



Agreement No. _____ to Provide Services to Locate, Examine and Deliver Technological Solutions for the Establishment and Operation of Smart Airspace to Support Multirotor and UAS Flights

Drawn and Signed on the _____ of the Month of _____ in the Year _____

Between: Ayalon Highways Co. Ltd

2 Shderot Nim, Rishon Le'Tzion

(hereinafter: "**The Company**" or "**Ayalon Highways**")

Of the First Party;

And _____, Corporate ID/Lic. Dealer No.

_____ Street

(hereinafter: "**Service Provider**")

Of the Second Party;

Whereas The Company is a government company under the Government Companies Law, 5735-1975, engaging *inter alia*, in the planning and execution of transportation projects;

And Whereas The Company has published Framework Tender No. 53/20 to Locate, Examine and Deliver Technological Solutions for Establishing and Operating Smart Airspace in Support of UAS and Multirotor Flights (hereinafter: "**The Tender**") and to attain the Services the Company, *inter alia*, has published Individual Referral No. _____ under the Tender, as per the terms of the Tender ("**Individual Referral**");

And Whereas The Service Provider declares that it meets all of the conditions of the Individual Referral, that it possesses all of the means to provide the Services as per the Agreement, and that he and his staff, as designated herein, have the professional background, knowledge, experience, human resources, skills and expertise required to execute the Services and all of its obligations as per this Agreement at the highest professional level;

And Whereas The Company is interested in contracting with the Service Provider based on a Service Agreement and not in the framework of an Employee - Employer relationship, without derogating from the right of the Company to cease use of the Service Provider's Services according to the Agreement at any time and/or use the Services by using other Service Providers, at its sole discretion;

And Whereas The Service Provider is interested in granting the Company its Services under the terms and conditions specified in the Agreement, and as an Independent Service Provider, and the Company agrees to these terms and conditions.

Accordingly, it was agreed, declared, and stipulated between the parties as follows:

1. **Preamble**

1.1. The Preamble to the Agreement and its attached appendices comprise an inseparable part thereof.

1.2. Herein is a list of the appendices attached to the Agreement:

Appendix I - Service Specifications;

Appendix II - Individual Referral and Service Provider Proposal Documents

Appendix III - Compensation Appendix

Appendix IV - Absence of Claims Form

Appendix V - Service Provider Non-Disclosure Agreement

Appendix VI - Confirmation of Insurance Coverage

1.3. The Section headings in this Agreement are provided solely for the reader's convenience and will not be used to interpret the content of the Sections in any way.

For this Agreement, the following terms shall have the following meanings:

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|---|---------------|---|---|
| "Individual Referral"/"the Tender" | Refer- | - | As defined in the Preamble above, including all of their appendices and documents attached, and every revision, update, or clarification that was published in connection with them; |
| "The Agreement" | | - | This Agreement and all its appendices; |
| "Service Provider Proposal" | Pro- | - | The Proposal by the Service Provider to the Tender and Individual Referral as submitted to the Company, and all of its documents and appendices; |
| "Ministry of Transport" | | - | The Ministry of Transport and Road Safety; |
| "The Services"/"The Work" | | - | Services for locating, examining, and delivering technological solutions for the establishment and operation of smart airspace to support UAS and multirotor flights, as detailed in the service specifications attached as <u>Appendix I</u> to this Agreement, and the services detailed in the Service Provider's Proposal. |

2. **The Essence of the Contract**

The Company hereby invites the provision of Services from the Service Provider, and the Service Provider accepts upon himself to provide the Services, according to the documents of the Individual Referral and Service Provider Proposal to the Individual Referral, efficiently and professionally to the satisfaction of the Company, this in return

for payments that the Company undertakes to pay the Service Provider, all pursuant and subject to that which is stated in the Agreement.

The Services will be executed at an outstanding professional level, as per the very best professional rules and standards, and according to all law

3. **The Service Provider's Declarations and Undertakings**

The Service Provider hereby declares and undertakes the following:

- 3.1. That there is no prohibition, restriction or impediment, including by law, contract or its underlying documents, in contracting with the Company in the Agreement and executing its undertakings thereof, bears no obligation contrary to the obligations given under the Agreement and nothing in its signing this Agreement or executing the undertakings contained in this Agreement is a breach of any other agreement or obligation whatsoever or any law and knows that it will be liable to compensate and indemnify the Company for any claim and/or demand filed against him in connection with any breach of this Declaration;
- 3.2. That it possesses all of the lawfully required certificates and/or licenses and/or permits for managing its activity and in particular, for the execution of its undertakings under the Agreement; the Service Provider undertakes to obtain and present upon first demand by the Company any other required certificate/permit, insofar as it is required.
- 3.3. That it and the personnel employed on its behalf meet all of the conditions of the Individual Referral, and that it possesses all of the means to provide the Services;
- 3.4. That it and the personnel employed on its behalf all have the professional background, knowledge, experience, talent, skills, and expertise required to execute the Services and all of the Service Provider's undertakings according to the Agreement at the highest professional level and with maximum efficiency, to the satisfaction of the Company, and it and its staff will fulfill their roles reliably and with dedication, and use their talents, knowledge, and experience for the benefit of the Company and the Ministry of Transport;
- 3.5. That all of the Services that it and those on its behalf, will supply to the Company will be granted as per the Service Specifications attached as **Appendix I** of this Agreement, as per its full scope and specified requirements, and they will be supplied at the highest possible quality and precision and will comply with all legal requirements, and it bears responsibility for the implementation of the statement in this Section;
- 3.6. That it will make all the necessary preparations and arrangements that will be required to provide the Services in an efficient, outstanding manner and to the Company's fullest satisfaction, including obtaining all of the required certifications and permits to execute the work;
- 3.7. That it will act to execute its obligations contained in the Agreement safely and securely, to preserve the welfare and good health of its employees and any other persons, according to all laws, including safety in the workplace laws and the law that applies to flying and operating Unmanned Aerial Systems (UAS);
- 3.1. That, should the Service Provider's proposal call for the addition of a subcontractor, the Service Provider undertakes that on the date of signing this Agreement and throughout the entire Period of the Agreement and its optional period, it will have entered into a contract with the subcontractor in place to ensure the Service

Provider's compliance with all its undertakings as per this Agreement. For the avoidance of any doubt, there is nothing in the execution of a portion of the services by the subcontractor to derogate from the exclusive and overall responsibility held by the Service Provider toward the Company;

- 3.2. That it possesses all of the knowledge, the facilities, equipment, and means required to execute the services and they will remain in its possession throughout the entire Period of the Agreement and during the Period of Service to the Company;
- 3.3. That it has inspected everything requiring a preliminary inspection concerning the provision of the services, that it is well-acquainted with the requirements in the service provision framework, and hereby waives an irrevocable waiver of any claim, demand, or suit against the Company in connection with those mentioned above.
- 3.4. That based upon the inspections as stated, the Consideration (as defined in Section 8 herein) is full and fair, and worthy of all its obligations according to this Agreement;
- 3.5. That in all its actions, or the actions of those on its behalf, or both, it will not infringe on another's copyright, and not cause the Company to infringe on another's copyright. Should the Service Provider have breached the provisions of this Section, it will indemnify the Company and/or the Ministry of Transport for any damage and/or loss and/or expense incurred by them, including legal and attorney fees, immediately upon the Company's first demand;
- 3.6. That it and the personnel acting on its behalf to provide services, will act fiducially toward the Company and fully safeguard its interests;
- 3.7. That it and the personnel acting on its behalf undertake to abide by the Company's instructions regarding the provision of services and undertakings related to this Agreement, including schedules, and that it and the personnel acting on its behalf undertake to report their services and activities as per the Company's specifications;
- 3.8. That it undertakes not to charge the Company in any form whatsoever with any financial or legal obligation without obtaining detailed and prior written approval from the Company;
- 3.9. That it may not in any case request and/or obtain in court and/or any tribunal and/or any party issuing executorial injunction decrees and/or mandatory injunctions and/or protective injunctions and/or temporary or permanent injunctions in connection with any of the Service Provider's work that is the subject of the Agreement;
- 3.10. That it manages accounts and ledgers and/or reports as per the Income Tax Ordinance (New Version), 5721-1961 and the Value Added Tax Law, 5736-1975, and undertakes to provide the Company, whenever required, with a certificate of compliance with the above mentioned, or a certificate of exemption thereof. The stated certification will be issued by the authorized officer as defined in the Public Entities Transactions Law, 5736-1976 or by a certified public accountant;
- 3.11. That all its statements and representations which formed part of its Proposal to the Individual Referral are in effect, and it knows that they constitute a basis for entering into the Agreement. The Service Provider must notify the Company

immediately of any change in the veracity of its declarations as part of the Individual Referral, and the Company will be entitled to consider continuing the contract under the Agreement as per the nature of the change. Any failure on the part of the Service Provider to inform the Company concerning the changed circumstances as stated will constitute a Material Breach of Agreement;

- 3.12. That, without derogating from the above mentioned, it is aware that the Company is contracting with it in the Agreement based on its representations, statements, and obligations outlined in the Agreement, and any inaccuracy in his representations and statements and/or failure to fulfill any of its obligations under the Agreement will constitute a Material Breach of the Agreement.

4. **The Services**

The Service Provider will grant the Company outsourcing services through personnel, and this as per the specifications contained in the Service Specifications attached to this Agreement as **Appendix I**, and as per the documents of the Individual Referral and the Tender, the Company's instructions and requirements, as will be conveyed from time to time to the Service Provider, the work plans that will be approved or determined, or both, by the Company, and the provisions of this Agreement.

5. **Personnel Requirements**

- 5.1. For the provision of the services, the Service Provider's staff will, at all times, be comprised of excellent and experienced service professionals of the type required by the Tender documents, including the Agreement, in the composition and number as required to execute the Service Provider's undertakings as per the Agreement as best as possible.
- 5.2. Without derogating from the stated, the services will be supplied to the Company by the Service Provider by personnel on its behalf that will be introduced as part of its Proposal in response to the Individual Referral, and by the subcontractor approved by the Company (insofar as relevant) (together, above and below: "**Personnel**").
- 5.3. Without derogating from any provision of the provisions of the Agreement, it is clarified that the personnel employed on behalf of the Service Provider must participate actively in all stages of the provision of services, including attending meetings of the Company and/or the Ministry of Transport and/or any other entity as may be required for the provision of services and the frequency required to do so. Thus, as well as cooperate with any such entity, as stated, will assist concerning the provision of the Services, and all as required by the Company from time to time.
- 5.4. It is clarified that the Company will be entitled to instruct on the replacement or the removal of any of the Service Provider's personnel, immediately, of any personnel, at any time and its sole discretion, without bearing any responsibility toward the Service Provider and/or the personnel. Should the Company act, as stated in this Section, the Service Provider undertakes to provide an alternative staff member and all subject to the advanced approval by the Company.
- 5.5. The Service Provider undertakes to pay the personnel under its employ their full salary and remuneration, including the required social security rights, all under provisions of the law.
- 5.6. The mentioned in this Section is among the primary points of the Agreement, and its violation will be deemed a Material Breach of the Agreement.

6. **Instructions and Changes**

- 6.1. The Service Provider will not be entitled to introduce any change in the Services without the expressed written approval of the Company. Should the Service Provider introduce changes that were not required in the Services, the Company is entitled, at its sole discretion, not to pay for the implementation of these changes.
- 6.2. The Company is entitled to instruct on any change in the services, all or parts thereof, and the Service Provider will execute any change as hereby stated.
- 6.3. Any instruction for changes, as specified in this Section above, will not obligate the Company, unless issued in writing, when signed by the authorized signatories of the Company.
- 6.4. The mentioned in this Section is among the fundamental points of the Agreement, and its violation will be deemed a Material Breach of the Agreement.

7. **The Period of the Agreement**

- 7.1. The contractual period with the Service Provider will be for _____ from the date that the Company signs the Agreement. That is - starting from [date] until [date] (hereinafter: "**The Period of the Agreement**").
- 7.2. Notwithstanding the above mentioned, it is hereby clarified that the Company will be entitled to terminate the Agreement, by advanced and written notification, to be provided to the Service Provider 30 (thirty) days in advance, for any reason whatsoever. For the avoidance of any doubt, it is clarified that in the event of the termination of the Agreement as stated above, the Service Provider will not be eligible for any compensation and/or payment whatsoever, except Consideration for those services rendered by the personnel until the termination date of the Agreement as approved by the Company, and it waives *a priori* and undertakes not to file any claim whatsoever against the Company in connection with the Agreement's termination.
- 7.3. It is hereby clarified that the Company will be entitled to instruct, from time to time, on a temporary cessation in the provision of Services and/or instruct on a reduction of the scope of said Services, including a partial cancellation of the Services listed in the Individual Referral documents, and all at its sole discretion and as per its needs concerning the reception of the Services that are the subject of the Agreement. Should the Company order a temporary cessation as stated, the Service Provider is not entitled to Consideration for the period during which there was a cessation in the provision of said Services.
- 7.4. Upon conclusion of the Period of the Agreement for any reason whatsoever, the Service Provider will convey to the Company all of the Service's products as defined herein, including all of the information and all the documents received from the Company and/or prepared concerning the provision of the Services, in addition to a written declaration that it has not kept in its possession nor in possession of any third party any documents whatsoever as stated, on any media whatsoever, including magnetic media, as originals or as copies.
- 7.5. Upon termination of the Period of the Agreement for any reason, the Service Provider undertakes to conduct an overlap and convey the essence and details of its work to the Company and/or to any entity selected instead on behalf of the Company, fiducially and with dedication as per the Company's instructions, guidelines and in the fullest cooperation.

8. **The Consideration**

- 8.1. Consideration for the fulfillment of the Service Provider's Services obligations, including the provision of the Services according to this Agreement to the satisfaction of the Company, will be considered under the specifications listed in **Appendix III** of this Agreement (hereinafter: "**The Consideration**").
- 8.2. It is clarified that the Service Provider will not be eligible for any additional payment without exception because of or in connection with the provision of the Services that are the subject of this Agreement beyond Consideration, and that the said Consideration will constitute a final and inclusive Consideration for the provision of the Services that are the subject of the Tender in their entirety, and this includes: Travel time to/from the worksite, set-up at the worksite, transport, work, insurance, loading and unloading, and installation costs, as well as overhead expenses, price increases, office and/or general expenses, equipment supply cost, software and/or software licensing costs, worker salary and/or service provider contractor costs (including all pertinent social security payments), as well as any additional and/or other expense, direct and/or indirect, of any type whatsoever.
- 8.3. It is clarified and agreed that all expenses that the Service Provider will require to execute its services, for the supply of goods and work executed will be incurred and paid by it and that such expenses have been taken into account and included in the Consideration for which the parties have agreed to this Agreement.
- 8.4. VAT, as required by law, will be added to the Consideration.
- 8.5. At the end of each calendar month, the Service Provider must submit to the Company a detailed report concerning the services rendered by personnel and their actual work hours for the previous calendar month for which payment is requested. The report will detail the account, and the requested payment as per the Service Provider's Proposal, divided by the various Individual Referrals conveyed for execution and the ordering party in the Company. The Company will be entitled to instruct the Service Provider to list in the framework of the report additional data at its sole discretion. Insofar that the provisions of the Individual Referral have determined that the payment of the Consideration is to be done as per milestones for payment, the Service Provider will relate to the Individual Referral in a report issued on the milestone completion date for which Consideration is requested.
- 8.6. The Company will pay the Service Provider the invoiced amount according to that stated in the Payment Ethics Law 5777-2017, as will be updated from time to time.
- 8.7. The effective date for invoice submission is the date of receipt of the invoice as stamped by the Company representative and the presentation of the pertinent documentation at the request of the Company.
- 8.8. Consideration will be paid following the lawful deduction at the source (unless the Service Provider provides the Company with a lawful confirmation concerning its exemption from deduction at the source).
- 8.9. A condition for the payment of the final invoice requested by the Service Provider will be the transfer of the Absence of Claims Form to the Company, as attached to this Agreement as **Appendix IV** when signed by the Service Provider.
- 8.10. For the avoidance of doubt, it is hereby emphasized that the Company is entitled to offset against any amount due the Service Provider thereof, any amount due it by the Service Provider under this Agreement and/or under any law, including

advances and/or arrears, as well as any amount transferred to the Service Provider or has been paid in error, or any amount the Service Provider owes the Company contrary to what is stated in the Agreement, and the Service Provider's signing of the Agreement constitutes Agreement on his behalf without any further notice of deduction or delay or offset by the Company.

8.11. The Company will be entitled to reduce or offset payment of the Consideration as provided in this Agreement, should it be found that the execution of the Services was defective. The Company's right is not limited solely to the Consideration as stated in the Agreement, but to any Consideration due and/or is liable to be due the Service Provider from the Company.

9. **Absence of an Employee - Employer Relationship**

9.1. It is agreed that, according to the Agreement, the parties' relationship will be based on a service provider-beneficiary relationship. There will be no employer-employee relationships between the parties and no rights and obligations as common between an employer and employee.

9.2. Because the Service Provider is itself a hiring entity, and since the Service Provider desires to remain independent in the management of its business affairs, and since, and subject to the statement in the Agreement, the Service Provider is free to contract with other customers to offer its services, consequently, the Service Provider hereby waives any claim and/or demand emanating from an employee-employer relationship between it or the personnel on its behalf, or both, and the Company, and declares its knowledge concerning the legal and factual significance stemming from this waiver.

9.3. The Service Provider undertakes not to file suit against the Company for any cause whatsoever concerning the matter of an employee-employer relationship between it and the Company and/or the Government, and that if despite its obligation to do so, or if the Company incurs additional expenses beyond what is stated in the Agreement, arising out of the fact that an employee-employer relationship existed between the Company and the Service Provider and/or its employees and/or those engaged by it during the term of the Agreement - then, the Service Provider will be liable to indemnify the Company at its first demand for any expense incurred by it in respect to or in connection with such claim, including fees.

9.4. Without derogating from the above mentioned, and for any reason whatsoever, a Competent Authority, including a judicial body, would determine that the Service Provider and/or any of its employees and/or who on its behalf is an employee of the Company, or that it and/or its employees and/or those on its behalf are entitled to rights and entitlements as an employee, or if additional expenses will apply to the Company beyond what is stated in the Agreement, arising from the fact that there was an employer-employee relationship between it and the Service Provider and/or its employees and/or those engaged on its behalf during the Period of the Contract under this Agreement, the following provisions will apply:

9.4.1. Instead of the Consideration that was paid to the Service Provider from the commencement of the contract between the parties, will come to a reduced Consideration (gross) at a rate of 40% for the actual paid Consideration, and will show the Service Provider, in such a case, as being entitled solely and only for the reduced Consideration (gross) retroactively from the date of commencement of the contract between the parties (i.e., for a Consideration 60% of the Consideration paid).

- 9.4.2. The Service Provider must return to the Company any amount paid from the date of commencement of the contract and paid over and beyond the reduced Consideration, and adjusted to the Consumer Price Index (for the matter of this Section, "**The Base Index**" - the index known on the date of each payment; "**The New Index**" - the index known at the date of the actual refund) and with adjusted monthly interest differentials at a rate per annum of 4%.
- 9.4.3. Without derogating from any right therein, the Company will be entitled to offset these excess amounts against any amount due the Service Provider or to anyone by virtue thereof.
- 9.5. The Service Provider alone will bear all payments to which its employees and/or those engaged by it are entitled to providing Services to the Company, including income tax, social security payments, and any additional payment that applies or will apply on the Service Provider for hiring employees and/or assistants and the conditions of their employment under the labor laws in effect in the State of Israel and/or national laws applicable to the Service Provider in its country, including severance pay, vacation, retirement funds dispensations, pension funds, travel allowance, recovery, reimbursement of any kind, advance notice or redemption or for any other social conditions and other social security payments as per any law. The Service Provider undertakes to present to the Company, upon its request, certifications concerning the issuance of such payments.
- 9.6. It is hereby clarified that the Consideration payable to the Service Provider under the Agreement is determined on the assumption, based on the above mentioned, that it includes the full payment to which they are entitled and/or the Service Provider is entitled under this Agreement. The Service Provider is solely responsible for making all payments and any deductions to be made under any law and is solely responsible for the payment of all the payments listed above.
- 9.7. It is agreed and conditional that there is nothing in the Company's rights under the Agreement, including its rights to supervise and/or audit the services provided by the Service Provider to create an employer-employee relationship between the Company and the Service Provider.
- 9.8. The mentioned in this Section and all of its Sub-sections are among the fundamental points of the Agreement, and its violation will be deemed a Material Breach of the Agreement.
10. **Warranty and Indemnity**
- 10.1. The Service Provider undertakes to execute the work involved in providing its services fiducially and professionally and will be solely responsible for the nature of the Services it provides.
- 10.2. The Company's approval of the Services, in whole or in part, did not absolve the Service Provider of its full professional responsibility, and said approval does not impose any warranty whatsoever on the Company in connection with the nature of the Services.
- 10.3. Without derogating from any other provision of this Agreement and/or any law, the Service Provider will be solely responsible for any loss, injury, damage, or loss as may be caused to the body or property of any person or Company (including to any of its employees and/or the Ministry of Transport and/or the State of Israel) or any

third party while and/or in connection with the execution of the Services by it and/or as result of any act and/or omission by the Service Provider and/or on his behalf. The Service Provider undertakes to take all measures necessary to prevent such losses, injury, or damage.

- 10.4. Without derogating from any other provision of the Agreement and/or any law, the Service Provider undertakes to indemnify the Company, promptly upon its first demand, for any demand and/or claim and/or suit filed against the Company for loss, injury, or damage or loss as stipulated in Section 10.3 above, and for all expenses that the Company incurred or may bear in connection therewith (including legal and attorney fees), and all without derogating from the Company's rights under this Agreement and/or any law for any other remedies or relief provided that the Company informed the Service Provider as soon as possible of a claim and allowed him to participate in its defense thereof.
 - 10.5. Without derogating from the provisions of this Section, it is hereby agreed that as the Company's approval for the hiring of subcontractors is obtained, all provisions of this Agreement, in addition to the Service Provider, will apply to them as well.
 - 10.6. Nothing in this Section that exempts the Service Provider from the obligations that apply to him in the execution of its work under any law and the said provision is construed as a waiver of any right or remedy legally conferred upon the Company.
 - 10.7. The stated in this Section and all of its Sub-sections are among the primary points of the Agreement, and its breach will be deemed a Material Breach of the Agreement.
11. **Insurance**
- 11.1. The specific terms and conditions for the matter are determined in the framework of the relevant Individual Referral.
12. **The Ownership in the Services' Products, in the Documents and the Information**
- 12.1. Every document, including various processes, Bill of Materials, estimates, materials and reference materials, specifications, Tender Volumes, written procedures and guidelines, presentations, plans, calculations, diagrams, innovations, developments, inventions, patents, photography software, copies, pictures, film clips, images of all kinds whatsoever, all their components, and any associated databases, as well as any remaining service products, including interim products or information that will be prepared by the Service Provider and/or received from the Service Provider in connection with the Services (hereinafter: "**Service Products**" or "**The Documents**") will be owned by the Company and will constitute the sole proprietary property of the Company and transferred to its possession immediately upon demand, and the Service Provider and/or any person on its behalf will not have any claim and/or suit and/or demand toward the Company and/or any person on its behalf with respect to such and/or any lien right in the documents, and this, even when there is disagreement between the parties on any matter; the Service Provider undertakes to respond to any document or object relating to the Company which is in its possession and/ or in the possession of those on its behalf within seven days from the date of its being required to do so.

For this matter, "**Document**" - including data preserved on magnetic media and/or any other media. It is hereby also clarified that documents found to be in the possession of any other third party whatsoever belong solely to the Company.

- 12.2. Without derogating from the above mentioned, the Service Provider confirms and warrants that the Company will be entitled to make any use in its discretion in the products of the Services and, *inter alia*, to transfer them to any party (including the Ministry of Transport) and for any other purpose, including modification of the documents and/or engaging in any other use at its sole discretion, without the need for permission from the Service Provider and without the Service Provider being entitled to receive any consideration or any additional consideration for such use.
- 12.3. It is clarified that if the Company chooses to transfer any work conveyed to the Service Provider to another party; the Service Provider undertakes to assist as best as possible in transferring the activity and/or knowledge and/or the service products as defined in this Agreement to any other party within a period not exceeding fourteen (14) days, as per the instructions of the Company and at its sole discretion.
- 12.4. Without derogating from the above mentioned, it is hereby declared and clarified that the Company has the exclusive right and will have the exclusive copyright and other rights of any kind, whether intellectual property, whether right to use licenses, trademarks, and the like, which are governed by any law in any document (including physical or magnetic media)) or an opinion or intellectual property to be conducted by the Service Provider or based on advice given by the Service Provider and/or by third parties in connection with this Agreement. The Service Provider undertakes to take all actions as may be required by the Company to register such rights in the name of the Company and under any law.
- 12.5. Upon termination of this Agreement for any reason, the Service Provider will deliver to the Company within 14 days, all originals and copies of all its documents and services related thereto, plus a written declaration that it or any other entity does not own original or copied documents. The Service Provider is not entitled to any payment other than as provided in this Agreement for the Services referred to in this Section or updating the documents.
- 12.6. The mentioned in this Section and all of its Sub-sections are among the fundamental points of the Agreement, and its violation will be deemed a Material Breach of the Agreement.

13. **Non-Disclosure**

- 13.1. The Service Provider undertakes, unlimited in time, that it will preserve confidentiality, and will not transmit in any way whatsoever, whether or not in return for compensation, and not convey, publish, disclose, copy or use in any way not concerning the provision of the Services and the fulfillment of his obligations according to this Agreement, and will not bring to the knowledge of any person, except the Company, and except the Service Provider's employees or those on his behalf on a need-to-know basis for the provision of the Services as per this Agreement, any knowledge, information, document (as defined in Section 12.1 above) and any other material that arrived or will arrive in whole or in part with this Agreement or connection with the provision of the Services, whether prior, during or following the execution of the Agreement.
- 13.2. Without derogating from the above mentioned in Section 13.1 above, the Service Provider undertakes to sign and attain the signature thereof all on his behalf who has access to information related to this Agreement, a Non-Disclosure Agreement as attached those this Agreement as **Appendix V**, by which he will undertake, unlimited in time, to preserve confidentiality, and will not transmit in any way whatsoever, whether or not in return for compensation, and not convey, publish,

disclose, copy or use in any way not with respect to the provision of the Services and the fulfillment of his obligations according to this Agreement, and will not bring to the knowledge of any person, except the Company its employees or those on its behalf, and except the Service Provider, his employees or those on his behalf on a need-to-know basis for execution of the Agreement, any knowledge, information, document and any other material that arrived or will arrive in whole or in part with this Agreement or in connection with the provision of the Services, whether prior, during or following execution of the Agreement.

13.3. For the avoidance of doubt, it is hereby stated that the above mentioned will apply to the Service Provider and anyone on his behalf even after the expiry of the Agreement.

13.4. The Service Provider undertakes not to convey any material and/or information obtained while working for the Company and/or any of the Services' products to any party, including company-related parties, nor distribute to other Company Service Providers, except through the Company or under its written guidelines.

13.5. The above mentioned in this Section will not apply to any information made public on the date of signing this Agreement or becomes public thereafter, provided the information becomes public after the date of signature of this Agreement, does not occur directly or indirectly under the auspices of the Service Provider or anyone on his behalf through act, omission or tacit consent. The burden of proof that the foundations of this Section are maintained falls on the Service Provider.

13.6. The mentioned in this Section and all of its Sub-sections are among the fundamental points of the Agreement, and its violation will be deemed a Material Breach of the Agreement.

14. **Avoiding Conflict of Interest**

14.1. The Service Provider declares that it and its staff are not in a state of Conflict of Interest, directly or indirectly, including any personal, professional, or business Conflict of Interest, between him and the Company and/or the Ministry of Transport, and undertakes to avoid causing any such state or being in a situation in which it or its activities will be in conflict with its obligations according to this Agreement.

14.2. In any case, the Service Provider undertakes to notify the Company immediately upon being informed that it or its staff on its behalf are in such a Conflict of Interest and to refrain from executing any action or providing any services pending instructions from the Company.

14.3. The mentioned in this Section and all of its Sub-sections are among the fundamental points of the Agreement, and its violation will be deemed a Material Breach of the Agreement.

15. **Transfer of Agreement**

15.1. The Service Provider is not entitled to transfer to another the Agreement, or parts thereof, and is also not entitled to transfer or assign or mortgage or pawn or delegate to another any right or obligation according to this Agreement, including the right to funds liable to be due him according to this Agreement, unless afforded advanced written approval by the Company.

15.2. Without derogating from the provisions of Section 15.1 above to the extent that the Service Provider's offer attaches a subcontractor presented by him in connection

with the Individual Referral or Tender Proposals, or both, and as a condition of signing this Agreement, and/or to the extent that the Service Provider transfers his rights or obligations under this Agreement, or conveyed execution of the Services, all or parts thereof, to another, the Service Provider will continue to bear full responsibility for its obligations toward the Company under this Agreement.

- 15.3. The Company will be entitled to transfer its rights and obligations to the Ministry of Transport and/or any other governmental entity and body under the control of the State of Israel and/or to any other entity, subject to such that the rights of the Service Provider as per this Agreement are not harmed.

16. **Material Breaches**

- 16.1. Should the Service Provider committed a Material and/or Non-Material Breach of the Agreement and failed to repair said violation within five working days from the date of the Company's written demand, the Company will be entitled, at its sole discretion, to take one or more of the following steps detailed herein, and this without causing the termination of the Agreement:

16.1.1. Cease immediately, whether permanently or temporarily, the continued provision of Services, all or parts thereof;

16.1.2. Replace the Service Provider with another Service Provider to complete the services, whether permanently or temporarily;

The Company will be entitled to collect from the Service Provider its expenses in the cases and additional administrative expenses mentioned above at a rate of 15%, including VAT.

For the avoidance of any doubt, it is hereby declared that the Company's action as per this Section does not bring the Agreement toward its termination and does not release the Service Provider from his obligations as per this Agreement.

- 16.2. Without derogating from the mentioned, and in addition to the above mentioned in Section 16.1 above, the Company is entitled, at its sole discretion, to cancel the Agreement immediately, in full or in part, by advanced written notification to the Service Provider, without the need for any warning, without any obligation to pay any compensation whatsoever, and without derogating from any other or additional remedy at its disposal, should one of the following occur:

16.2.1. A Material violation of the Agreement by the Service Provider;

16.2.2. The Service Provider is suspect in the commission of an offense involving moral turpitude;

16.2.3. If it becomes clear to the Company at any stage there is any legal impediment to continuing the contract with the Service Provider;

16.2.4. If it becomes clear that the Service Provider has violated and/or stands to violate any law, whether or not bound by the Agreement;

16.2.5. The Service Provider was negligent in the execution of his obligations according to the Agreement and/or breached the fiduciary duty and/or the warranty and/or acted in Conflict of Interest with the Agreement;

16.2.6. A liquidation request or a settlement agreement with his creditors or a bankruptcy application has been filed against or by the Service Provider;

16.2.7. A foreclosure was imposed on the Service Provider's assets and/or funds due to the Service Provider from the Company and held by the Company, and the foreclosure is not removed within 14 days.

17. **Company Representative**

- 17.1. The Ayalon Highways Representative for the purpose of execution of the Agreement is _____ and/or whoever will be appointed in his place and/or on his behalf and/or as acting representative.
- 17.2. The Company is entitled to replace its representative at any time by way of notice to the Service Provider.
- 17.3. To dispel any doubt, the Company representative is not authorized to alter the terms of this Agreement, including any alteration that may be required to charge the Company with additional financial charges beyond the provisions of Section 8 above; any change to the Agreement will be made solely as per the provisions of Section 18.2 below.
- 17.4. The Company Representative may enter any activity related to or involving the Services, participate in any related activity or execution thereof, and the Company Representative is entitled to review any document and any related or affiliated information concerning the Services provided by the Service Provider.

18. **Miscellaneous**

- 18.1. **Failure to enforce does not prejudice rights-** Failure by a party to this Agreement to exercise its rights does not mean waiving such rights or the right to sue (including enforcement) for breach, and will not prevent enforcement of the provisions of this Agreement at the request of a said party at a later date or for any other breach of the Agreement.
- 18.2. **Amend and Alter the Agreement** -Any amendment or alteration to this Agreement will be done in writing, signed by the authorized signatories of the parties to this Agreement.
- 18.3. **Canceling and Exhaustive Agreement-** This Agreement, its affiliated agreements and other documents between the parties bearing the date of this Agreement, constitute the comprehensive Agreement between the parties and cancel any prior agreement, whether written or verbal, between the parties in matters concerning this Agreement.
- 18.4. **Local Jurisdiction-** Any matter relating to this Agreement will be heard only in the competent courts of the City of Tel Aviv-Jaffa.
- 18.5. **Condition Precedent** This Agreement will come into force on the date of its signature by the last of the Company's authorized signatories.

19. **The Parties' Addresses and Delivery of Notification(s)**

- 19.1. Notices in connection with this Agreement will be delivered by registered mail or by facsimile or by email or hand-delivered, according to the parties' addresses written above in the Preamble to this Agreement, and will be deemed to have been received on the following dates: one day following the date of its delivery, if delivered by hand; one day following its transmission, against the confirmation of delivery, if transmitted by facsimile, at the time opened by the recipient, if delivered by email; or upon expiry of 7 days from the date delivered for dispatch, if sent by registered mail.

19.2. Each Party reserves the right, in a notification delivered according to the provisions of this Section, to change his address and the address for delivery of copies of this Agreement.

IN WITNESS WHEREOF, the parties have signed:

The Service Provider

Ayalon Highways Co. Ltd

Appendix I

Service Specifications

Appendix II

Individual Referral and Service Provider Proposal Documents

Appendix III

The Consideration

[Will be completed in accordance with the results of the Individual Referral]

Appendix IV

Absence of Claims Form

Date: _____

FAO

Ayalon Highways Co. Ltd

Dear Sir/Madam,

RE: A Declaration of the Absence of Claims and Waiver

I, the undersigned, _____, a Service Provider under Agreement No. _____ (hereinafter: "**the Agreement**"), hereby declare to you that, subject to payment of NIS _____ plus VAT, as detailed in the final accounting and final invoice for Consideration due and/or in connection with the provision of Services, I have no and will not have any claim and/or demand and/or suit of any kind whatsoever to you and/or to anyone on your behalf, for or in connection with the provision of the Services, the subject of the Agreement. I hereby confirm that the above amount constitutes the full, final, and absolute Consideration to which I am entitled with respect for all of the mentioned.

In witness thereof, I have signed on my good and free will, without any pressure or coercion, and after being informed of the contents of this document and its implications.

This document was duly signed by me, on my behalf and on behalf of anyone who acted for me or on my behalf in providing the services and executing the work.

Date

The Supplier

(Name, Signature, and Stamp)

Appendix V

Date: _____

FAO

Ayalon Highways Co. Ltd

Dear Sir/Madam,

RE: Service Provider Non-Disclosure Agreement

I/We, the Undersigned, _____, ID/Corporate/Authorized Dealer No. _____, hereby declare toward Ayalon Highways Co. Ltd (hereinafter: "**Ayalon Highways**"), that I am fully aware that for my/our duties in the provision of services locate, examine, and deliver technological solutions for the establishment and operation of smart airspace to support multirotor and UAS flight (hereinafter: "**The Services**"), will expose me/us and/or will come to my/our knowledge information of Ayalon Highways, and that it is known to me/us that the information is one of Ayalon Highways most significant and essential assets, as applicable.

In this Letter of Undertaking, the term "**Information**" refers to any information and any data concerning Ayalon Highways and/or in connection to it and/or in its offices and/or related and/or its projects and/or customers and/or employees and/or third parties with whom Ayalon Highways is in business or other relations, including any information related to Ayalon Highways' businesses, including and without prejudice to the generality of said documents and/or databases and/or computer software and/or formulas and/or ideas and/or business plans and/or reports and/or estimates and/or Bill of Materials and/or calculations and/or documents, and all on any media, whether written or verbal, whether on magnetic or optical media or otherwise, and except for information accessible and in the public domain.

Therefore, I/we declare and undertake toward Ayalon Highways as follows:

1. To preserve in complete confidentiality and not disclose and/or convey, directly or indirectly, to any person and/or entity whatsoever, including employees of Ayalon Highways, for whom the information is unnecessary for the execution of their duties, any information that has reached and/or will reach me/us, verbally, in writing and/or in any form and/or on any other media in the framework of the execution of my/or functions and provision of services, whether directly or indirectly, including information created by me/us and/or information that reached me/us from others and is directly or indirectly related to Ayalon Highways.

2. Not to disclose and/or convey, directly or indirectly, to any person and/or entity, any material, document, diskette, disk, mobile storage and/or information, as defined above, and not to use, directly or indirectly, any information, all or parts thereof, including by duplication, production, sale, transfer, distribution, modification, copying and/or imitation, except for the use specified for execution of my/our duty(ies) and the provision of services, will the consent and for the sole benefit of Ayalon Highways.
3. To provide Ayalon Highways, any material and/or information that will be found in my/our possession and/or under my/our control, related to the execution of my/our duty(ies) and/or provision of services and/or created during the execution of my/our duty(ies) and/or provision of services, immediately upon first demand by Ayalon Highways, and in any case of the termination of my/our position, without connection to the reason behind the said termination of my/our position, immediately upon notification of severance. If and insofar as Ayalon Highways has given its advanced, written consent to create copies of the information, then I/we undertake to return to Ayalon Highways any such copy, or under Ayalon Highway guidelines, destroy/shred all copies that may be in my/our possession immediately upon Ayalon Highway's first demand.
4. I/we are aware that any breach of my/our obligation(s) as per this Letter of Undertaking, or some thereof, is liable to cause Ayalon Highways and/or its associated entities extreme, grave, and irreversible damages for which financial compensation will not constitute a proper remedy and relief, and therefore I/we agree that Ayalon Highways will be entitled, in the event of a breach of any of my/our obligations according to this Letter of Undertaking, to request from a competent court to issue a temporary injunction and/or other orders against me/us to prevent and/or cease the breach.
5. Without derogating from the above mentioned, I/we undertake to compensate and indemnify Ayalon Highways for any damage caused to it or to the companies affiliated with it, including loss and/or harm to reputation as a result of a breach of any of my/our obligations according to this Letter of Undertaking, and in addition to its right to take legal action against me according to law. Also, I/we undertake that in the event I/we breach any of the provisions of this Letter of Undertaking, I will refund Ayalon Highways any amount I/we have received, to the extent that I/we will receive for the execution of my/our duties.
6. It is known to me/us that the information or parts thereof constitute information protected under the Privacy Protect Law, 5741-1981 and that a breach of any of the obligations of this Letter of Undertaking could constitute an infringement of the provisions of the law mentioned above.
7. If I/we are required by law to present the information to any third party, I/we undertake to claim confidentiality, and I/we undertake to notify Ayalon Highways of receipt of said demand, upon receipt thereof, so that it will be able to file suit against the delivery of the information.
8. I/we are aware that my/our undertakings according to this Letter of Undertaking do not derogate from any law, are irrevocable, not restricted by time, and will remain in effect at any time from the date of signing this Letter of Undertaking onward, including following termination of the execution of my/our duties, for any reason.
9. Without derogating from the above mentioned, I/we are aware that my/our undertaking, as stated in this Letter of Undertaking is a material provision in the contractual

engagement between me/us and Ayalon Highways, and in the event of a breach of my/or undertakings according to this Letter of Undertaking, the said will be deemed a material breach of the contractual engagement between me/us and Ayalon Highways.

10. Only the competent courts of Tel Aviv-Jaffa will bear jurisdiction concerning this Letter of Undertaking.

AND IN WITNESS WHEREOF I/we have signed:

Date: _____

Name: _____

ID/Corporate ID _____

No.

Signature: _____

Appendix VI

Confirmation of Insurance Coverage