

Business Ethics Appendix

This Business Ethics Appendix (the “**Appendix**”), is an Appendix between Partner and Cyberbit (each as defined below) and it is incorporated into a Purchase Order, or Reseller Agreement or Distribution Agreement or other agreement between Partner and Cyberbit which references this Appendix (the “**Agreement**”) or an undertaking in writing by Partner which references this Appendix, including but not limited to in relation to any of the following authorizations by Cyberbit: manufacturing authorization certificate, letter of authorization, OEM authorization, etc. other undertaking in writing (an “**Undertaking**”)

1. *Definitions.* In this Appendix the following capitalized terms shall have the meaning ascribed next to them, unless the context specifically requires otherwise:
 - i. “**Cyberbit**” means the Cyberbit entity with which Partner has entered into the Agreement, or towards which Partner has signed an Undertaking and which may be one of the following entities: Cyberbit Ltd. (incorporated under the laws of Israel) or Cyberbit, Inc., (incorporated under the laws of Delaware, USA).
 - ii. “**Partner**” shall mean a distributor or reseller of Cyberbit or a reseller of Cyberbit’s distributor which has undertaken to be bound by the provisions of this Appendix under an Agreement or Undertaking. For the avoidance of doubt, all Partners are independent contractors and shall have no authority to bind or represent Cyberbit in any way.
2. *Illegal Offers and Transfers.* With respect to any transaction arising from this Agreement, the Partner agrees not to make, commit or promise to make any illegal offer or make, commit or promise to make a transfer of anything of value (in the form of compensation, gift, contribution or otherwise) to any employee, representative, Person, organization or other entity in any way connected with the other party or any End User of the other party. Nothing in this Appendix is intended to prevent ordinary and reasonable business entertainment or gifts not of substantial value where (1) the gift, contribution, compensation or otherwise is intended as hospitality and is customary in local business relationships which does not violate any law as applied in the relevant jurisdiction, and (2) is not intended to obtain or retain business. Bribery is not permissible in any jurisdiction.
3. *Familiarity with Cyberbit Policies.* The Partner confirms that it has reviewed and is familiar with the Code of Conduct and Ethics (together, the “**Cyberbit's Policies**”) which may be found at www.cyberbit.com. All of the Partner's activities hereunder will be conducted in a manner consistent with Cyberbit's Policies and in accordance with all applicable laws and regulations. This includes the Partner's compliance with applicable anti-bribery and anti-corruption laws and regulations. The Partner recognizes that Cyberbit is subject to Israeli anti-bribery law and to the Organization of Economic Co-operation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (the “**OECD Convention**”) as well as the U.S. Foreign Corrupt Practices Act 1977 (the “**FCPA**”) and the UK Bribery Act, 2010 (the “**Bribery Act**”). The Israeli anti-bribery law, the OECD Convention, the FCPA and the Bribery Act will be individually and collectively referred to as the “**Anti-Bribery Laws**”. The Partner hereby agrees that, in performing its activities under this Agreement the Partner will comply with the Anti-Bribery Laws as if the Partner were subject to such laws, whether or not such laws apply directly to the Partner.
4. *Familiarity with Anti-Bribery Laws.* The Re-Seller agrees and warrants that it is familiar with the Anti-Bribery Laws and their purposes, including their prohibition against offering, paying, promising to pay or authorizing the payment of anything of value, including but not limited to cash, checks, wire transfers, tangible and intangible gifts, favors, services, and those entertainment and travel expenses that go beyond what is reasonable and customary and of

modest value, to (i) an executive, official, employee or agent of a governmental department, agency or instrumentality; (ii) a director, officer, employee or agent of a wholly or partially government-owned or controlled company or business; (iii) a political party or official thereof, or candidate for political office; or (iv) an executive, official, employee or agent of a public international organization (e.g. the International Monetary Fund or the World Bank) (“**Government Official**”); while knowing or having a reasonable belief that all or some portion will be used for the purpose of: (a) influencing any act, decision or failure to act by a Government Official in his or her official capacity; (b) inducing a Government Official to use his or her influence with a government or instrumentality to affect any act or decision of such government or entity; or (c) securing an improper advantage in order to obtain, retain, or direct business.

5. *Compliance with Domestic and Other Anti-Bribery Laws.* The Partner warrants that it is now in compliance with the laws of those countries where it operates, including all anti-bribery or anti-corruption laws, and will remain in compliance with such laws; that it will not authorize, offer or make payments directly or indirectly to any Government Official that would result in a violation of the Anti-Bribery Laws; and that no part of the payments received by it from Cyberbit will be used for any purpose that could constitute a violation of the laws of the Territory or the Anti-Bribery Laws.
6. *Subsequently Identified Anti-Bribery Law Concerns.* The Partner agrees that should it learn or have reason to know of any payment or transfer (or any offer or promise to pay or transfer) that would violate the Anti-Bribery Laws or the laws of the countries in which this Agreement is made or applies, it will immediately disclose it to Cyberbit. The parties will discuss promptly, as appropriate, in light of a potential Anti-Bribery Laws concern being identified, discovered, or disclosed. If, after consultation by all parties to this Agreement, any such Anti-Bribery Laws concern cannot be resolved in the good faith and reasonable judgment of Cyberbit, then Cyberbit, on written notice to the Partner, may withdraw from or terminate this Agreement with immediate effect and without liability.
7. *No Government Officials.* The Partner warrants that it is not a Government Official, and, if applicable, none of its officers, directors, senior managers, partners, owners or principals are Government Officials. The Partner agrees that if it or if any of its officers, directors, senior managers, partners, owners or principals becomes a Government Official, then the Partner will promptly notify Cyberbit thereof in writing. On receipt of a written notice, the parties will consult together to address concerns under the Anti-Bribery Laws and determine whether those concerns can be satisfactorily resolved. If, after consultation, any such concerns cannot be resolved in the good faith and reasonable judgment of Cyberbit, then Cyberbit, on written notice to the Partner, may withdraw from or terminate this Agreement with immediate effect and without liability.
8. *Right to Audit.* In the event of any audit or investigation of Cyberbit’s sales practices by any governmental or regulatory authority, Cyberbit and such governmental or regulatory authority will have the right to audit the Partner's books and records, at Cyberbit’s expense and at a time reasonably convenient to the Partner, to ensure that no such payments, loans or gifts, or promises or offers of payments, loans or gifts, are being made.
9. *Termination for Cause.* Notwithstanding any other provisions to the contrary, Cyberbit may immediately suspend or terminate this Agreement, without limiting any other right, without liability and without notice and at any time upon learning information giving it a reasonable belief that the Partner may have violated, or may have caused Cyberbit to violate, the Anti-Bribery Laws.