

MOBILICOM LTD. GENERAL PURCHASING

TERMS AND CONDITIONS

1. General Provisions – Acceptance,

Any purchase order issued by Mobilicom Ltd. ("Mobilicom"). Referencing these terms and conditions (the 'Order') is a limited offer by Mobilicom to purchase from the supplier named in the purchase order ('Supplier') the items described in the purchase order, under the terms of the Order and these terms and conditions (the 'Term' and together with the Order , the 'Agreement'). Acceptance of the Order shall be deemed given by Supplier upon the earlier of execution by Supplier of the Order, written confirmation of acceptance, shipment or other performance of the Order within the Order validity period (if and as applicable). The Order is expressly limited to the terms and conditions set forth herein and in the Order and is conditioned upon Supplier's complete acceptance of the Order without modifications or additions. Unless specifically indicated otherwise in writing by an authorized representative of Mobilicom, the terms hereof shall govern and no additional or different terms or provisions (except additional warranties given by Supplier) of any quotation, invoice, acknowledgment or other form supplied by Supplier shall become part of the Order.

2. Delivery - Acceptance of Delivery.

Supplier shall manufacture and deliver the goods and/or services itemized in the Order, at the time and for prices specified in the Order ('Supply') and according to the PS-00400 Counterfeit Parts Prevention procedure. Stated time limits and quantity commitments are of the essence. Supplier's failure to comply with such requirements shall entitle Mobilicom, in addition to any other rights or remedies, to cancel the Order, without liability. The date of delivery shall be the date on which the Supply is received at Mobilicom's designated delivery point or premises (as shall be defined in the Order). No early deliveries may be made without Mobilicom's prior written consent.



3. Modifications

Mobilicom reserves the right to change the volumes, delivery dates, and/or the nature of the Supply at any time. Any resulting decreases in cost of performance shall be passed through to Mobilicom. If such change results in a material increase in cost or time of performance, an equitable adjustment to the price and/or delivery date may be made by mutual written agreement. If Mobilicom and Supplier are unable to agree on an equitable adjustment, Mobilicom may, at its option, terminate all or any portion of the Order without liability. Claims for equitable adjustment must be asserted by Supplier within ten calendar days of the change to the Order.

4. Packaging and Documentation

Supplier shall package all goods adequately for shipment, storage and preservation in accordance with Supplier's standard packaging, however shall also comply with Mobilicom's specification for packaging and storage and shipping polices that shall be in effect as of such date. In the event that Mobilicom has designated specially-designed packaging for a specified item, Supplier shall use such packaging. Supplier shall ship all goods together with all documentation required for its shipping, use, maintenance and upkeep according to the applicable regulatory requirements in effect as of such date. Each shipment will contain COC and test results (if applicable). Electronic components will be packed in Tape and Reel.



5. Shipping

Upon shipment of goods, Supplier shall send to Mobilicom, by email, a copy of the shipping notification including the references and date of the Order, the number of parcels, an exact description of the shipped goods and all documentation necessary to import and to export such goods.

6. Invoicing

Invoices shall be sent to the address in the Order and shall include Mobilicom's Purchase Order reference and a description of the Supply invoiced, the unit prices in the Order's currency, volumes delivered, packing list, certificate of Origin for USA, Euro 1/declaration, and such other information required by Mobilicom from time to time. Mobilicom reserves the right to suspend payment of any invoice which fails to comply with Mobilicom reasonable requirements. If Mobilicom has agreed to pay costs of development, these costs shall be presented in a separate invoice that will not be included in the shipping products. The declared value in the invoice must include (i) value of the Supply Mobilicom needs to pay and (ii) total value. For each shipment of goods or completed item of services, supplier shall submit an original invoice marked "original" and one copy marked "copy" to Mobilicom.



7. Prices and Terms of Payment

Unless otherwise provided in the Order (i) all prices are firm and include all transportation, insurance packaging expenses and taxes, duties, customs or assessments and (ii) standard payment terms are net 60 days from the later of the date of the receipt of a complete invoice or Mobilicom acceptance of the Supply. Supplier hereby authorizes Mobilicom to set-off and deduct any and all liabilities and claims Supplier or its affiliates owed to Mobilicom. Mobilicom shall have the right to audit the books, records and facilities of Supplier to review and confirm Supplier's financial condition as well as Supplier's compliance with the Order.

8. Assignment, Factoring of Accounts Receivables

Supplier shall not assign, transfer or factor all or any portion of its accounts receivable arising under the Order without at least 15 days prior written notice to and written authorization of Mobilicom's finance department. In the event Supplier shall notify Mobilicom that is has entered into a factoring arrangement, Mobilicom may pay invoices to the factoring company and such payment shall be deemed payment to Supplier.



9. Warranty

Without derogating from and in addition to Supplier's (or its Suppliers') standard warranty and/or service guaranty, Supplier warrants the Supply against any design, manufacturing and/or other defect for a period of no less than 24 months from delivery or, if an acceptance procedure is provided for, acceptance (the 'Warranty Period'). Supplier further represents and warrants that (1) all goods and services (i) are transferred to Mobilicom with good and merchantable title and free and clear of all liens, claims and encumbrances (ii) are of good quality, merchantable and fit for the known purposes for which purchased; (iii) conform to the Order, and/or any sample approved by Mobilicom; and (iv) comply with all applicable federal, provincial, state, local or foreign stature, law, ordinance, rule, regulation, license, permit, authorization, registration, policy or order ("Government Laws"), including, without, limitation, appliance industry codes and standard, and (2) Supplier has the requisite financial condition to fulfill the Order. The foregoing warranties shall survive delivery and payment, and shall run in favor of Mobilicom. No payment, inspection, verification, acceptance, test, delay, use, resale or failure to inspect, verify, test or discover any defect or other non conformances shall relieve Supplier of any of its obligations under the Order or impair any rights or remedies of Mobilicom. If during the Warranty Period, any Supplies are found by Mobilicom to be unsatisfactory for any reason, Mobilicom may, at its option: (i) retain all or any portion of the Supplied goods at an adjusted price; (ii) return the Supplied goods for repair, replacement or refund as Mobilicom shall direct, (iii) require re-performance or refund with respect to services (iv) repair such Supplied goods at Supplier's sole cost, and/or (v) require Supplier to repair or replace the Supplied goods in Mobilicom's environment in all cases, Mobilicom shall be reimbursed by Supplier for all of its costs and expenses in connection with the handling and transporting of any unsatisfactory goods and additional costs and expenses incurred by Mobilicom as a result of nonconformance of goods or services, including, without limitation, travel, rework, de-installation, re-installation,

disposal, replacement or recall so that the Supplied goods operate in full compliance with the provisions of the Order and the use for which they is intended. Supplier shall assume all risk of loss or damage in transit to Supplied goods returned by Mobilicom Should Supplier fail to effectively comply with its warranty within 10 calendar days of receiving Mobilicom' notice thereof, Mobilicom reserves the right to perform or to have any third party perform instead of Supplier at Supplier's sole expense. Any service furnished and/or any item replaced or repaired under this warranty are themselves guaranteed for 18 months under the abovementioned conditions; provided that any items/services with a normal lifecycle of less than 18 consecutive months are warranted for such life cycle.

10. discontinuation; Spare Parts

If Supplier desires to discontinue the manufacture, or proposes any modification in the specifications of any product subject to the Order, Supplier shall provide no less than 18 months prior written notice to Mobilicom in the form of [PCN, PDN] and such other information required by Mobilicom from time to time, even if the Order has been completed or terminated for any reason. Mobilicom shall have the opportunity during such notice period to purchase any quantity of such product as it deems necessary. Unless otherwise stated in the Order, Supplier shall make available all spare parts for the products purchased for 7 years after the date of last delivery of any products under the Order, Supplier shall keep safe and return to Mobilicom all documentations, jigs and tools and all other means supplied by Mobilicom promptly after the Order has been completed or terminated for any reason.



11. intellectual Property

11.1 Each party owns or has a license use its respective patents, copyrights, trademarks, design rights, trade secrets, knowhow and other intellectual property and proprietary rights ("IP Rights") created or developed prior to entering into the Order including all modifications, improvements or changes in or to such pre-existing IP Rights. To the extent that any pre-existing IP Rights are contained in or used in connection with the Supply ("Pre-existing IP"), Supplier grants to Mobilicom a worldwide, irrevocable, non-execute, fully paid, royalty-free right and license to and authorize others to use, execute, reproduce, display, perform, distribute and prepare derivative works of such Pre-existing IP.

11.2 Supplier acknowledges and agrees that all discoveries, inventions, technologies, procedures, processes, techniques, formulae, methods, improvements, designs, work of authorship, software, trade names, slogans, service marks, mask work rights, IP Rights and other intellectual property and proprietary rights and derivative works invented, conceived, created, discovered, developed, authored or devised, individually or in or in collaboration with any other person or entity in the course of performing pursuant to the Order (collectively, "inventions") are "works made for hire" and shall be the sole and exclusive property of Mobilicom. Without derogating from the foregoing, if any Inventions do not qualify as "works made for hire", Supplier hereby irrevocably assigns, without additional compensation, all right, title and interest in and to all such inventions, including without limitation, any and all applications, registrations, renewals, extensions, claims, allowances, reexaminations, reissue, extensions, other protections and all other intellectual property and proprietary rights of any type, nature and description for any and all inventions throughout the world.



11.3 Supplier warrants that the sale or use of Supplies or provision of services furnished hereunder will not contribute to infringement of any third party's rights, and Supplier shall defend, indemnify and hold Mobilicom, its predecessor successors, assign and customers (whether direct or indirect), harmless against any and all claims, losses, demands, damages and expenses (including reasonable attorneys' fees and other costs of defending any action) (collectively, "Claims") which they, or any of them may sustain or incur as arising from or relating to the Pre-existing IP or any breach of this warranty.

12. Confidentiality/Publicity

Without derogating from any confidentiality obligations undertaken by Supplier prior to the date of the Order, which obligations shall continue to apply mutatis, mutandis all information provided to Supplier, or to which Supplier may have access or learn in connection with the Order shall be kept strictly confidential and used exclusively for the purpose of performing the Order. Supplier shall not disclose its business relationship with Mobilicom to third parties, not exhibit the whole of or part of the goods manufactured from technical documents or specifications owned/provided by Mobilicom.



13. Indemnity and Insurance

Supplier shall defend, indemnify and hold Mobilicom, its predecessors, successors, assigns and its customers (whether direct or indirect) harmless against any and all third party Claims, which they or any of them, may sustain or incur as a result of (i) any claim of violation by Supplier or by the Supply hereunder, of any common law or any Governmental Law, (ii) Supplier's negligence, breach of warranty or strict liability in tort in connection with Mobilicom's use of the goods or Supplier's provision of service, and (iii) Supplier's breach of or default under the Order. Unless otherwise specified in an Order, Supplier shall procure and maintain the following insurance with carriers rated "A" or better, to protect Mobilicom and Supplier from any and all Claims: (i) Commercial General Liability Insurance, including. Products/Completed Operations and Contractual Liability Insurance, with a limit of liability Insurance, with a limit of liability not less than \$5 million per occurrence combined single limit for bodily injury and property damage (ii) Workers' Compensation with statutory limits; (iii) Employers' Liability Insurance with a limit of \$2 million each accident and disease; and (iv) Automobile Liability Insurance for any auto owned, non-owned, leased, rented or hired and used in the fulfillment of the Order, with a limit of \$2 million per occurrence combined single limit for bodily injury and property damage. Supplier shall provide a certificate of insurance issued by an authorized representative of Supplier's insurance company, naming Mobilicom as additional insured and providing a waiver of subrogation in favor of Mobilicom. Upon request, Supplier shall provide Mobilicom with a copy of such insurance policies. Supplier hereby agrees to purchase, at Supplier's expense, any additional insurance which Mobilicom may reasonably consider to be necessary in light of the risks relating to performance of the Order.



14. Termination

14.1 Mobilicom may cancel the Order or any part thereof of any time prior to (i) shipment for goods not specially manufactured for Mobilicom, or (ii) commencement of services, without any liability to Supplier. If Mobilicom, terminates after the time set forth in 14.1 (i) or (ii) above, Mobilicom shall be liable to Supplier for Supplier's actual documented out of pocket expense expended prior to receipt of notice of cancellation by Mobilicom for work and materials procured solely as a result of the Order which cannot be used by Supplier for any other product or service, and in no event in excess of the purchase price of cancelled goods or services (the "Termination Cost").

14.2 In addition to its other rights and remedies, Mobilicom may immediately terminate any Order without liability whatsoever in the following cases (i) Court-ordered, or out-of-court dissolution or liquidation of Supplier, (ii) an event of force majeure, the consequences of which last for more than 6 weeks; (iii) Supplier's breach of or default under the Order which was not remedied within 14 days of receiving Mobilicom notice thereof; (iv) Supplier's inadequate financial condition (as determined by Mobilicom in its sole discretion); and (v) Supplier's failure (as determined by Mobilicom in its sole discretion) to provide adequate assurance of performance and/or financial condition.

15. Disputes – Governing Law

The Order and any claim, dispute or controversy arising out of or in connection with or relating to the Order or the breach or alleged breach thereof shall be governed by and construed in accordance with the laws of the State of Israel, without reference to conflicts of law principles, and may solely be submitted to the competent courts located in Tel Aviv, Israel. The United Nations Convention on Contracts for the International Sale of Goods shall not be applicable.

16. Governmental Laws and Contract Terms and Conditions

Supplier agrees to comply with all applicable Governmental Laws, including any provisions of governmental contracts, including, without limitation, customs rules and regulations, restrictions on export of information, restrictions on dealing with restricted persons and citizens of restricted countries, compliance with equal opportunity requirements and implementation of a supplier diversity plan. Supplier will take appropriate due diligence and continuous monitoring of Supplier's supply chain as are reasonably necessary to avoid procurement or use of raw metals sourced from regions of the world know as "conflict regions", including, conflict material that directly or indirectly finance or benefit armed groups as defined in Section 1502 of the US Dood-Frank wall Street Reform and Consumer Protection Act. Supplier further agrees to fully support Mobilicom' efforts to keep its supply chain free from such conflict metals and make its due diligence measures available to Mobilicom for review upon request.

