

GENERAL CONDITIONS OF SALES AND DELIVERY NETAFIM NETHERLANDS B.V.

1. Definitions

- 1.1. In these general conditions ("Conditions"), the following terms shall have the following meanings:
- Netafim NL : Netafim Netherlands B.V., established at Maasdijk, as well as its legal successors by universal or particular title;
 - Client : Any natural person or legal entity by order of whom Netafim NL supplies Products and/or for whom Netafim NL performs Services and/or with whom Netafim NL concludes an Agreement or with whom Netafim NL discusses or negotiates entering into an Agreement;
 - Products : Any and all goods, including documentation, drawings, testing equipment and any (other) results of Services performed by Netafim NL which may be the subject of an agreement;
 - Services : Any and all activities in any form whatsoever and however called (services, contracting, deploying, etc.) which Netafim NL performs for or on behalf of Client;
 - Agreement : Any Agreement entered into between Netafim NL and Client, any amendment or addition to such Agreement, as well as any and all (legal) acts in preparation or performance of such Agreement;
 - Order : Any Order from Client in any form whatsoever.

2. Applicability

- 2.1. Except to the extent that, also in view of the nature of the performances agreed upon or to be agreed upon, any other General Conditions of Netafim NL are applicable (e.g. the General Purchase, Order and Tendering Conditions), these Conditions shall form part of any and all Agreements and shall apply to any and all (other) acts and legal acts between Netafim NL and Client, even if such acts should not lead to or relate to any Agreement.
- 2.2. The applicability of any general conditions of Client is explicitly rejected by Netafim NL.
- 2.3. Netafim NL's General Purchase, Order and Tendering Conditions shall (also) apply to any (legal) acts by Netafim NL and its (potential) counterparties with respect to Agreements or negotiations on Agreements, whereby Netafim NL acts in whole or part as buyer of goods, client (e.g. with respect to Services) and/or tenderer. These General Purchase, Order and Tendering Conditions have been filed with the Chamber of Commerce in The Hague under number 24196434 and shall be provided to Client, at Client's first request, at no charge.

3. Offers, entering into Agreements and quotations and indications of Products and Services

- 3.1. Netafim NL's offers or quotations shall be non-binding and shall constitute only an invitation to Client to place an Order.
- 3.2. An Agreement shall come into existence only if and to the extent that Netafim NL accepts an Order from Client in writing or if and to the extent that Netafim NL performs pursuant to an Order, unless Client demonstrates by other means that Netafim NL has fully and unconditionally accepted Client's Order. In the event that Netafim NL, on request, performs any activity before full agreement is reached on pricing and payment conditions for such performance, Client shall pay Netafim NL for such performance pursuant to the provisions of Articles 6 and 7 at Netafim NL's then current fees. To the extent that, contrary to the provisions of the first sentence of this paragraph, an offer from Netafim NL is binding and Client accepts such offer with minor deviations, such deviations shall not form part of the Agreement entered into between Client and Netafim NL, and an Agreement shall be concluded consistent with Netafim NL's offer.
- 3.3. Any quotations by Netafim NL of amounts, measurements, weights and/or other indications of the Products and/or Services will be carefully made. Netafim NL cannot guarantee, however, that no deviations will occur. Samples, drawings or models shown or provided shall be indications of the relevant Products and/or Services only. In the event that Client demonstrates that the Products delivered and/or Services performed deviate from Netafim NL's quotations or from samples, drawings or models in such a manner that Client cannot reasonably be obligated to accept such Products or Services, Client shall have the right to rescind the Agreement, but only to the extent that such rescission is reasonably necessary.

4. Agency and distribution agreements

- 4.1. Client shall not be an agent or a distributor of Netafim NL, unless it is explicitly appointed pursuant to a written agency and/or distribution agreement.
- 4.2. Any agency and/or distribution agreement shall be non-exclusive, except to the extent that it is explicitly provided that the relationship is in whole or part exclusive.
- 4.3. The discount or commission which Client receives as a distributor or agent includes at all times compensation for acquiring a new customer or increasing Netafim NL's goodwill. Upon termination of the agency and/or distribution agreement, Netafim NL shall not be obligated to pay any compensation (for damages, goodwill or customers), except to the extent that such compensation is due pursuant to applicable mandatory law.

5. Amendments and additions

- 5.1. Amendments and additions to any provision in any Agreement and/or the Conditions may be made only in writing.
- 5.2. In the event that any amendment and/or addition as referred to in paragraph 1 shall be agreed upon, such amendment or addition shall be valid only for the relevant Agreement.

6. Prices

- 6.1. All prices of Netafim NL are expressed in euros, exclusive of V.A.T., unless stated otherwise. Unless stated otherwise in Netafim NL's brochures, price lists or other promotional material or unless explicitly agreed otherwise, costs of special forms of packing and shipment (including shipment to more than one address), import duties, export duties and excise taxes, travel and accommodation expenses related to the performance of Services, as well as any (other) levies or taxes imposed with respect to any performance shall be separately charged to Client.
- 6.2. Any change in the factors affecting the price and the additional costs referred to in paragraph 1, including purchase prices, exchange rates, duties and other levies imposed on import and export, insurance premiums, freight and other levies or taxes, may be charged by Netafim NL to Client. Client shall have the right to rescind the Agreement only to the extent that such charges are incurred within three months after acceptance of the Order by Netafim NL and provided that Client can claim rescission based on Article 6:235 of the Dutch Civil Code.
- 6.3. Client shall indemnify Netafim NL against any and all costs and damages which may result from the fact that:
- Client is not properly registered for purposes of value-added tax or a similar tax in any relevant EC member state; and/or
 - Client provides incorrect or untimely information to Netafim NL and/or the tax authorities in the field of value added tax or a similar tax in any relevant EC member state.

7. Payment

- 7.1. In the event of delivery of Products, Client shall pay to Netafim NL at the time of delivery of such Products, the amounts charged, in the currency stated in the invoice, unless agreed otherwise in writing. In the event of performance of Services, Client shall pay to Netafim NL the amounts due, in the currency stated in the invoice, within 30 days after date of invoice. Any payments shall, at Netafim NL's discretion, be made at Netafim NL's office or into a bank or giro account as directed by Netafim NL. In the event of payment at Netafim NL's office, payment shall be made in cash or in guaranteed bank or giro cheques, unless agreed otherwise.
- 7.2. Any objections to invoices, specifications, descriptions and prices must be made to Netafim NL in writing within 10 days of the date of the invoice. In the event that this is not possible due to circumstances beyond Client's control, Client shall notify Netafim NL of its objections in writing in any event as quickly as reasonably possible.
- 7.3. Any amounts charged to Client shall be paid without any discount or withholding.
- 7.4. Client shall not have the right to set off any claim it may have against Netafim NL against a claim of Netafim NL, unless such set-off is permitted on the basis of a final judgment in court or arbitration.
- 7.5. Client shall not have the right to suspend its obligations, unless Client submits the dispute to a competent court pursuant to Article 21.4 within 30 days after such obligations become due.
- 7.6. In the event that Netafim NL at any time develops reasonable doubts as to Client's credit-worthiness and/or if Netafim NL considers desirable and/or in the event that Client repeatedly does not pay correctly or on a timely basis and Client has been reminded at least once by Netafim NL, Netafim NL shall have the right to demand that Client pay the purchase price of the Products and/or compensation for the Services in advance, prior to any further performance, even under existing Agreements or that Client provide satisfactory security in the amount of Netafim NL's claim against Client under the Agreement, which security includes customary cash on delivery, documentary credit such as an irrevocable letter of credit confirmed by a first class bank, cash against documents or cash against delivery.
- 7.7. In the event that it is agreed that payment shall be made and/or in the event that security shall be provided by means of documentary credit and/or a bank guarantee, Client shall do so at all times through a bank of good repute.
- 7.8. In the event any payment has not been made by the last day of the payment term, Client shall be obligated to pay interest equal to the then current Dutch legal interest as referred to in Article 6:119 a of the Dutch Civil Code as of such day without any notice of default being required. At the end of each month, the amount over which such interest is calculated shall be increased with the amount of interest due for the previous month.
- 7.9. In the event that Client fails to pay the amount due including interest, after having received a registered letter in which a further term for payment has been granted, Client shall be obligated to compensate Netafim NL for any costs, both in and out of court, including reasonable costs of legal assistance, both in or out of court.
- 7.10. In the event that Netafim NL, out of courtesy or otherwise, grants Client an extension of time for the performance of any obligation, such extension shall at all times be final.

8. Terms of delivery

- 8.1. The term for delivery of Products or performance of Services indicated by Netafim NL shall be without engagement and based upon circumstances affecting Netafim NL at the time of entering into the Agreement as well as to the extent that such term is dependent on performances by third parties, on information given to Netafim NL by such third parties. The delivery and/or performance term shall be complied with by Netafim NL as best as possible.
- 8.2. Terms of delivery or performance commence as of the date of written acceptance of the Order by Netafim NL. In the event that the performance of the Agreement by Netafim NL requires any data or resources to be provided by Client, the terms of delivery or performance shall take effect as of the date on which all necessary data and resources have been provided to Netafim NL, but in any event no earlier than the date of written acceptance of the Order.

- 8.3. In the event that any term is exceeded, Client shall have no right to damages with respect thereto, nor any right to rescind or terminate the Agreement, unless the term is exceeded to such an extent that Client cannot reasonably be bound to (the relevant part of) the Agreement. Client shall in such event have the right, after written notice of default in which a reasonable further term for performance has been granted but not complied with, to rescind or terminate the Agreement by registered letter, but only to the extent that such is absolutely necessary.
- 8.4. Netafim NL shall at all times have the right to make partial deliveries of the Products.

9. Delivery and risk

- 9.1. Delivery of the Products, including the costs of delivery and the passing of the risk of loss or damage shall take place, if the offer or the Order confirmation so provides, in accordance with customary conditions of trade, such as freight pre-paid, f.o.b., c.i.f. and c.f. and in any such event the Incoterms of the International Chamber of Commerce in Paris shall be applicable.
- 9.2. In the event that the conditions referred to in paragraph 1 have not been agreed upon, delivery and the passing of risk of the Products and their packing shall at all times take place at the location and the moment on which the Products are ready for shipment to Client. Netafim NL shall notify Client as soon as possible of such time and location and Client shall take possession of the Products as soon as possible, but in no event later than 30 days after notification.
- 9.3. Client shall ensure on its part that nothing shall interfere with conforming to agreed-upon terms, including terms of delivery, taking possession and installation.
- 9.4. Should Client fail to take timely possession of the Products without a valid ground therefor, Client shall be in default, without any notice of default being required. Netafim NL shall in such event have the right to store the Products at Client's expense and risk or sell the Products to a third party. Client shall in such event still be obligated to pay the purchase sum, increased by interest and costs as a compensation of damages, minus the net sales price paid by a third party if the Products are sold to a third party.

10. Force majeure

- 10.1. In the event that Netafim NL cannot meet its obligations to Client due to circumstances beyond its control ("force majeure"), such obligations shall be suspended for the duration of the force majeure.
- 10.2. In the event that the circumstances constituting force majeure have continued for three months, either party shall have the right to rescind the Agreement in writing, in whole or in part.
- 10.3. Force majeure on the side of Netafim NL shall mean any circumstances beyond Netafim NL's control which obstruct, delay or make performance of (the relevant part of) its obligations to Client uneconomical or under which performance of such obligations cannot reasonably be required.
- 10.4. Parties shall advise each other in writing as soon as possible of (possible) force majeure circumstances.

11. Retention of title

- 11.1. Notwithstanding actual delivery, title to the Products shall pass to Client only after Client has paid in full any amounts due to Netafim NL with respect to deliveries made pursuant to the Agreement or Products to be delivered, including the purchase sum, any surcharges, interest, taxes and costs arising out of these Conditions or the Agreement and any activities performed or to be performed pursuant to such Agreement.
- 11.2. Any amounts received from Client shall be applied in the first instance to payment of claims which Netafim NL may have against Client which are not covered by the retention of title set forth in paragraph 1. Any further amount received from Client shall be applied in the first instance to payment of compensation of any interest and costs due pursuant to Article 7, paragraph 9.
- 11.3. Prior to Client obtaining title to the Products, Client shall not have the right to lease the Products to third parties, nor to have third parties use the Products, nor to pledge the Products to third parties nor to vest any other third party rights in the Products. Client shall have the right to sell or deliver the Products, to which Netafim NL retains title to third parties, only to the extent that such sale is necessary within the scope of Client's normal business.
- 11.4. Client is obligated to store the Products delivered subject to a retention of title carefully and recognizably identified as property of Netafim NL, and to insure such Products against risks such as fire, explosion, damage and theft. At Netafim NL's first request, Client shall assign all its rights under such insurances with respect to such Products to Netafim NL.
- 11.5. If and to the extent that the Products are owned by Netafim NL, Client shall immediately inform Netafim NL in writing of any loss of or damage to any part of the Products, or if (any part of) the Products are attached or otherwise claimed. Furthermore, Client shall inform Netafim NL at its first request of the location of the Products to which Netafim NL retains title.
- 11.6. In the event of attachment, a (temporary) moratorium on payment, or bankruptcy, Client shall immediately inform the attaching official, the conservator or trustee in bankruptcy of Netafim NL's rights (of ownership).

12. Intellectual property

- 12.1. Netafim NL confirms that, to the best of its knowledge the Products do not infringe any intellectual property rights of any third party in The Netherlands. Netafim NL cannot, however, indemnify Client against any infringements of any intellectual property rights of third parties.
- 12.2. In the event that Netafim NL manufactures or has Products manufactured on behalf of Client based on a design other than Netafim NL's own design, Client shall indemnify and hold Netafim NL harmless against any infringement with respect to (the manufacturing and use of) the Products on any intellectual property rights of third parties.
- 12.3. Client warrants that it shall not infringe any intellectual property rights of Netafim NL or its suppliers with respect to the Products (and that it shall not allow or enable third parties to do so), e.g. by copying, processing or imitating the Products.
- 12.4. The Agreement contains no transfer of any intellectual property rights within the framework of goods delivered to Client or services rendered to Client and any relevant documents.

13. Inspection and claims

- 13.1. Client shall thoroughly inspect the Products or have them inspected immediately after their arrival at the place of delivery or after receipt by Client or any third party on behalf of Client, whichever is earlier. Any claims for defects in the materials or manufacturing of the Products, as well as deviations from the description given in the Order confirmation and/or the invoice in quantity, weight, composition or quality of the Products, must be notified to Netafim NL in writing at the latest within 8 days of receipt of the products. Faults that could not reasonably have been discovered within the above period must be reported in writing to Netafim NL immediately on discovery and not later than 30 days after receipt of the products.
- 13.2. Upon the discovery of any defect, Client is obligated immediately to cease use, processing, manufacturing or installation of the relevant Products.
- 13.3. Client shall cooperate with Netafim NL in any manner required for the investigation of the claim, including by permitting Netafim NL to make or have an investigation made on site into the circumstances of processing, manufacturing, installation and/or use.
- 13.4. Client shall not have any right to claim defects in Products with respect to which Netafim NL is not able to perform such investigation.
- 13.5. Client shall not have the right to return the Products until Netafim NL has agreed thereto in writing. The costs of such return shall be for Client's account and the risk of damage to or loss of the Products shall remain with Client.
- 13.6. Client shall have the right to rescind the entire Agreement because of defects in one lot of Products which forms part of a delivery of more than one lot, only in the event that Client can no longer reasonably be bound to the remainder of the Agreement.
- 13.7. Client shall not have the right to make any claim against Netafim NL with respect to defects in the Products as long as Client has not met any directly related obligation vis à vis Netafim NL.
- 13.8. In the event that Client submits a claim with respect to defects in any Product timely, correctly and on valid grounds, Netafim NL's resulting liability shall be limited as set forth in Article 14, paragraph 1, taking into account the other provisions of Article 14 as required by the nature of the claim.
- 13.9. The Client's rights of action against Netafim NL with respect to the delivery of Products and performance of Services shall expire 12 months after delivery of the Products or performance of the Services by Netafim NL, unless explicitly stipulated otherwise in writing.

14. Guarantee

- 14.1. In the event that a claim has been submitted timely, correctly and in accordance with the provisions of Article 13 and, in Netafim NL's opinion, it has been satisfactorily demonstrated that the Products do not function properly, Netafim NL shall, at its option, either deliver new Products to replace the defective Products at no charge upon return of the defective Products, or to repair the relevant Products properly, or grant Client a discount on the purchase price to be mutually agreed upon. By complying with one of the foregoing, Netafim NL shall be fully discharged of its warranty obligations and it shall not be obligated to pay any (further) damages.
- 14.2. In the event that Netafim NL delivers to Client Products which Netafim NL has obtained from its suppliers, Netafim NL shall in no event be bound to any warranty or liability vis à vis Client more extensive than that which Netafim NL may claim from its suppliers.
- 14.3. Netafim NL explicitly does not warrant any recommendation or advice to Client with respect to installation or use of the Products, nor for any such advice or instructions from Client to its buyers.
- 14.4. The risk of damage to or loss of the Products remains fully with Client in the event that any repairs are made by Netafim NL to the Products, unless such repairs are the result of a defective performance by Netafim NL and Client cannot reasonably be expected to insure the Products against the aforementioned risk.

15. Liability and indemnification

- 15.1. Netafim NL shall in no event be liable for any indirect damages of Client or any third party, including consequential damage (e.g. not being able to cultivate the soil timely, deterioration of the structure of the soil, damage to vegetation, loss of profit, lower yields etc.), non-material damages, trading loss or environmental damage.
- 15.2. Netafim NL's liability to Client on any ground whatsoever shall be limited per event to the relevant contract price (exclusive of V.A.T.), whereby a sequence of events shall be deemed to be one event. In the event that no contractual sum can be established, Netafim NL's liability shall be limited to the amount received by it from its business liability insurance.
- 15.3. The limitations on liability in paragraphs 1 and 2 shall not apply to the extent that the relevant damages are caused by wilful misconduct or gross negligence on the part of Netafim NL or its executive personnel or to the extent that Netafim NL's liability arises out of applicable mandatory product liability laws.
- 15.4. Except in the event of wilful misconduct or gross negligence on the part of Netafim NL or its executive personnel, Client shall indemnify and hold Netafim NL harmless against any claims of third parties on any ground whatsoever with respect to damage suffered or costs incurred by Netafim NL on account of such a claim.
- 15.5. Client shall take out adequate insurance against any claims from third parties and shall, in its contractual relationship with its buyers, be obligated to exclude any liability of Netafim NL towards such buyers.

16. Other obligations and responsibilities of Client

- 16.1. Client shall at all times timely provide to Netafim NL any data necessary for the performance of Netafim NL's activities and shall warrant the correctness and completeness thereof.
- 16.2. Client shall not remove or render invisible in whole or part, any trademark or other identifying marks on the Products.