



BAZAN GROUP
CARMEL OLEFINS LTD

**CARMEL OLEFINS LTD. GENERAL TERMS
AND CONDITIONS – EXPORT SALES**

Article 1

"Contract" as used herein shall mean any contract and/or proforma invoice and/or order confirmation or other contractual arrangement made by or entered into by Carmel Olefins Ltd ("Seller"). These General Terms and Conditions shall apply to and form part of all sales and/or contracts to the exclusion of any other terms whatsoever. In case of any inconsistency between the order confirmation and these General Terms and Conditions, the former shall prevail. The Contract constitutes the complete and entire understanding and agreement between Seller and Buyer.

Any quotation made by Seller to a (potential) buyer shall be without engagement and cannot be construed as a binding offer but as an invitation to submit a binding offer. The contract between Seller and Buyer can also be formed by the confirmation of the order by Seller.

Deviation from the Contract including these General Terms and Conditions shall be valid only if expressly agreed both by Seller and Buyer in writing and no amendment or alteration whatsoever shall be made by purchase order or any other form used by either party.

Article 2

Seller's order confirmation or any other contractual arrangement shall be valid only when communicated to the other party by email message, letter or facsimile.

Article 3

The latest version of Incoterms shall apply to the Contract and deliveries made thereunder, except insofar as same are inconsistent with the order confirmation or these General Terms and Conditions.

Article 4

The Contract shall be subject to obtaining any necessary import, export and transportation licenses for the product as contracted or its respective raw materials.

Article 5

The quantities of product agreed to be delivered and received in sea bulk containers or in big bags (super sacks) under the Contract are subject to a variation of plus or minus 5%.

Article 6

The price under the Contract shall be the net price. Payments by Buyer shall be made on due date into the designated account in the agreed currency without deduction of transfer charges, bank charges or other costs shall be paid free and clear of all deductions or withholdings for whatever reason and if such may be required by law the person being obliged to make such payment will make such additional payment to Seller that Seller will be paid in full and without offsetting any amounts. The value date of the credit to Seller's bank account shall be considered as the date of payment.

Overdue invoices may be subject to interest at Seller's sole discretion.



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If any tax, duty, charge or fee is imposed or increased after the date of the Contract by any governmental authority or agency on the product or on the raw materials from which it is derived or on the production, sale, transportation or delivery thereof or required to be paid or collected by Seller, directly or indirectly, the amount thereof shall be added to the sale price and shall be paid by Buyer.

If any price control regulations should at any time prevent Seller from charging and receiving from Buyer the full amount of the price payable under the Contract, Seller may at any such time withhold or suspend deliveries upon giving prior notice in writing to Buyer without incurring any liability for breach of supply commitments under the Contract.

Article 7

The quality of the products shall be determined at the supplying facilities in accordance with specific agreement in writing between Seller and Buyer or – in the absence of such - in accordance of the methods laid down in the Technical Data Sheets, as may be found in <https://www.carmel-olefins.co.il/PRODUCTS>. The determination of quality shall be made by Seller's Quality control Lab. Buyer, however, shall have the right to request that any such determination be made by an independent laboratory acceptable to both parties and the cost of its services shall be borne by the buyer. The laboratory determination (whether Seller's Quality control Lab or an independent lab if agreed by the parties) as to quality shall be conclusive and binding on the parties.

Unless provided otherwise in writing by Seller, Seller does not warrant that the goods are fit for any specific purpose. It is Buyer's duty to investigate and test the goods in respect of its purpose and to check the compliance of its import, delivery, storage and compliance with the laws of the countries concerned. Any possible advice by Seller, technical or other, with regard to the goods and their applications is not part of Seller's obligations under the contract and is only given for Buyer's convenience and to Seller's best knowledge, without any liability on Seller except in case of willful misconduct.

Article 8

If product is sold under CIF CAD terms, transfer of ownership of the cargo at payment. Until full payment, ownership remains of Seller.

Article 9

Any claims for shortage in quantity or defects in quality must be made in writing to Seller within two weeks after the transfer of the risk in the goods to Buyer, otherwise any such claim shall be deemed to have been waived.

Seller is entitled to inspect or to have inspected any product claimed to be defective in quality and/or quantity. Seller's liability shall in any event be limited to the replacement of the product or to a reduction of the price acceptable to both parties, at Seller's option. In case of replacement, Buyer shall, at Seller's request and at Seller's expense, return the defective product to Seller. Seller shall not be responsible for any further loss or damage including consequential loss.

Article 10

Seller warrants that the product shall comply with the agreed quality and specification. Any other warranty or representation shall only be binding if agreed by the parties in writing and expressly implied to as warranty. Seller shall not be liable for any advice that may be given by it with respect to the transportation, storage, use or application of the product or for any loss or damage which may result therefrom.



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Article 11

If either party is delayed in or prevented from fulfilling its obligations under this Agreement (other than the obligation to make payments) by reason of war, acts of terror, acts of God, strike, fire, technical problem in manufacturing plants or inability to obtain necessary raw materials, then that party will not be liable under this Agreement for damages resulting from such delay or failure.

Article 12

If, by reason of any cause reasonably beyond the control of the Seller, there is a curtailment or interference with:

(a) the availability of the Seller's product deliverable hereunder or of supply from any of the Seller's sources or anticipated sources in whatever country situated (whether or not such source is a source or anticipated source for the purposes of this Contract or such country is referred to in the Contract); or

(b) the transportation of the product deliverable hereunder or of such supplies as either to delay or hinder the Seller in, or prevent the Seller from, supplying the full quantity of the product deliverable hereunder and also at the same time maintaining in full its other activities, then, for so long as that situation continues, the Seller shall be entitled to withhold, reduce or suspend delivery hereunder and, if applicable, make fair and reasonable allocation amongst itself and its customers, to such extent as the Seller shall in its absolute discretion determine, and the Seller shall not be bound to acquire by purchase or otherwise additional quantities from other suppliers.

Any quantities of the product that would, but for any withholding, reduction or suspension pursuant to the foregoing, have been delivered during the period thereof shall cease to be deliverable under this Contract unless the Seller in its absolute discretion decides otherwise.

Article 13

If the Contract provides for delivery E.X.W. or any other term on the basis of which Buyer in accordance with the Incoterms will be responsible for the transportation of the products, then Buyer shall provide for the means of transportation, such as vessels, barges, railcars, road trucks, containers. Buyer shall ensure that such means of transportation are clean and dry and in every way suitable and fit to the reasonable satisfaction of Seller or its representative for the loading and carriage of the product and meet technical and safety requirements as prescribed by the relevant national or local transportation or any other authorities.

Loading of means of transportation made available by Buyer shall be performed on Buyer's full responsibility, irrespective of whether such loading is performed by Seller or others. Seller shall not be responsible for any damage or other consequences resulting from improper loading except in the event of Seller's gross negligence. Seller shall not be obliged prior to loading to inspect means of transportation provided by Buyer and, if Seller does inspect same, Seller shall not be liable if afterwards it appears that it was not suitable for loading and/or carrying the cargo. Seller may, without thereby incurring any liability, refuse to load or to have loaded any means of transportation provided for by Buyer which in Seller's sole reasonable discretion is unsafe or does not fully comply with applicable safety regulations.

For shipping documents that Buyer requires Seller to prepare, Buyer shall, as soon as possible and in good time before loading, furnish Seller full and detailed written instructions in respect of such deliveries of products for which Seller is responsible and has arranged for their transportation by vessel.



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Article 14

Buyer shall be deemed to be fully conversant with the properties of the product supplied and with the requisite safety precautions, as well as with all legal regulations with respect to the transportation, storage, handling and use of the product. Seller shall not be liable for any personal injury or material damage of whatever nature, caused by the product after arriving at buyer's storage facilities.

Article 15

No waiver by either party of any breach of any of the terms and conditions of the Contract shall be construed as a waiver of any subsequent breach of the same or any other terms or conditions.

Article 16

The Contract may not be assigned by Buyer without written consent of Seller and Seller may assign the Contract to Oil Refineries Limited or any company in which Oil Refineries Limited owns or controls, directly or indirectly, 50% or more of the voting stock.

Article 17

The Contract is conditional upon Buyer continuing to conduct its business in the normal course, and/or to function as a going concern, no debtor relief proceeding of whatsoever nature were carried against it, our credit insurance lines continuing to be in force for the duration of the agreement and in full cover for all orders, all as determined by Carmel Olefins Ltd, and Buyer undertaking not to disclose the terms of this agreement to any third party.

Article 18

The construction, validity and performance of the Contract shall be governed and construed in accordance with the laws of Israel. Exclusive jurisdiction in all matters pertaining to this Agreement and all which derives from it, will be vested exclusively with the courts of law of the city of Tel-Aviv, Israel.