

**Frame Contract No. S88/18****for Overhaul, Repairs, Service and Parts delivery Project for****the NPP 2000 Powerpack of the CZ Modernized tanks T-72M4 CZ / VT-72M4 CZ**  
**(hereinafter "Contract" only)****Seller:**

NIMDA Co. Ltd.

Lev Pesach Street, North Industrial Zone,  
Lod 71293,

Israel

IC: 510-575053

**Represented by:**

Mr. Arie Semel, President

Hereinafter

**"Seller"** only

Represented in the Czech Republic territory by its Branch:

Nimda Co. Ltd. organizační složka

Beranových 130

199 05 Praha 9

Česká republika

IČ: 26718481

Hereinafter

**"Branch"** only

and

**Buyer:****VOP CZ, s.p.**

Dukelská 102, 742 42 Šenov u Nového Jičína

IČ: 00000485

DIČ: CZ 00000485

**Represented by:**

Mr. Ing. Marek Špok PhD., Director and

Mr. Ing. Kamil Kučera, Deputy Director

Hereinafter

**„Buyer“** only

Individually may be identified as “**Party**” and together “**Parties**”

Whereas:

1. Parties have signed Purchase contract No. 019/TR/8110/95/7 and 566/2006/1/3/OŘ as amended for production and deliveries of Power packs NPP-2000-1, („Powerpacks“ or „PP“) with additional related activities for the Buyer for installation, utilization and maintenance for tanks T-72 of the Czech Republic – Ministry of Defense (“CZ MOD”) and used by Czech Republic Army (“ACR” or “User”), and
2. For those PP and/or its components is needed to make Overhauls, Repairs, Supply and Store spare parts and/or components in the Czech Republic for the purpose of allowing and making a complete reconditioning program to bring all the fleet of the
3. The above Project need to include any necessary Engineering Support, Technical manuals and guidance’s, Drawings and other similar Technical Data package.
4. Seller has intention to continue with further development of the Powerpack and its components (PP and/or transmission and/or engine and/or any other component of the PP) for tanks and other military application, and
5. Buyer was the Vehicle integrator and he is still providing to the CZ MOD and User the related Vehicle services, and
6. Buyer also recognize advantages of PP parts/components stock available in the Czech Republic territory, and
7. Seller has established its Branch seated in Prague which is considered as integral part of the Seller, and may represent the Seller in managing this Contract conclusion, controlling and following up the implementation of this Contract and related Project, and
8. Buyer and Seller are hereby confirming that up to now they have not entered into any obligation or Agreement related to the Subject of the Contract as listed here-below and in relation to all items and services as indicated in Enclosure 1 to this Contract, with any other entity except in between themselves,
9. Now, therefore, and upon the mutual discussion, the Parties have agreed and hereby signed on this Contract as per the following:
10. The above preamble to this Contract is considered as an integral part of this Contract.

## Article I

### Subject of the Contract

This Contract is a frame contract between the Parties for Overhauling / Upgrading and/or Servicing Program (hereafter “**Program**”) of the entire fleet of the Powerpacks

which were sold by the Seller to the Buyer as per the Contracts listed here above and/or for other military applications in the Czech Republic that such PP's may be used.

On the base of this Contract the Seller undertakes to sell, deliver and/or provide to the Buyer goods and/or services as follows:

- Components and/or Parts of Powerpacks;
- Overhauls and/or Repairs of Components and/or Parts of Powerpacks;
- Any other Service, Testing, Logistic and/or Technical support of Powerpacks;
- Upgrades and/or Modifications of Powerpacks as may be either found needed or proposed to make subject to both sides acceptance;
- Engineering support, Technical Guidance's, Documentations, and Drawings of Powerpacks as may be required to conduct and/or support the above activities and services.

All these (hereafter "**Goods**" and/or "**Services**") will be sold, delivered and/or provided by the Seller to the Buyer under and subject to all terms and conditions of this Contract.

Goods and Services are as defined in Enclosure 1 to this Contract.

Some Services and/or Goods, etc. as indicated here above, maybe ordered by the Buyer directly to and implemented by the Branch of the Seller as the Parties will be coordinating during the fulfilment of this Contract. Such Services and/or Goods, etc. are also to be covered by this Contract under its terms and conditions.

## Article II

### General Process of the Contract

1. This Contract will be processed as per and subject to specific Release of Order(s) (hereafter „**Purchase Orders**“ or „**Orders**“) which will be issued by the Buyer and confirmed by the Seller from time to time. All will be made as per the Project progress and/or Buyer other needs. Order of the Buyer which has been confirmed by the Seller forms binding partial contract. Such release of orders will be issued based on Seller's proposals.
2. The Buyer will deliver to the Seller written order for defect analysis. The Seller shall provide to the Buyer the defect analysis including recommendation of the extent of the repair and Parts to be replaced and proposal for repair within 30 days after receiving the Goods, which is subject of defect analysis. In case that this time can not be achieved, the Seller will inform the Buyer in written when the defect analysis including recommendation of the extent of the repair and Parts to be replaced and proposal for repair will be provided.
3. Seller will present proposals for Goods and/or Services deliveries based on Buyer written request for proposal.
4. The timing of release of Orders will be respecting the delivery time required for supply by the Seller. In general at least 7 months are required except otherwise informed by the Seller and mutually agreed by the Parties.

### Article III

#### **Deliveries organization**

1. Seller or its Branch will inform Buyer 2 days in advance before any deliveries made. Any Goods will be delivered with delivery notes.
2. Any Goods and/or Services delivered by Seller to Buyer premises will be subject of Acceptance procedure according to technical conditions set out in Annex 1 and Buyer has duty to inform Seller or its Branch about any discrepancies found within 3 working days maximum.
3. Responsibility for delivered Goods is overtaking by Buyer at the moment of hand over the Goods. Signing the delivery note will evident such handing over. Ownership of the goods is transferred to the Buyer in the moment when the relevant and full Payment instalment will reach the account of Seller.
4. The Goods which will be delivered by the Seller from abroad will be delivered according to delivery condition DAP Mošnov, Czech Republic, Incoterms 2010.
5. The Buyer is entitled to indicate in his Orders, which replaced defective Parts or Components of Powerpacks shall be returned to the Buyer. The Seller will be obliged to provide the Buyer such indicated Parts. Any other Parts will be disposed by the Seller or returned to the Buyer as per Seller decision. Return of replaced defective Parts will be made on expense of the Buyer (these Parts will be preferably returned together with the repaired Part/Component). The disposal will be made on expense of the Seller. Consumables (for example gaskets, seals, o-rings) and working fluids will be always subject to disposal.

### Article IV

#### **Seller obligations**

Seller is taking following obligations:

1. Will supply Goods / Services to the Buyer to the Czech Republic per terms and conditions of this Contract and related confirmed Purchase Orders.
2. Any Goods as well as Parts or Components of Powerpacks used by the Seller for Repairs or other Service of Powerpacks shall be new (unused) or overhauled. Overhauled Parts or Components of Powerpacks shall be free of any defects, subject to the warranty conditions.



3. Rubber Goods shall not be older than 2 years as of the date of manufacturing (shall be proved by documents, certificates or written statement of the Seller). The Seller advises the Buyer that there could be some cases of Rubber Parts that could be of longer shelf time. Requirement of 2 years may be therefore changed by the Parties by mutual agreement on the base of proposal of the Seller. In such a case it will not have impact on warranty provided. In case the agreement concerning the Rubber Parts will not be reached the Order may not be processed.
4. Will not sell Goods nor provide any Services concerning the Powerpacks to the User or any other entity in the Czech Republic, except if the Buyer has purchased any Goods or Services subject of this Contract from any other entity.
3. The Goods / Services under this Contract will be provided to the Buyer under the latest specifications and QC procedures of the Seller and/or its subcontractors, and in general will provide the same or equivalent function and performances as indicated in the Technical Conditions as signed with the Buyer on contracts 019/TR/8110/95/7 and 566/2006/1/3/OŘ. The Seller is allowed to provide alternative and/or updated items / components, and if so, he will inform about it to the Buyer.
4. The Seller shall allow the execution of Government Quality Assurance (GQA) in accordance with the technical conditions set out in Enclosure 1 to this Contract, to the extent of GQA Final Checks.  
  
Final Checks, in case will be applicable (depended on the scope of the particular orders of the Buyer to the Seller), will be conducted on the Powerpack Assy (at the Buyer's site), Transmission Assy, Final Drive Assy (at the Seller's or its Subcontractor site in CZ) and if requested also on the Engine (at the Seller's subcontractor site in UK).  
  
The Buyer will be responsible to organize such Final Checks, if applicable and when needed.
5. For case of repairs the Seller provides to the Buyer the list of suppliers of main components as listed in Enclosure 1.

## Article V

### **Buyer obligations**

Buyer is taking following obligation:

1. Buyer will not refuse to accept, receive, buy and pay for any Goods / Services which have been ordered by him and delivered by the Seller in compliance with this Contract.
2. Will take responsibility for overtaken Goods of the Seller (when is in the property of the Seller) and will organize appropriate stocking in safe place.
3. Goods and/or Services which is subject of this Contract, will not buy/procured from any other person or entity other than from the Seller.

4. Since the Buyer may be supplying and/or providing Services to the Seller, such as but not limited to: some small parts of and for the PP, Assembly of the PP, Testing of the PP, supplying planetary part of FD and similar, in such cases the Buyer will have the same obligation as the Seller per this Contract on back to back basis for his parts and services provided to the Seller.
5. Will not provide information about delivered Goods prices to any other third person without prior approval of the Seller.
6. The Buyer shall apply for import and export licenses according to valid Czech regulation.

## Article VI

### Prices

1. The Total Contract Price for this Contract as specified above will not exceed' \_\_\_\_\_ and subject to release of any and all Orders under this Contract as specified here-above.
2. Prices of the Goods and/or Services will be defined in individual Proposals and Purchase orders as listed here above.
3. Nominal hour prices for the services provided by Branch on CZ territory are listed in Enclosure 2 to this Contract.
4. For applying the required Export/Import licenses the total price of this Contract is \_\_\_\_\_

## Article VII

### Invoicing and payment conditions

1. Invoices will be issued for each individual supplies to be accompanied by the Seller (or Seller's Branch) delivery note, indicating this Contract and the specific related Purchase order, and confirmed by the Buyer, respecting valid Czech regulation.
2. Due date of payment is settled for 21 days.

## Article VIII

### Warranty

1. Seller is providing warranty for delivered Goods and/or Services per Enclosure 3 of this Contract.

## Article IX

### Penalties and Default Interests

1. The entitled Contractual Party shall have the right to claim the payment of any contractual penalty and/or default interest in accordance with Article IX of the Contract, no matter whether the entitled Contractual Party has suffered any damage or not. If, due to the violation of any duty attributable to the other Contractual Party, any Contractual Party suffers damage higher than the amount of the contractual penalty agreed in respect of such a violation, the entitled Contractual Party shall also have the right to claim the compensation of damages exceeding the contractual penalty, subject to provisions of Article X of the Contract.
2. Both the contractual penalty and default interest shall be due within 30 days of the day on which they have been invoiced to the obliged Contractual Party.
3. The Seller will pay Contractual Penalty \_\_\_\_\_ of delay of the value of not delivered Goods and/or not provided Services of the mutually agreed and confirmed Purchase Orders, \_\_\_\_\_ whichever is lower as the Max for any of such Purchase Orders, and further provided that the total cumulative penalties born by Seller will not \_\_\_\_\_ whichever is lower of the value of the entire Orders to be issued under the umbrella of this Contract.
4. The Seller will not be in delay in the cases that the work or services or parts which have been provided by the Buyer (under the separate Contracts) and necessary to accomplish the Power Pack and/or its components and/or their deliveries including their testing were improperly made or not made in accordance with this Agreement or have caused delays for any reason.
5. The Buyer will pay Default Interest in \_\_\_\_\_ amounts for any day of delay of payment of the Seller's invoices, starting the 1st day after the date of payment will be expired, but \_\_\_\_\_ whichever is lower as the Max for any of the mutually agreed and confirmed Purchase Orders, and further provided that the total cumulative default interest will \_\_\_\_\_ whichever is lower, of the value of the entire Orders to be issued under the umbrella of this Contract. However, any payment of such Default Interest doesn't relieve the Buyer obligation to pay on time per such Purchase Orders.

## Article X

### Damages

1. The Contractual Parties hereby agree that should any Contractual Party suffer any damage as a result of a breach of any obligation hereunder by the other Contractual Party, the Contractual Party which has breached its obligation shall be obliged to compensate the other Contractual Party damages determined in accordance with the relevant legal regulations, subject to provisions of Article X, Paragraph 1., Article X, Paragraph 2., and Article X, Paragraph 3. below.
2. The Contractual Parties hereby recognize that the maximum foreseeable damage that any Contractual Party may suffer as a result of the breach of this Contract by the other Contractual Party is not \_\_\_\_\_ issued and

confirmed under this Contract, and in total cannot . . . of the total Purchase Price of this Contract as specified in Article VI., Paragraph 4. above, which ever is lower. Therefore, the maximum liability of each Contractual Party relating to any and all performance under this Contract, including any contractual penalty and default interest according to Article IX, Paragraph 1., regardless of the form of court action taken, shall be limited to the . . . of any Purchase Order issued and confirmed under this Contract, and in total accumulatively of the total Purchase Price of this Contract as specified in Article VI., Paragraph 4. above, whichever is lower.

3. The limitation specified in Article X, Paragraph 2. above shall not apply to the Seller's liability for personal injuries and property damages suffered by any third party through the Goods and/or Services provided under this Contract as a result of a breach of any obligation hereunder by the Seller; such damages shall be determined in accordance with the relevant legal regulations. The Seller hereby declares that it has an insurance covering third party property damages and personal injuries or deaths.
4. If there is any pending damage to a Contractual Party, this Contractual Party is obliged to execute all steps appropriate under the circumstances in order to avert such damage (if possible) or to minimize it.

#### Article XI

#### **Force Majeure**

1. Circumstances excluding the liability of the Contractual Parties for the breach of the performance of the contractual obligations under this Contract (force majeure) shall be such obstacles which occur regardless of the will of the obliged Contractual Party and which prevent it from fulfilling its duties under the Contract, provided that the obliged Contractual Party cannot be reasonably expected to avoid or overcome such an obstacle or its consequences and, furthermore, to foresee the occurrence or the existence of these obstacles at the time of the commencement of the contractual obligations under this Contract.
2. Obstacles in accordance with Article XI, Paragraph 1 of this Contract shall expressly include, but not be limited to, natural disasters, embargoes, civil wars, civil rebellions, wars, disorders or epidemics. Natural disasters shall in particular include fire, lightning strike, flood or deluge, tornado or hailstorms, avalanches or snow-slides, landslides or rockslides.
3. Circumstances excluding the liability of the Buyer shall explicitly exclude any decisions or other acts of the Parliament of the Czech Republic, the Ministry of Defense or other governmental authority of the Czech Republic.
4. Should the circumstances excluding the liability of one of the Contractual Parties occur which cause or may cause a substantial delay or other time limit in accordance with the Contract or the cancellation or the termination of obligations according to this Contract (as per specific Orders), the Contractual Parties shall without undue delay, but no later than in 3 days, inform each other of the occurrence of these circumstances excluding liability and shall enter into negotiations to reach a solution to the situation. Neither the Seller nor the Buyer shall have a right to misuse such a situation for its own benefit and, in good faith, shall make every effort to reach a solution acceptable for both of the Contractual Parties within as short a period of time as possible. If any of the Contractual

Parties breach this co-operation duty, that Contractual Party shall be in delay with the fulfillment of its contractual duties in accordance with the Contract.

5. Should such an agreement of the Contractual Parties not be reached, time limits for the fulfillment of duties under the Contract and/or the Orders affected by the circumstance excluding liability shall be postponed by the time for which the circumstance excluding liability lasted.
6. The circumstances excluding liability shall be limited only to the period of time for which the relevant obstacle excluding liability exists. The Contractual Parties shall inform each other on the cessation of existence of the circumstance excluding liability without undue delay, but no later than in 3 days.

## Article XII

### **Confidentiality**

1. The Parties agree to consider this Contract as confidential, so that neither of the Parties hereto shall, without the consent of the other Party, disclose, transfer or in any other way make accessible the contents of this Contract and any confidential information, data and documents received from the other Party under this Contract to any third party, except to the persons or bodies to the extent necessary as required for the purpose of realization of this Contract. In all cases the disclosing Party shall take appropriate steps to protect the confidentiality of the information disclosed, as the owner of the information shall require.
2. The duty of confidentiality provided herein shall survive expiration or termination of the Contract for whatever reason, unless and until the matter claimed to be confidential is made public through no fault or breach of this undertaking by either Party.

## Article XIII

### **Transfer the Rights and Assigning of the Agreement**

1. Neither party is entitled to transfer any rights and duties arising from this Contract to a third party without prior written consent of the other party.
2. The legal successors of the Contractual Parties shall enter into the rights and duties of this Contract; however, they are obliged to notify the other Contractual Party of this fact.

## Article XIV

### **Language**

1. This Contract has been made in English.
2. Documentations, Correspondences and Notifications under this Contract shall be made by English and signed by the authorized person of each party, to the addresses indicated here-above.

## Article XV

### **Notifications**

The written notifications according to this Contract shall be signed by a person authorized to act on behalf of, or represent, the relevant Contractual Party, and it shall be delivered in person or sent by mail to the address of the other Contractual Party as stated below, or to any other address which were duly notified to the other Contractual Party.

#### **VOP CZ, s.p.**

742 42 Šenov u Nového Jičína, Dukelská 102, Česká republika

To the attention of:

Ing. Marek Špok, PhD.

#### **NIMDA Co. Ltd.**

Lev Pesach Street, North Industrial Zone, Lod 71293, Israel

To the attention of.

Arieh SEMEL, President of the Company

In the event of appointment of another individual by either of the Contractual Parties to receive notification from the other Contractual Party, the relevant Contractual Party shall notify such change to the other Contractual Party in writing.

## Article XVI

### **Further stipulations**

1. Seller grants the technical parameters and quality of the Goods and/or Services in accordance with this Contract based on general rules of NATO or ISO or equivalent as applicable and used by the Seller and/or his subcontractors.
2. This Contract and all in relation to this Contract especially the content of the Parts / components and/or their prices and any trade secrets will be kept confidential by both Parties, except necessary information required by the Custom Authorities and Ministry of Defence of Czech Republic for the process of implementation of this Contract.
3. All the rights of the Powerpack and any of its Parts / Components and their design or any related know how remains solely with Seller.
4. Documentations, Correspondences and Notifications under this Contract shall be made by English and signed by the authorized person of each Party.



5. Disputes, if any, will be solved by the Parties in an amicable way. Any and all claims or disputes among the Parties in connection with or arising out of the existence, validity, construction, performance or termination of this Contract as well as Orders and which the Parties are unable to resolve in an amicable way, shall be finally settled by Czech Courts, in Prague.
6. This Contract shall be governed by the laws of the Czech Republic, including the UN 1980 Vienna Convention on the International Sale of Goods and by other international settlements mandatory for Czech Republic. In accordance with Article 7 of the Treaty, the Contractual Parties hereby agree that any issues which fall within the scope of the Treaty and which are not specifically governed by the provisions of the Treaty shall be solved in accordance with the general principles upon which the Treaty is based or, should these principles not exist, then by the laws of the Czech Republic (in particular, Act No. 89/2012 Coll., the Civil Code, as amended).
7. This Contract is in force since the day of signature by both Parties.
8. This Contract shall be effective for 7 (seven) years as from the date signing this Contract.
9. Extension of this Contract is possible by mutual agreement of both Parties.
10. This Contract is conditional upon the Parties continue receiving the licenses or permits necessary to allow them to perform this Contract. The Parties shall assist each other to ensure that licenses or permits are granted during this Contract fulfilment. In the event that license or permit is not granted, refused, suspended or withdrawn, this shall in the first instance considered as a Force Majeure and both Parties will do utmost to assist each other to fix such situation.
11. This Contract consists of Enclosures 1, 2, 3 and 4 forming an integral part of this Contract.
12. All and any of sales and or services provided by Nimda Branch to VOP starting from January 2017 are covered by this Contract.
13. According to Article 3, Paragraph (2) Subparagraph (c) of the Act No. 340/2015 Coll. of Laws, on Special Conditions for Effectiveness of Certain Contracts, Publishing of these Contracts and on Register of Contracts (Register of Contracts Act), this Contract is not subject to publication in Register of Contracts of Czech Republic. This Contract will not be published in Register of Contracts of Czech Republic and special conditions for its effectiveness do not apply.

#### Article XI

#### **Final Stipulations**

1. Both Parties confirm by theirs signatures that they had read the Contract carefully, agreed with its content and declare that this Contract was not concluded under pressure or under conspicuous disadvantageous conditions.
2. This Contract could be amended by advancing numbered Amendments signed by both Sides representatives.
3. This Contract has been concluded in English. Two originals will be signed. Each Side will get one copy.


At Šenov Day 11.5.2018

At Prague Day 11.5.2018

VOP CZ, s.p.  
Ing. Marek Špok PhD., Director

NIMDA Co. Ltd.  
Mr. Arie Semel, President  
on the base of Protocol dated  
February 20, 2018 forming  
Enclosure 4 of this Contract

Acknowledge by

  
VOP CZ, s.p.  
Ing. Kamil Kučera, Deputy Director

NIMDA Branch  
Josef Havlík Head of The Branch



## Enclosure 1 to the Contract

### Goods and Services description

Goods, and/or Services and/or Technical Support including Technical instructions, Literature and/or Drawings whichever is necessary for repairs or replacement of parts/components of the Powerpacks shall be in accordance with Technical conditions  
Transmission Technical conditions  
Assemblies Technical conditions, whichever is relevant, and/or  
Bill Of Material (BOM) of the Powerpacks (here band bellow Components / Items / Parts).

Goods are described as follow:

P/N	Description	List of suppliers of Seller
10-330-01-P	Engine Assembly	
	Parts for Engine Assembly for NPP-2000	N/A
10-336-01-P	Transmission assembly	
	Parts for Transmission Assembly for NPP-2000	N/A
10-347-01-P	Cooling group	
	Parts for Cooling group Assembly for NPP-2000	N/A
10-327-01-P	Air cleaner Assembly	
	Parts for Air cleaner Assembly for NPP-2000	N/A
10-334-01-P	Alternator	
	Parts for Alternator for NPP-2000	N/A
10-332-01-P / 10-407-SK-3 / 10-452-00-2	Air starts and its group	
442 18 039 476 8	Right Final Drive Assembly	

442 18 039 477 8	Left Final Drive Assembly	
	Parts for Air starts and its group	N/A
	Other Components / Accessories and spare parts for PP NPP-2000	N/A
	Hoses, connections for NPP-2000	N/A
	Fasteners for NPP-2000	N/A
	Equipment / tools for assembly or testing of NPP-2000	N/A
	Parts for further development or improvements of NPP-2000 PP	N/A

Comments:

- N/A means Not Applicable
- Seller to decide solely if the repairs and/or replacement will take place by the suppliers indicated in List of suppliers of Seller above or elsewhere and will inform the Buyer in advance.
- In case that the repairs and/or replacement are not conducted by suppliers indicated in List of suppliers of Seller above, than GQA Final Checks will be mutually agreed in Order.

## Enclosure 2 to the Contract

### Nominal hour prices for the services provided by Branch

Hourly rate (CZK/hour )	Test bench hourly rate, CZK	Company car km rate (CZK/km)	Private car rate (CZK/km)	Accommodation limit CZK/person/night
			Per valid regulation	

## **Enclosure 3 to the Contract**

### **Warranty Conditions of Nimda Co. Ltd for Supplied Parts / Components and Repairs for NPP -2000-1/1A PowerPack**

The Seller hereby provides a limited sole warranty of quality to the Buyer/User as described herein-after in cases that will be found defects in workmanship and/or materials of Goods and/or Services sold, delivered and/or provided by the Seller to the Buyer under agreed and confirmed Purchased Orders as follows:

#### **1. Period of Warranty:**

- 1.1 For supplied new complete Engine assembly 10-330-01-P and/or new complete Transmission Assembly 10-336-01-P:
- 1.2 For Consumable Goods such as Filters, O rings, seals, masks etc, operation from the date of first installation into the vehicle, hours in total, whichever occurs earlier.
- 1.3. For new Components and/or Parts of Powerpacks including those used for Overhauls
- 1.4. For overhauled Parts (not referring to assembled Parts/Components) of Powerpacks including those used for Overhauls and/or occurs earlier;
- 1.5. For workmanship.

#### **2. Other conditions as follows:**

1. Seller gives Warranty only to those materials / components that he supplies and/or installs / assembles within his repair / overhaul works on the base of any specific confirmed Order under the Contract.
2. Components and parts sourced from the original non-modernized T-72 vehicle, used for the repairs / overhauls and/or modification of the Powerpack and/or its related Components, are not subject for the Seller's responsibility or warranty. Seller has responsibility only for proper installation / assembly of these original components and parts within the Powerpack.
3. The warranty will cover only the supply or exchange and transportation costs of spare parts (new or repaired).

For the supplied new complete Engine Assy and/or new complete Transmission Assy only, the warranty will cover also material consumed and the direct labor necessary for the repair, inclusive direct needed and documented expenses (e.g. traveling costs), which will be born by Buyer within solving accepted warranty claims and have been priorly approved by the Seller.

4. The warranty will apply only to those Goods and/or Powerpacks which were properly stored and/or used, maintained, serviced and checked and/or repaired by trained and certified personal, as per the Seller guidelines provided by the Seller to the Buyer in written in the past and/or specific guidelines which may be provided by the Seller to the Buyer in written during the course of this Contract, and have been followed by proper and continuously registered log books.

Warranty could be applied only conditionally that Goods and the Powerpack is utilized properly as per Technical Conditions and per "Operational, service and maintenance manual for NIMDA Powerpack for tank T-72M4 CZ" as amended and per other instructions / manuals which may be published and mutually agreed between Seller, Buyer and User.

5. Seller given warranties under this clause shall NOT extend to:
  - 5.1 Goods (Material / components / products) that have been: stored or serviced, or maintained or used, or altered, not in accordance with Seller's written recommendations / instructions.
  - 5.2 Defects arising from external effects such as but not limited to: willful damage, improper application, abnormal operating conditions, abnormal environmental conditions, other system(s) / components / parts adverse effect, misuse, negligence, improper maintenance or operation, improper storage or handling, accident, act of war and similar.
  - 5.3 Defects arising as a result of the use of non-genuine or non-approved Seller's spare parts.
  - 5.4 Defects arising as a result of a failure or miss operation of another or other System(s) / component(s) / Part(s) of the PowerPack or vehicle which has not been replaced by the Seller and/or its Warranty has been already expired.
  - 5.5 Parts, fillings, work and other costs connected with required maintenance and service as per Chapter 12, 13, 14 of the TC and/or any other regular or planed service as defined in "Operational, service and maintenance manual for NIMDA Powerpack for tank T-72M4 CZ".

- 5.6 Any consumable material (oil, coolant, fuel), except those, which are directly connected with fail of either the new complete supplied Engine Assy or the new complete Transmission Assembly approved under warranty.
- 5.7 Repairs which have been made by a facility and mechanics which have not the skill or experience or tooling or proper genuine spare parts to conduct such jobs, and/or have not been priory certified by the Seller to do such jobs.
6. Repairs of defects made under warranty must be carried out only under the Seller's guidelines and specific approvals.
7. Warranty of Goods installed in PPs will be approved only in cases the repair and the installation of the Goods into the PP has been properly documented and registered in the PP log book, including the prove of the date of the delivery of the Goods by the Seller.
8. Powerpacks / Components / Parts replaced or repaired under this warranty will only be warranted up to the expiry of the original period of warranty, as noted in the heading above.
9. The warranty does not cover lost of time, indirect losses, or any consequential damages including but not limited to: vehicle down time, towing and/or transport, incidental or any other special losses.
10. The Warranty set forth herein is the exclusive warranty given by Nimda Co. Ltd. and there is no other warranty given.
11. "Warranty Claim Announcement" shall be only valid if it has been notified by e-mail to the Seller occurrence. The Seller shall acknowledge the receipt of the of Warranty Claim Announcement receipt. The Seller shall have the opportunity, at its option, to examine the Goods and/or the Powerpack and/or its Components/parts (items) and the vehicle including its operational records and assess the claim and/or undertake to make or approve the repair or replacement. Items on which "Warranty Claim Announcement" is applied shall be made available for inspection at the original point of delivery or at the User camp in the Czech Republic in which its being stored, as required by the Seller. All replaced items shall become the Seller's property and shall be picked up and disposed by the Seller. The Seller shall repair or replace defective items as soon as possible with the attempt to do it of the Warranty Claim, otherwise the Seller will inform the Buyer in advance.
12. In case of "Warranty Claim Announcement" for the vehicles outside the Czech Republic territory. Seller is providing warranty subject to and to the extent of all conditions herein only. Any incurred different arrangements, time and costs due to the location of the vehicle outside the Czech Republic in comparison of Warranty fail repair in the Czech Republic, will be born by the User.

NIMDA CO. LTD.



Protocol

NIMDA Co. Ltd  
Corp. No. 510575053

The Company's general assembly on February 20, 2018  
In the Company's registered office

Present: Nimrod Avni, CEO  
Udi Cohen, Chief Financial Officer

On the agenda: Contract signing rights with VOP CZ s.p.

It was decided:

In the matter of signing a purchase contract between Nimda Co. Ltd and VOP CZ s.p. regarding Overhaul, Repairs, Service and Parts delivery Project for the NPP 2000 Powerpack of the CZ Modernized tanks T-72M4 CZ / VT-72M4 CZ, it was granted to Mr. Arie Semel to sign in the name of the Nimda Co. Ltd and/or the Company's branch in Czech Republic.

Mr. Arie Semel's signature in addition to the Company's signature or his signature on the Company's printed name binds the Company to all matters associated with this contract.

This approval is valid starting February 20, 2018 and for 90 days.

Nimrod Avni  
CEO of Nimda Co. Ltd

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