the Order/Contract, including with respect to the knowledge, is and shall remain the property of the Purchaser.

17. CONFIDENTIALITY AND PRIVACY PROTECTION:

- 17.1 The Supplier and any person acting on its behalf, shall treat any information whatsoever relating to the Contract/Order as private and confidential, except to the extent necessary to carry out its obligations under the Contract/Order or under any applicable law or judicial order. The Supplier shall not publish, permit to be published, or disclose any information whatsoever relating to the Contract/Order without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld.
- 17.2 Without derogating from the generality of the above, the Supplier hereby acknowledges that the confidential information set forth in article a above, may be considered either in whole or in part to be Insider Information, as such term is defined under the Securities Law -- 1968 and the Supplier is aware of the applicable legal restrictions imposed by this law on the use of Insider Information. The Supplier hereby undertakes not to make any use of the confidential information in any manner that will breach the provisions of the Securities Law.
- 17.3 The Supplier undertakes to comply with the provisions of the Protection of Privacy Law and the regulations enacted thereunder, including the Protection of Privacy Regulations (Information Security), 5777-2017, the guidelines of the Privacy Protection Authority (hereinafter: the "Privacy Protection Laws"), the provisions of the Supply Chain Appendix (if attached to the tender documents), the provisions of the Information Security and Cyber Appendix (if attached to the procurement procedure/tender documents), and any reasonable instructions that may be issued from time to time by the Purchaser, insofar as such instructions are required for the performance of the Contract/Order and the applicable law.

17.4 The Supplier declares that it is aware that, for the purpose of providing the Services, the Purchaser may be required to transfer to it information from its databases and/or allow the Supplier and its employees access to the Purchaser's databases.

17.5 The types of information that the Supplier is authorized to process and the database systems to which it is permitted access shall be specified in the specification attached to the tender/procurement procedure documents. The Supplier shall process the information solely for the purpose of performing the Services.

17.6 The Supplier declares that, to the extent that during the provision of the services, it acts as a "holder" of Purchaser's database, as this term is defined under the Privacy Protection Laws, it shall appoint a Data Protection Officer (DPO) on its behalf, in accordance with the requirements of the Privacy Protection Laws.

17.7 In any case where a request is received concerning personal data held in the Supplier's systems, the Supplier shall instruct the requester to contact the Purchaser (unless otherwise required by law) and shall notify the Purchaser of such request.

Where necessary, the Supplier shall assist the Purchaser in responding to a data subject's request for the exercise of their rights under the Privacy Protection Laws, whether such request was received by the Supplier or by the Purchaser.

18. ASSIGNMENT:

18.1. Neither party may assign and/or transfer and/or pledge in full or in part the Order/Contract, or any obligation/right/benefit included in them, without the prior written consent of the other, which shall not be unreasonably withheld.

Assignment and/or transfer and/or pledge that were not approved as stated, or occurred without fulfillment all of the conditions set forth by the other party to the Order/Contract for providing such consent, shall be null and void.

18.2. Notwithstanding the aforesaid, the Purchaser shall be entitled to assign and/or transfer and/or pledge the Contract or Order or any obligation and/or right and/or benefit included in them to a subsidiary, or affiliate of the Purchaser, and shall also be entitled to assign and/or transfer and/or pledge the Contract/Order or any obligation and/or right and/or benefit included in them, to anyone, in the event of a change and/or structural division or sale of assets of the Purchaser which is/are required under any law, including under the Electricity Sector Law, 1996, and/or the Government Companies Law, 1975, and/or pursuant to Government decisions and/or according to the directive of an authorized regulator and/or carried out with its/their approval. The Purchaser shall notify the Supplier of any such assignment and/or transfer and/or pledge in writing in advance.

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

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

19. INSURANCE:

As per Annexure "L" attached to the Tender/RFP documents.

The Supplier shall sign the Insurance Annexure attached as Annexure "L", and return it to Purchaser within 5 (five) calendar days from receipt of notice of award.

20. ORDER OF DOCUMENTS:

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

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

21. GOVERNING LAW AND SETTLEMENT OF DISPUTES:

21.1 This Order shall be governed by and construed solely under the laws of the State of Israel

Notwithstanding the above, the Law of Sale (International Sale of Goods), 5760-1999 shall not apply.

21.2 The Supplier shall conform in all respects with the laws, rules and regulations of the State of Israel and any authorities having jurisdiction over the Services, Supervisory Services, Maintenance and shall keep the Purchaser indemnified against all penalties and liabilities imposed upon the Purchaser by any public authority for any kind of breach attributable to Supplier of aforesaid laws, rules or regulations.

21.3 Both Parties shall attempt to resolve their disputes pertaining to the Order amicably between themselves.

21.4 Without derogating from other rights and remedies available to the parties under the Order, in the event the nominated senior representatives of the parties are unable to resolve their disputes amicably within thirty (30) days after receipt by one party of the other party's written request for such amicable settlement, either party may approach a competent Israeli court located in Tel Aviv to have the dispute settled, and such court shall have exclusive jurisdiction.

22. IMPROPRIETY:

The Supplier hereby acknowledges that it has been informed of and agrees to abide by the IEC's Impropriety clause as that clause is set forth on IEC's website at the following link: <https://www.iec.co.il/en/content/suppliers/filespages/general-terms-conditions-and-annexures version 04.08.2026>.

23. TERMINATION:

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

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

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

- 23.3.1 The Supplier made application to court under any bankruptcy legislation or is declared bankrupt or insolvent or went into liquidation, voluntary or otherwise, or is placed under administration, receivership, trusteeship, judicial management, or compound with or made any arrangement with its creditors, or is suffering any similar action in consequence of debt.
- 23.3.2 Where a lien has been imposed on the Goods of the Supplier in whole or in part, or where action is taken regarding the said Goods and/or Services which may prevent or is preventing the Supplier from providing the Goods and/or Services fully or partially.

24. EFFECT OF UNSIGNED ORDER/CONTRACT:

Full or partial shipment/delivery of the Services/Supervisory Services/Maintenance by the Supplier shall constitute a consent to any and all terms of the Order/Contract, whether or not actually signed by the Supplier.

25. THE SERVICE MATERIAL:

25.1. In this article Service Material shall mean maps, programs, records, reports, information, calculations, descriptions, specifications, writings, drafts, forms, appendixes, sketches as well as all papers and documents, AI system outputs and/or other material of any kind, without limitation (including copies), stored by any means, including computerized and magnetic means, etc., which were prepared and/or accumulated by the Supplier or on its behalf – for the sake or due to performance of the Services, including any results thereof and any right that derives and/or that may derive from the Services and/or in respect of and/or in connection with the Service Material.

25.2. It is hereby stipulated and made explicit that all Service Material will be the exclusive property of IEC.

25.3. IEC will be entitled to use the Service Material, in part or in full, as it deems proper without any limitations and/or amend such and/or transfer such to any third party, without the need to receive the consent of the Supplier and/or without the Supplier receiving any compensation beyond the payment determined in the Order/Contract. The Supplier hereby waives in advance any claim and suit due to such right of IEC, including financial claims and intellectual property claims of any kind. For removal of doubt, the payment that the Supplier receives according to this Order/Contract reflects transfer of the intellectual property rights, of any kind, from it to IEC.

It is hereby clarified and made explicit that the Supplier will, in no case, have right of lien upon the Service Material.

26. USE OF ARTIFICIAL INTELLIGENCE-BASED TOOLS

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

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

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

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

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

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

26.2.5. Access to Company Data shall be restricted to authorized employees only who require such access for the performance of the engagement.

26.2.6. Company Data shall not be saved, stored, or held beyond the minimum period required for the execution of the action. A full deletion shall be performed immediately upon the conclusion of processing and at the end of the engagement, including the deletion of backups. A confirmation of deletion shall be presented to IEC upon its request. It is clarified that the storage and/or processing of Company Data outside the borders of Israel is contingent upon IEC's prior express written consent.

- 26.2.7. The Supplier shall report any security incident or data breach immediately to IEC.
- 26.2.8. The Supplier shall ensure human oversight of the AI system's operation at all times. It is clarified that the Supplier shall bear sole responsibility for the examination, verification, and control of the AI tool's outputs before their delivery to IEC or any reliance upon them for the purpose of providing the services.
- 26.2.9. AI tool outputs shall be considered "Service Material" and, in accordance with the provisions of the relevant ownership section, shall constitute the exclusive property of IEC. IEC shall be entitled to treat and use such outputs at its sole discretion, for any purpose whatsoever and without limitation.
- 26.2.10. The Supplier shall document the system's operation and provide IEC with documentation and logs upon its request for audit, compliance with applicable law, and explainability purposes.
- 26.2.11. Regarding liability and the obligation of indemnification in connection with any damage, loss, claim, or demand arising from the use of data in AI tools, the provisions of the "Liability and Indemnification" section within the procurement documents shall apply.

27. Engagement with a Lobbyist (where applicable):

- 27.1 The Supplier undertakes to act solely within the framework of this Contract/Order and in accordance with the Purchaser's instructions as may be provided from time to time, and solely for the purpose of performing the services specified herein. For the avoidance of doubt, the Supplier shall not be entitled to act in the name of, or on behalf of, the Purchaser in any matter exceeding the services expressly set forth in this Contract/Order, unless it has received the Purchaser's prior written approval.
- 27.2 The Supplier is not authorized to bind the Purchaser, create any liability, representation, obligation, or engagement on its behalf vis-à-vis any third party, unless expressly authorized to do so in advance and in writing by a duly authorized representative of the Purchaser.
Any such action undertaken without such authorization shall not bind the Purchaser, and the sole responsibility in respect thereof shall rest with the Supplier.
- 27.3 The Supplier undertakes to comply with all applicable laws, and in particular to fully adhere to all laws and regulations governing the activities of lobbyists and governmental affairs advisors, including without limitation any requirements relating to licensing, registration, disclosure, and reporting, as applicable.

End.

Appendix __ - Undertaking of Non-Disclosure [Non-consultant NDA]

[For an individual]

I, the undersigned:..... bearer of ID no.: of (address), (the "Supplier").

[For a company]

I, the undersigned:

..... bearer of ID no.: of (address)....., do hereby declare on behalf of with registration no., domicile at (address): (the "Supplier").

Hereby represent and confirm –

that the Supplier gave an undertaking to the Israel Electric Corporation to keep in absolute confidence any work/service that the Supplier will provide in accordance with the provisions of the contract signed between the Israel Electric Corporation and the Supplier (the "**Contract**"). With respect to the "Service Material" and the "Information" as defined in the procurement procedure/tender and/or the Order/Contract.

This Appendix is an integral part of the Contract.

As an authorized signatory of the Supplier, and in accordance with the confidentiality provisions of the Contract, according to which the Supplier shall sign an undertaking to the Israel Electric Corporation to maintain all work/services, which shall be provided by the Supplier to the Israel Electric Corporation, in absolute confidence, I hereby undertake on behalf of the Supplier, as follows:

1. To keep and maintain all work/ services, which shall be provided by the Supplier, including in connection with the "**Service Material**" as defined in the Contract, and/or its outcome and/or any part thereof and/or in connection with the Information, as such term is defined herein and in the confidentiality and privacy protection clause in the general terms and conditions above, that will reach the Supplier and/or be received by the Supplier in connection with or pertaining to the Contract with the Israel Electric Corporation, in absolute confidence.
2. To keep in confidence and not disclose, not to copy and not to cause the disclosure, show and/or provide in any manner, whether throughout the duration of the Contract period or thereafter, to any person or entity, any Information (as such term is defined herein and in the confidentiality and privacy protection clause in the general terms and conditions above) or any part of it and/or trade secrets and/or other secrets of the Israel Electric Corporation and/or information and/or knowledge relating to the Israel Electric Corporation or connected, directly or indirectly, to the Israel Electric Corporation, its assets, business and affairs, its customers, suppliers, individuals and/or entities associated with and/or enter into contact with the Israel Electric Corporation, including and without derogating from the generality of the above, methods, processes, prices, calculations and terms of agreements . I hereby, on behalf of the Supplier, declare and confirm that all the aforesaid secrets or Information , are the exclusive property of the Israel Electric Corporation and the Supplier shall have no claim, of any kind, in respect of them or arising from them.
3. In this respect, and without derogating from the generality of the above, the Supplier acknowledges that the Company is a "public company" as such term is defined under the Israeli Companies Law, 5759-1999, with securities listed on the Tel-Aviv Stock Exchange Ltd. and that the information, mentioned in Sections 1 and 2 of this Appendix (the "**Information**"), in whole or in part, may be considered "inside information" as such term is defined under the Israeli Securities Law, 5728 – 1968 and the Supplier acknowledges and familiar with the applicable legal restrictions under this law regarding the use of inside information, and the Supplier undertakes to refrain from making any use of the Information in any manner which would constitute a violation of the provisions of the Israeli Securities Law.
4. Not to make any unnecessary use of the information, which is not required under the Contract, neither for the benefit of the Supplier or for the benefit of others nor for any benefit whatsoever.
5. Not to harm and/or remove and/or change the identifying markings of the Israel Electric Corporation appearing on the Information.
6. Maintain the Information under strict confidentiality in accordance with the provisions of the Supply Chain Annex (if attached to the procurement/tender documents) and the Information Security and Cybersecurity Annex (if attached to the procurement documents/tender documents).

7. To notify the Israel Electric Corporation promptly and without delay of any person and/or entity to whom the Information may have been disclosed and/or who was exposed to it and/or who came into possession of it, contrary to the provisions of this letter of undertaking.
8. To provide the Israel Electric Corporation any information, of any kind, which may be for its benefit, that comes to the attention of the Supplier, in connection with the execution of the Contract (insofar as such is signed), and not to use such information, in any way, other than for the Israel Electric Corporation
9. To provide the Israel Electric Corporation all of the information in the possession of the Supplier immediately upon receipt of a written demand to provide it from the Israel Electric Corporation security officer, and in any case no later than one week from the termination of the Contract, for any reason.
10. The Supplier shall inform all of his managers, employees, sub-contractors, agents and any party acting on his behalf, which shall execute the services contemplated under the Contract on his behalf, pertaining this and his undertaking of non-disclosure as contemplated under the Contract and in this Appendix. The Supplier shall make its best efforts to assure that the aforesaid entities shall, as aforesaid, keep and maintain in absolute confidence and shall fulfill their undertakings in accordance with his undertaking.
11. The Supplier acknowledges that any use of the Information and/or of the Service Material and of the deliverables, by the Supplier and/or any party acting on his behalf and/or any transfer of information or any part of it, to any third party, not for the purpose of the execution of the obligations under the Contract, may cause detrimental damages to the Company and/or any affiliated company. Therefore, the Supplier shall be responsible for any damages or losses incurred by Company and/or any third party, if such incurred, resulting from the aforesaid infringements of undertakings, directly or indirectly (including, without derogating from the generality of the forgoing, loss of revenue and/or profit, reputational damage, attorneys' fees and costs).
12. Notwithstanding the forgoing in this undertaking, it is hereby agreed that the Information (as defined above) shall not include information which the Supplier can demonstrate that the said information is one or more of the following:
 - a. information, in which the Supplier can prove by written records, which was in the Supplier's possession prior to the signing of the tender and/or the Contract provided that such information was not obtained through a breach of the provisions of this Appendix and/or the tender and/or the Contract by the Supplier or anyone on its behalf and only insofar as, the Supplier has been provided with a prior written notice of such said possession, and shall delay the transfer of such Information by 7 business days, to enable the Israel Electric Corporation with a duration to prevent the transfer of Information;
 - b. Information, which according to written records, is generally available in the public domain provided that such publication is not resulted from any breach of any provisions of this Appendix and/or the tender and/or the Contract by the Supplier or anyone on its behalf;
 - c. Information, in which its disclosure is required by an order of a court, governmental standards or any other authority, authorized by law to request such Information, and provided that such disclosure is limited to the minimal scope required explicitly under the said order and that the Israel Electric Corporation was provided with a prior written notice, detailing the upcoming disclosure of Information, the scope and details required to be disclosed, in a reasonable timeframe to enable the Israel Electric Corporation to seek a protective order or otherwise prevent such transfer of Information, and to present its arguments before the court or the said authority, as applicable;
 - d. Information, in which its disclosure was approved, in writing, by the Israel Electric Corporation's authorized representative;
 - e. Information, which was disclosed to the Supplier by a third party, without a breach of any provisions of this Appendix and/or the tender and/or the Contract, by the Supplier or anyone on its behalf.

On behalf of the Supplier, I confirm that the Supplier is aware that the Israel Electric Corporation is a supervised entity, as defined in the State Comptroller Law, 5718 – 1958 [Consolidated Version] and that the Supplier's attention was directed to the Penal Law, 5737 – 1977 Chapter G, and in particular to the provisions of sections 118 and 119 of the Law.

In witness whereof I have signed:

Today Month Year,
 (Name and signature)