

Agreement

Made and entered into on the ___ day of August 2015

By and Between:

Swarco Mizar SpA, which shall be referred to hereinafter as "**Mizar**" a private company organized and existing under the laws of Italy which registered office is at Via Nizza 262/57, 10126 Torino,

and

Dan North Transport Operation Ltd., which shall be referred to hereinafter as "**Dan Operations**", a private company, wholly owned by Dan Public Transportation Company Ltd. ("**Dan**"), organized and existing under the laws of Israel which registered office is at Kiryat Haim, Israel.

Mizar and Dan Operations hereinafter shall be collectively referred to as the "**Parties**", and individually as the "**Party**".

WHEREAS The Government of the State of Israel, by the Israeli Ministry of Transport and Road Safety, the Supervisor of Transportation and additional entities on their behalf or in their place (who shall be collectively referred to as the "**Client**"), have published tender number 8/2008 (including all addendums, clarifications and amendments thereof, as were published by the Client), for the Operation and Maintenance of the Metronit Bus Rapid Transit system in the city of Haifa ("**Tender**" and "**Project**", respectively) in accordance with the terms of the Tender; and

WHEREAS, Dan, by a special purpose entity incorporated by it, Dan North - Public Transit Company ("**Dan North**"), participated in the Tender and submitted a bid (the "**Bid**"), which also included the Systems, and, on the basis of its Bid, Dan North was selected by the Client as the concessionaire of the Project, and Dan North and the Client have entered into the Concession Agreement, dated as of 16 September 2010, a translation of which has been made available to Mizar and its representatives; and

WHEREAS For the purpose of performance of the Concession Agreement, fulfillment of the Tender conditions and performing the operation of the Project, Dan founded, Dan Operations; and

WHEREAS Dan North appointed IPI Electricity and Control Ltd ("**IPI**") as a subcontractor on its behalf to perform the development, characterization, compatibility, supply, installation of the technological systems of the Project and provide maintenance services with respect to the Systems according to a sub construction agreement ("**Sub Construction Agreement**") ; and

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WHEREAS IPI purchased from Mizar certain equipment, software and services related to the technological systems of the Project under the Agreement between IPI and Mizar dated 17 February 2011 ("**IPI-Mizar-Agreement**"); and

WHEREAS the Systems (as defined in Sec. 2.9) to be developed in the course of the Project are already completed, working and accepted by the Client and, therefore, the Project is restricted to maintenance of the Systems ("**Maintenance Project**"), and Dan Operations and IPI wish to end their Sub Construction Agreement and to receive maintenance services to the technological systems provided by IPI under the Sub Construction Agreement from other providers than IPI; and

WHEREAS for that purpose Dan Operations wishes to contract with Mizar in order to receive support and services to the software and hardware of the Systems ("**Contract Software**" or, respectively, "**Contract Hardware**") and in order to supply the spare parts listed in Appendix A ("**Spare Parts**") from Mizar; and

WHEREAS, Mizar hereby agrees and undertakes, to be fully responsible for the fulfillment of the Services in accordance with Applicable Law and in accordance with the relevant provisions of the Concession Agreement, as further set forth herein below, all in accordance with the terms and conditions set out in this Agreement; and

WHEREAS, Mizar has the requisite expertise, experience, staff, equipment, materials and financial ability to successfully and optimally perform all of its obligations in accordance with this Agreement and in accordance with Good Industry Practice; and

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the parties hereto freely agree as follows:

1. **Preamble and Interpretation**

- 1.1. The preamble to this Agreement constitutes an inseparable part hereof.
- 1.2. The division of this Agreement into sections and providing headings to the sections has been done as a reference and for the sake of convenience only.
- 1.3. Unless provided explicitly to the contrary, a reference to any document or any provision of any document is a reference to such document or provision as amended, modified, replaced, novated or supplemented.
- 1.4. This Agreement and the specific provisions of the Concession Agreement referred to under this Agreement shall be construed to be consistent and not in any way conflicting. Notwithstanding the forgoing, in any event of conflict or inconsistency between any of the provisions of this Agreement, the Parties will negotiate in good faith the necessary changes to the Agreement.
- 1.5. In this Agreement, words importing the singular shall include the plural, and *vice versa*, subject as expressly provided herein otherwise or unless the context otherwise requires.
- 1.6. No amendment, novation, change, or supplement to this Agreement shall be effective unless made in writing and signed by duly authorized representatives of all the Parties.
- 1.7. The following documents shall be deemed to form and be read and construed as part of this Agreement:
- 1.7.1. Appendix A: Price list
 - 1.7.2. Appendix B: SLA
 - 1.7.3. Appendix C: NDA
 - 1.7.4. Appendix D: Escrow Agreement
 - 1.7.5. Appendix E- Spare Parts
 - 1.7.6. Appendix F- Parent Company Guarantee
 - 1.7.7. Appendix G- References from the Concession Agreement
 - 1.7.8. Appendix H- list of open technical issues.

These above Appendices form an integral part of this Agreement. In case of discrepancies between the documents they shall prevail in the order listed above (given that this Agreement shall prevail over any Appendix).

2. **Definitions**

- 2.1. "**Applicable Law**" - any applicable constitution, law, regulation, ordinance, rule, judgment, rule of law, official order, judicial order, writ, decree, request, approval, concession, grant, franchise, license, directive, guideline, policy, standard, plan, requirement, tariff, of any governmental authority.

- 2.2. "**Change Order**"- as defined in Section 11.4.
- 2.3. "**Expert**" shall mean the person, firm or company referred to in Sub-Section 24.2 provided that such person, firm or company shall not be a customer, service provider or otherwise related to the Parties or their shareholders.
- 2.4. "**Good Industry Practice(s)**" - at a particular time, those practices, methods, acts, techniques and standards as changed from time to time which are in accordance with prudence applicable to and generally accepted for use in the industry for Projects of similar size and characteristics, using the same type of software and design and in compliance with Applicable Law.
- 2.5. "**ICC Centre**"- as such term is defined in Section 24.2.2 to this Agreement.
- 2.6. "**ICC Rules**"- as such term is defined in Section 24.3 to this Agreement.
- 2.7. "**Legal Requirements**" means all the requirements of the Applicable Law, consents and/or any other laws, statutes, directives, orders, decrees, injunctions and regulations of any governmental instrumentality having jurisdiction over the matter in question, provided that such requirements are applicable and related to the Services or the obligations of the Parties under this Agreement.
- 2.8. "**Spare Parts**"- as such term is defined on Section 7.2.
- 2.9. "**Systems**" –Passengers counting system, fleet management system, announcement system and signs management system (in the buses and at the stop platforms), CCTV cameras on buses ,the interface with the preference at stoplights system, and the interface to the Client systems which was already provided by Dan, respectively Dan Operations to the Client under the Concession Agreement, Flash, Flash.net, arrival times prediction and passenger information, website, interfaces (load flash, interfaces to the Client including real time and batch).
- 2.10. "**Services**" – all maintenance, support, supervision, training, supplies, special tools, materials, spares and consumables to be provided by Mizar under this Agreement, as further described in the SLA (Appendix B).

3. **Conditions Precedent**

This Agreement will not become effective before the following conditions are fulfilled:

- 3.1. Client has formally accepted (i) Mizar as subcontractor for the Project, and (ii) the removal of IPI as subcontractor for the Project.
- 3.2. IPI and Mizar have entered into a termination agreement of the IPI-Mizar-Agreement to provisions satisfactory to both MIZAR and IPI at its sole discretion;
- 3.3. Both Dan Operations and Mizar have approved the entering into this Agreement by their applicable organizational organs in accordance with the Applicable Law.

The Effective Date shall mean the date upon which this Agreement shall enter into effect, after completion of all the above conditions precedent (the "**Effective Date**").

4. **Scope of Work**

- 4.1. MIZAR undertakes to perform the Services as further set forth under this Agreement, including its Appendices.
- 4.2. MIZAR undertakes to carry out the provisions of this Agreement in the highest professional level, faithfully and effectively.
- 4.3. Notwithstanding any other provision of this Agreement, Mizar shall be obligated to comply with all of the provisions of the Concession Agreement as set forth in Appendix G attached to this Agreement. In the event of a conflict between the provisions of Appendix G and this Agreement, the more stringent provision shall govern

5. **Price**

- 5.1. In the first year from the Execution of this Agreement, Dan Operations shall pay a fixed annual service fee of 90,000.00 (ninety thousand) Euro, plus VAT (if applicable, as of the Effective Date, Mizar is not obligated to pay any VAT in Italy in connection with this Agreement) to Mizar in consideration for the Services to be rendered by Mizar according this Agreement (“**Service Fee**”). The annual Service Fee shall increase by 2.5% in each of the following Contract Years compared to the respectively previous Contract Year, i.e. the Service Fee shall amount to 92,250 Euro (plus VAT) in the second Contract Year, to 94,556 Euro (plus VAT) in the third Contract Year etc. The Service Fee shall be due and payable as monthly installments amounting to one twelfth of the respectively applicable annual Service Fee (e.g. 7,500.00 Euro (plus VAT) in the first Contract Year, 7,687.50 Euro (plus VAT) in the second Contract Year) etc., on the first day of each calendar month; however, the first installment shall be due and payable at the date of Execution of this Agreement without any deductions (subject to the fulfillment of all conditions precedent under Section 3 and receipt of an invoice).
- 5.2. Any services outside the agreed extent of Customer Support as set out in the Appendices hereof, shall be paid by Dan Operations separately. Mizar’s rates shall be as set forth in **Appendix A**.
- 5.3. Dan Operations shall be entitled to set-off any amounts Mizar is obligated to pay under this Agreement from payments Mizar is entitled to receive from Dan Operations.
- 5.4. Mizar obligates that Dan Operations will be treated with preferred priority for all intents and purposes, including inter alia allocation of resources; transportation; manufacturing and stock reservations, and including further all rights set forth under the SLA-Appendix B. Without derogating from any of Mizar’s obligations under this Agreement, it is to be clarified that any Spare Parts necessary to Dan Operations in regard with the Maintenance Project, which exist in small quantity, will be supplied to Dan Operations in first priority.
- 5.5. To the extent Dan Operations is interested in purchasing any Spare Parts, any such Spare Parts supplied by Mizar to Dan Operations under this Agreement (including as set

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forth in Section 7 and in Appendix B - SLA) will be invoiced and paid separately according to Mizar's respectively valid price list which is attached hereto as Appendix A ("**Price List**"). Mizar guarantees the prices for the Spare Parts as specified in Appendix A for a period of one year from the date of mutual signature of this Agreement by the Parties (the "**Execution of this Agreement**"). Following the first year as of the execution of this Agreement, the Price List will be updated once a year as detailed under Appendix A (the "**Indexation**"). It is hereby clarified that other than the indexation, no additional increases shall be made to the prices. Invoices are payable within 30 days from the date of the invoice.

5.6. If either Party is in default of payment of more than 30 days (subject to issuance of an applicable invoice), the outstanding amount shall bear interest at the rate of 9% (nine percent) over the then current basic rate of interest. This shall not affect any more extensive rights.

5.7. All Spare Parts to be supplied to Dan Operations by Mizar will be new and un-used (except necessary internal testing).

6. SLA

Mizar is committed to provide the Services in accordance with the response times and other terms and conditions as set forth under the SLA (Appendix B).

7. Spare Parts

7.1. If Spare Parts are no longer produced by Mizar or its suppliers, Mizar will inform Dan North with reasonable advance notice, offer Dan North to effect a last-time-buy and, thus, to stock Spare Parts in sufficient number to complete the Maintenance Project. Should Dan North not place respective orders in time, Mizar shall not be considered responsible for a lack of Spare Parts on part of Dan North or the Client. Throughout the Term of this Agreement, Dan Operations shall have the right to purchase spare parts as required for the maintenance of the Systems (the "**Spare Parts**") from MIZAR, both for the purpose of expanding the Systems and for the exchange of components, at prices that shall not exceed the prices indicated in the Price List. Delivery time of each and every component shall not exceed the customary delivery time specified in the SLA.

7.2. The delivery period for Spare Parts is 4 to 6 weeks Ex Works (EXW) Torino according to Incoterms 2010, published by the International Chamber of Commerce.

7.3. Mizar shall hold an inventory of Spare Parts at stock for the Systems in an amount and capacity as required to meet its obligations under Agreement and to allow Dan Operations to operate the Systems in accordance with the Spare Parts listed in Appendix E. it is hereby clarified that Appendix E is an indicative list only, based on Mizar's experience. However, Mizar undertakes to hold in stock at all time a minimum quantity needed for at least two years of maintenance. At the end of each year, Mizar will integrate the stock with the Spare Parts needed for one further year. Upgrade of Spare Parts technology will be performed according to the provisions of clauses 7.4 and 7.5.

- 7.4. Furthermore, the Spare Parts inventory level is to be reviewed every year, in comparison with the amount of the actual faults and if necessary Mizar shall update the Spare Parts inventory in accordance with Dan Operations requirements.
- 7.5. Without derogating from the above, for the purpose of conducting the maintenance service, DAN is recommended to keep at stock Spare Parts for at least one year and to organise the shipment of Parts to be repaired to Swarco Mizar on a quarterly basis. Swarco Mizar will ship the new and repaired parts on a quarterly basis as well.
- 7.6. Mizar may announce on an "end of life" in connection with any of the System components, by a notice delivered to the Dan Operations 6 months in advance. Mizar will provide Dan Operations with an alternative equivalent solution in advance, and Dan operations shall receive all necessary approvals required to integrate it as a System component (including certifications, standardization, testing, etc.). The Parties will discuss and negotiate in good faith the pricing of such alternative according to the Price List set out herein in Appendix A in conjunction with Appendix E, if applicable for such alternative.
- 7.7. Mizar undertakes to keep all components of the Systems updated, and to be able to supply and support the Systems during the entire Term of this Agreement. Mizar shall be obligated to supply editions and updates on a regular basis, including adjustments and localizations if needed to the Systems and/ or each and any Spare Part. In the event of software components' updates, Mizar shall also be responsible to update the Spare Parts inventory in order to maintain a uniform configuration.
- 7.8. Each installation of an upgrade or a repair of a component of the Systems components (including software components) is subject to causing as minimal disruption as possible to the Project's operation and to the proper operation of other systems, and shall be done only after completing the tests of such upgrade or repair on an appropriate model, performing a simulation to ensure their intactness, and by maintaining the opportunity to quickly bring the Systems to their original format in the event in of malfunction or failure.

8. Representations and Warranties of the Parties

8.1. Mizar hereby represents and warrants that:

- 8.1.1. It is a company duly organized and validly existing under the applicable laws of its jurisdiction of incorporation, duly qualified to do business as a corporation under the laws of Italy and possessing the capacity to sue and be sued in its own name.
- 8.1.2. All actions necessary for the authorization, execution, delivery and performance of all obligations under this Agreement have been taken. This Agreement has been duly executed and delivered by Mizar, and Mizar has the absolute and unrestricted right, power, authority and capacity to execute and deliver this Agreement and to perform its obligations under this Agreement.

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- 8.1.3. This Agreement is binding and no additional consents of any person or entity are required in order for this Agreement to be binding.
- 8.1.4. The execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under: (i) any provision of any agreement, judgment, decree or order to which Mizar is a party or by which it is bound; (ii) any mortgage, indenture, license, contract, obligation or commitment to which Mizar is a party or by which it is bound; (iii) any statute, rule or governmental regulation applicable to Mizar.
- 8.1.5. no receiver, liquidator or similar officer has been appointed with respect to it or its material assets nor is any petition or proceeding for any such appointment pending nor has any resolution for any such appointment been passed.
- 8.1.6. no proceedings for the bankruptcy, winding up, insolvency of or for any moratorium or other similar proceedings (including reorganization in such context) relating to it, are outstanding, threatened or contemplated.
- 8.1.7. it has the professional knowledge, know-how, expertise, experience, skills and financial, technical and operational capabilities of performing its obligations under this Agreement.
- 8.1.8. it is able to timely fulfill all of its obligations under this Agreement, whether expressly set out herein or contained by way of reference, to Dan's and the Client's satisfaction.
- 8.1.9. it owns any and all intellectual property rights in respect of the Services, including any component thereof and the use of such rights within the framework of the Project is made with the full and irrevocable consent of Mizar, unlimited in time.
- 8.1.10. Mizar hereby declares that it has extensive experience in manufacturing and supply equipment, software and services for establishment, operation and maintenance of similar systems such as the bus rapid transit management system.
- 8.1.11. Mizar hereby declares that the Services provided by it comply with mandatory international official standards, including the Israeli SIRI, as updated from time to time and all Applicable Law.
- 8.1.12. Mizar will not be allowed to transfer, all or part of, its rights and/or obligations according to this Agreement with the exclusions of overdue payment claims which may be transferred, e.g. to collection agencies or banks or as security.

- 8.1.13. Mizar hereby acknowledges that the Client possesses the right to order Dan Operations to cease and terminate its engagement with Mizar, at its sole discretion, should Mizar not comply with its obligations under this Agreement. In case of such termination, Dan Operations shall pay Mizar for the Services performed up to the date of termination in accordance with Section 20.
- 8.1.14. Mizar shall fully comply with the Israeli Labor Law, expansion orders and the Collective Agreements that will apply to the relationship between Mizar and its employees with respect to the Project.
- 8.2. Dan Operations hereby represents and warrants that:
- 8.2.1. It is a company duly organized and validly existing under the applicable laws of its jurisdiction of incorporation, duly qualified to do business as a corporation under the laws of the State of Israel and possessing the capacity to sue and be sued in its own name.
- 8.2.2. All actions necessary for the authorization, execution, delivery and performance of all obligations under this Agreement have been taken. This Agreement has been duly executed and delivered by Operations, and it has the absolute and unrestricted right, power, authority and capacity to execute and deliver this Agreement and to perform its obligations under this Agreement.
- 8.2.3. This Agreement is binding and no additional consents of any person or entity are required in order for this Agreement to be binding.
- 8.2.4. The execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under: (i) any provision of any agreement, judgment, decree or order to which Dan Operations is a party or by which it is bound; (ii) any mortgage, indenture, license, contract, obligation or commitment to which Dan Operations is a party or by which it is bound; (iii) any statute, rule or governmental regulation applicable to Dan Operations.
- 8.2.5. the Systems (as defined in Sec. 2.9) are already completed, working and accepted by the Client, other than as set forth in **Appendix H**, which will be considered as part of Mizar's obligations under this Agreement and the purpose of this Agreement is restricted to the scope of work specifically as set forth hereunder. .
- 8.2.6. Dan Operations hereby declares that it has terminated the Sub Construction Agreement.

9. **Dan Operations Authorities**

9.1. **Dan Operations' Representative's Duties**

9.1.1. Dan Operations shall appoint a person to act on its behalf as a Dan Operations' Representative for the purposes of the Agreement by prior notice to Mizar (the "**Operator's Representative**"). Dan Operations may, from time to time, change the identity of the Operator's Representative by written notice to Mizar.

9.1.2. Dan Operations shall be represented by the Operator's Representative and the Operator's Representative shall act on behalf of Dan Operations under the Agreement and shall carry out the duties and exercise the authority and powers given to him by Dan Operations and as specified by Dan Operations in a notice to Mizar.

9.1.3. Subject to the preceding paragraphs, any decision, instruction, approval or disapproval given by Operator's Representative to Mizar under the Agreement shall have the same effect as though it had been given by Dan Operations. However, the Operator's Representative shall have no authority to amend the Agreement, grant any time extensions or approve any adjustments to the consideration paid under this Agreement.

9.2. **Review or Comment by Dan Operations or Operator's Representative**

No review, comment, approval or disapproval by Dan Operations on any portion of the Services or any other document shall relieve Mizar of its obligations under the Agreement unless otherwise stated in the Agreement. Despite the previous sentence, if Mizar recommends a change in the Systems that is necessary from Mizar's point of view for the proper operation of the Systems, after conducting all necessary tests to make sure that the Systems are not affected by such change and providing at least two months prior written notice to that extent, and Dan Operations does not approve such amendment without providing Mizar reasonable grounds for such disapproval, in such case the Parties shall try in good faith to find an alternative solution which is acceptable to both Parties and if such solution is not obtained, Mizar shall be relieved from its obligations under this Agreement only with respect to such part of the Services which directly affected from such disapproval, and provided that an alternative solution was not found.

Wherever under the Agreement the Parties are required to give their decision, comments, opinion, approval, disapproval or consent they shall do so in writing and in accordance with the terms of the Agreement and it shall be effective as of the date of its receipt by the relevant Party.

9.3. Replacement of Operator's Representative

Dan Operations may, in its sole discretion, replace the Operator's Representative at any time, subject only to giving prior written notice to Mizar. Such replacement shall not affect decisions that were previously made by the replaced Operator's Representative.

9.4. Management of the Project by the Client

Mizar hereby acknowledges that the Client may, at all times during the Term of this Agreement, in accordance with the terms of the Concession Agreement, supervise, review, approve, reject, make decisions and determine and issue the certificates specified in the Concession Agreement, all in order to ensure the proper execution of the Project by Dan Operations

10. Additional Obligations of Mizar

10.1. Parent Company Guarantee

10.1.1. Mizar shall, at its own expense, provide to Dan Operations, on the day of Execution of this Agreement, and thereafter continuously maintain until the date upon which all obligations of Mizar under this Agreement have been discharged, a guarantee by SWARCO AG (the "**Guarantor**"), guaranteeing performance of the obligations of Mizar under this Agreement as provided in the form of the guarantee attached hereto as Appendix F (the "**Parent Guarantee**").

10.1.2. It is clarified that the Guarantor's undertakings under the Parent Guarantee shall not exceed the liabilities of Mizar under this Agreement, including without limitation, regarding the limitation of liability as set forth in Section 18 herein.

10.1.3. Mizar undertakes that the Guarantor shall consent to the assignment and/or the pledge of such Parent Guarantee to the Lenders or to the Client if may be required.

10.2. Mizar's Representative

Mizar shall designate in writing Mizar's representative, who shall be Mizar's project manager and shall have full responsibility for prosecution of the Services, to act as a single point of contact with Dan Operations in all matters on behalf of Mizar (**Mizar's Representative**). Dan Operations shall have the right to approve the person who is selected as Mizar's Representative and require replacement of any such Mizar's Representative selected by Mizar for reasonable arguments, which approval or replacement shall not be unreasonably withheld or required, as the case may be. Mizar shall not change Mizar's Representative without the consent of Dan Operations, whose consent shall not be unreasonably withheld.

10.3. Compliance with Legal Requirements and Good Industry Practices.

In the performance of the Services, Mizar shall comply, and shall cause its employees and suppliers to comply, with all Legal Requirements and Good Industry Practices.

10.4. Quality Assurance and Quality Control

Mizar shall implement and maintain quality assurance and quality control programs ("QA/QC") and shall provide to Dan Operations with copies of such programs before the same are implemented or audited. Such programs shall, at a minimum, procure and control the issuance of relevant certificates of inspection and testing. Compliance with the QA/QC programs shall not relieve Mizar of its duties, obligations or responsibilities.

10.5. Personnel

Mizar shall be responsible for employing qualified professional personnel as shall be necessary in order to assure the complete fulfillment of its obligations under this Agreement. Mizar further undertakes that the personnel shall be professional and skilled for their duties; shall possess all the licenses, permits and/or certificates as may be required under any Applicable Law in order to employ this personnel and to fulfill their duties; shall be registered in any registration conducted according to any applicable law or regulation, as may be required in order to fulfill Mizar's obligations under this Agreement.

10.6. Training

Mizar shall provide such training as is set forth in the SLA- Appendix B, to be performed in English. Mizar shall provide full and comprehensive training (in Israel for additional fees to be mutually agreed upon by the Parties); or in Mizar's offices, as shall be agreed between the Parties) in English to the relevant personnel identified by Dan Operations to enable such personnel to operate the Systems fully and efficiently and maintain the Systems to the extent normally accepted in Good Industry Practice.

10.7. Documentation

10.7.1. All equipment labels, warning, and instruction labels, temporary or permanent, are to be in the English language.

10.7.2. All documentation, data, drawings, information and details associated with the Services and which will be provided by any Party under the Agreement shall be properly referenced and compiled in the English language. Titles and notes on all drawings shall be translated into English.

11. Changes

11.1. Notwithstanding Appendix B, Mizar hereby undertakes to perform any required upgrading and/or updating of the Contract Hardware, Contract Software and / or the Spare Parts, as far as such upgrading and/or updating is necessary (for example as a consequence of changes to the Systems), subject to the terms and conditions under this Section 11.

11.2. Mizar shall initiate suggestions for changes in the Systems, if to its professional view, and according to its understanding of the requirements and the current state of the Systems, such changes are required in order to improve the Systems. The changes will only be performed by Mizar subject to the terms and conditions of a separate contract the conclusion of which is at the Parties' disposal.

11.3. If there is any Change in Law applicable to the operation of the Systems, including changes in regulations and/or Department of Transportation instructions ("Change in Law"), the Parties shall try in good faith to find a respective amendment of the Systems according to this Change in Law, and a respective price for such amendment, which is acceptable to both Parties; if such solution is not obtained, Mizar shall be relieved from its obligations under this Agreement only with respect to such part of the Services which is directly affected from such Change in Law, and provided that an alternative solution was not found.

11.4. Entitlement to Change Orders

11.4.1. Dan Operations shall have the right to require changes in the Services, including purchase of additional Spare Parts.

11.4.2. Mizar shall be entitled to a Change Order to the extent that any such change is (i) required by Dan Operations, or necessitated by Dan Operations's failure to fulfill any of its responsibilities under this Agreement, or in the event and to the extent that a change in circumstances entitles Mizar to a Change Order under an express provision of this Agreement, and (ii) alters the Services as described in the Agreement, involves an increase or decrease in Mizar's costs to complete the Services; or requires an adjustment to the delivery schedule; and (iii) if any change of the Applicable Laws require any change of the Systems or Services.

Mizar shall not be entitled to a Change Order if Dan Operations requests Mizar to perform remedial Services due to Mizar's failure to comply with the terms and conditions of this Agreement.

11.4.3. Minor modifications or adjustments that do not alter the Services as described in the Agreement, do not involve a material increase or decrease in Mizar's costs to provide the Services, and require no adjustment to the consideration under this Agreement or the delivery schedule, may be required by Dan Operations and/or made by Mizar and shall not require a Change Order.

11.5. Change Order Procedure

11.5.1. Dan Operations may at any time submit a written request to Mizar to alter, add to, or delete aspects of the Services, and Dan Operations shall do so in the event a change in Legal Requirements, applicable codes necessitates a change in the Services.

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11.5.2. If Mizar believes it is entitled to the issuance of a Change Order under Section 11.4, then within a reasonable time which will not exceed 90 days following receipt of such request from Dan Operations, or such other period as shall be mutually agreed upon by the Parties, Mizar shall prepare for the agreed daily prices according to the Activities section in Appendix A hereof, and submit to Dan Operations a written description of the change in Services and a preliminary lump sum cost estimate and any necessary adjustment to the Service Fee or other aspects of the Services that would result from such proposed change to the Services. If Dan Operations so requests, before electing to proceed with the change, Mizar shall prepare and submit to Dan Operations a detailed estimate of such adjustments, together with an explanation of the bases therefore (including, as appropriate, relevant cost information, estimated quantities of materials and equipment required for such change, estimated levels of services required for such change.

11.5.3. If Dan Operations elects to proceed with a change to the Services it has requested that requires a Change Order, and in any other case in which Mizar is entitled to a Change Order under this Agreement, Dan Operations shall issue a Change Order authorizing such change to the Services and any adjustment in the Services Fee, or any other aspect of the Services as the Parties shall mutually agree. Increases or decreases in the Services Fees resulting from a Change Order shall be determined by agreement upon a mutually acceptable lump sum, based on the Price List attached hereto as Appendix A.

Any dispute between the Parties in connection with the adjustments regarding a Change Order shall be submitted to dispute resolution pursuant to Section 24.

11.5.4. No Change Order shall be of any force or effect unless specifically authorized in writing by Dan Operations. No Change Order or series of Change Orders shall affect Mizar's obligation to perform any part of the Services except as specifically stated in such Change Order(s).

11.6. Other Provisions Unaffected

Except to the extent a Change Order specifically amends one or more provisions hereof, all provisions hereof shall apply to all Change Orders, and no Change Order shall be implied as a result of any other Change Order, individually or collectively.

12. Suspension

12.1. Suspension by Dan Operations

- 12.1.1. If:
- 12.1.1.1. Mizar is carrying out any significant part of the Services in a defective or inappropriate manner, or such work is being performed in breach of this Agreement or with significant departures from the provisions of this Agreement; or
 - 12.1.1.2. the insurance policies to be taken out by Mizar cease to be effective; or
 - 12.1.1.3. suspension of the Services due to health or safety reasons, being such suspension attributable to a willful misconduct or to a negligent act or omission of Mizar.

Dan Operations shall give Mizar a grace period of thirty (30) days to cure the grounds of the suspension, unless there is a risk of harm to persons or material damage to property. For such purpose, Dan Operations shall send Mizar a notice explaining the reason of the suspension and pointing out the date of actual commencement of the suspension.

- 12.1.2. During suspension, Mizar shall protect, store and secure such part of the Project against any deterioration, loss or damage. Mizar will cooperate with Dan Operations and use its best efforts to remedy the reason for the suspension as soon as practicable. It is understood that, following its commencement, the suspension of the Services shall remain in effect until the circumstances giving rise to it are corrected. The suspension shall not cause any increase in the Services Fees, nor will the periods set in the Project be extended, and Dan Operations shall be entitled to compensation of the damages sustained as a result thereof.
- 12.1.3. In the event the ground of the suspension is not corrected within thirty (30) days from the date of actual commencement of the suspension, Dan Operations will be entitled to terminate the Contract in accordance with Section 22.4.
- 12.1.4. Without derogating from the aforesaid, Dan Operations may instruct Mizar anytime to suspend progress of part or all of the Services for convenience, for a period which shall not exceed 12 months ("**Suspension Period**"). In such case, Mizar shall be entitled to receive from Dan Operations compensation for its direct costs. Mizar shall resume the performance of the suspended Services as soon as practicable following receipt of notice from Dan Operations to that effect, provided however that such notice is received by Mizar during the Suspension Period.

12.2. Suspension by Mizar

Without derogating from its rights under Section 12.1 Mizar may suspend performance of the Agreement in the case of delay in payment of an undisputed amount by Dan Operations in excess of a monthly instalment of the Service Fee for a period of more than twenty one (21) days as from the date on which such payment becomes due, following a request for payment by Mizar, provided that a 7 days prior written notice with respect to such suspension shall be provided to Dan Operations.

13. **Force Majeure**

13.1. Definition

"**Force Majeure**" shall mean any circumstance not within the reasonable control, directly or indirectly, of the party affected, but only if and to the extent that:

- 13.1.1. such circumstance, despite the exercise of reasonable diligence cannot be or be caused to be prevented, avoided or removed by the party affected; and
- 13.1.2. such circumstance materially adversely affects (in cost and/or time) the ability of the party claiming that an Event of Force Majeure has occurred to perform its obligations under the Agreement, and such party has taken all reasonable precautions, due care and reasonable alternative measures in order to avoid and/or the effect of such event on the ability of such party to perform its obligations under the Agreement and to mitigate the consequences thereof; and
- 13.1.3. such circumstance is not the direct or indirect result of any failure of the affected party to perform any of its obligations under the Agreement; and
- 13.1.4. the affected party has given the other party prompt notice describing such event, the effect thereof and the actions being taken in order to comply with this Section; and
- 13.1.5. such circumstance is not substantially attributable to the other party.

13.2. Exclusions

Notwithstanding the foregoing, the following shall not constitute Events of Force Majeure:

- 13.2.1. unavailability, late delivery or changes in cost of hardware and/or software, equipment, materials, spare parts or consumables for the Systems, except and to the extent that such unavailability, late delivery or changes result from an event that would have been an Event of Force Majeure if it had affected a Party;
- 13.2.2. normal wear and tear of materials and equipment;

- 13.2.3. shortage of employees, strikes, lockouts and other industrial disputes of any Party and/or any of its subcontractors or any of their respective employees that are not part of a national, regional or sectoral strike, lockout or industrial dispute; and
 - 13.2.4. fire or explosion, the cause of which was within the control of the affected Party
 - 13.2.5. inclement weather and other material disturbances which are foreseeable;
 - 13.2.6. physical or technological conditions, including communication difficulties caused by equipment whether or not controlled by Dan Operations or the Client, which disrupt the Systems;
 - 13.2.7. any permit, license, consent or approval which is duly required for carrying out of Mizar obligations under this Agreement or under Applicable Law has been suspended, terminated, interrupted, denied or otherwise have not been obtained or renewed;
- 13.3. A delay in or total or partial failure of performance of either Party hereto shall not constitute a default hereunder or give rise to any claim for damages or other relief if and to the extent such delay or failure is caused by Force Majeure; provided, that the affected party gives (i) notice to the other Party, within two (2) days of the commencement of the Force Majeure, stating the specific circumstances constituting the Force Majeure and describing the obligation or performance which is thereby delayed or prevented and (ii) notice to the other Party, within three (3) days after cessation of the Force Majeure, of such cessation and of the specific facts and circumstances supporting the party's claim concerning the occurrence and duration of the Force Majeure event.
- 13.4. Notwithstanding that an Event of Force Majeure exists, the provisions of this Section shall not excuse the Parties from fulfillment of their obligations under the Agreement, which are not prevented by the Force Majeure.
- 13.5. Within a reasonable time after a Force Majeure that has caused Mizar to suspend or delay performance of the Services, Mizar shall initiate lawful and reasonable measures, without undue expense, to remove or relieve the effects of the Force Majeure, failing which Dan Operations may, at its sole option, on two (2) days' notice to Mizar and at Mizar's expense, initiate such measures to remove or relieve such effects and thereafter require Mizar to resume performance of the Services.
- 13.6. A claim of Force Majeure not adequately supported within thirty (30) days of the date of such claim by specific facts and evidence shall be void and treated, for purposes of this Agreement, as if never made.
14. **Intellectual Property**
- 14.1. Mizar hereby declares that it owns all rights, including intellectual property rights, required in order to fulfill its obligations according to this Agreement and that in Israel its rights are free of all lien, claim and/or any rights of third parties.

- 14.2. Mizar hereby declares that this Agreement does not constitute any offense of copyrights, trade market secrets, intellectual property rights, patents or any other third parties rights in Israel.
- 14.3. Without derogating from the provisions of Section 14.4 below, Mizar hereby grants Dan Operations a non-exclusive, non-transferable license to use software which, as the case may be, will be delivered as part of the Services. The license is restricted for use only in the Metronit Project (10 years, 90 buses, 227 smartstop displays).
- 14.4. Mizar confirms and agrees that Dan and the Client are entitled to sub-license the licenses to any third party for the sole use for the Metronit Project, and MIZAR shall not be entitled to any additional indemnification, payments or whatever compensation due to such sub-license.
15. **Escrow Agreement**
Please refer to Appendix D – Escrow Agreement
16. **Confidentiality**
Please refer to Appendix C – NDA
17. **The Parties Relations**
- 17.1. MIZAR is an independent contractor and neither party hereto is or shall be deemed as an agent of the other. All employees and laborers employed by MIZAR, its agents or any subcontractor shall not under any circumstances be deemed to be employees or laborers of Dan Operations.
- 17.2. MIZAR shall bear all payments and / or expenses and obligations of its employees and / or any party acting on its behalf, including wages, transportation, social benefits, social security, income tax etc.
- 17.3. MIZAR undertakes to indemnify Dan Operations and / or any party acting on its behalf, upon first written demand, for any amount each one of them was bound to pay to any of MIZAR's employees and / or its representatives and / or their substitutes and / or their successors for any cause directly or indirectly arising from labor relations, and any expense caused to them because of that. For the avoidance of any doubt, it is clarified that in the event in which a competent tribunal determines that MIZAR workers shall be considered Dan Operations workers, MIZAR undertakes to indemnify and / or compensate, as applicable, Dan Operations, at Dan Operations first demand, for any amount awarded against any of them by virtue of the determination of their status as an employer including any expense they were bound to spend in connection with the demand addressed to them on this matter.
- 17.4. In addition, it is clarified that nothing in this Agreement is deemed to establish an extension or agency relationship between MIZAR and Dan Operations. Accordingly, MIZAR shall abstain from any action that might be seen as if MIZAR is a representative and / or an emissary of Dan Operations.

18. **Limitations of Liability**

- 18.1. In no event, whether as a result of breach of contract, breach of statutory duty, warranty, or otherwise, shall either Party be liable for any consequential and/or indirect damages, expenses or losses, except of loss arising out of fraud by the Parties.

Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement shall limit the Parties liability with respect to claims arising from the injury to, or sickness, disease or death of any person or any physical loss or damage to the property of third parties.

- 18.2. Mizar shall indemnify Dan Operations and the Client against any liability incurred in respect of damage to, death or personal injury arising from any fault or defect in connection with the Services and any reasonable costs, claims, demands and expenses arising out of or in connection with that liability. For the avoidance of doubt Mizar shall have no liability in respect of damage to property, death or personal injury arising from any fault or defect in equipment which is attributable to that element of the equipment not supplied by Mizar.

18.3. **Maximum Liability of Mizar**

The liability of Mizar for claims of any kind, whether in contract, warranty, tort (including negligence), strict liability, or otherwise, arising out of the performance or breach of the Agreement or use of the Services, during each calendar year as of the Effective Date of this Agreement, shall not exceed an aggregate amount for claims equal to 100% of the annual consideration Mizar shall be entitled to under this Agreement. In the event that during a calendar year, there are no claims against Mizar, the Annual Cap for such year will be added to the following year (i.e. the annual cap for the following year shall equal the consideration that Mizar is entitled to receive for two years, cumulatively and so on during the term of this Agreement).

The limitations of liability in this Section 18.3 shall not apply to:

- 18.3.1. Gross negligence, willful misconduct or fraud of Mizar;
- 18.3.2. Mizar's liability to indemnify Dan Operations against third party claims arising from any of Mizar's acts and/or omissions or breach of this Agreement;
- 18.3.3. Mizar's liability in respect of death, physical injury of Dan Operations' personnel or any third party;
- 18.3.4. Mizar's liability in connection with breaches of any licensing of intellectual property rights;

in which cases there shall be no such cap as set out in Section 18.3 on the liability of Mizar.

18.4. **Maximum Liability of Dan Operations**

Other than the obligation to pay Mizar any payment due under this Agreement on account of the Service Fees, which obligations are not limited by this Sub-Clause, the

aggregate liability of Dan Operations to Mizar, on all claims of any kind, whether for breach of contract, negligent act or omission, indemnity, strict liability, or otherwise, shall not exceed an amount equal to 20% of the consideration MIZAR shall be entitled to receive under this Agreement, except for liability arising out of fraud by or on the part of Dan Operations or the Dan Operations' wilful misconduct.

18.5. Mitigation of Loss or Damage

In all cases the party claiming a breach of contract or a right to be indemnified in accordance with the Agreement shall be obliged to take all reasonable measures to mitigate the loss or damage which has occurred or may occur.

19. Insurance

- 19.1.1. A certificate of insurance regarding the insurance policies maintained by Mizar, is attached hereto as **Appendix I**.
- 19.1.2. Mizar hereby undertakes that it shall maintain all insurances as set forth in the attached certificate, in full force and effect during the entire term of the Agreement.
- 19.1.3. Without derogating from the above, Mizar shall notify Dan Operations in writing in case of any changes or expirations of any of the insurances for any reason.

19.2. Insurance Policies to be maintained by Dan Operations:

- 19.2.1. Fire Extended Property insurance to cover Dan Operations' equipment connected to the project on reinstatement value basis. The policy shall extend to cover restoration of data destroyed by the perils covered. The policy shall include a waiver of subrogation in favor of Mizar and its employees, except in favor of those who caused the damage maliciously.
- 19.2.2. Third party liability insurance in broad coverage, with a limit of liability not less than EURO 4,500,000 any one occurrence and in all.
- 19.2.3. Employer liability Insurance to cover legal liability of Dan Operations ensuring from death or bodily injury to Dan Operation's employees while employed in connection with the project, with a limit of liability not less than EURO 4,500,000 any one claim and in all.
- 19.2.4. At Mizar request, Dan Operations shall submit Certificate of insurance to confirm the existence of the aforementioned insurance policies.

20. Rights in case of Defects, Updates, Upgrades and New Releases

This Section shall apply only if Mizar does no longer provide the Services due to termination or expiration of the Services, in such case, the warranty hereunder shall apply.

If under this Agreement, updates, upgrades, new releases or other objects of purchase or work are delivered or performed to Dan Operations, Dan Operations' rights in case of defects in title in respect of the new features implemented, shall be as set forth by the following:

- 20.1. The software delivered or provided by Mizar shall be free from third party rights, which prevent the use in accordance with this Agreement.
- 20.2. To the extent that there are any claims for infringement of IP rights from any third parties, Mizar shall be obligated to either (i) take legitimate measures to remove the third party rights, which impair the contractual use of the software, or (ii) remedy the enforcement of such claims, or (iii) change or replace the hardware and software in such a manner, that it no longer infringing the rights of third parties, provided and to the extent that this does not substantially impair the warranted functionality of the software.
- 20.3. With respect to any updates, upgrades, new releases or other purchased items are delivered to Dan Operations or any work is performed for Dan Operations under this Agreement, the rights in case of defects, shall be as set forth in this Section 20.
- 20.4. Any software provided by Mizar shall be in accordance with the product description which has been issued by Mizar in the course of the Project. Product descriptions shall not be deemed approved unless agreed to by the Parties in writing.
- 20.5. If Dan Operations demands replacement performance because of a defect, Mizar has the right to choose between the improvement, replacement delivery or replacement of services, subject to their full conformance with the provisions of this Agreement. The remedying of the defect may also take place through the delivery or installation of a new program version or a work-around. If the defect does not impair the functionality, then Mizar is entitled, to the exclusion of further rights in case of defects, to remedy the defect by delivering a new version or an update as part of its version, update and upgrade planning, subject to Dan Operations satisfactory and final approval.
- 20.6. Defects must be notified by Dan Operations in writing with a comprehensible description of the error symptoms, as far as possible evidenced by written recordings, hard copies or other documents demonstrating the defects. The notification of the defect should enable the reproduction of the error.
- 20.7. Dan Operations' rights in case of defects are limited to 12 months and the period shall begin on the date of delivery of the update, upgrade or new release.
- 20.8. Dan Operations shall inspect the delivered items without delay for any transport damage and other apparent defects, preserve the appropriate evidence and assign any claims for recourse to Mizar while handing over the documents.
- 20.9. Any claims for damages in respect of defective services are subject to the limitations set forth under Section 18.3.
- 20.10. Amendments or additions to the updates, upgrades or new releases delivered which Dan Operations or the Client carry out themselves or through third parties without coordination and consent from Mizar, shall cause Dan Operations rights in case of

defects with respect to the relevant issue to be cancelled, unless Dan Operations proves that the amendment or addition did not cause the defect. Mizar shall also not be responsible for defects, which are caused by use or operation which are not in accordance with the manuals delivered to Dan Operations by Mizar.

20.11. Mizar may refuse to remedy defects or deliver replacements, if and while Dan Operations is in default of undisputed payment.

21. **Subcontractors**

Mizar shall have the right to engage subcontractors to provide the Customer Support under this Agreement, subject to Dan Operations prior approval.

22. **Term and Termination**

22.1. This Agreement shall remain in effect for a period of ten (10) years from the date of Execution of this Agreement (the "**Agreement Period**"), unless terminated earlier in accordance with the provisions set forth in sections 22.2 and 22.3.

22.2. **Termination for Convenience**

Dan Operations, in its sole discretion, may terminate this Agreement with or without cause at any time by giving six (6) months written notice of termination to Mizar, subject to payment to Mizar a pro rata portion of the Services Fees consistent with the Services performed by Mizar up to the date of termination, less that portion of the Service Fees previously paid to Mizar.

22.3. **Termination by Client**

If the Client, for any given reason, shall validly terminate the Concession Agreement or require Dan Operations to terminate this Agreement, Dan Operations shall have the right to terminate this Agreement by giving Mizar written notice to that extent as soon as possible after Dan Operations becomes aware of such termination. In such event, Mizar will be entitled to the payment of contractual prices of the Spare Parts, components, software or services already sourced by Mizar and/or Mizar's eventual ongoing development to Dan Operations.

22.4. **Termination due to default of Mizar**

22.4.1. Dan Operations will also be entitled to terminate this Agreement upon the occurrence of any of the following events:

22.4.1.1. liquidation, receivership or reorganization proceedings have been commenced by or against Mizar, and such proceedings are not discharged within 90 days;

22.4.1.2. any distress, execution, attachment, sequestration or other process arising out of any claim by any third party against any material asset of Mizar and such action against Mizar or its Parent Company is

not cancelled or withdrawn within 90 days after the institution thereof;

- 22.4.1.3. any material representation or warranty made by Mizar in this Agreement or any material certificate, schedule, instrument or other material document delivered by Mizar has been false or materially misleading when made;
- 22.4.1.4. Mizar abandons the Project and ceases to perform any part of the Services for a period longer than 30 days;
- 22.4.1.5. Mizar is in material delay of any material payment due from it to Dan Operations;
- 22.4.1.6. Mizar's limitation of liability is exhausted; and
- 22.4.1.7. Mizar commits a material breach of any of its obligations under the Agreement, which is not remedied within 30 days from receipt by Mizar of a notice to that effect from Dan Operations.

22.4.2. Before terminating this Agreement in accordance with this Section 22.4, Dan Operations will have to send a notice to Mizar by giving it a period of 30 days to cure the grounds for termination by notice in writing. Notwithstanding the above, the 30 days period shall not apply with respect to any of the events described in Sub-Section 22.4, for which specific cure periods are defined, in such case the respective cure periods shall apply.

22.4.3. Without prejudice to the rights of Dan Operations under Applicable Law, in case of termination as aforesaid, Mizar will have to:

22.4.3.1. cease the performance of the Services in course except for that indicated by Dan Operations and that is necessary for the protection and/or security of the portion of the Services already performed;

22.4.3.2. deliver to Dan Operations all the documents, data and materials relating to the delivered Services necessary for Dan to complete the Maintenance Project: installation manuals, troubleshooting books, interconnection schematic drawings, including without limitation all labeling, literature, samples and other promotional material, if already existing.

22.4.4. Following termination of the Agreement for any of the reasons described above, without derogating from Dan Operations' rights and remedies under Applicable Law, subject to the limitations of liability provisions under Section 18, Mizar shall compensate Dan Operations for all damages, expenses and losses incurred by Dan Operations as a result of such termination, including without limitation, the costs associated with the engagement of a replacement contractor. It is clarified that, without derogating from Dan Operations' rights and remedies under Applicable Law, in such event, Mizar shall be entitled to receive any part of the Service Fee for that parts of the Services duly and timely performed by it until the termination.

22.5. Termination by Mizar

22.5.1. Mizar may terminate the Agreement in the cases authorized by the Applicable Law, in the cases provided for in this Agreement or upon the occurrence of one of the following circumstances:

22.5.1.1. if Mizar has suspended the performance of the Agreement according to section 12.2 for a period of at least three (3) months, and Dan Operations is still in delay of the payment giving reason for such suspension;

22.5.1.2. Dan Operations becomes bankrupt or insolvent, has a receiving order made against it or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or carries on business under a receiver, administrator, trustee or manager for the benefit of its creditors or goes into liquidation (unless revoked within 30 days);

22.5.1.3. any of the material declarations and/or representations of Dan Operations under this Agreement are proved to be materially untrue, misleading or inaccurate when made and such failure has material adverse effect on Mizar;

22.5.1.4. Dan Operations has failed to perform its material obligations under the Agreement, which materially adversely affect the performance of the Services, within thirty (30) days from receipt of Mizar's notice.

22.5.2. Upon the occurrence of any of the above events, prior to terminating the Agreement, Mizar will have to send a notice to Dan Operations giving it a period of thirty (30) days to remove the grounds for termination by notice in writing.

22.5.3. Following termination of the Agreement for any of the reasons described above, Dan Operations shall:

22.5.3.1. pay Mizar the value of the Services performed prior to termination and not yet included in the invoices (net of any amount due to Dan Operations by Mizar);

22.5.3.2. pay Mizar the cost of such materials ordered for the Services as have been delivered to Mizar or that it is legally required to accept. Mizar shall make such materials available to Dan Operations, and title thereto shall pass to Dan Operations upon full payment.

22.5.3.3. return to Mizar the Parent Company Guarantee.

23. **Step-In and Substitution**

23.1. Mizar agrees and accepts that upon termination of the Concession Agreement and upon a written demand given to Mizar by the Client, the Client will be entitled to Step In instead of Dan Operations and assume all of Dan Operations obligations and rights according to this Agreement.

23.2. Without derogating from Section 23.1 above, Mizar acknowledges and agrees that the Client may appoint a substitute entity instead of the Dan Operations under the Concession Agreement (the "**Substitute Entity**"). Substitute Entity, if appointed, may also succeed Dan Operations under this Agreement and assume all of Dan Operations obligations and rights according to the Agreement. In any such event the Substitute Entity may replace Dan Operations without any consent by Mizar.

23.3. Mizar acknowledges and agrees that in case of STEP-IN by the Client and/or appointment of a Substitute Entity, the terms of this Agreement shall continue to apply and shall not become less favorable, in any way, to the Substitute Entity in comparison to Dan Operations. In such event, Mizar will continue to act in accordance to all of its obligations under this Agreement.

24. **Dispute Resolution**

24.1. **General**

Dan Operations and Mizar desire that this Agreement operate between them fairly and reasonably. If a dispute in connection with or due to this Agreement arises between Dan Operations and Mizar in regards to technical issue, the Parties shall endeavor to resolve such dispute by good faith discussions between the Parties within 7 days after written notice setting out the particulars of the dispute has been given by one Party to the other Party.

24.2. Expert Resolution

24.2.1. If the dispute as detailed in the notice given under Section 24.1 is not so resolved, either Party may choose to refer the dispute for resolution by an Expert. The determination of the Expert shall be binding upon the Parties. Expert opinion procedure may be stopped according to the request of the party initiating submission of the dispute to the Expert's opinion. Notwithstanding anything in this Agreement to the contrary, either Party may require that any dispute be referred to arbitration in accordance with Section 24.3 without first referring the dispute to an Expert.

24.2.2. The Party initiating submission of the dispute to the Expert shall provide the other Party with a notice stating that it is submitting the dispute to an Expert and suggesting the person it proposes to be the Expert. If the Parties fail to agree within 5 days upon a person to be the Expert, either Party may request the International Centre for Expertise of the International Chamber of Commerce (the "**ICC Centre**") to select the Expert in accordance with the provisions for the appointment of experts under the Rules for Expertise of the International Chamber of Commerce. The selection of the Expert by the ICC Centre shall be binding on the Parties; provided, however, the Expert shall not be a national of the jurisdiction of either Party and shall be a person with the requisite skills and expertise to resolve the matter referred for resolution, shall be fully independent from the Parties and may not have any present or former relationship, ownership interest or affiliation in or with any Party including, without limitation, as an employee, consultant, customer or contractor. Subject to the discretion of the Expert to order otherwise, the party initiating submission of the dispute shall pay all costs in connection with the Expert selection and dispute resolution process.

24.2.3. Within 10 days of the Parties' agreement on an Expert or notice of the selection of an Expert by the ICC Centre, each Party shall provide the Expert and the other Party with the information in its possession and the arguments it may have regarding the disputed matter (the date of the first Party's submission of information to the Expert shall be the "**Submission Date**"). The Expert may convene one or more meetings, whether in person or via telecommunication, of the Parties in order to establish the specific points in controversy. The Expert may request necessary supplementary information and may request comments from either Party on any submissions made by the other Party. The seat of the Expert hearings shall be in London. All submissions to the Expert, all meetings with the Expert and the Expert's decision shall be in 30 days from the Submission Date, or any other period, as agreed between the Parties. The Expert shall issue a reasoned written decision. If the Expert does not issue its decision within the

foregoing period, either Party may seek to resolve the dispute in accordance with Sub-Section 24.3.

24.3. Arbitration

Any dispute arising out of or in connection with this Agreement that has not been resolved in accordance with Section 24.2 and is not the subject of a binding Expert determination shall be exclusively and finally settled by arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce (the "**ICC Rules**"), by one arbitrator appointed in accordance with the ICC Rules. The seat of the arbitration shall be London, England, the language of the arbitration shall be English and the arbitrator shall apply the substantive Law of England. Any decision of the arbitration shall be final and binding on the Parties. Costs of arbitration will be equally paid by the Parties.

24.4. Services to Continue

Performance of the Agreement shall continue during such a dispute, provided that performance of that part of the Services in dispute shall cease if, and in the manner, the Expert or the Arbitrator so directs. No payments due or payable under the Agreement (other than payments which are the subject of the dispute, unless the Expert or the Arbitrator directs otherwise) shall be withheld on account of a pending dispute.

25. Governing Law and Exclusive Jurisdiction

This Agreement is to be construed and shall be exclusively governed by and interpreted in accordance with the laws of the State of Israel. Without derogating from the aforesaid The Parties hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the courts of the State of Israel in Tel Aviv for any actions, suits or proceedings arising out of or relating to this Agreement.

26. Miscellaneous

- 26.1. Any change to the terms and conditions of this Agreement, including its Appendices, shall be made by a document in writing signed by the Parties, setting forth in detail the changes to be made therein.
- 26.2. This agreement overrules any other understanding and /or agreement, written or oral, between the Parties.
- 26.3. All notices and communications between the Parties relating to the activities to be performed hereunder will be in writing.
- 26.4. Notices sent by fax and/or email shall be considered delivered on the first business day after delivery and subject that the sender holds confirmation of delivery. Notices sent via air courier shall be considered delivered after 7 days of delivery.
- 26.5. Should any provision of this Agreement be invalid or unenforceable, the validity or enforceability of the other provisions of the Agreement shall not be affected thereby. The invalid or unenforceable provision shall be deemed to be substituted by a suitable

and equitable provision which, to the extent legally permissible, comes as close as possible to the economic intent and purpose of the invalid or unenforceable provision. The same shall apply to any unintended gaps in this Agreement.

26.6. The following provisions shall survive the termination of this Agreement for any reason: 8, 14, 15, 16, 17, 18, 20, 24, 25 and 26.

In witness whereof, each Party hereto has executed this Agreement as of the day and year above written.

Mizar:

Name:

(Typed or printed)

Date:

Dan Operations

דן טראנספורט תחבורה בע"מ
DAN NORTH TRANSPORT OPERATION LTD

ח.פ. 514936855

Name: Amos Gellert, Ariel Bencki

(Typed or printed)

Date:

METRONIT Project

Revised unit prices according to deployed project (valid on June 2015)

Subsystem	Item	Unit Price per subsystem EXW [€] [P0]
AVM System	RRBOX (with HSDPA, GPS) RRMONITOR (with stand) GSM External Antenna GPRS/GPS/WIFI External Antenna (with 3m cables) WI FI DONGLE WI FI Cable USB WI FI Antenna 3m cable (included in antenna Kit) RRBOX cable kit RRMONITOR cable kit	€ 1,977.69
Security System	GSM External Unit GPRS External antenna GPRS Antenna cable LAN Switch Ambient Microphone (6 pcs) CCTV Camera Front and Rear (2 units) Cabin Audio racks (front and rear) Driver Audio rack - Driver HF KIT	€ 1,606.45
Passenger Counting System (IRMA 3D version, Diesel Bus)	Detector with cable 10 m (8 pcs) Pass. ounter Analyzersr (1 pcs), with RS485 cable and mounting screws Power cable for passenger counter CAN cables, connector and termination Serial cable to AVM System	€ 7,041.97
Passenger Counting System (IRMA 3D version, Hybrid Bus)	Detector with cable 10 m (6 pcs) Pass. ounter Analyzersr (2 pcs), with RS485 cable and mounting screws Power cable for passenger counter CAN cables, connector and termination Serial cable to AVM System	€ 5,640.52
PIS - Announcement	Audio amplifier internal Audio amplifier external	€ 146.41
SW Licenses (SW English / Hebrew version)	FLASH centre (up to 110 vehicles) FLASH centre (from 111 to 150 vehicles) FLASHNET (up to 110 vehicles) FLASHNET (from 111 to 150 vehicles) FLASH on-board (per bus) SMS Information service (up to 110 vehicles) SMS Information service (from 111 to 150 vehicles) WEB site - English / Hebrew / Arabic (up to 110 vehicles) WEB site - English/Hebrew/Arabic (from 111 to 150 vehicles)	€ 12,000.00 € 6,900.00 € 12,000.00 € 6,900.00 € 778.51 € 20,000.00 € 10,000.00 € 50,000.00 € 8,000.00

דן בצפון תחבורה בע"מ
DAN NORTH TRANSPORT OPERATION LTD
ת.ד. 514936855

Bus Stop Displays		€ 5,515.77
	Station Display - 4 lines, Single Side	€ 3,130.00
	Stations Display - 2 lines (192x16), Single Side	€ 13,342.43
	Terminal Display - 10 lines (192x16), Single Side	
Activities		
	Design of new SW modules/ functions calculated per work	tbd
	on site assistance (per day) minimum 1 working week (2 travel days, 3 full working days)	€ 1,000.00
	off site (per day)	€ 800.00
	travel and lodging billed separately	€ 1,300.00
	travel expenses per technician for each trip to Israel	€ 300.00
	lodging cost per technician/day in Israel	
Warranty and Technical Support from remote		€ 90,000.00
Yearly services for Warranty and Technical Support from remote		

Indexation

The prices indicated in the table above are intended for Year 2015 only.
These prices will be updated every year on the base of the following computation:

P_0 = Item price for year 2015

$P_n = P_0 * (102,5\%)^n$

n = number of years after 2015, max 10 years

דן בצפון הפעלת תחבורה בע"מ
DAN NORTH TRANSPORT OPERATION LTD
ח.ג.פ 514936855

Appendix B – SLA
Service and maintenance agreement

§ 1 Scope of this Support Agreement

Mizar has undertaken towards Dan Operations to maintain the Contract Software (as defined in the Agreement) and to support the Client in its use of the Contract Software and Contract Hardware subject to the conditions of this service and maintenance agreement („**Support Agreement**“).

§ 2 Scope of Services

- (1) Mizar shall provide the following services („**Customer Support**“) subject to the terms of this Support Agreement, with respect to the Systems, as defined under the Agreement:
- consultancy and support services in connection with the functions of the Contract Software and Contract Hardware: RoadRunner, Passenger Counters, Ethernet switches, Smartstop Displays, board units (computers), driver monitors, on board cameras, microphones, speakers, cabling.
 - dealing with errors which occur during the proper use of the Contract Software or which become apparent in the respective documentation;
 - delivery of updates and/or upgrades of the Contract Software.
- (2) Customer Support shall be provided exclusively in English language.
- (3) Dealing with errors for the purposes of this Support Agreement comprises narrowing down the causes of the error, error diagnostics as well as services directed towards correcting the error (particularly patches and service packs). Mizar undertakes the responsibility for correction of the error. Services for dealing with errors may, at the option of Mizar, also be provided through workarounds, delivery of updates or upgrades or, upon prior consultation with Dan Operations, through delivery of a new version, subject to such solution being to the full satisfactory of Dan Operations. Without prejudice to the foregoing, Mizar shall be responsible to fix any errors that may occur to the System during this Support Agreement.
- (4) Immediate correction of errors of the Contract Software, in particular by way of bug fixing or provision of workarounds shall exclusively be granted in cases of “Critical” or “Blocking” errors (as defined below) avoiding restoration of the System (as defined in the Agreement). Other (minor) errors may be corrected by regular updates or patches within 4 hours from the time they were discovered. An error shall be deemed “Critical” to the extent such error prevents the back office from working and/or affects more than 30% of the Project vehicles. An error shall be deemed “Blocking” to the extent such issue compromises the operation of a significant part of a subsystem of the System and /or 10% or more of the Project vehicles.
- (5) To the extent that under this Support Agreement Mizar supplies computer programs or other works capable of independent copyright protection, such

- computer programs as well as the rights to use them granted to Dan Operations shall be governed by Sec. 14.3 of the Agreement.
- (6) Further details regarding the extent of Customer Support owed under this Support Agreement are set out in Schedule 1.
- (7) Only the Contract Software which has been installed at the Client in the course of the Project shall be subject of Customer Support. Any changes to the installation location must be notified to Mizar in writing. Mizar may refuse Customer Support for the Contract Software installed at a new installation location for good cause. Additional costs for the provision of Customer Support under this Support Agreement which are incurred through the change of installation location shall be borne by Dan Operations. For the removal of doubt, and notwithstanding the above, this Support Agreement shall fully apply with no additional cost to Dan Operations, with respect to the units, which Mizar acknowledges that have been switched between vehicles within the framework of the Project. In addition, any of the Contract Software which had been transferred from one Project vehicle to another as a result of: (1) a disabled vehicle due to an accident; (2) a thorough and comprehensive maintenance procedure; (3) any event that could not have been foreseen by Dan Operations; shall not be regarded as changes to the installation location as stated above, and shall be part of this Support Agreement with no additional costs to Dan Operations.
- (8) Customer Support does not include:
- services for the Contract Software or Contract Hardware, which is not used in accordance with the conditions of use set out by Mizar;
 - services for the Contract Software, which has been changed by programming not carried out by Mizar;
 - services for defective Contract Software or Contract Hardware to the extent defects are consequence of voluntary actions (wrong use, vandalism or sabotage) natural disasters, war actions, terrorism etc;
 - services for computer programs or parts thereof, which do not form part of the Contract Software;
 - services for the Contract Software, where updates or other measures to correct the error provided by Mizar have not been installed and where the error would have been cured by such updates or bug fixes, unless the installation thereof is unreasonable for Dan Operations for which it is not responsible;
 - services for the Contract Software at a release version that is no longer generally supported by Mizar;
 - subject to Mizar providing prior written notice to that extent to Dan Operations, services that could be performed on Mizar's site, however, which upon Dan Operations' or the Client's request were performed elsewhere; and

§ 3 Customer Support by Remote Access

- (1) To the extent possible, and subject to the full compliance by Mizar with the provisions of the Agreement, Mizar shall render Customer Support by way of

- remote access to the Client's systems. Mizar shall not be obliged to render Customer Support by way of on site interventions or other services to be physically performed at Dan Operations or the Client's locations.
- (2) To the extent applicable, Dan Operations shall have the Client appropriately provide the necessary remote access, e.g. via software such as "TeamViewer". Dan Operations shall be responsible for the Client's failure to comply.
 - (4) Dan Operations shall immediately notify, or, respectively, have the Client notify Mizar immediately of any defects or irregularities occurring during Mizar's remote access, in particular those enabling access by unauthorized third parties. Dan Operations shall be responsible for the Client's failure to comply.
 - (5) Dan Operations shall ensure, or, respectively, have the Client ensure that Mizar during remote access to the Client's systems has no access to any stored personal data. If such an access cannot be avoided in a particular instance, Dan Operations shall notify, or, respectively, have the Client notify Mizar immediately and explicitly in writing. Dan Operations shall be responsible for the Client's failure to comply.
 - (6) In case data of the Client is copied during the provision of the remote access, Mizar will, subject to para. (7) and (8), immediately delete these data after completion of the respective services.
 - (7) Mizar is entitled in any individual case to monitor and record the entire process of the remote access visible on the screen and store these data for documentation purposes. The same applies with respect to any possible exchange of textual information between Mizar and employees of the Client or Dan Operations during remote access. In this context, Dan Operations will possibly be under the obligation to obtain all necessary declarations relating to any privacy or personality rights of any of its employees' participating in the remote access and to oblige the Client respectively. Dan Operations shall be responsible for the Client's failure to comply.

§ 4 Customer Support Availability

- (1) Customer Support shall be provided during the times and under the conditions as set out in this Support Agreement and its Schedule 1. All times of support availability refers to the time zone at Dan Operations' offices.
- (2) The reaction times of Mizar set out in Schedule 1 shall apply upon receipt of a written error description, which will specify the relevant malfunction, affected product components, and steps that have already been undertaken by Dan Operations to rectify the error (if any). Reaction time shall mean the period, within which Mizar commences its work. Outside the times of support availability agreed in Schedule 1 the reaction time shall be suspended, except for Critical or Blocking errors, which shall be addressed continuously until they are corrected.

§ 5 Cooperation and Duties of the Parties

- (1) The Parties agree that they shall cooperate with each other closely and efficiently, whereby the personnel, organizational, expert and technical responsibility of Dan

- Operations shall also be important and include the responsibility to procure respective cooperation by the Client, in particular
- to supply proper notes, documentation and information necessary for the provision of the Customer Support, in particular concerning available facilities, equipment, computer programs and parts of computer programs, which are intended to function with the Customer Support to be provided;
 - to make available the necessary working offices and materials;
 - to make available test plans and test data as well as to prepare and make available the test environment;
 - to document and inform Mizar without delay of errors determined in the course of the test or production running of any software provided by way of Customer Support in a form that can be reproduced, in any event which is comprehensible;
 - to make available at its own cost all facilities, equipment and suitably qualified personnel for the cooperation, to the extent necessary for the provision of the Customer Support;
 - to grant Mizar at its own cost remote access to the Contract Software (according to § 3);
 - to contact all the relevant entities (e.g. police, fire department, etc), at least 24 hours before a planned intervention, so that every necessary entity is present at the starting of the Customer Support; and
 - to fulfil the (cooperation) obligations on time, to carry out the (cooperation) activities on time and to give declarations in accordance with the time limits.
- (2) Dan Operations shall nominate at least one representative as its contact partner. Dan Operations undertakes to notify to Mizar any changes to the contact partners without undue delay. The contact partner must have experience in the use of the Contract Software. Only the contact partner is entitled to register errors with Mizar.
- (3) Dan Operations shall carry out an analysis of the system environment before registering an error, in order to ensure that the error is not caused by system components which are not the subject of this Support Agreement.
- (4) Dan Operations shall assure installation of the updates, or other measures to correct any errors, provided by Mizar without undue delay.
- (5) It is Dan Operations obligation to regularly backup the Client's data. Dan Operations shall, in particular prior to any installation and/or access by Mizar or third parties mandated by Mizar to the Client's system, which such access had been coordinated in advance with Dan Operations, take a complete data security backup of all system and application data by the Client subject to Mizar's explicitly request to do so. The data backup is to be stored in such a way that the recovery of the secured data is possible at any time.
- (7) Dan Operations must ensure that Mizar is given the right to use the systems of third parties, to the extent that this is necessary in order to provide the Customer Support owed hereunder.
- (8) If Dan Operations fails to perform (or, respectively, have performed by the Client) the activities for which Dan Operations is responsible, and subject to Mizar

providing Dan Operations written notice to that extent allowing it at least two days to correct such performance, and such performance had not been corrected in that period of time, then the obligations of Mizar which cannot be rendered without such activity or only by incurring disproportionate additional expenses, shall be suspended for the duration of such default. Additional expenses caused thereby shall be reimbursed by Dan Operations to Mizar in addition to the agreed fees on the basis of the rates per man working day/hourly rates attached to this Agreement. This shall not affect any legal rights of Mizar to terminate the Agreement.

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Schedule 1 to the Support Agreement

1 Services

MIZAR shall provide:

- Third level (Help Desk) to Dan Operation on a basis of 24 hours a day, 7 days a week.
- Bug fixing and workarounds in case of urgencies (as defined in § 2 para. 6 of the Support Agreement).
- Reporting to Dan Operations.

When a DAN call occurs, after identification, the Help Desk shall assign a ticket number. The ticket number shall be the unique identifier of the entire assistance process (technical remote support, remote interventions and eventual preauthorized on site interventions).

Dan Operations shall determine the error classification (Critical, Blocking, normal). Critical and Blocking errors shall be addressed within 2 hours and continuously until they are solved.

After the ticket number assignment, the Help Desk technical operator shall collect and store the following information:

- Date and time of call
- Date and time of the declared fault
- Name of Dan Operation Operator
- Location of problem (Central System, Bus Id, other)
- Equipment on fault (Computer Id, OBU, software application, other)
- Symptoms
- Actions already done by Dan Operations Operator
- Other info

If the problem seems related to MIZAR software the help desk operator shall try to solve it by remote diagnosis and corrections/workarounds, in case of lack of success he shall activate immediately an internal process to address the problem respecting the response and fix times (contractual SLA).

Any problem status shall be communicated and updated to Dan Operations as it progresses. Problem status is:

- Call accepted/refuse
- Solving problem in progress by remote
- Solving problem in progress by activating on site intervention (when preauthorized)
- Call closed (problem terminated)
- Spare parts required / spare parts delivered

MIZAR shall provide to Dan Operations a bimonthly report regarding all the executed Help desk support. This report shall contain all tracking information described above related to each call and fault:

- Tracking Id
- Date and time of call
- Date and time of the declared fault
- Name of Dan Operations Operator
- ID of the MIZAR operator
- Location of problem (Central System, bus Id, other)
- Equipment on fault (Computer Id, OBU, software application, other)
- Symptoms
- Actions done by Dan Operations Operator
- Warranty/no warranty
- Class of call (due/undue)
- Type of solution (remote/on site intervention – if preauthorized)
- Date and time of response time (start of fixing operation)
- Date and time of fix time (problem solved and close)

1.1.1 Registration of Events and Maintenance Requests

MIZAR will use a specific software application for the maintenance management in order to properly register and prepare reports of the service.

1.2 Service Level Agreements (SLAs)

The table below defines the SLAs that MIZAR will adhere to when performing the maintenance for HV system.

MIZAR Remote Support for Contract Software

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COVERAGE	TIMES	RESPONSE TIME (START FIXING)	
7 days a week	24 hours	2 working hours for critical and blocking errors	
7 days a week	24 hours	4 working hours for errors which are not critical and blocking	

1.2.1 Special Conditions

1.2.2 Control/Status and Evaluation of Performance

MIZAR will prepare a quarterly report containing the following:

- Previous months' activities and repairs;
- Planning and anticipation of the work for the next month;
- Spare parts purchases for the month;
- Other operational problems that may arise.

MIZAR will prepare an annual report containing the current status of all the devices included in the scope of the maintenance and the relevant availability.

Appendix C
NON-DISCLOSURE AGREEMENT

This Non-Disclosure-Agreement ("NDA") is made as of the ____ day of August 2015 ("Effective Date") between Swarco Mizar SpA, Via Nizza 262/57, 10126 Torino, Italy ("Mizar") and Dan North Transport Operations Ltd. ., a company incorporated in Israel and having its principal office at Kiryat Haim, Israel („Dan Operations“).

Dan North and Mizar hereby agree as follows:

- 1 This NDA covers information exchanged prior to and after the Effective Date. Confidential Information shall mean all technical (including computer code, inventions, algorithms, know-how and ideas), business, financial, and other information (whether written, oral, graphic, machine recognizable, sample - such as prototypes - or visual) that is disclosed by one party ("Disclosing Party") to the other party ("Receiving Party") within the scope of the Purpose, and (i) is identified in writing at the time of the disclosure by an appropriate legend, marking or stamp as confidential, proprietary or a similar word, or (ii) is identified to the Receiving Party at the time of disclosure as confidential, proprietary or the like, and is confirmed as such in writing by the Disclosing Party within fourteen (14) days of such oral or visual disclosure or (iii) the confidentiality of which derives from its nature. Confidential Information shall not mean any information which:
 - (a) is or becomes generally available to the public other than as a result of a disclosure by the Receiving Party in breach of this NDA;
 - (b) becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party, provided that the source is to the Receiving Party's reliable knowledge entitled to disclose the information;
 - (c) was known to the Receiving Party on a non-confidential basis prior to disclosure by the Disclosing Party;
 - (d) is independently developed by employees or agents of the Receiving Party who have not received the Confidential Information as proven by its written records; or
 - (e) originally constituted Confidential Information but is classified in writing no longer confidential by any representative of the Disclosing Party vis-à-vis the Receiving Party.

- 2 In the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information to third Parties, the Receiving Party shall – to the extent legally permissible – use its best efforts to provide the Disclosing Party with prompt written notice so that the Disclosing Party may seek a protective order or other appropriate remedy and/or – at its sole discretion – waive compliance with the provisions of this NDA. In any event, the Receiving Party shall furnish only that portion of the Confidential Information which the Receiving Party is legally required

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to disclose and shall exercise its reasonable efforts to obtain reliable assurance that confidential treatment shall be accorded to the Confidential Information.

- 3 The Receiving Party agrees for a period of two (2) years from termination or expiration of the Agreement:
- (a) to maintain such Confidential Information in confidence and refrain from disclosing it to third parties by exercising the same degree of care to preserve and safeguard such Confidential Information as the Receiving Party uses to preserve and safeguard its own Confidential Information, which shall in no event be less than reasonable care. The parties' right to disclose Confidential Information to their advisors being subject to confidentiality obligations (e.g. lawyers, tax advisors, accountants) where necessary remains unaffected. To the extent necessary within the scope of the Purpose, the Receiving Party may also disclose Confidential Information to its Affiliates, to the Client and their respective employees, subject to the condition that such Affiliates, the Client and their respective employees will be expressly obliged by contract to comply with the confidentiality obligations and restrictions of use which this NDA imposes on the Receiving Party. The Parties shall be liable for their Affiliates', the Client's and their Affiliates' or, respectively, the Client's employees' breach of such confidentiality obligations or restrictions of use;
 - (b) to restrict disclosure of such Confidential Information to only those of its employees and representatives who have a need to know in order to perform tasks for the benefit of the Disclosing Party within the scope of the Purpose and who have been expressly required by contract to comply with the restrictions on disclosure and use imposed on the Receiving Party herein. The Parties shall be liable for their employees' or their representatives' breach of such restrictions on disclosure and use; and
 - (c) not to use, directly or indirectly, the Confidential Information for its own benefit or for the benefit of any other person or company, except to accomplish the Purpose as defined above.
- 4 Notwithstanding the Parties' right to extraordinary termination, this NDA shall continue until expiration or termination of the Agreement for whatever legal reason. However, termination of this NDA shall not affect the rights and obligations of the Parties with respect to Confidential Information disclosed under this NDA prior to termination.
- 5 No later than thirty (30) days following termination of this NDA, each party shall, at the written direction of the other party, return or destroy (certifying in writing to the other party such destruction) all copies in its possession or control of the other party's Confidential Information.
- 6 All notices to be delivered pursuant to this NDA shall be in writing and shall be sent by registered mail, return receipt requested, courier service or fax to the addresses set

forth at the beginning of this NDA or to such other addresses as the parties may designate in writing.

- 7 Neither party makes any express or implied representation or warranty as to the accuracy or completeness of any (Confidential) Information provided to the other party under this NDA. Notwithstanding the terms and conditions of the Agreement, nothing in this NDA shall be deemed to grant any right or license to the Receiving Party to such information or under any present or future industrial or intellectual property rights. In addition, neither party shall be obligated by this NDA to supply any (Confidential) Information to the other, unless otherwise provided in the Agreement.
- 9 Dan Operations and Mizar agree that remedies at law may be inadequate to protect a Disclosing Party against any actual or threatened breach of this NDA by the other party, and without prejudice to any other rights and remedies otherwise available to a Disclosing Party, each party agrees that a Disclosing Party shall be entitled to injunctive relief in the event the other party breaches or threatens to breach this NDA, in addition to any other remedies which it may have available.
- 10 This NDA contains the entire understanding between the parties relative to the protection of Confidential Information and supersedes all other understandings between the parties in respect thereto. No modification to this NDA shall be binding on either party unless in writing and duly signed by both parties; this also applies to a waiver of the written form clause.
- 11 This NDA shall not be construed as a teaming agreement, joint venture, partnership, or other such arrangement, and is for the sole purpose of protecting Confidential Information.
- 12 This NDA shall be governed by and interpreted in accordance with the laws of the State of Israel without regard to its conflict of laws provisions.
- 13 Should any provision of this NDA be invalid or unenforceable, the validity or enforceability of the other provisions of the NDA shall not be affected thereby. The invalid or unenforceable provision shall be deemed to be substituted by a suitable and equitable provision which, to the extent legally permissible, comes as close as possible to the economic intent and purpose of the invalid or unenforceable provision. The same shall apply to any unintended gaps in the NDA.
- 14 Neither party shall advertise, publicize or disclose in any medium or to any third party the existence or terms of this NDA without the prior written consent of other party.

Mizar:
Signed:

Dan Operations
Signed:

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Name: ---
(Typed or printed)
Date:

Name: ---
(Typed or printed)
Date:

**Spare Parts at Stock for One Year Maintenance
according to the Detailed Design system components definition**

Subsystem	Item	Spare parts at stock
AVM System	RRBOX (with HSDPA, GPS)	10
	RRMONITOR (with stand)	10
	GSM External Antenna	6
	GPRS/GPS/WLAN External Antenna (with GPS, GPRS 3m cables)	6
	WI FI DONGLE	4
	WI FI Cable USB	4
	WI FI Antenna 3m cable	0
	RRBOX cable kit	4
	RRMONITOR cable kit	4
Security System (*)	GSM External Unit	6
	GPRS External antenna	6
	GPRS Antenna cable	6
	LAN Switch	6
	Ambient Microphone (6 pcs)	6
	CCTV Camera Front and Rear	6
	Cabin Audio racks (front and rear)	6
	Driver Audio rack	6
Passenger Counting System (IRMA 3D version, Diesel Bus)	Detector with cable 10 m (8 pcs)	4
	Pass. r ounter Analyze (1 pcs), with RS485 cable and mounting screws	4
	Power cable for passenger counter	4
	CAN cables, connector and termination	4
	Serial cable to AVM System	4
Passenger Counting System (IRMA 3D version, Hybrid Bus)	Detector with cable 10 m (6 pcs)	1
	Pass. r ounter Analyze (1 pcs), with RS485 cable and mounting screws	1
	Power cable for passenger counter	1
	CAN cables, connector and termination	1
	Serial cable to AVM System	1
PIS - Announcement (**)	Audio amplifier internal	8
	Audio amplifier external	8
Bus Stop Displays (*)	Station Display - 4 lines, Single Side	8
	Stations Display - 2 lines (192x16), Single Side	12
	Terminal Display - 10 lines (192x16), Single Side	1
Bus Stop Security CCTV System	Stop Platform CCTV	8

() Complementary Supply of DAN**

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(**) PIS - Announcement

External loudspeaker

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Appendix G

1. Mizar, with respect to Section 11.17 and Appendix XXI to the Concession Agreement, concludes and confirms the following:
 - a) Mizar waives any lawsuit against the government and/or the Ministry and/or any of the municipal authorities through which the Metronit and/or the Yaffeh Nof Transportation, Infrastructures, and Construction Ltd. Company passes in respect of any matter connected to Mizar. Moreover, Mizar shall declare and warrant that he or any of its employees shall not have any claim or action against the government and the ministry in connection with the execution of the Agreement, or payments due to him from Dan Operations, of any kind, including claims about the existence of alleged employer-employee relationship.
 - b) Mizar shall at all times maintain appropriate insurance policies for the scope of risk connected to the work and/or service and the employees which it employs in the framework of the Agreement.

2. The Systems

Mizar, with respect to Sections 8.4, 14.5 and Appendix XI (*General Provisions for the Systems*) to the Concession Agreement, concludes and confirms the following:

- a) Mizar shall maintain and support the Systems on an ongoing basis and according to the applicable manufacturer's instructions, subject to the scope of the Services provided under the Agreement, so that they will operate properly and regularly. Mizar guarantees that throughout the period of the Agreement it shall ensure the integrity of the Systems, including updating and upgrading of software and support them as long as necessary in order to continue functionality of the Systems according to the requirements of the Agreement.
- b) As of the Effective Date of the Agreement, Mizar shall display for all the Systems a maintenance program, with an emphasis on Preventive Maintenance, throughout the life of the Agreement. The program will ensure, inter alia, the availability of Inventory components and spare parts for, and availability of qualified maintenance personnel for treatment Periodic systems and repair faults.
- c) Mizar shall ensure that the ministry office or any one acting on its behalf, at any time, shall have full access and direct interface for each of the Systems.

3. Breaches and Liquidated Damages in connection to the Systems (Sanctions)

3.1. Mizar, with respect to Section 11 and Appendix XXVII (*Breaches and Liquidated Damages (Sanctions)*) to the Concession Agreement, concludes and confirms the following:

- 3.1.1. Mizar confirms that the Systems will be examined on an ongoing basis during the Term of the Agreement. Furthermore, representatives of the government will perform inspections in this regarding with a frequency and scope and in any manner that they see fit at their discretion. During this period, the sanction for a breach of the requirement will be expressed, inter alia, in the imposition of fines on Dan Operations, as set forth below.

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3.1.2. Breaches of the obligations imposed on Dan Operations under the Concession Agreement in connection with the aforesaid systems are divided into the following three categories:


1. **Breach** – any event that constitutes a breach from the requirements of the government / ministry and/or obligations of the operator. Such a breach will be recorded against Dan Operations and aggregate against it.
2. **Severe breach** – a breach that constitutes material harm to the level of service to which Dan Operations is subject, as well as a breach in the form of disingenuous data, providing false reports, failure to provide reports, as well as a series of 50 “ordinary” breaches that have aggregated over a period of 90 days.
3. **Material breach** – a severe breach that has occurred 10 or more times during any subsequent period of 90 days or a severe breach in the form of disingenuous data and providing incorrect reports intentionally.

3.1.3. For each breach, Dan Operations will pay the government liquidated damages in the amount of NIS 500. For a severe breach, Dan Operations will pay the government liquidated damages in the amount of NIS 5,000, in addition to payment of the compensation for a breach as required. The allocation of breaches is set forth under the Concession Agreement. Mizar undertakes to fully compensate Dan Operations for each breach for which Dan Operations paid the relevant compensation, according to the sums and division prescribed in the Concession Agreement, up to the maximum limitation of liability under the Agreement.

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Open issues regarding the Metronit project

A. FLASH behavior

- a. **Backup shift (A3)** - Backup shift – new trip ID – backup shift should be distinguished from the original one. Currently the two trip id (original and backup) share the same ID which is forbidden and due to that the 2nd trip (the one that is done by the backup shift) will not be paid by the gov. The trip ID of the backup shift should be: "**TripID_Shift entered**" where:
 - i. TripID – original trip ID
 - ii. Shift entered – the shift that the controller put when activating backup shift in FLASH.
- b. **Forecasts on route** – Selecting a station on route should allow the possibility to see all forecasts to this station. Currently, there is a workaround that need to run manually every time a new database is created (running queries against "via" table). The solution need to be integrated into the "checkdata" batch file so it will run automatically when the new db created.
- c. **Departure not in time** -  When pressing the icon, there are lines which have incorrect exit time in remarks (see following screen – exit in 23884523 minutes).

ייצאה שליל ביטול


פעילות

בטל קבל

הצג התראות
 ממתנינות
 מטופלות

זמן	רכב	מדרגה	קב	משמרת	תמונה	מרכיזית	מרכיזית	קוד רכב	הערה
31-05 14:03:03	53	-	1	43	מרכיזית חוף כרמל	מרכיזית	מרכיזית	9199001	ייצאה מוקדמת ג-1 דקת
31-05 14:06:06	62	-	1	70	תמונה מרכיזית חוף הכרמל	תמונה מ	תמונה מ	9200001	ייצאה באיחור של 2 דקות
31-05 14:06:42	48	-	1	4	תמונה מרכיזית חוף הכרמל	תמונה מ	תמונה מ	9198501	ייצאה מוקדמת ג-1 דקת
31-05 14:14:29	16	-	1	14	מרכיזית חוף כרמל	מרכיזית	מרכיזית	9195301	ייצאה מוקדמת ג-1 23884523 דקות
31-05 14:15:57	42	-	1	72	תמונה מרכיזית חוף הכרמל	תמונה מ	תמונה מ	9197901	ייצאה באיחור של 2 דקות
31-05 14:19:17	57	-	1	15	מרכיזית הקריית	מרכיזית	מרכיזית	9199501	ייצאה מוקדמת ג-1 דקות
31-05 14:23:59	73	-	1	22	מרכיזית חוף כרמל	מרכיזית	מרכיזית	9201101	ייצאה מוקדמת ג-1 דקות
31-05 14:29:13	60	-	1	23	מרכיזית הקריית	מרכיזית	מרכיזית	9199801	ייצאה מוקדמת ג-1 דקות

בטל

d. **Service abnormally icon** -  When pressing the icon, the open window title is "missing shifts" which I think is not the correct one. The remark column which is in Hebrew is also incorrect and stated in English something like "Active vehicle did not climb" (see following screen).

פעילות

בטל

קבל

הצג התראות

ממוינות

מטופלות

זמן	רכב	מרחק	קו	משמורת	תחנה	קוד רכב	הערה	פעילות
31-05 14:36:50	100	A	EXTR	EXT		9203901	רכב פעיל לא העפיל	<p>פעילות</p> <p>Active vehicle did not climb</p>
31-05 14:58:11	25	A	EXTR	EXT		9196201	רכב פעיל לא העפיל	

בטל

ד"ר צפורה רמילי ותחבורה בי
 NORTH TRANSPORT OPERATION LTD
 514936855 ג.ח

B. Interfaces to Gov

a. Batch interfaces

- i. **NextBusDataToSign interface** – This interface should be run every day for the day before data. There are days that there is no file for that interface in "i:\export\batch" directory, or cases that the file is created but is empty (see files created on 21.6.15, 22.6.15, 23.6.15).
- ii. **Monitoring device** – alert 26nnnnn is still missing in MonitoringDevice interface.

b. SM interface

- i. **3rd party forecast (Egged) in Metronit signs** – The information coming from 3rd party company (Egged) should be displayed in the bus stop signs along with the Metronit forecasts.

C. Announcements

- a. **External volume** – The volume is not reduced as planned although it was set correctly according to SWM regulations. The volume of external announcement is sometimes high and in some cases low although there is only one volume item configuration for the morning (07:30 to 20:30).
- b. **Internal volume** – The volume changes although there is only one volume configuration for internal announcement. The volume is sometimes high and in other case low.

D. Data Loader

- a. **Scheduler is having problems** – The scheduler tool should run the "checkdata" script to load new data every day at 23:00. Part of the scheduler is a dll that crashes every time, and so the Scheduler can't be run. The software need to be fixed so it will run automatically every day
- b. **Log files is truncated** – In some cases where there are problems in DTA files (mostly in transiti.dta) the errors are pooped up to the screen, but only a small part of it is written to the log file "load_transiti.log". Most of the data is truncated.

E. OBU

- a. **Missing counting information** – There are many trips which done by the bus that do not report their counting information during the trip. Consider the examples below:

Date	Trip ID	Line	Direction	Planned departure time	Vehicle	Driver
08/07/2015	16760184	2	1	17:20:00	14	1294
08/07/2015	16760927	2	2	16:16:00	14	1294
08/07/2015	16760945	2	2	18:40:00	14	1294

Trip counting information cannot be found for those trips in the reports or the batch interface: TripData.

- b. **Doors not identified as closed** – Sometimes the doors seems to be open although it is close which results in localization loss and no GPS signal which interfere correct operation of the system.
- c. **Collapsed monitors** – In some vehicles, the monitors collapsed frequently and cause the system (signs, announcements) not to work.

In vehicle 50 as of today (12.7.15) or vehicle 26 on 9.7.15 the monitors are falling, sometimes goes up again, sometimes the window screen appears. In vehicle 50 (according to vehicle information screen in FLASH), the amount of passengers are 0 as can be seen in the following screen:

I: 30 | 9196701 | קוד רכב | 9196701 | קוד שואל | שואל | נהג
 קוד נהג | 1122 | שעת החזקה | 13:07 | תוכנה | 11046 | גרסת רשת | 922
 0 | טעל

מידע על התשתית

מספר	69	קו	1	הזמן	69	תדירות	1917
תחנת מוצא	מוצא	הגעת בופונל	13:52:54	החזרה ממוכונג	12:45:02	החזרה ממוכונג	14:08:54
יעד	1917	שעת הגעה	13:52:54	החזרה ממוכונג	14:08:54	החזרה ממוכונג	14:08:54
תדר	1917	תדר	1917	תדירות	1917	תדר	20:02:00

תדירות

קישור לאיחור	2529	2529
נקודת ציון	2488	2488
נקודת ציון	2488	2488
תבנה	2488	2488

13.14.22 | זמן טיקים | 12% | אינדיקציות אחרות | 147 | 261 | רי | 147 | 261 | רי | טיקים
 X | 12% | Y | 860 | 60

איחור | +01:20 | איחור מ"ר | +01:20 | מרחק | +06:10 | שפה | +01:10
 בונוס לניסוח | 00:00 | שפה | 00:00 | בונוס לקו | 00:00

LOC	GPS	ODM	NR	AI	MI	FL	GRF	REG
SRV	ANT	RIT	CAP	PRT	ACC	REC	RIN	

701

SECU

CF1
CF2
DRC

GSM

APC

PD1
PD2
PD3
PD4
PMU
PSL

SIGNS

SCU
SCF
SCL
SCR
SCI

OBSC

LDF
TEM
BRK
RPM
SPD



תל אביב | 514934855 | אופ. מרכז
 PTM TRANSPORT OPERATIONS LTD
 תפעול תחבורה בטיחות

F. Miscellaneous

- a. **Broadcast to transmitter preference** – Need to be analyze and designed via an interface

ד"ר בצפון ומעלה התמורה בע"מ
DAN NORTH TRANSPORT OPERATION LTD
5148385
ט.פ. 5148385

Name: ---
(Typed or printed)
Date:

Name: ---
(Typed or printed)
Date:

PARENT COMPANY GUARANTEE

This Guarantee is made effective as of this __ day of _____ 2015 by _____, a company organized and existing under the laws of _____ and having its principal office at _____ (the "**Guarantor**") and is provided in favor of Dan Operations., a company incorporated in Israel and having its principal office at Kiryat Haim, Israel (the "**Dan Operations**" which term includes its successors and permitted assigns).

WHEREAS:

This Guarantee is being provided pursuant to the agreement dated _____ 2015, by and between Dan Operations and Swarco Mizar SpA ("**Mizar**") for the performance of the maintenance, support, supervision, training, supplies, special tools, materials, spares and consumables as defined therein (the "**Agreement** "); and

The Guarantor has agreed to guarantee Mizar's obligations under the Agreement;

NOW, THEREFORE the Guarantor hereby agrees with Dan Operations Dan Operations as follows:

1. Section 1 - Representations and Warranties:

The Guarantor represents and warrants to Dan Operations that, as at the date hereof:

- 1.1 The Guarantor is a company duly organized and validly existing under the laws of _____ and has the corporate power and authority to own its assets and to carry on its business as presently conducted;
- 1.2 Its execution and delivery of this Guarantee and the performance of all transactions and/or obligations contemplated hereby is within its corporate authority, and its execution, delivery and performance hereof has been duly authorized by all necessary corporate proceedings; and
- 1.3 This Guarantee constitutes a legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium or similar laws generally affecting the rights of creditors, or by general equitable principles.
- 1.4 The execution, delivery and performance by it of this Guarantee does not contravene or constitute a default under its organizational documents or any provision of applicable law or any agreement, judgment, injunction, order, decree or other instrument binding upon it.
- 1.5 There is no action, suit or proceeding, at law or in equity, or official investigation before or by any government authority, arbitration tribunal or other body pending or which is likely to result in a material adverse effect on its ability to perform its obligations under the Guarantee or on the validity or enforceability of the Guarantee

2. Section 2 – Guarantee

- 2.1 The Guarantor irrevocably guarantees to Dan Operations, , as primary obligor and not merely as surety, the due and punctual performance by Mizar of all of Mizar's obligations under the Agreement, and undertakes that, if and whenever Mizar defaults in the performance when due of any of its obligations under the Agreement, the Guarantor shall, on demand by Dan Operations, immediately perform the same.

In addition, the Guarantor shall make proper and punctual payment to Dan Operations of any amounts from time to time due and payable by Mizar to Dan Operations under the Agreement, upon the first demand of Dan Operations. Such payment by the Guarantor shall be made in the currency required by the Agreement within fifteen (15) days of written demand therefore from Dan Operations to the Guarantor without any set-off, counterclaim or condition of any kind whatsoever. The Guarantor shall pay such additional amounts, if any, as may be necessary to ensure that, after making such withholdings or deductions, Dan Operations will receive the same amount as would have been received by it had such amount been paid by Mizar in accordance with the terms of the Agreement. For the avoidance of doubt, all payments due by the Guarantor pursuant to the provisions herein, shall be paid following Dan Operations demand for payment or performance, as the case may be, to Mizar and Mizar has failed to pay or perform or dispute said payment or performance within the time required in the Agreement.

- 2.2 The obligations of the Guarantor shall not be impaired, lessened or affected by and shall continue to subsist notwithstanding:
- 2.2.1 any amendment, addition or supplement to or modification of the Agreement or waiver of or consent to departure from, or failure to exercise any right, remedy, power or privilege under or in respect of the Agreement;
 - 2.2.2 any assignment of all or a portion of the Agreement or the rights and benefits of a party to the Agreement as permitted by the Agreement;
 - 2.2.3 any action taken or not taken under the Agreement in the exercise of any right or power therein conferred;
 - 2.2.4 the merger or consolidation of Mizar, the Guarantor or Dan Operations into or with any company or corporation or Mizar, the Guarantor or Dan Operations losing its separate corporate identity or by any disability, incapacity or damage in status or constitution of Mizar, the Guarantor or Dan Operations or by any sale or transfer by Mizar to any other person of all or any part of its property or any liquidation or dissolution of Mizar or the insolvency of Mizar or any receivership, administration, moratorium, composition or credits, claims or other analogous events affecting Mizar or its property;
 - 2.2.5 any failure or omission on the part of Dan Operations under the Agreement to enforce its rights in accordance with the Agreement against Mizar or any corporate successor to it, or any action by Dan Operations under the Agreement granting indulgence for performance of obligation to Mizar or any other surety or guarantor.
 - 2.2.6 Dan Operations waiving or acquiescing in any default or non-compliance by Mizar, any other guarantor or any corporate successor to any of them; or
 - 2.2.7 any other dealing or any other circumstances whatsoever (with notice to or knowledge of the Guarantor) which may or might in any manner or to any extent affect or prevent performance of any of Mizar's obligations, recovery of sums from Mizar or otherwise vary the risk of the Guarantor under this Guarantee or might otherwise constitute a legal or equitable discharge of a surety or guarantor, it being the purpose and intent of the parties that this Guarantee and the obligations of the Guarantor hereunder shall be absolute under any and all circumstances.

3. **Section 3**

When pursuing its rights and remedies hereunder against the Guarantor, Dan Operations shall not be required to pursue such rights and remedies against Mizar or any assignee thereof first, before pursuing such rights and remedies against the Guarantor.

4. **Section 4**

4.1 No payment or payments made by Mizar, any assignee of Mizar, the Guarantor or any other entity or received or collected by or on behalf of Dan Operations from Mizar, any assignee of Mizar, the Guarantor or any other entity by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in performance of Mizar's obligations shall be deemed to modify, reduce, release or otherwise affect the liability of the Guarantor hereunder (except to the extent of such payment) until Mizar's obligations are indefeasibly performed in full. Further, no assignment or transfer (of any nature and due to any reason) of the Agreement made by Mizar shall be deemed to modify, reduce, release or otherwise affect the liability of the Guarantor hereunder and the Guarantor's obligations under this Guarantee shall continue to be in full force and effect.

4.2 Dan Operations shall return this Guarantee to Guarantor as soon as all obligations hereunder have expired.

4.3 Notwithstanding anything in this Guarantee to the contrary, in no event shall the aggregate maximum liability of the Guarantor under this Guarantee exceed the maximum liability of Mizar under the Agreement.

5. **Section 5 – Notices**

5.1 Any notice, request, instruction, correspondence or other document to be given by one party to another (collectively called "Notice") shall be in writing and delivered personally, mailed by first class recorded delivery post or by commercial courier as follows:

To the Guarantor: _____

To the Dan Operations: Kiryat Haim 2611901, Israel

5.2 Notice given by personal delivery or mail shall be effective upon actual receipt. Any party may change its address to which Notice is to be given to it or any of the details given above in relation to it by giving Notice of such change of address.

6. **Section 6 - Governing Law and Forum**

6.1 The construction, validity and performance of this Guarantee shall be governed by the laws of Israel. Any dispute arising out of or in connection with this Guarantee that is not resolved by the Guarantor and Dan Operations within thirty (30) days after either party gives the other notice of a dispute shall be settled by arbitration as set forth in Section ___ of the Agreement, except that all references to a "Party" therein shall mean the Guarantor or Dan Operations and all references to the "Parties" therein shall mean the Guarantor and Dan Operations.

6.2 If a dispute arises under this Guarantee and the Agreement, the Guarantor and Dan Operations agree that the arbitration provisions of Section ___ of the Agreement shall apply except that the Guarantor and Mizar shall be treated as one party for the purpose of appointing an arbitrator. The Guarantor shall be bound by any binding decision made in accordance with Section ___ to the Agreement, provided that the Guarantor was given advance notice of such

proceedings. The Guarantor shall appoint an agent for service of process in Israel within 30 days from the date of this guarantee.

6.3 For the removal of doubt it is hereby clarified that the Guarantor shall not contest any resolution under dispute resolution proceedings held between Dan Operations and Mizar under the Agreement and shall abide any such resolution as if he was a party (i.e. Mizar) to such dispute resolution proceedings.

7. Section 7 - Assignment and Successors

7.1 Dan Operations may assign, charge, pledge or transfer any of the rights under this Guarantee to any party to whom Dan Operations rights under the Agreement may be assigned, charged or transferred in accordance with the terms of the Agreement.

7.2 All of the terms of this Guarantee shall be binding upon and inure to the benefit of and be enforceable by the successors and permitted assigns of Dan Operations.

7.3 The Guarantor shall not assign its obligations under this Guarantee without the prior written consent of Dan Operations.

8. Section 8 - Revocation and Amendment

The Guarantor shall not be entitled to revoke or amend this Guarantee without the consent of Dan Operations.

IN WITNESS whereof the parties hereto have executed this Guarantee on the day and year written above

Signed by _____

Signed by _____



Versicherungsbestätigung *Certificate of Insurance*

Die gefertigte Versicherungsgesellschaft bestätigt die Ausstellung folgender Polizza:
This is to certify that the insurance policy listed below has been issued to the company or organisation named herein as Policyholder and is in force at this time:

Versicherer:
Insurer: AIG Europe Limited
Direktion für Österreich / *Branch Office Austria*
Mariahilfer Strasse 17
A-1060 Wien / *Vienna*

Versicherungsnehmer:
Policyholder: Swarco Aktiengesellschaft
Blattenwaldweg 8
A-6112 Wattens

Mitversicherte Gesellschaften:
Additional Named Insured: Swarco Mizar S.p.A.

Additional Insured: Dan Operations Ltd.
and their entities and respective officers, directors and employees on their work for legal third party liability arising out of the performance of the agreement/contract with the Additional Named Insured, as far as the damage was caused by the Additional Named Insured.
In this case the Insurer waives the right of subrogation against the Additional Insured, the Additional Insureds rights against the Additional Named Insured will not be restricted (cross liability).

Art der Versicherung:
Type of Insurance: Betriebs- und Produkthaftpflichtversicherung
inkl. Planungshaftpflichtversicherung
Public and Product Liability Insurance (premises/operations and products/completed operations) incl. professional indemnity insurance

Polizzenummer:
Policy No: 230 0457
Die Deckung wird auf Basis DIC/DIL zu sämtlichen Lokalpolizzen angewendet.
230 0457
The coverage applies on a DIC/DIL basis to any underlying local policy.

AIG Europe Limited, Direktion für Österreich
Mariahilfer Straße 17, A-1060 Wien

Telefon: +43 (0)1 5332500, Telefax: +43 (0)1 5332500-80, Internet: www.aig.com/at, info.oesterreich@aig.com

Ständiger Vertreter: Alexander Nagler

HG Wien, Firmenbuch Nr. FN 387794 k, UID Nr. ATU67514424, DVR 0077372

Hauptsitz der Gesellschaft: AIG Europe Limited: The AIG Building, 58 Fenchurch Street, London EC3M 4AB, Großbritannien
Eingetragen im Registrar of Companies for England and Wales. Firmennummer 01486260

Bank (Euro): Citibank International PLC, Austria Branch, IBAN (Euro): AT531814000002074001, BIC/SWIFT: CITIATWX
Bank (USD): Citibank N.A., London E14 5LB, UK, IBAN (USD): GB43CITI18500811183443, BIC/SWIFT: CITIGB2L
Bank (CHF): Citibank N.A., London E14 5LB, UK, IBAN (CHF): GB94CITI18500813809285, BIC/SWIFT: CITIGB2L



Laufzeit: 01.01.2015 bis 01.01.2016 (jeweils 00.00 Uhr MEZ)
Der Vertrag verlängert sich stillschweigend um ein weiteres Versicherungsjahr, wenn er nicht drei Monate vor Ablauf gekündigt wird.

Period of Insurance: *from 01.01.2015 to 01.01.2016 (00.00 CET)*
The policy is automatically extended for a further period of one year unless it is cancelled three months prior to the expiry date of the current period.

Versicherungssumme: EUR 10.000.000 pauschal für Personen- und/oder Sachschäden pro Ereignis und Versicherungsjahr

Limit of Liability: *EUR 10,000,000 for property damage and/or bodily injury per occurrence and per year.*

Sublimit: EUR 2.500.000 pauschal für Sach- und Vermögensschäden gemäß der Planungshaftpflichtversicherung pro Ereignis und Versicherungsjahr

Sublimit: *EUR 2,500,000 for property damage and financial losses as per professional indemnity insurance per occurrence and per year.*

Örtlicher Geltungsbereich: weltweit

Territorial scope of cover: *worldwide*

Zertifikatsinhaber: Dan Operations Ltd.

Certificate Holder:

Anmerkung: Die in der angeführten Polizza gebotene Deckung wird durch diese Versicherungsbestätigung in keiner Weise ergänzt, erweitert oder geändert. Die angegebene Versicherungssumme kann bereits reduziert bzw. ausgeschöpft sein.

Note: *This certificate is issued as a matter of information only and confers no rights upon the certificate holder. It does not amend extend or alter the coverage afforded by the policy listed above. Limits shown may have been reduced or exhausted by claims payments.*

Wien / Vienna, 01.07.2015



ppa. Mag. Oliver Jug
ppa. Mag. Oliver Jug

Bettina Pernsteiner
ppa. Bettina Pernsteiner

3. **Section 3**

When pursuing its rights and remedies hereunder against the Guarantor, Dan Operations shall not be required to pursue such rights and remedies against Mizar or any assignee thereof first, before pursuing such rights and remedies against the Guarantor.

4. **Section 4**

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- 4.2 Dan Operations shall return this Guarantee to Guarantor as soon as all obligations hereunder have expired.
- 4.3 Notwithstanding anything in this Guarantee to the contrary, in no event shall the aggregate maximum liability of the Guarantor under this Guarantee exceed the maximum liability of Mizar under the Agreement.

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To the Guarantor:

To the Dan Operations: Kiryat Haim 2611901, Israel

- 5.2 Notice given by personal delivery or mail shall be effective upon actual receipt. Any party may change its address to which Notice is to be given to it or any of the details given above in relation to it by giving Notice of such change of address.

6. **Section 6 - Governing Law and Forum**

- 6.1 The construction, validity and performance of this Guarantee shall be governed by the laws of Israel. Any dispute arising out of or in connection with this Guarantee that is not resolved by the Guarantor and Dan Operations within thirty (30) days after either party gives the other notice of a dispute shall be settled by arbitration as set forth in Section of the Agreement, except that all references to a "Party" therein shall mean the Guarantor or Dan Operations and all references to the "Parties" therein shall mean the Guarantor and Dan Operations.
- 6.2 If a dispute arises under this Guarantee and the Agreement, the Guarantor and Dan Operations agree that the arbitration provisions of Section of the Agreement shall apply except that the Guarantor and Mizar shall be treated as one party for the purpose of appointing an arbitrator. The Guarantor shall be bound by any binding decision made in accordance with Section to the Agreement, provided that the Guarantor was given advance notice of such

proceedings. The Guarantor shall appoint an agent for service of process in Israel within 30 days from the date of this guarantee.

- 6.3 For the removal of doubt it is hereby clarified that the Guarantor shall not contest any resolution under dispute resolution proceedings held between Dan Operations and Mizar under the Agreement and shall abide any such resolution as if he was a party (i.e. Mizar) to such dispute resolution proceedings.

7. Section 7 - Assignment and Successors

- 7.1 Dan Operations may assign, charge, pledge or transfer any of the rights under this Guarantee to any party to whom Dan Operations rights under the Agreement may be assigned, charged or transferred in accordance with the terms of the Agreement.
- 7.2 All of the terms of this Guarantee shall be binding upon and inure to the benefit of and be enforceable by the successors and permitted assigns of Dan Operations.
- 7.3 The Guarantor shall not assign its obligations under this Guarantee without the prior written consent of Dan Operations.

8. Section 8 - Revocation and Amendment

The Guarantor shall not be entitled to revoke or amend this Guarantee without the consent of Dan Operations.

IN WITNESS whereof the parties hereto have executed this Guarantee on the day and year written above

Signed by _____

Signed by _____
