

COMTEL ISRAEL Electronic Solutions LTD: General Terms and Conditions of Sale

Rev02

1. GENERAL

These Terms and Conditions apply to all deliveries of goods, including services, by COMTEL ISRAEL, unless agreed otherwise in writing by COMTEL ISRAEL and Purchaser. For the avoidance of doubt, in the event of any conflict or inconsistency between these Terms and Conditions of Sale and the terms and conditions contained in Purchaser's order or in any other form issued by Purchaser, whether or not any such form has been acknowledged or accepted by COMTEL ISRAEL, these Terms and Conditions of Sale shall prevail. No waiver, alteration or modification of these Terms and Conditions of Sale shall be binding upon COMTEL ISRAEL, unless made in writing and signed by a duly authorized representative of COMTEL ISRAEL.

2. QUOTATIONS

Unless otherwise stated under a quotation issued by COMTEL ISRAEL, COMTEL ISRAEL's quotation shall be null and void, unless accepted by Purchaser within thirty (30) days from the date of quotation.

Quoted Prices are VAT exclusive (except for Israeli Purchasers, for which Quoted Prices are VAT inclusive).

The price in NIS will be calculated according to the currency rate of the Israeli central bank, on the day the invoice was produced by COMTEL ISRAEL.

The quoted prices are correct for the offer as a whole, a partial order may cause a price change, all subject to COMTEL ISRAEL's sole and absolute discretion.

The delivery time and inventory status are correct for the offer date only.

Customer should indicate COMTEL ISRAEL quotation number on each PO.

Minimum Order Value \$ 100, Minimum order line value 50\$.

The minimum amount for a single order or delivery invoice to the customer is 100 EUR. Items will not be delivered to the customer for whom the invoice amount is less than 100 euros. In such a case the order as a whole will be declined, or the delivery of the items will be postponed until the order is increased accordingly, or the delivery of the item will be postponed to a joint delivery date with other items in the same order and at the same time with a minimum delivery of 100 Euros per invoice.

3. PRICES / COST OF TRANSPORTATION

All Quoted Prices are based on the current exchange rates, tariffs and costs of manufacture. Prices are subject to correction for error and/or for changes in currency rates, as above. Unless otherwise stated, all prices are EXW- COMTEL ISRAEL's relevant site, under Incoterms 2010 and include agreed packing costs. Methods of transportation will be used according to Purchaser's request and at Purchaser's expense. Delivery of the goods is at the expense of Purchaser, unless otherwise agreed in writing by and between Purchaser's and COMTEL ISRAEL's authorized employees.

Unless otherwise mutually agreed by COMTEL ISRAEL and Purchaser, payment terms are a cash payment upon the earlier of the Delivery Date or actual receipt of the goods by Purchaser.

4. TERMS OF PAYMENT

Unless specifically provided, no cash discount shall be available. When cash discount is offered, the discount price is computed from the date of invoice. COMTEL ISRAEL does not offer cash discount on C.O.D. shipments. Should payment not be made to COMTEL ISRAEL when due, COMTEL ISRAEL reserves the right, until the price has been fully paid in cash, to charge Purchaser with interest on such overdue payments at the rate of six percent (6%) per annum. The charging of such interest shall not be construed as obligating COMTEL ISRAEL to grant any extension of time in the terms of payment.

5. TAXES

Sales to Israeli Purchasers include VAT according to applicable law. When selling to international Purchasers, prices do not include Goods & Services Tax, Provincial or Municipal sales, use, value-added or similar tax. Accordingly, in addition to the Price, the amount of any present or future sales, use, value-added or similar tax applicable to the sale of the goods hereunder to or the use of such goods by Purchaser shall be paid by Purchaser, which shall compensate COMTEL ISRAEL upon its first demand for any cost, damage or expense incurred by COMTEL ISRAEL with relation to the above-mentioned taxes.

6. DELIVERY

Delivery Dates are approximation solely and are based on prevailing market conditions applicable respectively at the time of COMTEL ISRAEL's quotation and written confirmation of Purchaser's order. Delivery Dates are also conditioned upon relevant manufacturer's products availability, production lead times and delivery schedules and are approved accordingly. The Delivery Date of an off-stock item is subject to the actual delivery date of the manufacturer.

When Purchaser order is ready to be picked up at COMTEL ISRAEL's site, a notice will be sent (by e-mail, telephone or fax) in order to coordinate a lead shipment. In case prepayment is required (as agreed by and between Comtel Israel and Purchaser in advance) - the goods will be delivered subject to duly payment only. After invoice is issued by COMTEL ISRAEL, the goods are considered to be supplied and obligates Purchaser to pay the invoice on time. The withdrawal of the goods by Purchaser will be no later than COMTEL ISRAEL approved date.

7. FORCE MAJEURE

COMTEL ISRAEL shall not be responsible or liable for any loss or damage incurred by Purchaser resulting from causes beyond the reasonable control of COMTEL ISRAEL ("Force Majeure"). The withdrawal of goods by Purchaser shall constitute a waiver of all claims for loss or damage due to any delay whatsoever.

8. SHIPMENT, DAMAGES, SHORTAGES, RISK

Except for obligations stated under "Warranty" herein, COMTEL ISRAEL's responsibility for goods ceases in accordance with EXW- COMTEL ISRAEL's site under Incoterms 2010. In the event of loss or damage during shipment, Purchaser's claim shall be against the carrier only. COMTEL ISRAEL will, however, give Purchaser any reasonable assistance to secure adjustment of Purchaser's claim against the carrier provided immediate notice of such claim is given by Purchaser to COMTEL ISRAEL in writing. Claims for shortages must be made in writing within five (5) days after withdrawal of goods by Purchaser. If COMTEL ISRAEL does not receive written notification of such shortages within such five (5) days' period, it shall be conclusively presumed that the goods were delivered in their entirety and Purchaser waives any right and/or claim and/or demand with relation to such shortages. Unless otherwise mutually agreed in writing by COMTEL ISRAEL and Purchaser, COMTEL ISRAEL reserves the right to make partial shipments and to submit invoices for partial shipments.

9. CHANGES AND CANCELLATION

Orders accepted by COMTEL ISRAEL are not subject to changes or cancellation by Purchaser, unless COMTEL ISRAEL's written consent was provided. In such cases where COMTEL ISRAEL authorizes changes or cancellation, COMTEL ISRAEL reserves the right to charge Purchaser with reasonable costs based upon expenses already incurred and commitments made by COMTEL ISRAEL, including, without limitation, any labour done, material purchased and also including Supplier's usual overhead and reasonable profit and cancellation charges from COMTEL ISRAEL's suppliers.

Postpone or cancellation requests sent less than forty-five (45) days from the date of COMTEL approved delivery of will be rejected out of hand. There will be no cancellation window on unique items - items



manufactured specifically for the customer for the current order or special allocation items, unless approved by the manufacturer and given formal approval by COMTEL ISRAEL.

In the event of a request to postpone the supply of an order of Purchaser, in whole or in part - maximum renewal is for three (3) months and is subject to formal approval from COMTEL ISRAEL. In case an order of Purchaser, in whole or in part, is approved for postpone, one postpone will be approved for each order line. Order of Purchaser, in whole or in part, delivery cannot be cancelled after postpone and order line cannot be canceled or quantity reduced.

Notwithstanding the foregoing, EOL (End of Life) component Order is NCNR (Non-Cancelable, Non-Returnable).

In any case, and even in the case of conditions defined differently in this document, the following provision applies, and is the only valid provision for the supply of JAUCH products: Due to the state of the world allocations and the lack of components, until further notice, all orders from the supplier Jauch cannot be canceled or returned - NCNR. Since a back-to-back order is issued to a supplier by Comtel Israel and is non-cancellable. Any order received from a customer for JAUCH items will be considered as the customer's approval of this condition for any discussion! The actual delivery date will be determined in accordance with the delivery dates to be sent from supplier, and in light of the circumstances may be longer than usual and up to 18 months, including any further change of delivery. And for the avoidance of doubt, in any case where an order has been received and delivery dates for the customer have not yet been confirmed, the order is considered an order in process and cannot be canceled.

10. TITLE

Title to the goods or any part thereof shall not pass from COMTEL ISRAEL to Purchaser until all payments due hereunder have been duly made in cash, except as otherwise expressly stipulated herein. The goods shall be and remain personal or moveable property of COMTEL ISRAEL, notwithstanding their mode of attachment to realty or other property. If default is made in any of the payments herein, Purchaser agrees that COMTEL ISRAEL may retain all payments which have been made on account of the Price as liquidated damages, and COMTEL ISRAEL shall be free, in addition, to enter the premises where the goods may be located and remove them as COMTEL ISRAEL's property, without prejudice to COMTEL ISRAEL's right to recover any further expenses or damages COMTEL ISRAEL may suffer by reason of such non-payment under these Terms and conditions of Sale and/or applicable law. Unless otherwise agreed in written, Comtel ISRAEL reserves all rights to the intellectual property embodied in its products and services.

11. LIABILITY

COMTEL ISRAEL shall not be liable for and shall be held harmless by Purchaser from any damage, losses or claims of whatever kind, contractual or delictual, consequential or incidental, direct or indirect, arising out of, in connection with or resulting from the sale governed hereby or the goods, including, but without limitation, the manufacture, repair, handling, installation, possession, use, operation or dismantling of the goods and any and all claims, actions, suits, and proceedings which may be instituted in respect to the foregoing. Without derogating from the aforesaid, COMTEL ISRAEL's liability shall be at all times limited to the Price of the relevant order of Purchaser.

12. WARRANTY

Goods sold hereunder are covered by a warranty against defects in material and workmanship provided the goods and services are subjected to normal use and service. The goods are covered according to the relevant original manufacturer's warranty. The obligation under this warranty is limited to the repair or replacement, at COMTEL ISRAEL's sole discretion, of defective parts point of shipment, provided that: (i) prompt notice of any defect is given by Purchaser to COMTEL ISRAEL in writing, within the applicable warranty period; (ii) upon the Purchaser's return of the defective parts to COMTEL ISRAEL or, if designated by COMTEL ISRAEL, to the



location where the works are made, the defective parts are properly packed; (iii) transportation charges prepaid by Purchaser; and (iv) an inspection thereof shall reveal to manufacturer satisfaction that Purchaser's claim is valid under the terms of this Warranty.

Purchaser shall assume all responsibility and expense for dismantling, removal, re-installation and freight in connection with the foregoing. The same obligations and conditions extend to replacement parts furnished by COMTEL ISRAEL hereunder. COMTEL ISRAEL does not assume in any case, liability for installation, labour or consequential damages. COMTEL ISRAEL makes no warranty other than as explicitly stated hereunder. All other warranties, legal, expressed or implied, including but not limited to any expressed or implied warranty of merchantability, of fitness for the intended use thereof or against infringement are hereby expressly excluded.

The applicable warranty ceases to be effective if the goods are altered or repaired other than by persons authorized or approved by COMTEL ISRAEL to perform such work. Repairs or replacement deliveries do not interrupt or prolong the term of the Warranty.

The Warranty ceases to be effective if Purchaser fails to operate and use the goods sold hereunder in a safe and reasonable manner and in accordance with any written instructions from the manufacturers.

13. INSTALLATION

Unless otherwise expressly stipulated, the goods shall be installed by and at the risk and expense of Purchaser. In the event that COMTEL ISRAEL is requested to supervise such installation, COMTEL ISRAEL's responsibility shall be limited to exercising that degree of skill customary in the trade in supervising installations of the same type. Purchaser shall remain responsible for all other aspects of the work including compliance with the local regulations.

14. RETURNED GOODS

No goods may be returned to COMTEL ISRAEL without COMTEL ISRAEL's prior written permission. COMTEL ISRAEL reserves the right to decline all returns or to accept them subject to a handling/restocking. Even after COMTEL ISRAEL has authorized the return of goods for credit, COMTEL ISRAEL reserves the right to adjust the amount of any credit given to Purchaser on return of the goods based on the conditions of the goods on arrival in COMTEL ISRAEL's site. Credit for returned goods will be issued to Purchaser only where such goods are returned by Purchaser and not by any subsequent owner of the goods. Goods will be considered for return only if they are in their original condition and packaging.

15. THE AGREEMENT

An acceptance and official confirmation of Purchaser's order by COMTEL ISRAEL shall constitute the complete agreement, subject to the terms and conditions of sale herein set forth, and shall supersede all previous quotations, orders or agreements.

16. GOVERNING LAW AND JURISDICTION

These Terms and Conditions of Sale shall be governed by the laws of the State of Israel. The competent courts of Tel Aviv, Israel shall have an exclusive jurisdiction with relation to any dispute that may arise between COMTEL ISRAEL and Purchaser with relation to these Terms and Conditions of Sale.